Beyond Máquinas de Dinero: 
A Case Study of a Low-Income Worker Cooperative

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Throughout this project studying community, I was fortunate enough to have the help of a community of incredible people. It is now clearer to me than ever that, in the words of Chandra Mohanty, “ideas are always communally wrought, not privately owned.”

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Preface

Worker cooperatives first caught my attention while I was studying abroad in Mexico in the autumn of 2005. Although I had been involved as a student activist with labor issues on campus, I had not encountered the refreshing ideological standpoint that cooperatives provide. I had not fully envisioned that a great way to avoid constant labor-management struggles is to make the workers the management! After visiting a metal artisan cooperative, formed of laid-off steel plant workers, I was fascinated.

I had the good luck of living with a family in Mexico who is involved in a cooperative community center. The community where they live was formed approximately thirty years ago by families who migrated to the city of Cuernavaca after an agricultural subsistence lifestyle in the country was no longer tenable. The women of this community realized shortly after settling there that they could not afford to buy everything that they used trade for or grow in their rural communities, and so they created the community center as a space to assist them in their economic hardships. Since its creation, the center has offered workshops on cooking, mending and making clothing, alternative medicine, artisan crafts, accounting and various other skills and services. These workshops teach women how to create things in their home which they might otherwise need to buy, as well as how to create products which they can sell. The Centro has also offered an inexpensive laundromat, psychological counseling, alternative medicine center, child care and inexpensive lunches for neighborhood children. When the government would not provide for them, and when regular jobs were simply not enough to support their families, these women pooled their resources and created something greater than the sum of its parts.
This idea is the impetus for this project. There are a tremendous number of people throughout the globe who are excluded from the dominant economic and social paradigms. Rather than attempt to force their way into these paradigms, these people often turn to each other to create their own rules and means of support.

Returning from Mexico, I was very curious to see how this concept played out in the United States. I was initially surprised to find that most worker cooperatives in the US are formed of relatively well-off people when the opposite was true in Mexico. Searching for examples of this form of workplace organization for people with less job opportunities, I came across the growing low-income coop movement in the US. I have since realized that by strictly looking at organizations which call themselves “worker coops” I am missing a lot of the community groups like the one in Mexico, groups who form out of necessity and without a definite label. However, by looking only at “worker coops” so-defined, I have been able to delve into an interesting and important alternative to the typical jobs that low-income workers hold, and consider the impact of community-based action on issues of labor.

One of the most striking aspects of cooperatives is the positive alternative that they create. While many leftist groups are bent on dismantling oppressive systems, cooperatives create an alternative. Tim Huet, who works in creating and supporting Bay Area coops through the Association of Arizmendi Cooperatives, writes “We at least need to build a working example of a democratic future economy and society, an inspiring example people can turn to as their eyes are opened wide by capitalism’s escalating crises” (Huet 2004). I hope that I have captured some of the sense of hope and promise that my interviews with coop members have given me in this project.
Introduction

Abstract: This paper explores the challenge that low-income worker cooperatives pose to conventional labor paradigms, using a house cleaning cooperative comprised of Latina immigrants as a case study. Through interviews with key players in the low-income cooperative movement and members of the coop, I have found that low-income worker cooperatives create a space for worker-owners to make important decisions regarding their workplace policy, resulting in a workplace which is more human-centered than the conventional workplace. This research suggests exciting new ways to conceptualize low-income work, as framed by low-income workers themselves. However, market pressures, time constraints and assumptions about low-income workers’ ability to organize and manage themselves continue to provide serious hurdles for the success of these cooperatives.

Worker-owned cooperatives provide a fascinating lens through which to examine contemporary issues of low-wage labor. As cooperative scholars Robert Jackall and Henry Levin explain, “…it is precisely because worker cooperatives are anomalous, contradictory organizations that they are worth pondering. They allow social thinkers to look two ways at once—toward the established order which cooperatives implicitly critique and toward an alternative future, the outlines of which they intimate” (1984: 11). By being “anomalous,” cooperatives illuminate and present alternatives to certain assumptions about workplaces that are seldom examined.

This process is not an easy one. Relatively few worker cooperatives (approximately 500) operate in the US today, and a much smaller number of these coops are comprised of low-income people. The coop movement, cooperative businesses and their advocates, is so strapped for funding and time, that they often are unable to look inward and examine their own development. Race, class and gender analyses have only recently taken root within the cooperative movement. In this paper, we have the time and
space to examine these issues, to look through the lens of worker cooperatives and deconstruct conventional assumptions about labor, and to raise questions about social hierarchies within the cooperative movement.

Eco-Friendly Home Cleaning Professionals (EFHC) is an eco-friendly house cleaning cooperative in Northern California comprised of fifteen Latina immigrants and will serve as a cases study for examining these issues. Opportunity Through Ownership (OTO), a non-profit organization which organizes cooperatives of Latina women and is currently providing some economic and logistical support for EFHC, will also be part of this study. Three main factors make EFHC an ideal cases study: first, EFHC’s location in the service industry, second, its Latina immigrant workforce, and third, its influence in the national cooperative movement.

First, Eco-Friendly Home Cleaning is part of the service industry, the largest and fastest growing employer of low-income workers since the 1970s. As continued growth of low-wage service jobs is expected, the lessons EFHC brings to bear on service work can be influential. Second, EFHC’s membership is entirely composed of immigrants from Central America and Mexico, the most rapidly growing sector of US demographics and also a demographic whose contributions to the US economy has been hotly contested in recent years. As new solutions are sought to problems of immigrant labor, EFHC is poised to serve as a creative and influential model. However, even without the recent uproar over immigrant labor issues, EFHC’s methods of improving workplace conditions for low wage workers merits serious attention for providing an alternative to the jobs mostly available to immigrants.
Finally, EFHC is a leader in low-wage worker cooperative development. Coop movement veterans and specialists in low income cooperative development widely recognize EFHC’s work as setting standards for low-income worker cooperatives and point to EFHC as a pioneer in integrating low-wage workers of color into the predominantly middle-class, white cooperative movement. According to my interviewees, EFHC is one of the two most important low-income worker cooperatives in the US.  

EFHC is also a particularly rich subject for a case study because of its relationship with Opportunity Through Ownership (OTO), the non-profit which organized and has been serving as an incubator for EFHC since EFHC’s founding three years ago. OTO has organized two successful house cleaning cooperatives similar to EFHC. The relationship is of further interest because of the demographic differences between the two: while EFHC is composed of Latina immigrants who are largely monolingual, OTO is composed of college-educated, mostly white, women. Feminist scholars like Cherrie Moraga, Bernice Johnson Reagon and Chandra Mohanty express the strong belief that cross-racial coalitions like EFHC and OTO are necessary for social change to occur. Yet they also insist that these coalitions need to break out of typical social hierarchies of race, class and educational status in order to have a truly open agenda. EFHC and OTO provide an opportunity to investigate the potential of these coalitions.

In this paper, I will explore the challenge that worker cooperatives pose to conventional labor paradigms. Through interviews with key players in the cooperative movement, members of Eco-Friendly Home Cleaning and members of OTO, I have

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1 The other being Cooperative Home Care Associates, a one thousand member cooperative in the Bronx, also working in the service industry. The large size of this cooperative severely limits its manifestations of workplace democracy and therefore make it a less interesting case study for this project.
found that low-income worker cooperatives create a space for worker-owners to make important decisions regarding their workplace policy, resulting in a workplace which is much more human-centered than most conventional workplaces. This research suggests exciting new ways to conceptualize low-income work, as framed by low-income workers themselves. However, market pressures, time constraints and assumptions about low-income workers’ ability to organize and manage themselves continue to provide serious hurdles for the success of cooperatives, and demand more attention.

In the first chapter, I will outline a brief history of worker cooperatives in the United States and describe the basic structure of and impetus behind these businesses. Cooperatives vary greatly in their structure, yet all contain elements of workplace democracy and worker ownership. The second chapter will introduce Eco-Friendly Home Cleaning and OTO, the case study for this project. The third chapter discusses several ways that worker input in cooperatives, and in EFHC particularly, prevents worker-owners from being mere “maquinas de dinero,” and emphasizes ideologies absent from most workplaces. The fourth chapter looks at concepts of “formal” hierarchies within EFHC, and how the lack of a formal hierarchy allows members to take on leadership positions, despite the ongoing presence of “informal” hierarchy. Finally, the fifth chapter provides further insight into some of the limitations facing coops and EFHC in regards to these “informal” hierarchies. Throughout this paper, conventional conceptions about workplaces will be challenged by the case study.

There are several assumptions which are implicit in this paper. First, I assume that human beings deserve and need the space for autonomy. Laws, norms, social hierarchies and institutions often greatly limit the abilities of women, people of color,
low-income people, immigrants, queer people and others to be self-determining.

Throughout this paper, I express that these limitations are problematic and that attempts to create space for self-determination should be encouraged. In doing so, I align myself with feminist scholars who seek to recognize and deconstruct these often hidden limitations. Second, despite this need for autonomy, I uphold the principles found so readily in the cooperative movement that human beings can achieve more together, in community. It is the search for this balance between self-determination and solidarity/community that inspires me to write this thesis.

I would like to disclose one more thing before continuing to present my research. As a white, college-educated, US-born woman with limited Spanish skills I have self-consciously embarked on this research project. I do not wish to mimic the countless studies where often well-intentioned white academics put a magnifying glass to the “other.” I want my paper to give voice to a group of people who are frequently excluded from academic knowledge, and I hope that this voice rises from my text (though, unfortunately, limitations on interviews have restricted this possibility). In all steps of my data-collection and presentation, I have attempted to be aware of these issues, yet, as I suggest later in this paper, as we are all embedded in social hierarchy, I am sure that I have not avoided all pitfalls.

**Methodology**

My research consists of interviews with two groups of subjects, as well as a review of documents such as meeting notes and training manuals. The first subject group is “experts” on cooperatives, comprised of veterans of the cooperative movement, as well as people working in low income cooperative development. I have interviewed ten
experts, ranging from academics to cooperative members, and have selected these experts using a snowballing method. I began by e-mailing several scholars who study worker coops, the staff of the US Federation of Worker Coops, and the directors of two Northern California cooperative networks and asking for recommendations on low-income worker cooperatives. I selected my initial contacts by researching active cooperative networks and familiarizing myself with contemporary cooperative literature. By speaking with knowledgeable members of the cooperative movement about other important figures, I believe that I determined the most relevant subjects for my research. My interviews with these experts lasted anywhere from one hour to four and a half, and were conducted in various locations according to the convenience of the interview subject. Some of the interviews were also conducted on the phone. I posed a standard set of questions to each subject and then devised another list based on the subject’s area of expertise; however, my interviews were semi-structured and often took unexpected directions (See Appendix C for interview questions). These experts are crucial in setting the stage for my paper’s audience, who presumably knows little about worker cooperatives. These interviews have also been central to my formulation of a framework to interpret the requirements and potential successes and failures of a low income worker cooperative.

The second set of interview subjects were EFHC members and OTO staff, as well as members of the board of directors of EFHC. I spoke with three of four OTO staff members, three board members, and four cooperative members. Though I would have liked to schedule more meetings with cooperative members, several factors proved to be constraining. Most significant among these factors were language barriers, the busy and unpredictable schedules of the coop members, and the reluctance (or at times, flat out
refusal) of OTO members to give me information to arrange interviews. There is, therefore, an obvious bias in my interview selection of coop members to people who were most able to or most comfortable with committing time to an interview. I found myself unwilling and unable to insist upon conducting interviews with unavailable cooperative members. The concern could be raised that I spoke with only the most willing and enthusiastic cooperative members, and therefore understand a falsely rosy perspective of EFHC. I would dispute this assertion by pointing to interview data which is not uniformly positive. I also worked to counteract this bias by reviewing cooperative meeting notes to better understand internal conflicts. The interviews were largely conducted at the OTO office in a meeting room with closed doors, however, I did occasionally meet my subjects at a local restaurant or in their home. All interviews were semi-structured and subjects were asked a fairly uniform set of questions, with specific questions tailored to their roles (See Appendix B for interview questions). All interviews were conducted in the subject’s primary language (English or Spanish) to ensure their freedom to express their opinions. I have completed the translation of these interviews with the occasional assistance of native Spanish speakers.

In addition to these interviews, I gathered more information by volunteering weekly with OTO for six months (June 2006 to December 2006). As a volunteer I helped OTO devise a document for groups seeking to form a cooperative, taught computer skills workshop for EFHC members, and helped with a fundraising drive. This work has allowed me to more closely observe the two organizations’ functioning and interpersonal relations as well as attend events such as meetings or coop parties. I have also reviewed various documents on EFHC’s board of directors, on the training of cooperative members,

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2 These factors, their impact, and their origin, will be discussed in more depth throughout this paper.
and on EFHC’s history to fill out my understanding of the cooperative. Finally, I have been able to interviews with coop members conducted by the OTO staff for their records.

Despite my close ties with OTO and EFHC, both groups have expressed the realistic recognition that a study of them will not yield completely positive results and have not pressured me to ignore unpleasant aspects of their organization. I think it will be evident in this thesis that I support the cooperative movement and its methods. Although my support is the original reason I began researching EFHC and OTO, I found that the reality of the two organizations was not as ideal as I had thought. Of course working with OTO has created some bias but it has also allowed me to understand both organizations much more deeply than I otherwise could have. I believe that whatever bias I may hold has not deeply impacted the integrity of my work.

Finally, a word on my data analysis. Coming from a feminist tradition, I see the deep importance in letting my work rise from the words of my interview subjects. Feminist scholars adopt this form of methodology because of a profound commitment to giving voice to those who are often silenced in contemporary culture and academia. Feminist scholars strive to dismantle traditional systems of power and privilege both through their subject matter and through the rhetoric of their writing. In many ways, I have modeled my work after Mary Romero, a scholar who has written on Chicana domestic workers, and has used her interviews with 25 domestic workers to create the framework of her research. My perspective on my topic has shifted many times, guided by my interviews and experiences at OTO and EFHC. I have tried to use my subjects’ definitions and conceptions of key terms wherever possible, and have framed my work in ways synthesized from my interviews.
Theories of feminist coalitional politics have also heavily informed both my own sense of my position of researcher (and ally) and my interpretation of my data. Cherrie Moraga and Bernice Johnson Reagon’s theories on the visceral importance of forming feminist coalitions, and Mohanty’s warnings about potential domination by second wave feminist agendas have allowed me to put my relationship with EFHC and EFHC’s relationship with OTO in an important context. Like many scholars whose research has informed mine, I have tried to work from the ground up, and I hope my thesis represents this perspective.

**Literature Review**

Scholarly literature on cooperatives has largely ignored the social-structural issues of race and class within the cooperative movement and within cooperatives themselves. The fairly recent phenomenon of low income worker cooperatives has received even less scholarly treatment. Cooperative literature celebrates the cooperative structure as an alternative to conventional and hierarchical workplaces, yet does not extend these ideas to low income workers. With this study, I hope to create scholarly research about worker cooperatives for low-income workers and encourage future research in this area.

Recent literature on house cleaning work has greatly aided my analysis of low-income worker cooperatives by providing a framework of the problems and benefits of conventional domestic work arrangements. Over the past 25 years, many authors have written about women of color as domestic workers, and the ways in which these women shape their occupation. Scholars have written extensively about racial issues, discussing Mexican & Central American women, who currently make up the largest number of domestic workers in the US (Hondagneu-Sotelo 1994, Mendez 1998, Romero 1992,
Salzinger 1991), as well as Asian-American (Glenn 1986) and African-American women (Dill 1994, Rollins 1985). These women, the scholars show, often have few job opportunities due to lack of formal education, language barriers, and more explicitly racist hiring practices, and thus turn to house cleaning as an acceptably gendered occupation with low start-up costs and, more recently, good potential earnings.

The scholars discuss the meaning of women of color working mostly within white women’s homes, and how the dominant-subordinate hierarchy of white woman client-woman of color domestic worker has reproduced social norms about race and class. Clients frequently adopt maternalistic attitudes towards domestic workers, using claims such as “you’re one of the family” to mask the exploitation of unpaid or degrading work including child care, cooking, or providing emotional support (Dill 1994, Mendez 1998, Ehrenreich and Hoschschild 2002, Romero 1992, Rollins 1985). The relationship between client and domestic worker has also been questioned in gendered terms: is it wrong for privileged women to hire other women to clean their homes, or “do their dirty work,” as some scholars have framed it: should there be a greater sense of women’s solidarity (Ehrenreich and Hoschschild 2002, Mendez 1998, Salzinger 1992)?

Despite this history of replication of social-structural inequalities, the scholars also discuss various forms of worker resistance designed to minimize the frequent exploitation inherent in the occupation (Glenn 1992, Dill 1994, Rollins 1985). Much of the recent literature on this subject discusses the “professionalization” of domestic work, that is, the attempt by domestic workers to minimize exploitation by increasing interpersonal distance between the client and the worker and by establishing firm, business-like regulations. Mary Romero’s work has been crucial to defining this trend. Romero (1988)
focuses on the ways that Chicana domestic workers create a more “professional,” economically and personally beneficial relationship with their clients. Based on in-depth interviews with domestic workers, she determines six ways in which domestic workers shape their work environment: “increasing opportunities for job flexibility,” “increasing pay and benefits,” “establishing and maintaining an informal labor arrangement specifying tasks,” “minimizing contact with employers,” “defining themselves as expert housekeepers” and “creating a business-like environment.”

“Professionalization” is not the only discussion of reclamation in the literature; domestic workers also reclaim their jobs by shifting workplace organization away from traditional live-in situations. Romero ties the formation of “professionalism” closely to the proliferation of women working independently and for multiple employers, a phenomenon she calls “job work.” Pierrette Hondagneu-Sotelo (1994) questions Romero’s suggestion that positive gains in domestic work have come from this independent “job work” and focuses instead on the transmission of theories of “professionalization” within informal social networks of Latina women working as domestic workers. Jennifer Bickham Mendez (1998) focuses on the role of a national house cleaning agency in fostering and limiting worker-based “professional” attitudes. Finally, Leslie Salzinger (1992) discusses two worker cooperatives, though she focuses on larger issues of the labor market in making domestic work both an attractive and feasible occupation for Latina immigrants.

The literature describes a history of the degradation of domestic work through oppressive societal norms about race, class and gender, yet, also, the history of the reclamation of domestic work by the workers. The authors document how domestic...
workers take control of their workplace through “professionalization” and through taking advantage of peer networks. Worker cooperatives, by providing a space where domestic workers can have significant workplace control, can be “professionals,” and can have a supportive peer network, seem to be a logical and ideal next step in this trend of reclamation.

Next, I will turn to the literature on worker cooperatives in the United States. Though this literature provides fairly extensive studies of the economics of cooperatives (Bonin et al 1993, Craig and Pencavel 1992 and 1995, Greenberg 1984) as well as fairly extensive how-to-form-a-coop documents, it does little to discuss low income workers. Most scholarship on worker cooperatives discusses a white, college-educated, downwardly mobile membership and does not question the dominance of this demographic nor speculate on the barriers to people of color, people without college educations or lower-income people in entering the cooperative movement (Ferguson 1991, Hackman 1994, Jackall and Levin 1984, Nadeau and Thompson 1997). Two notable exceptions are John Pencavel’s research on the plywood cooperatives of the Pacific Northwest, and Jeremy Brecher’s study of Cooperative Home Care Associates (CHCA) in New York City, *We are the Roots*. Pencavel’s study is of less relevance to a contemporary examination of low income worker cooperatives as it discusses a cooperative in manufacturing, an industry generating fewer and fewer jobs in the contemporary US. Brecher’s work is certainly important in affirming the existence of low income worker cooperatives (CHCA employs over 500 people), however, it is largely a case study and not an analysis of the relatively unique position which CHCA occupies in the mostly white cooperative movement, nor a detailed discussion of racial and class issues within CHCA or the
movement at large. Although I too am writing a case study, I situate this study within the context of contemporary issues in US labor and the US cooperative movement.

Using frameworks derived from my interviews, and also borrowed from feminist scholars and political theorists (Cherrie Moraga, Bernice Johnson Reagon, Chandra Mohanty, Barbara Cruikshank), I provide a case study and exploration of a low-income worker’s cooperative in the US which seeks to explore the benefits and drawbacks of this form of workplace organization.
Chapter One

Worker-Owned Cooperatives:
“If you’re going to have a human-centered workplace it has to be created by the humans who work there”

Every worker cooperative in the US seems to define “cooperative” differently. Christine¹ of the US Federation of Worker Cooperatives² likes it that way. She explains

One of the things we are struggling with is what kind of standards are there for being called a coop. And my response is people should do what works for their workplace… People have to do what works for them, that’s the whole point. If you’re going to have a human-centered workplace it has to be created by the humans who work there, and it’s not going to all fit into one uniform sort of way.

There is no federal incorporation code for coops³ and there is no national organization commanding adherence to coop principles. There are, however, several dynamic definitions of worker cooperatives which influence many cooperative workplaces across the country. The International Cooperative Alliance’s⁴ seven principles of cooperation provide a good initial framework for thinking about the basics of worker coops. The principles are “Voluntary and open membership; Democratic member control; Member economic participation; Autonomy and independence; Education, training and information; Co-operation among co-operatives; and Concern for community” (ICA website). While many of my interviewees who are deeply embedded in the coop movement made reference to these principles, few were able to recite them by

¹ All names of interview subjects have been changed. See Appendix A for a list of interviewees and their roles.
² The US Federation of Worker Cooperatives is a National organization organized to support the development of worker coops and other democratic workplaces. It is comprised of worker-coops across the US and was founded in 2004.
³ Only Massachusetts, Minnesota and California have coop incorporation laws
⁴ The International Cooperative Alliance is an international NGO founded in 1895 which seeks to “serve and unite” the international coop movement and publicize the benefits of cooperative workplaces.
heart. The principles invoke themes important to many in the coop movement, yet are not a comprehensive set of rules.

Despite the varying and flexible definitions of worker cooperatives, most cooperatives exhibit an emphasis on democracy and worker ownership which set them apart from conventional businesses. Briefly, democracy means that workers have a voice in their workplace policy, and ownership means that each worker is an owner, and most owners are workers. Yet, as I will explain in greater detail later in this chapter, these two concepts have incredibly flexible definitions: for some democracy may mean multiple group consensus meetings every week and for others it may mean electing a manager every two years. Within this context, low-income worker coops face a unique and additional set of challenges which will be discussed at the end of this chapter.

History

Before explaining the structure and organization of worker cooperatives further, a brief account of the origins of coops will prove useful. This account of coop history will provide insight into the economic and political reasons for forming cooperatives and a sense of some of the most important values underlying the formation of cooperative workplaces.

An account of the history of worker cooperatives in the United States could be short and formal or large and sprawling. Many key figures in the contemporary worker coop movement say that it began in the early 1970s, yet, principles of cooperation have been guiding the organization of work for centuries. Indigenous communities of the Americas used principles of cooperation to delegate tasks, divide food and make other decisions central to survival.
A more formal idea of worker cooperatives took shape during Industrialization in the 1800s. Industrialization created a sharp delineation between the owning classes and the working classes, spawning Marxists ideologies. Marxist ideas about “alienation of labor,” that is, the feeling of profound disconnect between a working class person and the labor which s/he is selling on the market, and the “control of the means of production”, the observation that capitalist classes, not the workers, own the businesses and workplaces, were crucial in underpinning cooperative ideologies.

The labor movement, which grew largely out of Marxist, socialist and anarchist thought, was originally dedicated to transferring ownership of the means of production to the workers. The labor movement believed that until workers were their own bosses, there would be a constant struggle between the owning classes, who want to maximize output with minimal labor costs, and the working class, who want to earn as much money as possible in decent working conditions. To labor activists in the late nineteenth and early twentieth century, worker ownership was the feasible end to ongoing labor struggles (Edwards 1979). While some businesses did manage to adopt a cooperative-style form of organization, the US labor movement largely abandoned its dedication to worker ownership during World War II when the US government gave unions collective bargaining rights. Since the 1940s labor struggles have been defined by the legal right of unions to sit down and negotiate with their bosses, whereas previously no pretense of cooperation between bosses and workers was assumed.  

Some of the strongest manifestations of cooperatives came out of the Pacific Northwest in the 1940s, 50s and 60s in the form of plywood factories. These workplaces

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5 The Industrial Workers of the World (IWW, or the Wobblies) continue to work for a more radical vision of labor, prominently featuring worker ownership, yet they have had little power over the past ¾ century in comparison to other large labor organizations in the US.
considered themselves cooperatives because most of the workers “bought in” and owned a share of the company. As a result, worker-owners received direct returns when the business was doing well and took direct financial responsibility when the company was not. The worker-owners also held collective hiring/firing power over their managers. Many factories converted to a worker ownership model because the plywood industry is extremely volatile and subject to periods of low activity. In conventional factories during these slow periods, many workers would be without jobs. As cooperatives, the worker-owners collectively decided to adopt lower wages during times of hardship instead of firing members. Although the plywood coops were not guided by formal political principles as the labor movement was, they saw the benefit in working together as a self-determining unit.

The Plywood coops have been widely studied because they are identical to conventional plywood factories in all aspects except ownership/democracy. Economists and Sociologists have found the plywood coops to be a perfect case for measuring the efficiency and productivity of cooperatives compared to conventional firms. Economic studies have shown that cooperatively owned Plywood factories were 13-15 percent more productive than conventional firms (Craig and Pencavel 1992; Greenberg 1984). Many economists believe the increased productivity is due to profit-sharing: workers are incentivized to work hard and encourage their co-workers to do the same because wages are directly linked to the business’s success (Greenberg 1984).

Economic theories about productivity in coops have lead to what an interviewee called “an uncomfortable marriage” between right-wing beliefs about ownership and traditionally leftist worker cooperatives.
These productivity studies are linked to the proliferation of ESOPs, or Employee Stock Option Programs, in which workers can buy a significant amount of stock in their company, essentially “owning” it. ESOPs are rarely democratic and are often a tool to increase productivity. ESOPs are often described as “making every worker a capitalist,” that is, giving workers a financial stake in their business and so making them less likely to cause trouble for the business (Derber and Schwartz 1983, Ramsay 1977). Scholars Joyce Rothschild and Raymond Russell write “Some who have advanced worker ownership in Congress have seen it as a way to reinvigorate capitalism, while others have seen in it a way to bring economic justice to the system” (1986:312). This tension is present throughout the modern coop movement.

More studied than the plywood cooperatives are the cooperatives which emerged from the political and social turmoil of the 1960s. During this era, many people were disillusioned with ideas about capitalism and the government, and wanted to avoid reliance on massive systems of economic power. The loss of manufacturing jobs, the desire to engage in grassroots activism, and the distrust of government all contributed to people turning to each other to provide jobs and sustenance in the form of cooperatives. Many of these coops were involved with food production and distribution, selling radical books, and bicycle maintenance: all businesses which carve a niche outside of mainstream culture. These cooperatives were quite insistent on having minimal hierarchy by instituting little, if any, differences in pay, having rotating jobs to avoid specialization of knowledge, holding frequent consensus meetings, and engaging each other personally and not just professionally.
Unfortunately for these groups of progressive minded folks, many of these cooperatives could not stand up to market pressures. Yet, many coops did figure out how to run a democratic, economically viable business. These coops, which have been around for over thirty years, have taught the new generation of worker cooperatives about the precarious balance between market demands and democracy. However, due to the flattened pay scale available in worker coops, the little opportunities for advancement, and the tenuousness of the business, most of the people who became coop members were those who could afford to take a financial risk. Coop members were largely white, college-educated, middle-class folks, who could afford to take a serious cut in pay and embrace an unstable future without serious financial risk.

During the 1990s, many cooperative members became deeply uncomfortable with the homogeneity of the movement and felt compelled to expand this job opportunity to people of color or low-income people. Partially due to the efforts of the “white coop movement” to engage the greater community, partially due to demographic and economic shifts, and partially because of pre-existing networks of mutual aid, the 1990s and early 2000s have seen a growth of worker cooperatives for low income people. This shift and its implications will be discussed in greater detail toward the end of this chapter.

From this brief history of cooperatives, we can see that coops are a form of workplace organization which has arisen from people’s desire to meet their own needs. Whether because of constant union-management struggles, the need for job stability, or a feeling of disconnect from conventional workplace values, cooperatives have been formed to provide an alternative. As I mentioned in the introduction, to paraphrase
cooperative scholars Robert Jackall and Henry Levin, cooperatives’ position as anomalous and alternative organizations make them such important areas of study: they allow us a vantage point from which to critique our contemporary forms of workplace organization and ponder alternatives. Now that we have a sense of some of the values underpinning cooperatives, we can discuss in greater detail some of the structures that cooperatives can assume, and the ways in which democracy and ownership play out in these structures.

Cooperative Ownership

In cooperatives, most workers are owners and most owners are workers. Although some cooperatives hire part-time workers or allow outside entities to own stock, the coop is generally owned by the people who work in it. After a trial period to ensure a worker is a good match for a coop, the worker contributes a set amount of money to the business and gets a share in the business’ profits. Economist John Pencavel has suggested that this “buy-in” may discourage certain individuals from joining a coop. In order to join a coop, Pencavel explains, one needs to be very risk tolerant. In a regular business if you loose your job, you loose your job, however in a coop if you loose your job you also loose the initial investment, which is often quite large. Cooperatives have tried to mitigate the risk posed by this buy-in by supplementing worker-owner contributions with loans or grants. Obviously, this risk is particularly salient if the cooperative is comprised of low-income people.

Wages or salaries are directly determined by the business’ success. In times of economic difficulty, coops often choose to collectively take a cut in pay rather than fire worker-owners. Additionally, coops often adopt a flattened pay scale to echo the
flattened hierarchies within the business. Flattened pay scales generally mean that managers are paid less than they would be in conventional businesses, and that the average worker is paid more than s/he would be in a conventional business. Depending on the decision-making structure of the coop, worker-owners may have the chance to decide how to allocate profits in the cooperative, and can therefore decide if they want higher wages, paid vacations or perhaps even to attract a more skilled manager through offering a larger salary.

**Possible Decision-Making Structures: Democracy in Cooperatives**

The three most common decision-making structures in cooperatives are collective/consensus, a board of directors, and a manager. Some cooperatives may combine aspects of all of these decision making structures.

The decision-making structure which appears most frequently in the literature is consensus (Ferguson 1991; Hackman 1984; Jackal and Levin 1984). This structure is often studied because it so dramatically differs from decision-making in most US firms. Collectives make decisions using consensus processes, meaning every important decision is determined by a compromise of all collective members. If one member disagrees with a decision, the decision will not be implemented. While most literature suggests that collectives are ineffective with more than thirty members, some innovative large collectives, such as Rainbow Grocery in San Francisco, function by consensus even with hundreds of members.\(^6\) Collectives are the cooperatives most tied to the movement’s “hippie” roots.

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\(^6\) Rainbow Grocery operates by dividing into smaller collective committees, such as Produce Committee, Effective Meetings Committee or Dry Goods Committee, and making consensus decisions within these smaller groups. Representatives of these groups then go to coop-wide consensus meeting and represent their committee.
Other coops may not entirely adopt a consensus structure, but may make avid use of group discussion to generate ideas and gauge interest before giving room to a board of directors or a manager to make a final decision.

Although consensus decision making may seem to be democracy in its purest form, there are many concerns about the ability of voices to be equally heard in this process. In her essay “The Tyranny of Structurelessness,” feminist scholar Jo Freeman discusses the divisions of power, such as friendship groups, seniority, race, class and gender, which cannot be entirely eliminated even in consensus meetings. Charlie, organizer of many successful Northern Californian cooperatives, touches on this point, explaining, “You can’t hire people and expect them to treat each other as equals if you don’t equip them to operate as equals.” Anti-oppression trainings are a crucial piece of many cooperatives which employ consensus or other discussion-based decision-making processes.

Another decision making structure is a board of directors. The board of directors can consist of cooperative members or a mix of cooperative members and non-members. Usually the members of the board are elected by the cooperative for a one year term and meet as frequently as necessary to make decisions about coop policy. Often the board will meet with the full cooperative membership to discuss important issues and to receive the opinions of the membership. Boards of directors are usually significantly smaller than collectives but may make decisions through consensus or voting.

A cooperative may also have a manager instead of or in addition to a board of directors. Sometimes the manager is an elected member of the cooperative, but often the manager is not a cooperative member. As a non-member, the manager does not receive
the benefits of profit-sharing and democracy in the cooperative, and is hired and fired by the cooperative membership. Some have explained this situation as “labor hiring capital” as opposed to “capital hiring labor” (Pencavel 2001:9). Holly, the former director of the UC Davis Center for Cooperatives, says that in these scenarios “the manager is very aware that they are not the boss,” and that this status helps maintain democracy in the cooperative.

When cooperatives employ multiple decision making structures, the tasks are often divided. Frequently a cooperative may have a manager to handle concerns about day-to-day operations while the board of directors deals with policy concerns and employment issues.

As discussed in the beginning of the chapter, different coops have different definitions of democracy and different goals. For some cooperatives, one of the most important goals is creating space for each member to discuss and impact the business, and for those cooperatives a manager might not be the best decision making structure. However, some coops prioritize the stable and well-paying jobs cooperatives provide and believe a manager can run a successful business more smoothly. Charlie explains, “Sometimes a decision is made that these people [the worker-owners] need money, they need to actually have secure jobs and having a manager to do that would fulfill those roles more quickly, and maybe more securely. And that’s a fine decision to make to depending on what your values are and what your expectations are.” Below I will discus two main reasons for having an official manager.

*Financial Reasons for Management*
Ben, a consultant in cooperative development, stresses that management is central to the ability of cooperatives to get loans from banks. He cites both the lack of knowledge about cooperatives and the lack of specific accountability as reasons why banks will often not lend to cooperatives.

Another common source of capital which cooperatives benefit from is the support of philanthropic foundations. While these organizations are more likely than a bank to understand cooperatives and give money to an unconventional organization, they still often mandate some form of management for ease of communication. Many philanthropic organizations also demand a long application process which does not guarantee success. Most cooperative members do not have the time to engage in this long process. A 2004 conference by the organization INCITE! discussed in detail the difficulties of successfully pursuing foundation grants without a very formal hierarchy, due to strict guidelines that foundations place on grant applications and applicants. A collective, therefore, would have to work very hard in order to secure philanthropic capital.

The ability to obtain loans or grants is a crucial factor in the feasibility of low-income worker cooperatives. John Pencavel explains that without significant loans, worker-owners have to produce a substantial amount of the start-up capital necessary for a business to function. The generation of this capital decreases the feasibility of low-income worker cooperatives for two reasons. First, many low-income people do not have the capital at their disposal. Second, Pencavel points out, even if low income people do have enough money to invest, this money will most likely represent a significant portion of their assets. In the event that the cooperative fails the worker-owners lose all of this
money *in addition* to their jobs. Banks and philanthropic organizations mitigate some of the serious financial risk involved with internally generated start-up capital by providing an additional source of funding. The process of obtaining money from these sources is simplified by a manager.

*Specialized Market Knowledge*

The specialized skill often necessary to start and run a small business is a second argument for an official manager. Cooperatives operate in diverse sectors from homecare to lens crafting, yet few possess a membership which is well trained in business management. Were cooperatives simply to rely on the economic know-how of their members, many would not survive. Some cooperatives decide to train pre-existing members in business, believing that business skills, like house cleaning or baking, can be taught and learned with relative ease. Other cooperatives feel they need an explicitly trained manager.

Managers also make cooperatives more agile. Consensus decision-making processes are notoriously long (one San Francisco collective debated for months about whether to put a sign reading “worker-owned cooperative” inside of their shop), and therefore often cannot respond promptly to market demands. Ben explains, “Some people go for no hierarchy, but that really trips them up because they need a quick reaction to the market.”

*Concerns about Management*

While there are many practical reasons for hiring a manager, there are also several concerns about managers within cooperatives. The first is largely logistical: finding and retaining skilled managers willing to work in a cooperative can be very difficult. This is
partially because cooperatives often focus on worker’s wages, as opposed to paying managers a competitive salary. While cooperatives frequently pay their managers more than the worker-owners, this salary is often less than managers might find elsewhere. Holly explains, “In a real worker coop it’s impossible to make a lot of money because you can’t skim money off the top of low or medium wage workers.” Todd, Bay Area coop manager, elaborates that very few low wage workers are going to want to sacrifice their salaries in order to pay a manager more. Many cooperatives question whether a manager’s work indeed merits more pay than the work of the worker-owners.

The second concern is more ideological. The above discussion of management assumes that one of the most important goals of a cooperative is to operate in the market in such a way to maximize profits. However, cooperatives may be focused on safe and healthy working conditions, worker empowerment, or dismantling hierarchy instead of or in addition to making profit. Though a cooperative must generate enough income to break even in order to continue to work towards its goals, concerns about equity and worker empowerment challenge the profit-driven model.

Finally, many people involved in cooperatives believe decisions are more effective when made by the group of people impacted by the decision. Charlie explains, “Almost every time they (worker-owners in training) see that they group’s decision about what they should do is better than any individual’s decision. So we’re trying to teach about that, that actually tapping into the collective mind is a better decision.” We can see that while a formal management structure has its advantages, there are also many arguments against it.
Democracy

Many of the concerns with cooperative managers stem from a cooperative’s desire to be democratic. But what is democracy? Although I will not set forth an extensive definition of democracy, I will give a working definition of the concept by discussing a few of the most common and salient ideas about democracy as seen by members of the cooperative movement.

Christine explains, “What [democracy] means is really listening to other people, thinking that they might have something to say that’s as valuable as or more valuable than you. And the money and the business structure are really secondary to me to the idea of having a fundamental respect for the people that you work with.” She continues “… the alternative to democracy is abdicating your own personal decision making to someone else and I guess I feel like… no one really has to right to make your decisions for you.” Christine helps us understand two key ideas of democracy: first, in order for democracy to function, all coop members must listen to and respect each other; and second, that democracy means having autonomy and control over your own life. Democracy in a coop is a mix of working in and with a community and having individual autonomy.

Tom, a cooperative manager in New York, feels that cooperatives are an incubator for democracy. Christine paraphrases him:

If you really think about it you don’t have the chance to exert your voice or any sort of power all day. Your home is usually not a democracy; maybe…School is not a democracy. Most jobs are not democracies. You never really… you might vote, but you don’t really feel the power of your voice in the public sphere… I mean I’ve seen it actually happen: people come in to a coop sort of looking for the boss, and trying to figure out where they fit in it, and once it clicks in like ‘oh, I actually
made that decisions I have to abide by.’ Or ‘I blocked that
decision because I didn’t believe in it’…I love that idea of his,
that its like a workshop, it’s a workshop for democracy and it’s
a way to teach democratic principles in a society that we don’t
really have that teaching going on, even though we are
allegedly a democracy.
Cooperatives provide a place where people can test out their voice and try to feel what it
means to make important decisions.

Todd complicates the idea of democracy explaining that “Democracy can’t mean
that we need to be involved with all our institutions, we can’t be involved with
everything… And actually, we don’t physically or logistically have enough time. A
human being just doesn’t have enough time.” For Todd, democracy is a matter of
feasible participation in the arenas that are important or most valuable to you. We could
see this question being raised in terms of consensus meeting time, in the section above.
Sure, it would be great if everyone could take time out of work to discuss workplace
policy, but who has time to have a two hour unpaid meeting every day? Is that feasible?
Todd suggests that democracy in a coop isn’t a matter of every person making all of the
decisions.

“Candles and Sandals” versus Low-income Worker Coops

Since the 1970s, businesses in the US which might formally be described as
cooperatives have been comprised of predominantly white, college-educated,
downwardly mobile people, looking for a workplace to complement their politics.
Cooperative scholars Robert Jackall and Joyce Crain conducted a survey of small worker
coop cooperatives in the early eighties and found that these cooperatives were 94% white
(Crain and Jackall 1984). Ben, a consultant in cooperative development, describes these
early coops humorously as “Candles and sandals… they are hippies and…. They make
nice little candles and they live in their communes with Daddy throwing in a little on the side.” As we saw above, this image of worker coops as a bunch of naïve, idealistic hippies who don’t know how to run a business is not entirely accurate, yet, from Ben’s statement we get a sense of one perception of worker cooperatives.

How do coops provide work for both people who have “daddy throwing in a little on the side” and low-income workers? It would be inaccurate to suggest that modern low-income worker coops are rooted only in the white, middle-class cooperative movement. Although perhaps this group of people was the first in the US to formally claim the term “cooperative” and demand a corresponding legal business structure, many communities throughout the country’s history have used cooperative tactics to provide for themselves.

The Freedom Quilting Bee in Gee’s Bend, Alabama is a striking example of a cooperative strategy which began completely independent of any formal cooperative movement. The Freedom Quilting Bee was a quilting collective formed by Black women from sharecropping families who needed an alternative source of income. Bolstered by 1960’s Civil Rights ideology, the women formed a collective which was successful in providing both economic revenue and a positive and safe community space for almost thirty years. Lauren, economist and professor of African American Studies, explains that cooperative strategies have been both consciously promoted by African American leaders and unintentionally utilized by African American communities “because we [African American people] are so marginalized historically and other strategies have fallen short.” Cooperatives find their roots in not only the search for an anti-capitalist community-based alternative, but also in groups of people seeking to provide for themselves what governments and other agencies fail to provide.
Second, a more problematic, yet more often cited connection between the “hippie” coop movement and low-income worker cooperatives is the outreach that white coop members have done to recruit people of color into the movement. In the mid 1990s, veteran members of the white cooperative movement began to seek to diversify the movement. Charlie has worked with two of the most successful worker cooperative in the US and has seen this process of “diversifying the movement,” as he explains it. He says,

The cooperative culture in the last ten, last fifteen years has been becoming more diverse. With our first cooperative the only way we put out our notices was through the Cheeseboard and through other existing cooperatives for recruitment. We really tended to get applicants who reflected the existing cooperative movement… our next coop really did outreach in groups that are underrepresented in the existing cooperative movement because we want to show that it can work for everyone.

Charlie also uses language about outreach from the white cooperative community to explain many of the current successful low-income worker cooperatives, “People have created cooperatives which are specifically about helping people in low income communities and people of color” (emphasis mine). This framework for low-income worker cooperatives is in some ways contradictory with the story of the Freedom Quilting Bee: one, a low-income community coming together to help itself, the other a white, middle-class community coming to help that community. This tension arises repeatedly throughout the cases study of OTO and Eco-Friendly Home Cleaning. OTO, a white community “helping” the Latina community, and Eco-Friendly Home Cleaning the Latina community helping itself.

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7 A long-lasting Bay Area worker cooperative
While low-income worker cooperatives are characterized by the structural traits mentioned in the previous sections, a few additional factors play an especially important role. These factors include pay, ideology and outside assistance. First, in terms of pay, college-educated members of the white cooperative movement frequently earn less money than they would elsewhere. Conventional businesses give those with more marketable skills a much higher wage than someone without a college education. In cooperatives, only the manager receives a different salary than the rest of the worker-owners. Thus, a college-educated coop worker is likely to be earning much less than s/he might earn elsewhere. However, the opposite is true for low-wage workers. Because cooperatives have less hierarchy, that is, a minimal structure of supervisors, managers, and other forms of “bosses,” fewer people share the businesses’ profits resulting in more money for the average worker-owner.

Second, to discuss ideology, many worker cooperatives are tied together in a shared disavowal of the current economic system and espouse very deliberately leftist rhetoric. However, many veterans of the coop movement now recognize this initially unifying ideology as divisive. Christine explains “I’m less and less interested in [explicitly political] coops because I don’t think it casts a wide enough net, you know, not everybody is a leftist and it’s a good job, so you know, I’m really drawn to the idea of promoting coops as an economic empowerment strategy… for everyone.” While many lower-income people have explicitly leftist political beliefs, most low-income worker cooperatives are not as overtly “anarchist” “communist” or “socialist” as some of the more traditional worker cooperatives.
Third, many of the most successful U.S. worker cooperatives country have been founded by people external to the community that the cooperative draws from. For example, Cooperative Home Care Associates, a 1000-person cooperative in the Bronx, was formed by a group of five white individuals, from mixed income backgrounds, who now work largely with Black and Latina women in the home care industry. Does this imply that formal cooperatives are still predominantly a form of workplace organization utilized by white people? What does this mean for the autonomy of the cooperative members? A more in-depth discussion of these dynamics can be found in Chapter Five.

This chapter has given a brief description of many of the interconnected factors which create and sustain worker-owned cooperative. These threads will be picked up multiple times throughout the remainder of this paper and brought together in different ways. Worker-owned cooperatives are incredibly versatile workplaces, designed and re-designed to meet the needs of the business and especially the worker-owners. Low-income cooperatives face an interesting set of issues which are challenging but which also can give way to incredibly successful and well-paying jobs for low-income workers. The next chapters will illustrate the problems and successes that one of these cooperatives has faced.
Chapter Two

Opportunity Through Ownership and Eco-Friendly Home Cleaning:
Introducing the Case Study

Armed with a better understanding of worker-owned cooperatives, we can now explore the specifics of Eco-Friendly Home Cleaning, a coop of Latina immigrants in the Bay Area and OTO, the non-profit which supports the coop. Eco-Friendly Home Cleaning is an important case study because it is a widely replicated model for low-income worker cooperatives. EFHC also teaches the possibilities of worker-ownership in the service-industry, the largest employer of low-income workers, and for Latin@ immigrants, the fastest growing demographic group in the US. If low-income worker cooperatives multiply, it seems very likely that EFHC will continue to lead the way as a model organization.

OTO and EFHC are central figures in a national trend of forming community-based mutual aid organizations and businesses as a way of meeting local needs in the globalizing economy. A 1993 study explores over a dozen businesses, roughly construed as cooperatives and comprised of Latin@ immigrants in the service industry, throughout California. Most of these organizations are founded by an external group of individuals to provide “a supportive, community based organization where Latino immigrants could share cultural values and activities,” rather than a wholly financially independent business (Conover, Molina and Morris 1993: 4). According to the 1993 survey, many of these organizations began in the late 1980s and early 1990s in response to state-wide, national, and international loss of manufacturing and industrial jobs; increased

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The spelling “Latin@” signifies both Latino and Latina simultaneously (the a is inside the o).
immigration due to Central American civil unrest; and new laws which made finding work more difficult for immigrants.

In addition to these California cooperatives, Cooperative Home Care Associates, a 1000 member cooperative in New York City has been very successful in creating democratic jobs for low-income service-sector workers. Numerous groups around the country approach Cooperative Home Care Associates and OTO for advice in replicating their models. The growing popularity of this model suggests that cooperatives fill a gap in the needs of low-income workers. A Eco-Friendly Home Cleaning member recalls attending a health fair in Marin County, she explains “it was very exciting, how people came up to us. Almost everyone who came up was working in housecleaning and they wanted to know when we would be doing a coop there. That would be great.”

OTO was founded in 1994 by a group of women who worked for Christian Charities. Part of this work involved organizing and supporting a house cleaning cooperative comprised of Latina immigrants. The women working with Christian Charities found this model to be so useful that they joined with a former cooperative member to create a non-profit organization dedicated to spreading the cooperative model as a means for empowerment, OTO. An internally-generated study of OTO’s history explains that one of the founding members “…believed that cooperatives could broaden the range of economic development options available to those with low incomes. … [She] believed women and recent immigrants could succeed by working together cooperatively to make the business development process less overwhelming and risky” (Case Study 2001: 4).
OTO chose to reject the most common model for cooperative development, framed by the ICA Group in Boston, which focuses heavily on creating a solid business framework before recruiting members. OTO wanted the coop members to be deeply involved in forming the cooperative’s policies and business goals, and so first focused on recruiting and training a group of women in business practices, non-violent communication, and basic financial skills and then worked with these women to create a business plan.

Eco-Friendly Home Cleaning is the sixth cooperative organized by OTO. Of the previous five cooperatives, two are still functioning and successful businesses. OTO began by exploring a variety of business options. Originally the group wanted to coax women out of “traditionally female business areas,” like house cleaning; however, they found that house cleaning cooperatives had tremendous success (Case Study 2001: 10). One reason for this success is that many women, for better or for worse, already know a lot about cleaning homes and thus training costs are low and many are qualified. Another factor, as OTO current executive director explains, is “We …picked an industry that has a good profit margin. If you run a house cleaning cooperative well, you should make a good profit.” OTO has also discovered there is a very large market for eco-friendly house cleaning services in the Bay Area. Providing these eco-friendly services makes the coop even more worker-friendly, as regularly using conventional products, like Bleach and Windex, has been found to be damaging to people’s health.

As discussed in the literature review, house cleaning work is a historically, economically and socially significant job for Latina immigrants. The United States has a long history of low-income women of color working in wealthier women’s homes, and a
long history of women of color claiming and reclaiming this occupation with dignity. A house cleaning cooperative fits in with this trend of women of color framing their occupation as a dignified one. OTO’s initial desire to steer their cooperatives away from house cleaning reflects a common perception that house cleaning is degrading and difficult work. While there is a significant amount of literature which frames women cleaning other women’s homes as degrading, there is also literature which describes house cleaning as a very flexible, decent-paying job which allows women workers the opportunity to have greater control over their work. A more in-depth discussion about house cleaning and its gendered social role will follow in the next chapter.

OTO’s goals are clear: to create as many healthy, democratic, well-paying jobs for Latina immigrants as possible. The lengthy trainings (which include general information about cooperatives, owning a business, eco-friendly house cleaning techniques and products, as well as activities designed to encourage leadership, confidence and non-violent communication), the ongoing peer leadership program for coop members, and the bi-weekly coop meetings demonstrate that OTO is committed to creating jobs which are atypical and uncharacteristically focused on the whole human being.

Eco-Friendly Home Cleaning opened in 2003 with eight founding members. Although its size has fluctuated, it currently has 15 members and holds trainings about three times a year to recruit new members. Coop members and OTO staff report that they would like the number of members to double in order to reach their goal of a million dollars in revenue.
Eco-Friendly Home Cleaning, unlike OTO’s other two successful coops, has stayed under the wing of OTO for over three years now, a process OTO calls “incubation.” After previous experiences with the other coops, OTO saw the necessity in maintaining closer contact with EFHC during its early stages for reasons related to both organizations’ financial stability. During this “incubation” period, OTO provides ongoing training for cooperative members, funds new member training, offers financial assistance and consulting and pays the salary of the manager. EFHC is set to “graduate” in 2007, being able to financially support its manager and own trainings. In all likelihood, OTO will remain very involved with advising the young business, although the parameters of this relationship are still being determined.

Before discussing the business structure of EFHC, one more aspect of the relationship between OTO and Eco-Friendly Home Cleaning should be discussed: the racial and socio-economic differences between the members of the two organizations. The women in the cooperative are all fairly recent immigrants from Mexico and Central America. A few have had some form of college education, but many have not attended school past second or third grade. Additionally, most of the women only speak Spanish. Although they have each come from different backgrounds and countries, as immigrants to the US with little educational status, they struggle to find well-paying and healthy employment. By contrast three OTO members, Allison, Lisa and Claire, are white women, while one woman, Marta, is Salvadoran. All OTO members have a college degree, and half have a graduate degree as well. While Marta prefers to speak in Spanish, she is also fluent in English. By most markers of social status in the US, the OTO members have positions of privilege and power that EFHC members do not possess.
Though this relationship and its dynamics will be discussed in greater detail in Chapter Five, we should remain constantly aware of how the differences in power between the two groups might impact the functioning of the cooperative.

**Eco-Friendly Home Cleaning Business Structure**

Eco-Friendly Home Cleaning has two different decision making bodies: a manager and a board of directors. The decisions made by the manager and the board of directors are heavily informed by general discussion by all of the cooperative members during bi-weekly meetings.

OTO began their cooperatives hoping to train coop members to be managers. However, after discovering that manager trainings took too long, they began recruiting outside managers with the “green light” of the cooperatives. As mentioned in the previous chapter, finding a good cooperative manager is a tremendous challenge. A board member of OTO explains,

> It is difficult to find good cooperative managers, they don’t teach that in our manager schools. We’re trained that power is domination. You need to find a manager that can keep facilitating and it’s hard to figure out how to use authority you’ve been rightfully given and how to foster collaborative effort… We’re on our fourth manager and the coop is only three years old!

EFHC has struggled to find a manager with the business knowledge and the facilitation and communication skills to run the cooperative smoothly. One manager was working out very well, but wanted a higher salary. Another didn’t have enough familiarity with business models, and a third became too personally involved in conflicts within the coop membership. The current manager is Allison, an OTO staff member. Allison adopted the job temporarily when the previous manager suddenly quit, but has decided to

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2 The implication that training low-income women to be managers is too difficult will be examined in greater detail in Chapter Five.
continue in the position. Lisa, a member of OTO’s staff explains, “We’ve talked about who to look for in a manager and between [three of the OTO staff members] there are two views. One- Someone who can run a business, manage it, know how to make a business grow… and if that’s in place [there is the perception that] the democracy can work without impediment. Two- The job skill set is… a good people person, who’s been a teacher, an organizer, someone who knows how to facilitate group process. It’s a really hard job to do. I think I couldn’t do it.” Like the worker coops discussed in Chapter One, EFHC has struggled to balance democracy with business.

When asked about decision-making within the coop, worker-owners at EFHC primarily discussed the mesa directiva (board of directors) and not the manager. Monica, a coop member, explains, “If we stay or if we go, if someone in the coop can continue to move forward, it all depends on the mesa directiva.” While the manager is responsible for daily coop functions, such as assigning coop members to clients or facilitating meetings, the mesa directiva is in charge of important policy decisions for the cooperative.

The mesa directiva is comprised of eight members: Carolina, a community representative, elected by the coop members to represent “a community of immigrants, but especially of women looking for leadership from the community;” Vicky, the OTO representative, chosen by the organization to represent their continuing interests; Allison, the coop manager; Claire, the executive director of OTO; and Yolanda, Carmen, Leti and Adelina, four cooperative members elected bi-annually by the cooperative. The coop plans to restructure its mesa directiva after it achieves independence from OTO, but it is not sure exactly how it will change.
The *mesa directiva* is an important site for democracy within the coop, according to coop and *mesa* members. OTO’s executive director, Claire, explains, “I have seen members who are sitting on the board kind of speak out more and more and become more nuanced in their thinking, and play a larger role.” Ana, a coop member who is not yet on the board explained, “I’d like to be part of the *mesa directiva*, I like everything about administration, decision-making. In the future, if my companeras vote for me, I’d like to do that.” Her workplace partner, Carmen, who is on the board, said she became interested when the community representative, “said we should get more involved, learn more about our business, we have to mentor each other more… what Carolina said motivated me.”

Another important location of decision-making is the coop’s 2 ½ hour bi-weekly meetings. At these meetings, important policy concerns are discussed, and the members make recommendations to the *mesa directiva*. Most often, the *mesa directiva* follows these recommendations. Leticia, a cooperative member, explains the process,” First, they say the proposal, then everyone gives their opinions and we choose the most important, then we vote…I feel confident [in the process] because it’s the best idea, they don’t all like [my opinion], but I say it myself and I have my opinions.” She continues, “I feel it is democratic because everyone says their opinion, and everyone is like partners.” Leticia expresses one of the most important purposes of these bi-weekly meetings, that every member has the space and time to discuss their own workplace.

Despite, the enthusiasm for democracy in the bi-weekly meetings and the *mesa directiva*, participation in these processes is limited by fears of speaking up as well as time and resources constraints.
Marta, current training director and former cooperative member, points to misogyny, which she says has dominated the lives of many of the cooperative members, as a barrier to full participation. She explains that many of the women have been socially taught that they do not have a voice or valid contributions. The coop tries to overcome societal and familial misogyny through its trainings, which give the coop members space to consider all of the positive attributes they bring to the cooperative, to their families and relationships. The coop meetings and trainings are also specifically designed to facilitate participation, with exercises that involve each member voicing their opinion.

Time and resource constraints are another limiting factor in participation. Coop members express worries about loosing pay during board meetings or bi-weekly group meetings. While the coop members never explicitly said their time in meetings was ill-spent, they did not rank the bi-weekly meetings as one of the best parts of the job either. Notes created by coop members during one of the early meetings ask “Will we loose work the day of the meeting?” Claire expressed that it is hard to get enthusiastic turnout for these meetings and other events sometimes because “…you are working with people who don’t have a lot of time and their priority is not necessarily workplace democracy.” Until very recently, meeting time was unpaid time. Now coop members earn $5/hour for their time spent deciding workplace policy. This step is crucial in providing substance to the belief that the decision-making process and the cleaning are both important parts of the job.

By many accounts, Eco-Friendly Home Cleaning is off to a very successful start. Revenues increased by a little bit less than double from 2005 to 2006, and the coop has
more customers than they can schedule. Worker-owners are earning $13.50/hour in an industry where most earn less than $10/hour. Coop members have health care and dental care, which is almost entirely unheard of for low-wage immigrant workers in the United States. In addition, members have the opportunity to have their voices heard in their workplaces, something few low-wage workers experience. Eco-Friendly Home Cleaning is also set to reach financial independence from OTO during 2007. Here we have a successful, influential model of worker-ownership for low-wage workers, yet we would be remiss to not examine some of the dynamics which complicate the situation for OTO and EFHC.
Chapter Three

Paying Attention to the *Parte Humano*:
Autonomy and Self-Determination in EFHC

An important theme which ran my conversations with cooperative members is the necessity of self-determination. This idea is particularly fertile for low-income workers who often can only find jobs where workplace structure leaves little room for self-determination. Carolina, community representative on the *mesa directiva*, explains that in a conventional workplace “it doesn’t matter if she is sick, if she has a rash, she has to clean with chemicals. Like a *maquina de dinero*. If someone is sick in a coop, they pay attention to the *parte humano*. Outside, if she’s young she gets lots of work; if she’s old she can’t have any work. We’re *maquinas de dinero*, that’s all they see us as, money machines.” EFHC has structured a workplace which prevents workers from being “money machines” by inviting participation, leading to the celebration women’s contributions to work, the “professionalization” of house cleaning work, better health through use of eco-friendly products and worker input on distribution of profits.

The very structure of a worker cooperative, especially the decision-making mechanisms and distribution of responsibility, creates space for self-determination through democracy. Regular meetings and voting processes are built into the cooperative workplace to invite continuous input. Although, the process is not flawless and informal hierarchies often influence policy, workers voices have a fundamental role in the business’ functioning.

Christine discusses the importance of democracy:
The alternative to democracy is abdicating your own personal decision making to someone else and I guess I feel like… no one really has the right to make your decisions for you. And it’s important to the health of our populous too that people learn how to effect their environment so that they can effect their environment on a broader scale or feel at least entitled or empowered to do that.

The democracy found in cooperatives allows workers to be self-determining at work and equips them to bring this self-determination into other arenas of their lives. Democracy spill-over effects, where worker-owners become more assertive politically or socially as a result of their participation in the workplace, are often cited by coop members.

The self-determination and democracy found in coops is particularly important when applied to low-income people, women, and people of color, whose choices in the US are often restricted by a system which denies them opportunities to advance or which does not value their contributions.

There are several mechanisms for Eco-Friendly Home Cleaning members to express their opinions and shape workplace policy. Coop-wide, bi-weekly meetings provide a space for all members to discuss relevant concerns and make proposals for policy change. The *mesa directiva*, though only containing four coop members, allows members to directly impact policy through discussion and voting. Although few members are directly involved in voting for policy, many express that this level of democracy is totally adequate. Coop members feel this way largely because the board members only make a decision after consulting the entire membership and polling members during bi-weekly meetings. Concerns raised during bi-weekly meetings figure heavily into the ultimate decision-making process. Although the system of democracy within EFHC is not perfect, it does create significant avenues for worker input.
Before becoming coop members, the women take part in an extensive training program. The training illustrates, as Carolina explains, that “workers have rights, they have a voice, and we are working to respect worker’s dignity.” Potential members are trained in communication and basic financial skills in addition to least-toxic cleaning methods. Teaching skills useful beyond the workplace makes clear that worker-owners are human beings, mothers, friends, spouses, students, romantic partners, daughters… not just house cleaners. This initial training establishes the fundamental idea that members can shape their workplace to fit their needs.

Reproductive Labor

House cleaning is not a job immediately greeted with societal respect. A woman’s work in her own home is almost invisible: the default expectation is that she will clean and if she does not she has failed. Feminist scholars have long grappled with women’s role in the home, claiming that women need to work outside the home to have power. In the past forty years, many women in the US have started working outside the home and soon feel like they have no more time for house work. These women often hire other women to work in their own homes for them. Implicit in this movement between workplaces is a hierarchy: some women choose to work outside the home, leaving their “dirty work” for other, less privileged women.

Yet why is house work so undervalued? Though I will not propose a theory about gendered labor, I will suggest that this work is very intrinsically valuable. “Women’s work” in the home, is the creative tasks of raising children, caring for loved ones, cooking and providing a healthy living space for a family. This work is not easy and this work is crucial.
Many Latina immigrants in the US find paid work in these kinds of domestic jobs. Many of these women clean cook and care for one family, while simultaneously doing the same for their own. OTO struggled with the role of Latina women in domestic labor. Originally, they felt as if organizing a cooperative which only did “women’s work” would not provide the kind of economic and social empowerment that they wished for the future members. OTO no longer frames domestic work as disempowering, but instead as a viable and respectable source of income for working women.

Through working in EFHC, members transform women’s work into a source of pride and self-respect. Marta explains that this transformation is a process:

One of my first questions [to prospective coop members] is ‘What do you have to offer us?’ And many times the sad reply is, ‘Nothing. I don’t serve for anything. I don’t know how to do anything. I can’t work here because I don’t know how to do anything.’ And then I change the question to ‘tell me a little bit about what is your life, and what you do.’ And they start to say they are mothers, wives, grandmothers, sisters, daughters, who do a hundred things at once, who have the capacity to have two jobs and at the same take care of their home, who are the support of their families in Mexico, who, with a low salary, succeed in getting enough groceries to feed many people. And I start to think, ‘How many of these women would have done other things in their life if they realized all of the abilities that they have…’ but nobody lets them see it.

Marta explains how many new members do not realize that by doing the tasks they are expected to do as women, they are doing some very incredible things. By claiming women’s work as legitimate work and providing a workplace steeped in respect for the worker-owners, EFHC members change ideologies about gender and labor.

**Professionalization**

“Professionalization” is an academic model for explaining how Latina house cleaners have reclaimed their work which is very applicable to Eco-Friendly Home
Cleaning. Mary Romero, scholar of Chicana domestic workers, describes “professionalization” as the process of removing domestic work from its maternalistic roots, where domestic workers were called “part of the family” to justify unpaid hours working with children, cooking for the family, or providing other forms of emotional support, and making it a “profession” with clear boundaries.

Collectively, EFHC members use methods of “professionalization” in their business. By creating EFHC as a business with definite parameters, by demanding a high level of cleaning from members, and by using a unique cleaning technique, EFHC members proudly define themselves “professional” house cleaners.

Many in the worker cooperative movement shy away from the concept “professionalism” because it implies hierarchy and specialization of labor which are antithetical to the coop spirit of equality. Not surprisingly, the coops which espouse this belief are usually comprised of individuals who have access to typically “professional” and “elite” jobs (lawyers, doctors, business people…). They have the privilege of rejecting the concept out of fear of seeming “elitist.” Yet, as we will see, in the context of EFHC “professionalism” is not equivalent to “elitism.” EFHC members are creating their own definition of professionalism which engenders respect in the eyes of their clients, and engenders pride in their own work.

EFHC’s full name is actually Eco-Friendly Home Cleaning Professionals. Claire explains the process of choosing the name, “for Eco-Friendly Home Cleaning it was an explicit discussion. It was interesting... the women in the coop and Marta, our trainer, really felt strongly that they wanted it [the word “professionals’”] in there, because being professional is a matter of pride and it was assumed they would work in something that is
not considered professional.” In choosing their workplace name, coop members re-appropriate and redefine conceptions about “professional” work and who is a “professional.”

EFHC is also very explicitly a house cleaning service. Unlike other domestic work arrangements which are susceptible to maternalism through blurring the line between what is house cleaning and what are other care giving tasks, EFHC only completes certain house cleaning tasks.

In interviews, coop members constantly discussed the high standard of cleaning demanded of all members. This assertion has notable significance within the house cleaning industry, as many think that house cleaning is not a specialized skill but rather something anyone can do. By forming a group of only top-level cleaners, EFHC fosters a sense of pride and unique-ness among the members. Talking about a recent group of EFHC trainees, Leticia explains “They are not members of the coop yet, they are in the process of becoming a member. To qualify. To see how successful their cleaning work is, if they do it well.” She discussed another trainee, who didn’t make it, saying, “They said it was because of her quality of cleaning, it wasn’t where it needed to be. She was lacking a high quality of cleaning.” In order to be considered a full member of the cooperative, one is held to high standards of cleaning.

Professionalism is also demanded of members in terms of behavior. At a board meeting, a former member asked to return to her job after taking a two month leave. Although all board members agreed her cleaning quality was very high, they feared that her temper might cause the coop to look unprofessional and loose clients and therefore had reservations about re-admitting her to the coop.
The coop members also take great pride in the cleaning work they do. Carmen says, “I love it when we do a deep cleaning and the client likes the work so much that they ask us to come back.” Leticia also explains, “Almost always, when they greet you [clients], when they’ve known you for a while, they take your hard and they thank you like ‘ohhh, this, how lovely, I really like the cleaning you’ve done and everything.’ They are happy.”

The coop members are also proud of bringing eco-friendly cleaning to their clients and their families. Leticia explains the benefits of their technique:

There is one woman… her son has leukemia, so regular products hurt him. She prefers her house to be cleaned with natural products which don’t hurt her son… So, I also think that it helps people who have asthma or allergies… I think when these people enter their house, they don’t enter smelling dirt or dust, and it’s clean! And they like it more.

Her partner, Monica, also adds, “[I think clients choose us] for the ecological cleaning, for the products that don’t hurt you.”

In part due to their air of professionalism and pride, EFHC members report far better relationships with their clients while working with EFHC than in prior house cleaning jobs. Leticia explains, “So [when we are working] they aren’t here looking at you, how are you doing, how is the other one doing. But in other jobs, yes. They are checking on you, across from you, watching.” The air of professionalism in conjunction with the good reputation of the coop helps alleviate the problems of maternalism and distrust which have troubled many house cleaners.

Through having control of their workplace policies, the women in EFHC have been able to create a working environment that is professional and a source of pride. Claire sums up part of OTO’s goal in conjunction with EFHC, “I see that as a part of our
informal mission, to professionalize the cleaning industry… more people are going to be working in cleaning, and if we can’t make that a respectable job, then we’re gonna continue to have an underclass of people, who are doing these jobs that are very critical, everyone relies on them, but not appreciated and not seen as valuable work, and not rewarded.”

**Eco-friendly, Healthy Jobs**

A crucial way that EFHC creates a worker-centered environment is by using only least-toxic products. Workers in the cleaning industry face huge health hazards working with conventional cleaning chemicals. As the OTO training manual explains, “Most of the products which you use in the cleaning industry were created with the idea that a person would use it one time per week, but of course cleaners are using the products two to four times a day, five days a week!”

Studies have shown permanent health damage among janitors or house cleaners (Barron 1999, Rosenman et.al. 2003). Women in the coop who worked similar jobs before coming to EFHC attest to that. Leticia explains, “We had a chemical [at Stanford, where she worked before] I don’t know what its called… a product like glass cleaner but stronger, but we used it to clean the bathrooms… so strong that when I cleaned the bathrooms I would need to open the windows because they were so strong I need to [she coughs]. It really bothered you!” Other women suffered from chronic headaches, and some were even loosing hair. Yolanda adds, “When I worked with toxic cleaning chemicals, I would leave work with headaches, allergies and feeling really tired. I felt really bad all around. Now I’m really happy with my work, I don’t use chemicals, and I really like it, it doesn’t cause any harm to my daughters either, or my husband.”
The coop also has provided health care since it became financially capable of doing so. Almost no other businesses provide health care for this demographic of workers. Board member Vicky explains health care is particularly important for the coop, as many worker-owners are already suffering from chronic health problems due to previous chemical exposure.

Next to EFHC’s good salary, coop members said they most appreciate the health benefits. EFHC’s eco-friendly cleaning further illustrates that the coop does not treat worker-owners as mere labor but helps them live healthier lives.

**Giving Time/Space to Care for Family**

EFHC is also a workplace which allows worker-owners to take care of their families. Paying for childcare on a low-income salary is almost impossible. Many coop members are raising their children alone, and have faced problems trying to work outside the home and care for a family simultaneously. Carmen explains, “I worked in a hamburger restaurant, I worked 11 hour shifts, Monday-Saturday… I left because he [her manager] wouldn’t give me time off to look for a school for my daughters” Another coop member had left her job to care for a daughter when she had an operation, and was unable to find a job that would accommodate her situation until she heard about EFHC.

EFHC gives members significant job flexibility. Most members want to work as many hours as possible, and so finding someone to cover in case of sickness or emergencies is not much of a problem. This flexibility means members can choose to work Saturdays but leave earlier in the afternoon during the week to pick up children. Allison, the coop manager, helps ensure worker-owners have full schedules and changes schedules in case of emergency. Leticia explains a recent scenario,
Well, for example, this morning I had to bring my car to the shop, and in the morning I talked about it with Allison and I worked in the morning, but I could leave at 1:30 [to get my car]. So yes. In all ways you can change your schedule, if you want more hours. We work from Monday to Saturday. Saturdays we go early, but we are working ultimately until five or six in the evening also. It’s the same if you say that you need to do something else, they help you change the schedule or change clients for another day.

She also explains that while she is working she can check in on her children

In this job… I have more control in terms of my kids, and I can do more. In this job, I can have control of my house, and in the other, I couldn’t. I had to wait for a break to check my phone and to talk, and I was running because already ten minutes would pass and you had to go! And the lunch was only half an hour… if you eat you don’t talk, if you talk you don’t eat. Much pressure! And here, no. The flexibility to take care of a family is important not just logistically, but also in creating a paradigm of work that is friendlier to women and mothers. That is to say, women should not have to choose between working outside the home and raising a family. It would be better if child care was more readily available to low income people, if men would take a more active role in caring for children and if everyone could have flexible work schedules, however, EFHC provides a workplace which is far more open to women as mothers than most other workplaces.

Creating Space for Community

Eco-Friendly Home Cleaning provides a community that is often unavailable to immigrants and house cleaners. Many of the members are isolated by language barriers, family commitments, and occasionally the misogynist behavior of a spouse, making EFHC a crucial pace to form social networks. If the women were not working in a cooperative business, perhaps many of them would be cleaning houses independently, a job which studies of domestic work discuss as very isolating and lonely.
Cooperative members find particularly meaningful relationships with their “parejas” with whom they clean every day. Adelina explains, “I hope to move ahead and to work with others toward our common and individual goals. For me, the group experience is great because you learn to share with others and you learn things you didn’t know. Often, when I don’t know something, my partner does.” Ana explains, “Carmen and I will go to any work they give us; we work really well together even though she’s from Mexico and I’m from Panama… If I need help she helps me and vice versa. She’ll say ‘you did this well’ or ‘this doesn’t look too good.’ It motivates me and I learn how to do it next time. We respect each other even though we just met and they put us as a pair.” Partners share information about best cleaning techniques and find motivation in each other.

OTO members emphasized the importance of group activities within the coop. Lisa said, “People have raffles to help people get stuff for a baby, the group is a good resource. People will raise money for funerals, in an often isolating community where you don’t speak the dominant language.” Claire elaborates,

The convivio: the sharing, the solidarity, the friendship and the logistical support… if someone gets pregnant people will have a baby shower for her. That’s not only like a really important emotional support, because a lot of immigrant women are really isolated, a lot of them are just like, in their homes, I mean a lot of them also have a lot of family, so there’s that, but some of them are really isolated with just their husband and their kids.. y’know, so to have the emotional support of the baby shower, and also the economic support of getting presents, you know, things that you really need for your baby, that’s pretty big too. Through being a cooperative, EFHC creates a community of economic and emotional support for many of its members.

Still, social problems exist within the coop especially among coop members who are not partners. Leticia reports, “friends-friends, no, but we don’t have any big
problems…. We say hi to each and yes, we are friendly, we get along well when we are in the meetings, but also because you know in your head you won’t see each other every day. You already know that each person will go her own way [afterwards].” However, in group meeting notes members express general desire to improve these relationships with comments such as “Support each other mutually,” and “Work together, not just for myself.”

Though the situation is not perfect, coop members seem to find in EFHC a kind of community support that most jobs do not offer.

**Division of Profits**

The control that worker-owners have over profits is a final example of how the coop creates space for self-determination. As there is no large hierarchy of management, coop members take home most of the money which comes through the cooperative. The mesa directiva also decides whether that money will be used for wages, benefits, or business improvements. Recently, the mesa directiva voted to pay members for meeting time, resolving one of the largest issues the coop had been facing. During the three hour bi-weekly meetings coop members were not being paid, so were loosing about 40 dollars for their time. While coop members appreciated the chance to socialize and discuss workplace policy with their peers, they were frustrated by loosing money. The mesa voted to approve a 15 dollar “stipend” for the meeting time, an improvement over wholly unpaid time. The stipend also illustrates that meeting time is part of work time… the coop could not function without meetings as it could not function without clients.

This debate is not uncommon in cooperatives, Christine explains,

That was a huge debate at [a printing coop], when I worked there, should we pay ourselves for meeting time? There are older
political folks who are like the meeting is a political commitment, you know, you are volunteering for the meeting, so you shouldn’t get paid for it. My idea was the meeting is just as important as the part where you do the printing so we should get paid for it…but that would be a really interesting question. To look at coops, how do they structure their meeting time, are they paid for it? Do they value it? Because it’s a management function, and it’s weird to me that you wouldn’t pay yourself for managing your business. You’re not paying for a CEO, so you might as well spread the wealth a little bit and compensate yourself for managing the business.

Compensation for meeting time is an acknowledgement of the important work that members do in running the coop.

Vicky says, “…that’s the root of why a coop exists. It is important that low income workers demand their rights because no one is going to do it for them.” EFHC creates space to respect women’s work inside and outside the home, it frames house cleaning as professional and dignified work and it creates community. Although we will explore some of the more problematic aspects of EFHC in the following chapters, we have seen here that the coop allows workers to shape a workplace which respects and fosters their rights.
Chapter Four

“How can I be the owner but not boss people around?”
Flattened Hierarchies and Leadership in EFHC

Within cooperatives, a ground-up approach to workplace organization is intrinsically linked to the concept self-determination. In order to provide worker-owners space to make autonomous decisions, cooperatives eschew the hierarchies found in conventional businesses. Holly, former director of the Center for Cooperatives at UC Davis, explains “you aren’t really going to solve problems by having an authority figure come in and tell people what to do” and Vicky, member of EFHC’s board of directors, echoes Holly, saying definitively “What’s not effective is a hierarchical approach.”

This chapter will explore how EFHC manages to be a successful business without a conventional hierarchy. In addition, because EFHC does not have a typical hierarchy, space is opened up for members to take on leadership roles which might be otherwise closed to them. EFHC’s economic success when coupled with its lack of conventional hierarchy suggests that perhaps conventional hierarchies can be rethought. Still, although EFHC is lacking in a traditional workplace hierarchy, significant informal hierarchies exist within the coop and in the coop’s relationship with OTO.¹

¹ To clarify, by “conventional” or “formal” hierarchies I mean official positions and policies within a workplace. By “informal” hierarchies I mean relations of race, class, gender or even friendships and seniority, which give certain individuals power over others.
Formal hierarchies within cooperatives are a subject of contention. While the Network of Bay Area Worker Cooperatives goes by the name “No Boss,” two other active members in the coop movement claim, “some people go for no hierarchy, but that will trip them up, because they need a quick reaction to the market.” Many of the benefits of a more formal management hierarchy are discussed in Chapter Two. Regardless of the exact gradation of hierarchy present in a coop, coop hierarchies manifest very differently than conventional business hierarchies.

Kathleen P Iannello, feminist organizational theorist, suggests a useful definition of “hierarchy” for this discussion. Hierarchy is “any system in which the distributions of power, privilege and authority are both systematic and unequal” (1992: 15). Within the context of a workplace, supervisors and other forms of management often constitute a “hierarchy.”

Contemporary management science recognizes that hierarchy is not good for some workers, yet continues to recommend it for workers in the manufacturing and services industries. Management science explains that highly skilled workers in the “Knowledge Economy,” the economy of innovation and technology, are more productive workers under non-hierarchical management. These theories say that high-tech workers need freedom to innovate and that this freedom is not guaranteed under hierarchical working conditions (Adler, 2001, Saxenian 1996). However, these same theories say “the vertical differentiation of hierarchy is effective for routine tasks, facilitating downward communication of specific knowledge and commands” (Adler 2001: 216). While the women of EFHC would probably not describe their work as “routine,” it is this work of

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2 Network of Bay Area Worker Cooperatives uses the acronym NoBAWC, which they insist should be read as “No Boss.”
cleaning, cooking, manufacturing (service industry and manufacturing jobs) for which management science advocates hierarchies. Conventional businesses in the service sector continue to exhibit the unequal distributions of power, privilege and authority that Iannello identifies above.

EFHC, on the other hand, is not hierarchical by these definitions. It does not exhibit systematic unequal distributions of authority nor “downward communication of…commands.” No gradations of power are institutionalized within the cooperative except for the position of the manager. Although the manager has some executive decision-making authority, her power is mostly limited to issues of daily operation, for example distributing paychecks. All members have equal logistical opportunity to speak out at meetings and run for the mesa directiva, the central decision-making body for the coop (although issues of informal hierarchy hinder this process as we will see). Further, all worker-owners are welcome to participate in mesa directiva meetings (and must attend at least two meetings to become a full time member). For example, in a board meeting called to discuss re-hiring an old member, interested non-board coop members came to provide input and the worker-owner in question had an opportunity to make a statement in her own defense. No important decisions within the cooperative are made, or can be made, by a single person.

In her discussion, Iannello also cites the importance of knowledge in defining hierarchy. She writes, “The flow of information up and down the pyramidal structure forms an important aspect of power, privilege and authority relations” (1992: 16). The unequal distribution of knowledge creates and reifies hierarchies within organizations. Indeed, Paul Adler, scholar of Management and Organization, explains, “Under hierarchy,
knowledge is treated as a scarce resource, and is therefore concentrated along with the corresponding decision rights, in specialized functional units and at higher levels of the organization” (2001: 216). Conventional businesses often vest power in the hands of individuals because they believe it is best to select people deemed appropriately qualified, educated and specially trained.

In contrast, EFHC and other coops often encourage worker-owners, who may have little training if any, to take part in business decision-making processes. As discussed in the previous chapter, coops believe the people immediately affected should have a role in decision-making processes. In democratizing decision-making power, EFHC emphasizes different kinds of knowledge. Not only is business knowledge important, but also knowledge about what it means to work, what it means to take home a salary to your family, and what it means to cooperate with your peers. ³ In conventional businesses, the person deciding whether to allocate profits, say, for additional technologies or for low-wage worker salaries, does not necessarily know what it means to take home a low-wage salary. The decision is made without careful consideration of its human impact. In EFHC, the decision-makers are taking home those salaries, and thus they are well-equipped to understand the human component of the scenario.

Additionally, knowledge about the business functioning is democratized. The manager shares and discusses more technical aspects of the business with members during bi-weekly meetings. Thus, hierarchies based on unequal distribution of knowledge are much less frequent. The decentralization and democratization of knowledge and the decreased emphasis on formal education and formal qualifications are important parts of EFHC’s flattened hierarchy.

³ EFHC members do also go through business training before becoming full members.
Not all workplaces may function as smoothly as EFHC without specialization of business knowledge. EFHC, as a small house cleaning company, does not need highly trained staff to make the more complicated decisions that larger and more complex businesses face. This does not mean that we cannot apply the ideas behind the flattened hierarchy to other workplaces or that we should belittle EFHC’s success as a non-hierarchical workplace. Rather, we must be aware of the context within which EFHC operates.

EFHC is a business which does not centralize its decision-making power in the hands of a well-educated few, instead it spreads its decision-making power out among a less-formally educated many. Skeptics of cooperatives would claim that there is no way such a business could be economically viable, however, Eco-Friendly Home Cleaning is not only economically viable but economically successful. Its revenues have almost doubled each year since its inception in 2003.

In addition, according to many cooperative members, EFHC provides steady, healthy, well-paying and flexible jobs. Adelina, a worker-owner and member of the *mesa directiva* says, “More than anything, that’s what this cooperative means to me, a great job.” Leticia, another worker-owner explains, “Well, what I like, and what first drew my attention [to the coop] was the salary. Before being hired here, I was in a work agency, and they would send us to different places to do different things. It was the minimum possible, it was very little. And myself, as a single mother with children! So my shame left me, and I looked for something else, something more.” Yolanda worker-owner and *mesa directiva* member also emphasizes EFHC’s benefits over her previous jobs, “Working in the coop, the economic benefits have been the biggest for me. In my last job,
I earned $7.50 an hour.” Current EFHC members earn 13-14 dollars an hour with health and dental insurance. In discussing their workplace, almost all cooperative members mentioned the good pay and benefits as the best part of the job.

EFHC manages to be economically successful without a formal hierarchy. Though it is beyond the scope of my research to say how economic success may be linked to the lack of formal hierarchy within EFHC, it should be re-emphasized that economic success is possible without formal hierarchy.

**Different Kinds of Leaders**

With no boss, no supervisors, and no management, coop members can decide how to lead themselves. Within EFHC, leadership is about facilitating the processes which will develop the workplace. Warmth, communication skills, organization and enthusiasm are leadership qualities that coop members discuss during leadership trainings. While literature on leadership suggests that a masculine, “get-it-done” form of leadership most often arises in workplaces (Gershenoff and Foti 2003, Hegstrom and Griffin 1992, Ridgeway 2001), EFHC is able to create a style of leadership which is about power with instead of power over.

Coops often find reconciling the concept of “leadership” with a commitment to democracy difficult. Christine, of the US Federation of Worker Coops, explains, “Leadership is like the boogey man right? If we’re all peers how can one of us lead the other one? And I think that’s…. because we don’t have an idea of how leadership can be a nonhierarchical kind of relationship.” Christine, Charlie and others emphasize that leadership should not be about control over co-workers, but instead working with them. Charlie explains:
If we look at leadership as a role that different people step into and out of, that can actually be something shared by a lot of people…. It starts to recognize a much fuller range of skills, other than a very macho, action-oriented view of leadership. Y’know, listening to people and being a sympathetic ear is sometimes a form of leadership in that it moves people forward. Facilitating meetings in a non-authoritarian kind of way is a form of leadership…

Christine elaborates on this point,

Of course there’s the leadership of someone who’s able to deal with going to the banks and the public and be the public face of a business and all of that stuff. And then there is the leadership of people who are good at talking with other people and managing them, and all of that. But there is also leadership from below, like people who show up for work on time every day and set a good example and work hard.

Coops recognize that by setting a good example, by being an enthusiastic group member, and by helping create a positive environment, members are being leaders.

Charlie also explains that most have not seen examples of non-hierarchical leadership, and thus struggle to understand the positive role that leadership can play in a coop. Reconceptualizing leadership is crucial component of Charlie’s trainings for new coop members. Charlie’s training notes read, “What do we mean by leaders, leadership? Behavior that influences others to act towards the achievement of collective goals… leadership as a role rather than a position.” In this context, leadership is not coercive and is a shared responsibility. It is not a “job” but it is a trait that is emphasized in some moments, and de-emphasized in others. Because US society provides very few role models for this conception of leadership, new cooperative members must learn to deconstruct the idea of “leader as boss” and form a more inclusive definition.

EFHC and OTO also embrace this de-centered conception of leadership. Marta, a member of OTO, former worker-owner, and the main trainer of new members, explains
that encouraging this non-boss style of leadership to new members is complicated. She says,

One of the most difficult things for them [new members] to understand is how can I be the owner but not boss people around? And it is logical. When I ask, ‘Why do you want to be the owner of your business?’ She says, ‘Because I want to be in charge.’ ‘And tell me what is to be in charge?’ And the idea is… ‘I do what I want, when I want, and nobody says anything to me. That’s why I want to be part of a cooperative.’ And that is totally the opposite, totally outside what is our reality. In our cooperative, the owner is the one who does everything, who has to work extra, and who gets extra money if there is some, but if there isn’t some, then doesn’t get any. So, there is a very varied, very diffused connotation of what it is to be an owner.

However, in her leadership curriculum, Marta teaches that being a leader is a combination of “warmth-- speaking well of people, having confidence; good communication; organization-- being disciplined, organized and responsible; and enthusiasm--being the motor of the group.”

The training manual for the Peer-Leadership Program, organized by OTO for coop members identified by their peers as leaders, highlights some of EFHC’s key ideas about leadership. The manual asks, “We already have a general manager, and we all have equal responsibilities and profits, why do we need leaders in the cooperative?” It responds with, “We’re not looking for bosses, but for people who can help the cooperative in a number of ways.” Again, leadership is not about power over, but about working together to create a better workplace.

To give a sense of the challenges of leadership, coop members at the training are asked to direct Marta in how to make a torta (sandwich). Marta will not do any thing that they do not tell her to do. This is also a lesson in patience. The social and cooperative components of leadership are emphasized throughout. As a group they acknowledge that
leading can be difficult and intimidating, and at the end of the session take time
acknowledge the contributions from each member during the training.

In conversations with OTO and EFHC members, the training manual’s definition
of (leadership as warmth, good communication, good organization and enthusiasm) was
not mentioned specifically; however, everyone used this expanded framework when
describing leadership within the coop.

OTO members and EFHC board members recognize Tere, a worker-owner as a
leader for her excellence in cleaning. Vicky explains “Tere’s a real leader, really
interested in taking responsibility” and Lisa, staff of OTO, says “Tere’s the best cleaner,
everyone agrees with that.” By being an enthusiastic coop member, Tere is seen as a
leader.

Ana, another coop member, leads by assisting Marta in distributing information
about the cooperative and welcoming new members. Ana explains, “We receive the new
members in the orientation meetings. To know how they learned about [the cooperative],
to know more about them and lead them and talk… I like the work that Marta does. It’s
very important because that’s how we get more members. I like to talk about my
business” Ana assumes a leadership position by getting to know new members and
making them feel comfortable in the cooperative, fulfilling the above definition of
leadership as “warmth.”

Lisa feels the coop is a great place for encouraging new leaders, she says, “It’s
really important, it’s exciting when people develop their leadership skills, it’s really cool.
It’s amazing to have a job where you develop new skills, it’s a blessing and it’s cool that
the coops somehow allow all this to happen!”
Carolina, elected community representative on the EFHC board of directors, echoes Lisa’s sentiment, “to encourage leadership is the most beautiful.” Carolina is the program director for a large women’s group of recent Latina immigrants fighting for political, economic and social rights. She says EFHC worker-owners serve as role models for the members of her organization and the Latina community at large. According to Carolina, the Latina community sees the members of EFHC as leaders who are showing their community not to believe that “oh the women are over there, they are not involved. But that the women can have a voice, to assure them that limitations are not important for women.” Carolina remarks that EFHC has inspired many women in her organization by example to pursue careers and to take greater control of their lives.

The members of EFHC have a lot to offer their co-workers and their business, however, if “leadership” were to be simply defined as “macho, and action-oriented,” as Charlie describes, the leadership of these members might go unrecognized. Recent studies on leaders reflect a desire to expand expectations of leadership behavior to include “consensus-building” and “concern for the welfare of others” instead of the more traditional expectation of a masculine “get the job done” style (Foti and Gershenoff 2003). This expansion of leadership would include the currently undervalued contributions that are associated with female leadership styles (Ridgeway 2001). Yet, despite this academic push to redefine leadership, studies still show that people are more comfortable with a male leader (Griffith and Hegstrom 1992). EFHC is working to expand the definition of leader to include the more traditionally feminine and less hierarchical skills mentioned in these studies. In this process, Ana, Tere and others have stepped up as leaders, providing
positive examples and demonstrating constructive affirmative attitudes that beneficially impact the community.

Above, we discussed Eco-Friendly Home Cleaning as a success in economic terms. Yet, only looking at revenues does not tell the complete story of how EFHC is a “success,” and in fact, looking only at revenues and not at the more complete human impact of the business is in many ways antithetical to its mission. By leading themselves, coop members turn EFHC into a “success” on their own terms.

Marta very excitedly explains how working in the cooperatives has encouraged her personal growth. She says, “The most important thing that OTO [and working in the cooperatives] has given me personally is confidence. It raised my esteem, it helped me discover my mind and my personality in ways I didn’t realize, and it has given me the opportunity to grow in an environment where I feel respected, valued and appreciated.” Other cooperative members cite benefits such as having a greater knowledge of financial issues which helps in paying taxes and even taking out mortgages, a sense of community and place, developing communication skills and working with products which protect their own health and the environment.

By examining the “success” of EFHC on the terms of the people most involved, we can redefine what a “successful” business is. Lauren, an economist studying coops, explains, “Let’s not measure coops from traditional measurements alone… community development isn’t about revenue…I don’t think we should undermine the need for people having a real job and making real money, but I think coops are small and a capitalist measurement may not show all of what a coop is doing for members of a community.”
From a “capitalist” perspective, and from a “non-traditional” perspective, worker-owners of EFHC feel their business is successful.

**Informal Hierarchies**

Although EFHC does not have a formal hierarchy, informal hierarchies based on social status and seniority are present within the coop. Intra-coop hierarchies based on seniority will be explored in the remainder of this chapter, while Chapter Five will explore in detail the racial, socio-economic and educational hierarchies between EFHC and OTO.

Many in the cooperative movement claim that informal hierarchies are inevitable. As Jo Freeman points out in “The Tyranny of Structurelessness,” “Any group of people of whatever nature coming together for any length of time, for any purpose, will inevitably structure itself in some fashion… The very fact that we are individuals with different talents, predispositions and backgrounds makes this inevitable” (1970: 2). As each cooperative is embedded in a society rife with power differentials in race, age, gender, class, educational status etc, it subject to the informal hierarchies created by these categories. Christine optimistically explains, “Power differentials always exist, they are usually just more institutionalized, I think that if you are outwardly claiming and trying to be a democratic workplace you have a better shot at addressing these things”

Worker-owners point to internal coop hierarchies on the basis of seniority. Leticia explains, “When you [a new member] enter, you realize that the ones who have been here longer are saying ‘Oh, don’t send me with her, don’t send me with her!’ So… it creates distance. And us, as those who are just being trained, we don’t have a problem with it. One day we will be like them, and the best would be if we went with new
members” While senior members often play important leadership roles, seniority is also the cause for internal hierarchies and riffs between coop members. Leticia reports that after three months in the coop, she is still mostly friends with only the women she was trained with, and not the more senior members.

During meetings, members also display hierarchies by paying attention or flagrantly not doing so. Worker-owners play with cell phones or write notes when they don’t agree with or care much about what one of their co-workers is saying. In the board meeting mentioned earlier, while the worker-owner in question was giving a defense for staying in the coop, two coop members very overtly checked their cell phones and did not make eye contact, letting the worker-owner know they did want her in the cooperative. In contrast, a non-board member who had come to the meeting to show her support punctuated the member’s defense with affirmations and supportive comments.

As a cooperative, EFHC has a much less formal hierarchy than conventional businesses. EFHC follows the philosophy that the individuals most impacted by a decision are equipped to be the decision-makers. The lack of hierarchy creates space for alternative conceptions of leadership based around ideas of cooperation not domination to take root. Yet, as we will explore in the next chapter, EFHC’s lack of formal hierarchy does not mean that hierarchies do not impact the organization.
Chapter Five

“We’re in the People Empowerment Business”
Questioning Ideologies of Coalition and Power

We have now seen many ways that worker cooperatives encourage us to reconsider paradigms of low wage workers and workplaces. Coops foster a more inclusive politics of labor and a more human-centered workplace through creating the space for workers to determine their own workplace policy and parameters. Eco-Friendly Home Cleaning has served as a case study of the potentials of worker coops for Latina immigrants. However, Eco-Friendly Home Cleaning has lessons to teach in not only in what it does well, but also in its areas for improvement. Problems relating to coalitional politics between OTO and EFHC as well as problems that arise with the concept of “empowerment,” limit the absolute success of Eco-Friendly Home Cleaning. If we are serious about shifting the labor paradigm and creating more space for low-wage workers to be self-determining, we must examine these limitations carefully.

In this chapter, I will first briefly consider two theoretical critiques of the EFHC model, one an examination of the politics of transnational feminist coalitions and the other a critique of the concept of “empowerment,” informed by political theorist Barbara Cruikshank’s work. Utilizing these theoretical critiques, I will then move to examine the specifics of the relationship between EFHC and OTO and the limitations this relationship poses for the coop.

The Politics of Coalition

Bernice Johnson Reagon explains that coalitional politics are necessary because, to re-phrase her essay, we cannot realistically separate ourselves into small “rooms” of
similar people... someone will come knocking on the door wanting to be let in, or someone else will simply break down the door. She explains, “You don’t go into coalition just because you like it. The only reason you would consider teaming up with somebody who could possible kill you, is because that’s the only way you can figure you can stay alive” (1983:2). Cherrie Moraga also asserts the necessity of coalitions, “We women need each other. Because my/your solitary ‘go-for-the-throat-of-fear’ power is not enough. The real power, as you and I well know, is collective. I can’t afford to be afraid of you, nor you of me” (1979: 9). Forming coalitions across race, class, gender-identity, sexual orientation, citizenship status, or socio-economic class boundaries is crucial for survival, Moraga and Reagon attest. If so, the collective work of groups such as EFHC and OTO is what will ensure this survival. This work is crucial and it is not easy, explain Moraga and Reagon.

Feminist scholar Chandra Mohanty also enters the dialogue on feminist coalitions with a serious warning. Mohanty, echoing the arguments of Jo Freeman, explains that when women from diverse backgrounds enter into a coalition, honestly and openly, power dynamics still come into play. Too often, Mohanty attests, the agenda of middle-class, white, heterosexual women becomes the dominant agenda of a women’s coalition. Mohanty also finds the “myth” of a “universal sisterhood” to be problematic, as it rests on assumptions of homogeneity across women’s experiences which do not always hold true. These assumptions too often victimize women of color by portraying them as unable to help themselves. Feminist coalitions must strike the balance of pulling together for communal survival, yet not framing this work as “helping” the helpless (Mohanty 2003). We must therefore approach the relationship of OTO and Eco-Friendly Home
Cleaning recognizing the importance of coalitional work while simultaneously being cautious about the problems of agenda-setting and victimization that can occur within such coalitions.

“Empowerment”

The concept of “empowerment” appears repeatedly throughout my interviews and demands closer examination. Holly explains this word in the context of her work with cooperatives by stating, “My view is you don’t empower people by telling them what to do and how to do it. You have to give people power and responsibility and that’s how you do it. It’s the best way.” Lauren similarly explains, “The whole process is very empowering, getting women to take control of their lives when possible,” and Ben expresses it succinctly, “We’re in the people empowerment business.” This selection of a few uses of the term “empowerment” illustrates that within cooperatives “empowerment” can mean creating space or giving people power to determine their own lives. There are two ways I would like to examine this concept: first, questioning what power is being given, and second exploring the concept of “giving” power in the first place.

In *The Will to Empower* (1999), Barbara Cruikshank questions the liberal belief that empowerment is an unproblematic and encompassing solution to many social ills (poverty, mental illness, lack of education, unemployment…). Through examining a variety of social and historical scenarios in which individuals are “empowered” to “help themselves,” she illustrates that the very definition of “empowerment” is entrenched in concepts of citizenship and democracy, and is subject to the same pitfalls and power-plays as these concepts.
Cruikshank discusses the Johnson Administration’s War on Poverty, designed to empower poor people to help themselves out of poverty, as an example. Cruikshank explains, “The War on Poverty was waged with the assumption that the powerlessness of the poor was the root cause of their poverty, not the actions of the powerful” (1999: 73). She explains that models of empowerment inaccurately de-emphasize the importance of systemic forces in creating social problems.

She also uses the War on Poverty to illustrate the limited definition of the word “empowerment.” “Empowerment,” in this context means helping poor people to vote, have a “steady job,” and avoid legal trouble; to be, as Cruikshank sees it, good civic citizens. Through convincing individuals to adopt this model of good civic citizenship, the government can exert greater control over the poor. Concepts of empowerment turn into extensions of Michel Foucault’s concept of “bio-power:” individuals internalize the rules of citizenship through “empowering” themselves to follow government rules.

This analysis of empowerment has significant applications to cooperatives. Cooperatives like EFHC are trying to provide low-income people with stable jobs. Though these jobs allow workers a large degree of freedom, they are still part of a system which insists that individuals must work in a certain way and earn money to survive. One could interpret workers in coops as being “empowered” because they are allowed to be part of this system; they have a stake in the system. This echoes the concept of ESOPs (employee stock option programs), which allows workers to purchase stock in their own company, and which were originally designed to make “every worker a capitalist,” by giving them a stake in their company (Ramsay 1977). If workers have a large financial stake in their own business, they are less likely to strike or engage in other forms of
resistance even if conditions are terrible. Similarly, if low-income workers have a stake in the economic system, through owning a business, they are less likely to resist it, even though it is a system which is in other ways very oppressive to them. Claire suggests this concept in her discussion of empowerment, “…in the long run I believe that employees who have a voice and workers who have a voice are going to be good workers, are going to want to stick around so you have less turnover, the work tends to be higher quality.”

Cruikshank concludes that “The will to empower others and oneself is neither a bad nor a good thing. It is political; the will to empower contains the twin possibilities of domination and freedom” (2). Thus even if we wholly accept Cruikshank’s rendering of “empowerment,” the concept still contains the potential to make positive change, but we must keep a watch on its potential to constrain.

The other facet of empowerment that I want to consider is the idea that one can empower someone else, that “empowerment” is something you can give. This idea is tied to the above discussion on hierarchies within coalitions. If someone is in a position to “help” you by “empowering,” you, then there are hierarchies at work. If these hierarchies echo social hierarchies, then caution is warranted as to the nature, process and results of this “help.”

Christine outlines a conception of empowerment which is not based on the helping model. She explains,

The only real mass movements that have every really changed anything are by people who are fighting for something that they personally are effected by. In order to do that, you need the power of people who believe they can make a change. In order for people to feel that power, they have to have been able have felt that power in other times in their lives and in other ways, they have to have practiced that feeling of power or else they don’t believe they can make a
change… so to the extent to which I think empowerment is a worthwhile goal, or even a word to talk about, is within that context, the context of sort of breaking that feeling of being victimized by your surroundings.

Christine’s view of empowerment moves beyond the examples that Cruikshank uses, by creating a concept of empowerment that is self-generated and that does not fall into traps of victimization. In looking at EFHC and OTO’s relationship, we should pay special attention to how concepts of empowerment are at work.

**Applying these Concepts to EFHC and OTO**

Chapter Two introduced a description of OTO and EFHC’s relationship. To reiterate, Opporunity Through Ownership (OTO) is a non-profit organization, dedicated to creating healthy, well paying jobs for Latina immigrants through cooperative development. There are four current staff members of OTO: Lisa, a young, white, college-educated woman who does administrative work for OTO; Marta, a Salvadoran college-educated woman, who works primary in training and recruitment for the coops; Claire, a white woman with a masters degree who is OTO’s executive director; and Allison, a white woman with a masters degree who is currently serving as the interim manager for EFHC. OTO tries to strike a balance between creating as many jobs as possible while ensuring that these jobs are democratic, healthy and well paying. OTO has developed two other successful house cleaning cooperatives (one in 1999 and one in 2001), with whom their current relationship is somewhat strained.

OTO effectively founded EFHC by initiating the recruitment and training of members in 2003. Marta has primary responsibility for training and finding new members, although Ana, a worker-owner, has also assumed this role. OTO has provided much of the start-up costs for the business, and has been paying for trainings, food for meetings,
and the manager’s salary since EFHC’s inception. EFHC is set to become financially independent from OTO in late 2007, although the specifics of their future relationship are yet to be determined.

Members of OTO and EFHC work together with varying degrees of closeness. Allison and Marta work almost exclusively with EFHC members throughout the day, while Lisa and Claire complete tasks which ensure the coop and non-profit’s smooth functioning over time. All women in both organizations, however, are united under the goal of creating economic security for coop members. It should be re-emphasized, however, that the membership of OTO and the membership of EFHC are demographically strikingly different. As Lauren explains “We still live in a racist, sexist society and power is really important, all power will still be in place,” thus we must be aware of how these different demographics impact relationships between EFHC and OTO. Given that OTO is in the position of “helping” EFHC, Cruikshank would also advise us to apply additional caution.

While I cannot speak to the motives of individuals in OTO or EFHC for acting based on social hierarchies, I can attest that these hierarchies are a visible factor in EFHC and OTO’s relationship. The hierarchies manifest in day-to-day interactions between the groups in terms of priorities, agenda-setting and also interpersonal attitudes. They can also be aptly observed in studying EFHC’s pending independence from OTO. Through this exploration of the hierarchies present in EFHC and OTO relationship, I do not necessarily mean to condemn individuals for racist/classist thinking. Instead, I mean to draw attention to the very real threat that these ideologies pose for worker cooperatives.
and feminist coalitions more broadly. We must make these systems visible in order to re-work them and move past them.

**Priorities and Agenda-Setting**

One of the most pivotal components of coalition work, as Mohanty frames it, is agenda-setting, that is, determining what ideas are important and how to work towards them. Bi-weekly and Board member meetings are the locations for literal agenda-setting (ie what will be discussed) and also for determining the direction of the organization.

As discussed previously, US society does not equip individuals with the skills to make collective decisions. While EFHC coop members come from diverse, non-US backgrounds, many of them had not had opportunity to find and use their voices and talents before coming to the coop. As Marta discusses in Chapter Three, many of the women have talents that they have not recognized in themselves. Therefore, in meetings, the procedure for discussion is as important as the content. If meetings are not designed to give ample room for participation, the coop members unaccustomed to speaking up will most likely not do so. While member opinion is solicited, meetings are most often facilitated by Claire or Allison. Facilitation does not necessarily mean controlling the direction of conversation, however, it seems that Allison and Claire, as OTO members, exert significant influence over what is discussed during meetings. This means that while members are welcomed to opine on the subjects discussed in the meeting, they have less control over what these subjects are. Vicky, non-EFHC member of the board of directors explains, “Generally it’s the general manager and Claire in control but the [worker-owners] are weighing in much more on what is going on.”
There are several overlapping interpretations of the meeting scenario. First, participation in democratic meetings is a skill that takes time to acquire; therefore worker-owners cannot generally jump right in to be full participants in meeting conversation or facilitation. OTO members, on the other hand, have been deliberately trained in facilitation and communication, and so have an advantage in knowledge which they are actively trying to share through training sessions. Second, hierarchies based on class, race and educational status influence who feels comfortable speaking at the meeting on subjects of workplace policy. Third, worker-owners may not be as interested in meeting time as they are in other aspects of the job. Notes compiled during bi-weekly meetings show recurring concern among worker-owners about loosing money during meeting time. Although many members appreciate the democracy of EFHC, not all members may have the need or the desire to actively participate.

**Maternalism**

In *The Velvet Glove*, Mary Jackman relates the following definition of paternalism, “in which one person, A, interferes with another person, S, in order to promote S’s own good,” which involves both “benevolent intent” as well as “assumption of greater moral competence” on the part of person A (1994: 12). Due to systems of social hierarchies, maternalism may occur without either parties noticing, yet still produces harmful effects.

Comments about EFHC by OTO members suggest an uncomfortable view of the balance of power and knowledge between the two organizations that denotes maternalistic attitudes. Claire says, “Sometimes there are difficult issues, like there’s a problem with a person in the group and we need to deal with that. And when they do that

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1 For the sake of this discussion, I will refer to ‘paternalism’ as ‘maternalism,’ as it is a process occurring between women, although one could argue the implications of being “maternalistic” instead of “paternalistic” are different.
really well, like really maturely and make a good recommendation and the board really
follows that recommendation, that’s really heartening too. Because I feel like for me
that’s very empowering to be part of good decision making, and I think for them too.”
By expressing surprise and satisfaction that coop members are capable of making a
decision ‘maturely,’ Claire implies that maturity and good decision-making are not
generally expected of coop members.

An incident between myself and Allison (the manager) also serves to illustrate
maternalism within OTO and EFHC. Early in my research process, I had arranged my
first interview with two worker-owners set for a Tuesday. As the schedules of worker-
owners are constantly changing based on clients and their own availability, the
interviewees told me to call Allison Tuesday morning to see when they would be off of
work. When I called Allison on Tuesday morning, she told me that the two women I had
scheduled an interview with were “very busy” and would probably not be free Tuesday
afternoon because “they have to go home and cook for their families and they will be
very tired.” She recommended I could call them on their cell phones and maybe get to
talk to them for a few minutes as they drive home.

When I first spoke with the worker-owners, they were probably fully aware of
their busy schedules, and their potential need to “cook dinner for their families.” Allison,
by insisting the women were “too busy” was implying that the two women were not
making appropriate decisions for themselves, and that she was needed to protect them
from my demands on their busy day. Additionally, her assertion that they were needed to
“make dinner for their families” is full of assumptions about the women’s roles at home
(which may or may not be true). Although my observations of the rapport between
Allison and the worker-owners, and my interview data, suggests their relationship to be generally positive, this incident, and its reflections in the comments of other OTO members, is troubling. If OTO wishes to help create a space where EFHC members can have autonomy, then interactions like this one must be analyzed and hopefully eliminated.

**EFHC’s Pending Independence from OTO**

“It depends how you define independence, right? And the minimum definition of independence that we are using is no financial subsidy from OTO…” Claire explains of EFHC’s pending independence from OTO. However, OTO is also considering options such as “having an ownership stake in Eco-Friendly Home Cleaning or a future coop, where we would actually be a member of the LLC [the business structure] and we would have a direct role in helping the business grow.”

In the past, OTO has stepped back when the other two cooperatives reached financial independence but, “over time, we’ve decided to have more and more control over the project in the early years,” says Claire. She continues, “[the two other cooperatives] spun off from OTO without a defined ongoing relationship. And it was kind of OTO’s hope that there would be an ongoing relationship of some kind, But they’ve both kind of wanted to be really independent and that means not going to us or any one else for that matter, for outside support.”

There are many reasons why OTO wishes to have a closer connection with EFHC. One is related to data collection. Claire explains, “… our funding mostly comes from what we call job creation funding, for every person that comes in who gets a new job, that’s kind of how you measure success.” For OTO to continue to apply for grants, they must present solid data on the success of the cooperatives in providing jobs, and the other
two coops have not been able to supply adequate data. Another reason is related to improving the coop model. Claire says, “You know, OTO goal is to use the cooperative model to create as many good jobs for low income women as possible. So with this goal, we’re looking at a wide range of possibilities for how that might be most effective. We do genuinely feel like we learn a lot from the coops, we want to have that learning because we are in a position to share it with other people.” A third reason, that OTO can share a lot of business knowledge, is articulated by Eve. She explains, “OTO holds the vision, and understands the business… the women [worker-owners] don’t know a lot about business… it takes a while.” OTO feels it has a lot to offer the worker-owners in terms of business knowledge.

Although it is understandable that OTO would want to continue its relationship with EFHC to share information, the above quotations and conceptualizations of OTO’s ongoing relationship with Eco-Friendly Home Cleaning raise questions about the necessity and benefits of independence. We can gather from Claire that the other two cooperatives were very excited be able to financially support themselves, make decisions, and pursue goals without the input of OTO and are both currently financially successful businesses, still owned and operated by the worker-owners. So why is Eve insistent that the worker-owners may not be able to run their own business? It seems that persistent beliefs about the leadership style (as discussed by Claire above) the depth of business knowledge exhibited by the membership are concerns for OTO in spite of the previous cooperatives success. OTO manifests these beliefs in ways which patronize and limit the independence of the membership of EFHC.
While OTO appears to be struggling with the terms of their relationship with EFHC, EFHC members reflect a much simpler perspective. Worker-owners explain that EFHC’s relationship with OTO is “good, because they are helping us,” and expressed gratitude for OTO ongoing financial support for trainings, the manager’s salary and food during bi-weekly meetings. OTO expresses a view of their relationship with EFHC as very complex and also slightly maternalistic, while EFHC frames the relationship as very strategic and useful.

Despite the problems I have highlighted in this chapter, I will re-assert, like Mohanty, Moraga and Reagon, that coalitions like these are extremely necessary. Lauren explains, “A lot of coops do need development expertise to help start coops, I don’t think there’s anything wrong with saying that’s part of what we need. Low income people will realize they can’t do it alone, because sometimes they won’t even have the time resources, because poor people are battling so many things… there’s no reason to think people won’t need help.”

Coalitions like EFHC and OTO also bring the skills of different people together. Carolina explains, “OTO can get lots of people, specialists, to make EFHC be born.” As women with social status privileges in the US, OTO staff has access to resources that EFHC members might have trouble accessing. Similarly, EFHC members have knowledge about social networks and workplaces that OTO members might otherwise not understand. Ideally, both groups will be stronger for their work together.
Conclusion

This study has explored some of the benefits and problems with a low-income worker cooperative. One theme is evident throughout: worker cooperatives create the space for workers to shape their workplace to meet their needs. We began with a cursory explanation of what worker cooperatives are, emphasizing the importance of democracy within a coop and the various manifestations that “democracy” can take and introduced Eco-Friendly Home Cleaning and OTO. We then looked at the ways that worker participation creates a workplace focused on unconventional, yet crucial, issues in labor discourse, and the role that an absence of “formal hierarchy” plays in fostering this kind of workplace. Finally, we discussed a critique of OTO and EFHC’s relationship based on the implicit assumption that EFHC could not exist and organize itself alone. Through this critique the hazards and ubiquity of maternalistic attitudes are exposed, yet we also see that work in coalitions is important and not intrinsically maternalistic.

The broad applicability of these findings is somewhat limited as this study focuses on only one workplace. EFHC has found an economically successful “niche” in eco-friendly house cleaning. There are many people in liberal Northern California who will actively seek out house cleaning services which do not damage the environment. Coming up with similarly appropriate business ideas may be difficult for other cooperatives. EFHC is also a small business (15 members) and a business which doesn’t need to keep up to speed with new and expensive technologies. These factors make management
easier and less expensive. Perhaps a larger, more complicated coop with the same level of democracy may not have the same success.\(^2\)

Additionally, this research is limited by the number of interviews with cooperative members. Although I feel comfortable with my assessment of general attitudes based on observation, I cannot confidently gauge the exact views of every member.

Despite these limitations, this case study, buoyed by the perspectives of coop experts across the country, presents several suggestions for the future of low-income worker cooperatives. First, the case study has shown the benefits and problems with a coop not being independent. Running a successful and democratic cooperative is not easy and outside support and training does seem to be helpful. However, outside support and training becomes problematic when it is maternalistic and when it implies that worker-owners cannot manage themselves. Organizations like OTO definitely help a coop’s ability to get off the ground financially, however, relationships like EFHC and OTO’s should not be institutionalized. If OTO and EFHC’s relationship was not one of dependence, and OTO assumed more of a consulting role, and stepped in, say, when the coop needs advise on advertising, I believe many of the problems of maternalism would be lessened.

In this vein, more organizations to provide these consulting services should be formed. The ICA Group in Boston and the Arizmendi Development and Support

\(^2\) Although I wish to entertain this possibility, I would also like to point to Rainbow Grocery as a coop of over 200 workers which manages to operate as a collective. Rainbow divides into smaller, relevant sections, which operate by consensus and come together as a larger group of representatives to make business-wide decisions. Chroma Technology is a coop in which creates microscope equipment and relies on expensive technology, yet manages to be a collective. Although there are many valid concerns about the viability of cooperatives across industries, there are also examples of viable coops within many industries.
Cooperative in Oakland, provide financial consulting services, information about coops, trainings in democratic workplaces, and loans to groups wishing to start worker-owned cooperatives. These organizations have been very successful in supporting fledgling cooperatives which are now independent and functional businesses. When I asked my interviewees why worker coops aren’t more popular, most of them lamented the lack of information about cooperatives. If more institutions like the Arizmendi Development and Support Cooperative or the ICA Group provide the information and basic tools for cooperatives to community groups, cooperatives would grow.

Through this case study we have also witnessed how informal hierarchies spring up even in a cooperative with a flattened formal hierarchy. Hierarchies based on gender, class, race, seniority, education, and country of origin can hinder the democratic processes on which coops thrive. These informal hierarchies must be acknowledged and discussed in order to be eliminated. Without this process of dismantling informal hierarchies, coops will simply reproduce the ideology of mainstream society, and will not reach their full potential as spaces of self-determination and community.

As we have seen, creating cooperatives is challenging, but by no means impossible. If providing the capital and resources to encourage cooperative development seems too large a task, I hope that this paper has suggested something else: that creating space for people to be self-determining, yet supported by a community, is an incredibly powerful and transformative experience. Together, in the anomalous space created by EFHC, members have been able to challenge external and internalized social beliefs about women’s work, have been able to rework conceptions of leadership, and have been able to support themselves and their families. As Marta explains, this space they have
created allows them to “not just achieve the dreams we have, but it gives us the chance to be who we are, to have a family within the organization and to develop the skills we have and learn new ones.”

Although there are problems within EFHC, they largely stem from residual ideas about social hierarchy held by OTO members with social power. In spaces like EFHC and OTO, women who are often victimized can assert that they are not victims. Together they can work to overturn these traditional hierarchies from the ground-up. As Cherrie Moraga asserts, “But one voice is not enough, nor two, although this is where the dialogue begins… we need one another… The real power, as you and I know, is collective. I can’t afford to be afraid of you, nor you of me. If it takes head-on collisions, let’s do it: this polite timidity is killing us.”
Appendix A: Interviewees

Adelina is one of the founding members of EFHC and is a member of the mesa directiva.

Allison works for OTO but is currently serving as the interim manager for EFHC. She is a middle-aged white woman with a masters degree.

Ana is a worker-owner at EFHC. She assists Marta in training new members. Carmen is her workplace partner.

Ben is the senior consultant for an organization working in cooperative development.

Carmen is a worker-owner at EFHC. She is a member of the mesa directiva. She works with Ana.

Carolina is a member of EFHC’s mesa directiva as the elected community representative. She is also the executive director of a Latina women’s rights organization.

Charlie has been instrumental in organizing some of the most successful worker cooperatives in Northern California and currently works in creating new bakery coops.

Christine works for the US Federation of Worker Cooperatives and has also been a member of two Northern Californian worker coops.

Claire is the executive director of OTO. She is a white, middle-aged woman with a masters degree.

Eve is a member of OTO’s board of directors and has witnessed the growth of two of the cooperatives.

Holly is the former director of the UC Davis Rural Cooperatives Center and has organized several worker cooperatives.

Lauren is an economist and assistant professor of African-American Studies who has studied cooperatives in low-income communities.

Leticia is a worker-owner at EFHC. She works with Monica.

Lisa works primarily on fundraising and administration for OTO. She is a white woman and a recent college graduate.

Marta works for OTO in recruiting and training new members. She is a Salvadoran immigrant with a college degree. She used to be a member of one of the cooperatives.

Monica is a worker-owner at EFHC. Her workplace partner is Leticia.
Todd is the 20 year manager of a janitorial cooperative.

Tere is a worker-owner at EFHC.

Vicky is the OTO representative in EFHC’s mesa directiva.

Yolanda is one of the founding members of EFHC and serves on the mesa directiva.
Appendix B
Basic Eco-Friendly Home Cleaning Worker-Owner Questions
(English Version)

Background- Immigration & Previous Job History
1. Where are you from? How long have you been in the US?
2. Could you tell me a little bit about why you came to the US?
3. Where have you lived in the US? Can you tell me about the community that you live in here?
4. What was your job experience before joining EFHC? Could you talk a little bit about your work history?
   a. If she has done house cleaning before ask:
      i. Did you work alone?
      ii. How did you get your jobs?
      iii. How did you negotiate pay and duties?
      iv. How was your relationship with your client?

Eco-Friendly Home Cleaning
5. When did you join EFHC?
6. How did you hear about it?
   a. Have you seen EFHC change at all since you joined? How?
7. What was the process of getting hired like? The training?
8. What did you know about cooperatives before you joined?
9. What were your reasons for joining EFHC?
10. Did you have any expectations? How did EFHC meet these expectations?
11. How does working for EFHC compare to other jobs you have held?
12. How is your relationship with other women in the coop? Do you have any contact with them outside of work?

Structural Issues
12. Can you tell me about how decisions are made in EFHC? How do you feel about this process? Do you feel like your opinions are heard?
13. What do you think is the ideal size for EFHC? Why?
14. Do you think the organization of EFHC is effective?
15. What do you think is the best part about EFHC being a cooperative? The worst part?
16. What is EFHC relationship with OTO?
17. How much flexibility does your job give you?

Housecleaning
18. Can you tell me what a normal day looks like for you? What sorts of tasks do you normally do?
19. Can you tell me anything about the least-toxic methods you use? Have you ever cleaned with conventional chemicals?
20. How is your relationship with your clients? Do you have any regular clients?
a. Are your clients at EFHC any different from clients you may have had before?

21. Why do you think clients choose EFHC?

Board Members
1. How long have you been a Board Member?
2. What are your responsibilities as a Board member?
3. Do you feel as if responsibility is fairly distributed?
Appendix C
Basic Questions for “Experts”

1. What is your history working with cooperatives? Why did you become interested?

Coops Generally
2. How would you define a cooperative? Democracy? Hierarchy? Leadership? Empowerment? (the last terms only ask about if interview subjects use the words)
3. Could you tell me about the history of the cooperative movement in the US?
4. What are the conditions necessary for a successful cooperative? Demographic? Decision-making structure? Management?
5. Could you discuss managers in the context of worker-cooperatives?
6. What are the benefits of working in a cooperative? The problems?
7. Role of heterogeneity within a cooperative

Low income worker cooperatives
8. I’m interested in worker cooperatives for lower income people and many of the coops I’ve read about are largely white, college-educated people.
   a. Why do you think these coops get the most publicity?
9. Are you aware of a history of worker coops of lower income people? Are you aware of many cooperatives of low income people?
10. Role of outside consulting organizations (ICA, OTO),
11. What does the future of the cooperative movement in the US looks like?
12. Other groups/people I should talk to.
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