HONEST WEIGHTS AND MEASURES: PRACTICING MORAL CONSUMPTION AND PARTICIPATORY DEMOCRACY IN URBAN FOOD COOPERATIVES

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ABSTRACT OF THE DISSERTATION

Honest Weights: Practicing Moral Consumption and Deliberative Democracy in Urban Food Cooperatives

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Cooperative organizations have the potential to issue a profound challenge to the status quo of the neoliberal political economy and dominant organizational paradigms. They go beyond the for-profit/not for-profit binary and open up spaces for socially grounded enterprise that help to complicate the dominant understanding of the economy.

The dissertation explores two consumer food cooperatives in Philadelphia, PA. Both organizations were founded in the early 1970s to provide healthy, inexpensive food—and an alternative to market capitalism. Over the last 40 years, the organizations have taken different paths to achieve their aims: one has expanded to two stores with a subsidiary non-profit education and outreach arm, and a hierarchical management structure; the other has expanded too, but is operated by a staff collective and encourages a strong culture of member participation. Both have responded to an increase in popularity by abolishing mandatory member labor and redefining the terms of membership.
Through semi-structured interviews, document analysis and participant observation, this study examines the ways these organizations adapt to change and narrate their organizational lives. It asks why and how each organization comes to embrace its particular logics and practices.

By attending closely to the voices of the research participants, the dissertation sketches out three main themes with which consumer cooperatives struggle. The first is a “paradox of exclusivity,” whereby they seek maximal inclusion of the public in the cooperative experiment but must draw cultural and organizational boundaries to maintain coherence. The second is the struggle to maintain standing as community based organizations devoted to civic purposes while balancing the books as a thriving business. The third is cooperatives’ commitment to participatory democratic practice, an ideal that they strive to attain through their adherence to and interpretation of the international cooperative principles.

This dissertation contributes an understanding of consumer cooperatives to the planner and community developer. It advances the literature on organizational theory as regards institutional logics and organizational narratives. Finally, it employs critical event narratives and a storytelling approach to advance the use of narrative methods in qualitative research.
ACKNOWLEDGEMENTS

It seems fitting that I relied on the aid of so many people to produce a dissertation exploring cooperation. This project would not have been meaningful or worthwhile without the obvious and subtle contributions of dozens of extraordinary people. I consider this their work and their achievement as well as mine.

I want to thank all of the people who I interviewed for this dissertation. The reader will meet them throughout the text and I trust will grow fond of them and emerge awed by their work, their dedication to the cause of cooperation.

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And, in the end, there is Noga and Lev and our growing family. I did this because of the ways you inspire me, amaze me and challenge me moment by moment. I want to teach the way you teach me, to learn the way that we learn together, and love and cooperate in the world as we love and cooperate with each other.

DEDICATION

This dissertation is dedicated to the blessed memory of Robert and Lillian Cantor. They were in my heart and on my mind each day I researched and wrote this dissertation, and they are there now too.
TABLE OF CONTENTS

Preliminary Pages...........................................................................................................................................ii-ix
Chapter 1: Introducing the study .................................................................................................................. 1
Chapter 2: The challenges of cooperation.................................................................................................... 30
Chapter 3: Methods ......................................................................................................................................... 74
Chapter 4: Introduction to the Case Studies.................................................................................................. 98
Chapter 5:
  Why Co-op?................................................................................................................................................. 125
  Critical Event Narrative: Financial Crisis ................................................................................................. 151
  The Paradox of Exclusivity ....................................................................................................................... 166
  Critical Event Narrative: Human Resources ............................................................................................ 193
  Participation and Democracy .................................................................................................................... 205
  Critical Event Narrative: West Oak Lane .................................................................................................. 248
Chapter 6: Reflective thoughts and analysis................................................................................................. 263
Appendix A: Interview Protocol................................................................................................................... 286
Appendix B: Neighborhood Analyses ......................................................................................................... 287
Bibliography ..................................................................................................................................................304
### TABLE OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Weavers Way Locations (Source: Bing Maps)</td>
<td>98</td>
</tr>
<tr>
<td>2</td>
<td>Weavers Way Mount Airy (©alankin on flickr)</td>
<td>99</td>
</tr>
<tr>
<td>3</td>
<td>Weavers Way Chestnut Hill Store (Courtesy Weavers Way)</td>
<td>105</td>
</tr>
<tr>
<td>4</td>
<td>Mariposa Food Co-op Location (Source: Bing Maps)</td>
<td>111</td>
</tr>
<tr>
<td>5</td>
<td>Mariposa interior (Source: Hidden City Philadelphia)</td>
<td>113</td>
</tr>
<tr>
<td>6</td>
<td>Mariposa related Facebook post</td>
<td>180</td>
</tr>
<tr>
<td>7</td>
<td>Hartnett’s Consensus Decision Making Flowchart</td>
<td>208</td>
</tr>
</tbody>
</table>
Chapter 1: Introducing the study

What thoughts I have of you tonight, Walt Whitman, for I walked down the sidestreets under the trees with a headache self-conscious looking at the full moon.
In my hungry fatigue, and shopping for images, I went into the neon-fruit supermarket, dreaming of your enumerations!
What peaches and what penumbras! Whole families shopping at night! Aisles full of husbands! Wives in the avocados, babies in the tomatoes!—and you, Garcia Lorca, what were you doing down by the watermelons?

--Allen Ginsberg, “A Supermarket in California”

The prevalence of the cooperative model

Around the world, more than a billion people hold memberships in cooperatives; three billion of them depend on co-ops for their livelihoods (International Cooperative Alliance and International Labour Organization 2006). In the United States, cooperatives account for over 2 million jobs and more than $3 trillion in assets (Deller et al. 2009). The United Nations designated 2012 the International Year of Cooperatives, averring that cooperatives have the potential to significantly impact the quality of life for poor and disenfranchised people all over the world. They have the capacity to move people out of poverty and into positions of economic agency. Cooperatives build community and agency around shared political economic goals and local economic development (International Cooperative Alliance and International Labour Organization 2006).
Cooperatives are aided in these aims by a set of formal principles that date back to the 1840s and include voluntary and open membership, one-member, one vote democratic governance, a commitment to education and a concern for community. These principles constitute the key advantage that cooperatives have to offer compared with other business forms. But these developments are contingent on a number of factors. The first is to achieve a critical mass of cooperatives in the first place. Despite their prevalence in some places and sectors, there are many places where the model is not widely employed. As its advocates recognize, the model needs to be promulgated in order to take hold more broadly and succeed.

Once cooperatives are in place and have members, people need to know that they are members of a cooperative and they need to know what that means. There are many cooperatives that do not enact the work of cooperation robustly enough to capture the imaginations or allegiances of their members. They are cooperatives in name only. This dissertation will examine organizational narratives in cooperatives as a means of understanding the way members form bonds to the cooperative organization, and try to get at the heart of what it means to be a truly cooperative organization.

**Consumer food cooperatives at an important juncture**

For the third time in a century, consumer food cooperatives in the U.S. find themselves at a crossroads. The food co-op movement here flourished in the
1930s and the 1970s during times of economic distress. Cooperatives provided a way for communities to exert economic and political self-determination, as they felt overwhelmed by global economic and political events: the Great Depression of the 1930s and the Vietnam War of the 1960s and 1970s.

Yet each time, the movement faltered. The “old wave” co-ops of the 1930s took on the merchandising mix and business practices of their for-profit competitors. And, at the end of the 1970s, a variety of factors led to the failure of small, “new wave” cooperatives.

There are several stated causes of death, including the burnout of the Vietnam-era activists who founded most of the consumer and worker cooperatives (Singerman 1987; Cox 1994; Stoecker 1994). Others point to increased competition, insufficient management capacity and overall decline in the sort of participation that sustains co-ops. But throughout all of these ups and downs, a marginal consumer cooperative movement persisted, waiting to reassert itself and affect another “storefront revolution” (Cox 1994).

Over the last decade, there has been new interest in cooperation, driven by a desire for community control and a reaction to the latest crises of capitalism (Hertz 2009; Alperovitz 2005). New cooperative efforts are buoyed by
support from the United States Congressional Urban Caucus and the United Nations (Duda 2012; United Nations General Assembly 2011). Now might be the time for the movement’s reemergence into what I provisionally call a new “new wave.” This new “new wave” is fueled by interest in organic and local food, the renewed interest in urban neighborhoods by young professionals, and a mistrust of large corporate retailers. I use the term new “new wave” to reflect both the startup co-ops and extant co-ops from the 1970s.¹ My study looks in depth at two co-ops of the new “new wave” and seeks to understand what makes them work as well as looking at ways they can be strengthened.

In the remainder of this chapter, I will accomplish a number of goals. First, I will continue to set the stage, by defining some terms and then discussing the historical and current position of consumer cooperatives in the United States context. Then I will elaborate on some of the challenges to success of the cooperative movement. Next, I will discuss the significance of cooperative organizations and their implications for democracy and community development.

¹ Unlike the repudiation that the old wave of the 1930s faced, today's startups are working closely with their forebears. They use them for technical support, training and sharing of resources. So rather than calling this increase in cooperative formation a third- or fourth-wave, I provisionally call it a new “new wave,” since it is logistically and politically linked to the co-ops of the 1970s.
Defining the terms

What is a Cooperative?

There are two prevalent definitions for the term “cooperative” (Zeuli and Cropp 2004; Zamagni and Zamagni 2010). According to the International Cooperative Alliance, a co-op is an “autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise” (International Cooperative Alliance 2011). Co-ops are owned by their members, who invest in equity shares and can receive rebates based on how much they shop (patronage rebates) and dividends on their equity investment when the co-op is profitable.

A cooperative organization meets its members’ needs by adhering to several key principles, including membership that is open to anyone; a one-person, one-vote governance scheme; distribution of surplus earnings according to amount of patronage of the co-op; education and training; support for other co-ops; and concern for the broader community. These standards were most recently adopted by the International Cooperative Alliance (ICA) in 1995, though they have their roots in the founding Rochdale cooperative in England in the 1840s.

The second definition comes from the USDA, put forth in 1987. It is a bit more succinct than the ICA definition: “A cooperative is a user-owned, user-
controlled business that distributes benefits on the basis of use” (Zeuli and Cropp 2004, 1). This definition, while missing the crucial word “democratic,” otherwise effectively conveys the key notions that co-ops are owned and governed by their members. They are thus rooted in local communities. The financial benefit of co-op membership derives from patronage, not from the extent of one’s ownership stake.

Cooperative organizations can be divided into categories based on their composition. The categories I use are consumer co-ops, worker co-ops and marketing co-ops. Consumer co-ops are set up by their members to provide needed goods such as housing, utilities or natural foods. Worker co-ops are owned by their workers, who collectively make decisions and share profits. Marketing cooperatives differ from worker cooperatives because they cooperate in the marketing and distribution of finished goods.

**Consumer Cooperatives**

In this work I focus on consumer cooperatives, though many of the issues affect the other types as well. Examples of consumer cooperatives include housing co-ops, credit unions, health care, and food co-ops. Consumer co-ops are by far the most prevalent in the US today: 97% of the 350 million cooperative memberships held by Americans are held in consumer

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2 For alternate categorizations, see (Rothschild 2003, 225–226) or (National Cooperative Business Association 2011).
cooperatives (Singerman 1987; Cox 1994; Stoecker 1994). I assert throughout the paper that the consumer identity is the most pervasive, thoroughgoing role people have in advanced capitalist society, and consumer consciousness is paramount in shaping the political economy.

In the next section, I offer a relatively brief and selective history of cooperatives generally, and consumer co-ops in specific.

A selective history of cooperatives

The Prehistory of Cooperatives

Cooperation—as a practice—seems to arise in the home country of whomever you consult. Native Americans are credited with valuing collectivity and cooperation over individuality, as are the early colonists of the Spanish, French and British varieties (Curl 2009). The Mayflower Compact, in particular, is cited for the document’s “covenant and combine” language. It stands to reason that people working to tame a harsh landscape would work together to do so. Although cooperation as a practice was widespread in the Americas, the formation of cooperatives is not native to this continent, as Zeuli and Cropp admit (2004). And despite their impressive achievements, the democratic societies of Umbria and Tuscany did not give rise to consumer cooperatives as we now know them either (Zamagni and
Zamagni 2010). This particular honor goes to a group of 28 weavers and other artisans in the north of England in the mid-19th century.

**Industrial Revolution and the Cooperative Genesis**

Conditions were extremely poor during the first industrial revolution in England. Around 1800 most of the population were agricultural workers: 80% of the people still lived in the countryside and worked as laborers (Birchall 1994). The life expectancy was age 27 in England overall, and lower in some places. Since 1760, powerful landowners had pushed the rules of enclosure through Parliament. The enclosures of the commons meant that peasants’ customary rights to the land were gone, including the rights to graze animals, gather firewood, hunt or even build a house. Seven million acres of agricultural land in England was enclosed between 1760 and 1843, the year before the creation of the first successful consumer cooperative (Zeuli and Cropp 2004).

William King, an early cooperative pioneer, noted that the workman's "little perquisites, his right of common, his cow, his little piece of ground, fell off one by one: he was reduced to his mere wages, summer and winter" (Birchall 1994, 1). Indeed, Polyani states that, “Enclosures have appropriately been called a revolution of the rich against the poor” (Polanyi 2008, 37). Instead of living in with a farmer, laborers were hired as needed, dependent on and at the mercy of a daily wage.
It had not always been this way. The standard of life considerably sank from 1800 to 1834: wages fell, hunger increased, child labor became more popular, and unsanitary and cramped housing conditions grew more widespread. Wages fell to starvation levels due to deskilling of labor, achieved partly through technological innovation but also through the use of women and children in the production process. Though the era of industrialization is often perceived as simply a time of mechanization, in fact it was a moment of an unheralded mobilization of biopower as well.

This biopower separated the traditional work of artisans into piecework. Instead of a single artisan making all pieces of the work it would be divided in the factory or among pieceworkers—an early form of outsourcing. This resulted in chronic underemployment.

Thus workers were integrated into the burgeoning market economy. Under this scheme labor became reduced to an instrument of production. These workers had become merely “an appendage of the machine” (Marx, Engels, and Tucker 1978, 479). Polanyi calls this the creation of labor as a “fictitious commodity” indicating that people used to work in order to make something, and now they worked in order simply to trade their labor as a commodity in the marketplace (Polanyi 2008, 75–6).
People were demoralized and overworked. They lost the art of making their own bread and brewing their own beer; now they were dependent on the local farmer or truck shop for sustenance. People would run up debts at the local shop even though the quality was poor, food was adulterated and prices were high. If workers tried to unionize and get higher wages they could be sent to prison under the anti-union Combination Acts of 1799 (Birchall 1994).

Despite their misfortune, co-operation did not begin among this demoralized cadre of agricultural workers. It came instead from the artisans, who had a higher level of education and income, craftspeople proud of their craft, who worked at their own pace to their own standards. They even had some prior experience with mutual benefit insurance societies, called "friendly societies."

Through the late 18th century and early 19th century, there were early experiments in formal cooperation, by the weavers of Fenwick, Scotland and in the cooperatives started by the followers of utopian socialist Robert Owen in the 1830s. There was even a set of precursor organizations in Rochdale, England—the site of the first successful consumer cooperatives. These experiments failed because they extended too much credit to members and sold products at below market value as part of a utopian scheme (Curl 2009).
The modern history of cooperation began in industrialized northern England, in a small city called Rochdale. The weavers of Rochdale were "haunted by the legend of better days" (Thompson 1968) cited in (Birchall 1994), days when they were well compensated and lived in relative comfort. By this time, some weavers had no clothes of their own. Good houses and good wages were a thing of the past.

But the weavers, and other members of the artisan class, had education, a sense of pride, and other communal traditions from their prior eras of success. So they developed a cooperative approach to solving this particular problem. They wanted to do something proactive with the small amount of capital they still possessed and controlled. They took the money they had been setting aside for a Weavers Union and put it into starting a cooperative store. This group included men and women as members, a progressive practice for the mid-19th century. Thus England, the vanguard nation of the Industrial Revolution, was also the first to pioneer consumer cooperation.

The first Rochdale cooperative opened in 1844 in Toad Lane, in a store so simple that there were jeers from the local youth at the paucity of its provisions (Holyoake 1893). The co-op store grew quickly, though, and the members had goals beyond just selling cheap and unadulterated food. The Rochdale Pioneers (as they were known) also planned housing, wholesale manufacture, and the purchase of agricultural land that old or out of work
members could cultivate. The quirky store soon birthed a movement, with 1661 cooperatives counting a million members in their ranks thirty years later (Zamagni and Zamagni 2010).

The little Rochdale cooperative still exists today. The Co-operative Group in the United Kingdom is the ultimate successor to the Rochdale Society and has 6 million member-owners. The Co-operative operates 4,800 retail outlets, employs more than 106,000 people and has annual sales of more than £13bn in the fields of food, banking, insurance, and even funeral services. (Co-operative Group, 2012).

**Cooperatives come to the United States**

The first cooperatives of any sort in the US were mutual insurance companies, drawing inspiration from the European example. This movement began with the Philadelphia Contributionship for the Insurance of Houses from Loss by Fire, started by Benjamin Franklin in 1752. This was followed by a series of agricultural and producers cooperatives. The first consumer cooperative store opened in Philadelphia in 1862; it was based on the Rochdale principles. This store, the Union Cooperative Association of Philadelphia, was successful in part because it functioned as a community center, social hall and library (Curl 2009). Dozens of grocers based on the Rochdale model opened all over the Northeast, mirroring the early success of the co-ops in England. But the end of the Civil War brought changes to the
price of commodities, and this economic change, coupled with the stores’ overextension was their downfall. Many of the cooperatives closed by the turn of that decade.

The National Grange of the Order of the Patrons of Husbandry, or simply the Grange, was founded in 1867 as a fraternal order of farmers. It institutionalized what had been informal cooperation among farmers. The Grange is known today as an advocacy and support organization in rural American communities. However, in the 1870s, the Grange operated purchasing and marketing cooperatives, as well as a network of cooperative stores that sold consumer goods and farm supplies. The Grange operated the first widescale network of Rochdale-style cooperatives to achieve any considerable success.

Along with the Grange, the next great wave of American cooperation also began in Philadelphia with the Knights of Labor in 1869. The Knights intended to overthrow the prevailing system of capitalist control of the economy as the Gilded Age began. The goal of the Knights was to organize all productive workers into one overarching union organized by geography. Like the Rochdale cooperatives, the Knights included women as members; it also brought together black and white people. The national organization contributed a constitution and bylaws that could be adapted throughout the decentralized cooperative organizations around the nation. By 1886, there
were about 200 of these Knights of Labor cooperatives, in every sector from factories to mines to cooperative stores (Curl 2009). It had become a national movement with more than three quarters of a million members dedicated to cooperation, unionism and labor reforms.

But this wave of organizations was soon to falter and die as well. It found its strength in opposing the capitalist economic system of robber barons like railroad magnate Jay Gould. The Knights found their way into chronic and sustained conflict with the most powerful people in America. They were also opposed by the new American Federation of Labor (AFL), which had a whites-only, skilled-labor only policy, and stood against worker cooperatives (though they later endorsed consumer cooperatives). The Knights were deeply damaged in the aftermath of the first May Day, the Haymarket riot and other pivotal events of the age. They were painted as the villains, sowers of chaos and destruction—anarchists—and quickly lost public support. Membership in the Knights quickly eroded and another cooperative movement was lost to the ages.

The next major event in the history of American cooperation is the founding of the Cooperative League of the United States of America by James Peter Warbasse in 1916. This organization, today known as the National Cooperative Business Association, successfully united cooperative societies around the country and became the national delegate to the International
Cooperative Alliance. Through the 1920s, the League struggled with the emergence of American communism and the division of member co-ops into “red” and “white” factions (Knapp 1973). Membership in the League declined in the late 1920s. Few new cooperatives developed. This decline was caused by increased competition from chain stores and the increased economic prosperity of the decade leading into the Great Depression, making other retailers more competitive with cooperatives.

The “Old Wave”: Cooperatives in the New Deal Era

The 1930s saw the popularization of consumer cooperatives through education and outreach by Warbasse of the Cooperative League and others. The League attempted to found urban cooperatives by seeding buying clubs that could eventually turn into full-fledged stores. The federal government got into the act as well, via the Federal Emergency Relief Administration, which promoted buying clubs. Some major food cooperatives were founded in this era, including the Hanover Cooperative in New Hampshire, Consumers’ Cooperative of Berkeley, California and the Greenbelt Consumer Cooperative in Maryland. These co-ops resembled supermarkets, with large floor plans, a conventional merchandise mix and standard business practices. There were hundreds of retail food cooperatives that began in the 1930s; most are extinct today. Like many times before, these co-ops could not withstand the increase in competition and the amelioration of general economic conditions. However, enough of the old wave cooperatives
survived to form something for the co-op wave that would follow to use as a model for how not to conduct themselves.

The “New Wave” of Consumer Cooperatives

The “New Wave” of consumer food cooperatives began in the late-1960s as part of the broader social movements of the era. In contrast to the New Deal co-ops, the new wave took on oppositional, anti-hierarchical business practices. These co-ops were organized around three principles: food politics, the desire for an alternative economic system, and increasing environmental awareness. There was also a perception among the new wave that they did not get support from their forebears. Each side resented the other. The new resented the old for its stodginess, lack of democratic member involvement and perceived political neutrality (never mind that many of these co-ops had gone through struggles with communism and socialism). The old stores resented the new ones for their nonstandard business practices and the way they were trying to “advance” cooperation (Ronco 1974). In part, the new co-ops found the longevity of the old ones to be distasteful, what with the new wave’s transitory orientation (Rothschild-Whitt 1979).

Counting both buying clubs and actual cooperative stores, the number of co-ops in the new wave may have numbered in the thousands (Cotterill 1983; Ronco 1974). There were links between the antiwar, environmental and
women’s movements and the cooperative movement. These co-ops pioneered the sale of “natural foods,” before the health food craze of the 1980s or today’s era of big organic grocers such as Whole Foods (Grott 1987). They harnessed the youth and enthusiasm of their members to power stores through volunteer or inexpensive labor. Some co-ops sold goods at cost or with only a very slight markup, believing the profit motive itself to be corrupt.

The new wave encountered the same challenges that previous eras faced: lack of capital, lack of secondary organizations such as those that were present in the credit union or co-op housing industries, and increased competition (Singerman 1987; Grott 1987; Haller 1995). Between 1975 and 1980, about half of the extant food co-ops in the new wave went out of business. The ones that remained tended to professionalize and streamline operations. They opted out of mandatory member labor and membership. They came to resemble their natural foods competitors and in many ways took on the business practices of the old wave cooperatives they originally rejected. But these compromises meant success and staying power for co-ops around the country into the new millennium.

**The 2000s and the New “New Wave”**

This is another vibrant time for the cooperative movement. There is a mature and built-out cooperative sector in the US, from credit unions to agricultural
marketing cooperatives to consumer cooperatives. There are about 350 retail food cooperatives in existence, moving towards about 500 if one counts all the startup activity. And there is a tremendous amount of startup activity. Here in New York City alone there are half a dozen new and startup food cooperatives (MAFCA, 2012). The UN designated 2012 the International Year of Cooperatives (United Nations, 2012). And there has been proposed legislation in Congress to support cooperative development (OpenCongress, 2012).

**Problem Statement**

Throughout this turbulent history, co-ops confronted enduring questions of efficacy and resilience. This dissertation examines how consumer cooperatives narrate their organizational lives and how they respond to change. Cooperative organizations have the potential to issue a profound challenge to the status quo of the neoliberal political economy and dominant organizational paradigms. They go beyond the for-profit/not for-profit binary and open up spaces for socially grounded enterprise that helps to complicate the dominant understanding of the economy (Gibson-Graham 2006, xxxii).

The dissertation case studies are two consumer food cooperatives in Philadelphia, PA. Both organizations were founded in the early 1970s to
provide healthy, inexpensive food—and an alternative to market capitalism. Over the last 40 years, the organizations have taken different paths to achieve their aims: one has expanded to two stores with a subsidiary non-profit education and outreach arm, and a hierarchical management structure; the other has expanded too, but is operated by a staff collective and encourages a strong culture of member participation. Both have responded to an increase in popularity by abolishing mandatory member labor and redefining the terms of membership, for reasons I will discuss below.

This study will examine the ways these organizations adapt to change and narrate their organizational lives. It compares the cases with one another, asking why and how each organization comes to embrace its particular logics and practices. And it will situate these extant organizations in the rapidly expanding field of what I will call new “new wave” food cooperatives.

This dissertation provides a richly descriptive and illustrative view of the case organizations. I primarily use participant observation and narrative methods to conduct my analysis. Rather than a set of generalizable recommendations, the dissertation illustrates, through the complexity of the cases, the challenges faced by participatory community based organizations. By examining issues of participation, access, equity, change, and resilience, this dissertation ponders questions about consumer food cooperatives focusing particularly on internal organizational dynamics and the
organizations’ external relations with their surrounding communities. It pays attention to the role of stakeholders in governance, the presence of particular organizational narratives and adaptability to change.

**Contributions of the Study**

The dissertation contributes to the existing literature in a number of ways. Its first responsibility, however, is simply to do justice to the case studies and explain and contextualize them as phenomena. This alone is an adequate aim of social science (Flyvbjerg 2001). Beyond that, I hope to contribute to the academic writing about cooperatives. The recent growth in cooperative formation has not been adequately explored in the planning, organizational theory, or consumer literature. This study seeks to offer practical, in-depth information on how cooperation is negotiated by organizations.

I will also elaborate a theory of what I call “moral consumption” to explain the challenge that the cooperative business model offers to conventional wisdom about the contemporary consumer’s practices. This focus on consumption in self-help, mutual aid organizations is related to my next objective: to provide guidance to planners on how to understand and incorporate co-ops into planning practice.

I hope to position cooperative enterprise as a complement to existing community development practices. Last, this study advances the literature on
organizational narratives through the use of storytelling and giving voice, authority and authorship to the research subjects in the study (Lake and Zitcer 2012).
Research Questions

The goal of this project is to understand how cooperation works in practice at the level of the organization. To this end, I put forth a number of research questions inquiring about these organizations and their internal and external contexts. I want to know how people involved in cooperatives form bonds with them and how they understand their involvement. My first set of questions looks at the cooperatives from the inside. This asks what narratives do stakeholders in cooperative organizations employ about their organizations and how do these narratives change over time? Stakeholders, in my assessment, include members, staff, board members, ex-staff and ex-board members, funders, community leaders, and academics that know the cooperatives. I discuss this more in the methods section of the dissertation.

My second set of questions is predicated on the recent expansion of the two case study co-ops (a situation typical for a lot of food co-ops in the last five years). When the co-ops expand their square footage, sales and market presence, they necessarily include more people in their operations. But what is the status of all of these new participants? Are they active members, casual shoppers, or a combination of several identities? These changes and expansion will affect the democratic culture of these member-owned, member-controlled organizations. Given both co-ops’ expansions, how will an increase in the number of stakeholders in the co-ops affect participation and the democratic culture of the organizations?
My third question moves beyond the boundary of the co-ops into their local adjacent communities. How do the case study co-ops relate to their neighborhoods? Do they strive to be demographically representative of their surroundings? How do different community groups relate to the co-ops? I work to answer these questions through research in the US Census and through interviews with people who are not members of the case study co-ops.

As a planner, I am interested in cooperation not just for its own sake. I want to know what cooperation and cooperatives can do for urban communities. I believe that there is something that this nearly 170 year-old movement can teach planners and community developers about urban communities. But any future relationship between the organizations and communities depends on understanding the current status quo, and what efforts at engagement, if any, are happening today. Therefore, I ask my fourth question: what is the relationship between cooperative organizations and community development? What are the possibilities for this relationship? What are the political economic goals of community development and how do co-ops’ organizational practices support or hinder these goals? How will this shape the cooperative movement today and in the years to come?

Background of the study
I have selected two contrasting case studies for the dissertation: Mariposa Food Co-op and Weavers Way Food Co-op. They were both founded in the same era, in similar neighborhoods in Philadelphia. Both co-ops originally used a mandatory membership and member labor model, in which each member had to work a set amount of time in the store. Weavers Way and Mariposa were among the last of the 1970s food co-ops to continue this practice—and both have made membership and member labor optional in the face of expanded operations. In the last few years, Weavers Way has expanded to serve different retail climates in two Philadelphia neighborhoods. And Mariposa has moved to a building it purchased that has five times more sales space than was available in its original storefront location a mere block away.

In order to attract more shoppers and to be more broadly inclusive of their respective neighborhoods, both co-ops have changed their organizational practices. The most obvious change is the membership requirement, but changes in product mix, marketing and outreach practices have changed as well. I will explore how these organizations have evolved over time and how these recent changes affect their organizational identities.

Although Mariposa and Weavers Way share a city and historical era, they are markedly different. Mariposa was born in 1971 in part out of an anarchist organizing effort called Movement for a New Society, which sought to replace
capitalism with autonomous collective living. Over time, the co-op survived while the broader social movement organization faded. But Mariposa retained ties to its activist and anarchist orientation. It made decisions by consensus, remained a vegetarian co-op, and embraced radical politics and nonstandard business practices. Recently, it has experienced tremendous member growth, putting strain on its operations. In response, it has organized a board of directors, formalized many rules and procedures, and attracted conventional finances to fund an expansion of its store.

Weavers Way was founded in 1973 as part of a broader movement as well – the movement to preserve racial diversity in the Northwest Philadelphia neighborhood of Mt. Airy. The organization started out with a more conventional structure than Mariposa – first with an entrepreneurial founder/manager, and with a board of directors within the first few years. After operating out of one storefront for several decades, the co-op opened a branch store in a low-income neighborhood in 2007. This store struggled to find its niche, with poor sales and high staff turnover. In 2011, the management of Weavers Way elected to close this store. In 2010, Weavers Way purchased a grocery store property that had gone out of business and opened a much larger branch store. This store, in the Chestnut Hill neighborhood, is a somewhat higher end shopping experience, as it is located on one of the elite retail corridors of Philadelphia. The organization now
manages two stores, in addition to a set of non-profit projects that I will
discuss but that are not a major focus of my study.

Roadmap

The remainder of the dissertation is divided into five chapters. Chapter Two
reviews the relevant literature and identifies theoretical concerns. This
chapter consists of several sections, each dealing with a different take on
cooperatives and a different set of literatures. The various sections are united
by a common concern for the way political, economic and social forces help
to determine the possibilities for cooperatives in the urban US context.

The first section discusses the intellectual history of cooperation. It looks at
the work of many key thinkers from before and after the formal founding of
the cooperative movement, up to and including contemporary lines of
inquiry. Then I discuss the phenomenon of moral consumption, defining it as
the set of decisions that go into making a consumption choice informed by a
person’s sense of right and wrong. I tie moral consumption into the notion of
social reproduction.

After covering that material, I spend considerable time on the organizational
challenge of cooperation. I look at institutional logics, organizational
narratives, and the way the organizational literature has reviewed cooperatives specifically.

The next part of Chapter Two looks at consumer co-ops’ potential as community based organizations. I assert that their basis in local ownership and their adherence to the International Cooperative Principle of “concern for the community” positions cooperatives to act as engaged agents of change in their communities. In this section I review the literature on democracy and participation. Then I look at the literature on community development and community based organizations. Finally, I explore the impact that cooperatives can have on their surrounding communities.

Chapter Three describes my research methods. It explains my decision to use qualitative methods, as well as my selection of the case study as a tool. It details narrative inquiry as a strategy, and explains Webster and Mertova’s (2007) notion of critical event narratives.

Chapter Four begins the move into the empirical work of the dissertation. It serves as a short introduction to the two case studies, addressing many fine-grained questions about the case studies. In particular, it discusses the cooperatives’ structure and function, as well as their relationship to their neighborhoods. This section helps to set up the longer case studies of each
individual cooperative and prepares the reader with enough background on the co-ops to be grounded and ready for the depth of detail to come.

Chapter Five is organized thematically, with a focus on three main areas: moral consumption, inclusivity and exclusivity, and participatory democracy. I intersperse three discrete but salient critical event narratives among these main sections. Within this thematic material, employing the voices of my research participants, I give an in-depth look at Weavers Way Co-op. Among other themes, I explore its use of a governance philosophy called Policy Governance; a financial crisis that almost threatened its existence; its non-profit arm, the Weavers Way Community Programs; and its failed West Oak Lane store that Weavers Way operated for nearly four years in a lower income community in Northwest Philadelphia.

I also depict the work of Mariposa Food Co-op. In this case, I look at Mariposa’s use of consensus governance and its transition to having a Board of Delegates; a human resources crisis that significantly disrupted the co-op’s operations; the perceptions around Mariposa’s exclusivity; and the significance of the practice of afterhours shopping.

Finally, in Chapter Six, I will reflect upon and draw conclusions from the material of the entire dissertation. It includes a summary of my findings from the cases. Then I make some conclusions about what to take away from this
study. Next I explore policy implications for the cooperative movement and
the practice of cooperative-informed community development. I engage in
some reflection on the practice of researching and writing this dissertation
and look at the limitations of this study. Finally, I end with some
recommendations for future study, including some projects that I am
interested in pursuing myself in the near future.
Chapter 2: The challenges of cooperation

Cooperative organizations are linked by their founding principles to a common concern for equity, democracy and the empowerment of communities. Because of these commitments, cooperatives have the potential to be transformative sites of deliberation and activism (Young 2000; Gibson-Graham 2006). Consumer cooperatives can accomplish these goals if they are able to muster a thorough reckoning with their organizational logics and narratives, a focus on moral consumption, an emphasis on community, and a commitment to participatory democracy.

This chapter asks a particular set of questions about the place of cooperatives in the United States. How does the philosophy of cooperation coexist with our capitalist political economy? To what extent is cooperation antagonistic to this form of accumulation? Cooperative philosophy supports the idea of markets. But in its most purely theorized state, cooperation ought to sit rather uncomfortably within the neoliberal context, which is animated by a vision of development based on individual effort and reward. Cooperative organizations disagree; they see the social group and community as the primary motive forces in development.

This is not to say that cooperatives fail to thrive under a neoliberal regime. In the United States, one only needs to look at credit unions and agricultural
producer cooperatives to see the evidence to the contrary. These co-ops are not filled with agitators, railing against the excesses of capitalism. Should cooperation, fully realized, revel in its revolutionary roots? Or should cooperation *schlep* along quietly, controlling a tiny piece of the economy, while capitalism goes about its dominant business?

In this chapter, I explore how co-ops fit in the contemporary political economy by examining the challenges to cooperation. Some of these challenges manifest as challenges *of* cooperation—that is, they are the challenges cooperatives offer to the capitalist political economy. Others manifest as challenges *to* cooperation, things that make the cooperative business form hard to sustain. Many of these challenges have components of both. In order to understand these challenges, I begin by looking at the organizational challenge of co-ops, with their conflicted institutional logics and manifold organizational narratives. Then I move to the practice of what I call “moral consumption” and its resonance in today's consumer cooperatives. In this section, I also touch on consumption's connections to race and class, and how consuming functions as an everyday practice with moral and political ramifications. At that point, I look at cooperation through the lens of participatory democracy, asserting that moral consumption is only possible in a large deliberative space. Finally, I think through cooperatives’ potential for community development.
The organizational challenge of cooperation

Cooperatives challenge received wisdom about organizational form, as they go beyond the nonprofit/for profit binary. They serve both a social and a market purpose. Co-ops reflect sound business practices and the desire to participate in markets, as well as the social ambitions typically associated with nonprofits. As complex organizations, cooperatives face considerable challenges to success. Some of these challenges are internal, presented by the cooperative model itself. Others are external, posed by the marketplace and the lack of familiarity by the public with cooperative enterprise. In this section, I explore some of the organizational challenges of cooperation, including issues of discomfort with bureaucracy, blurry boundaries, conflicted organizational logics and complex organizational narratives.

Collectivism versus bureaucracy

The primary internal challenge of cooperation is the distributed power of the management and governance structure. This tension was pronounced in the “new wave” food co-ops of the 1970s, which sought to counteract the tendencies of the Weberian rational-legal bureaucracy, and substituted a form of collectivism that embodied their ethical goals (Rothschild and Whitt 1986). Both of my case study co-ops were born in this era and with these ideals. Instead of careful planning and aspiring to institutional status, informality and transitory orientation were the order of the day. In order to
subvert traditional bureaucracy, these organizations issued few rules and
promoted employees based on particular characteristics (such as friendship
or political orientation) rather than universalist qualifications typically
associated with the jobs at hand (Perrow 1993).

The new wave cooperatives considered themselves deeply enmeshed within
a larger social movement (Cornell 2011). This social movement, the New
Left, was dedicated to stopping the Vietnam War, supporting the
environment, and other macro-level goals. The building of the cooperative
economy and alternative organizations more broadly needs to be understood
in the context of this larger struggle (Stoecker 1994; Beach 2007). As
movement organizations, they were comfortable with being temporary, of
the moment. These organizations expected to last as long as the community
could sustain them and the political will was present. By not seeking
institutional longevity, they felt that they could focus on their specific goals
and not make decisions that compromised the current vision to prepare for
an uncertain future.

In order to avoid participation in the organization for the wrong reasons,
cooperative organizations deliberately stayed marginal. Employees rotated
jobs to avoid careerism and people who make decisions solely to protect
their jobs. The workers should be focused on the organization and the
movement, not the job. A corollary of this commitment was that the
employees should not make too much money; it would undermine the organizational values.

These organizations depended on their members as an internal support base that reinforced their participatory goals. To depend on external support from philanthropists or government would be hazardous, leading to cooptation. The organization should provide services and values oppositional to the mainstream. If an excess of conventional goods were offered, or the goods were offered in a conventional setting, there would be insufficient motivation to participate in the experiment.

The longevity of some of the new wave co-ops (including Mariposa and Weavers Way) means that they have violated Rothschild-Whitt’s principle of transitory orientation. Though the 1980s and 1990s saw a considerable failure rate among new wave co-ops, a few hundred persist today (Schwartz 2011). Of those that survived, most of the new wave cooperatives abandoned the personnel and management practices that Rothschild-Whitt advocates in her work. Job rotation, short tenure, deliberately low wages, and particularism in hiring have not made for sustainable organizations.

Co-ops today no longer see their oppositional status or quixotic business practices as necessary. The social movement that they participate in is built around economic self-determination and local control (and healthy food, in
the case of food co-ops). The prescriptions that Rothschild-Whitt made in the 1970s and 1980s reflected the organizations of her day. But the goal of most of the extant organizations is not to overthrow capitalism or abandon all of the elements of the rational-legal bureaucracy. Indeed, many co-ops, including Weavers Way, have moved towards a hierarchical structure and embraced advanced financial modeling. There are a few stand-asides that cling to some of the organizational values of collectivism. Mariposa sits more in this camp, as does the Park Slope Food Co-op and the Chester's Community Food Co-op (more about each of these below). Yet most of the co-ops that have survived from the “new wave” have made consequential concessions to efficacy. These concessions include embracing hierarchy, use of external financial support, and multi-site store expansions.

Policy governance is a management scheme that fully empowers a board to serve as representative of the co-op's owners, and delegates all operational responsibilities to a general manager (Carver 1997). In many food co-ops, the board vests significant power in the general manager and sets up a hierarchical management structure. This approach has generated some controversy as to whether it stifles participation and a cooperative atmosphere (Kreis 2006; Murray 2007). Policy governance is in force at Weavers Way, where the board deferred to the judgment of the general manager in matters as significant as opening and closing a branch store of the co-op. The system is widely praised within Weavers Way as having
created a more professional and entrepreneurial organization, but the co-op has diverged sharply from the Mount Airy institution of the 1970s through the turn of the century.

The second controversy surrounds external support. In past times, consumer co-ops (notably credit unions) had a defined body of membership that could participate in its operations. This bounded community encouraged participation and member-owner accountability. But today’s co-ops usually allow non-member participation, or a variety of membership that is nominal and minimal. In the food co-op universe, Park Slope Food Co-op in Brooklyn is the largest remaining members-only co-op (the two co-ops that serve as case studies for my dissertation both voted to end members-only shopping in 2010). In addition to non-member shopping, co-ops partner with non-cooperative lenders, suppliers and public funders. Some co-ops have embraced modifications to the form that allow for outside investors to hold membership in the co-op or allow for voting that is not distributed on a one member, one vote basis. Mariposa and Weavers Way, while still constituted like Rochdale-style cooperatives, both used outside financing to support their expansions, leading some in the organizations to question the co-ops’ autonomy and democratic member control.

A third controversy regards expansion. When co-ops are based in one location they can draw from a geographically bounded membership where
casual members and core members shop together. By expanding beyond their initial successful store, consumer co-ops risk transplanting an approach or merchandizing mix that works in one location and exporting it to a location that does not fit. While presenting opportunities to serve a larger geography, expansion can result in a lack of appropriate reflection of community needs and thus alienate potential members. There is precedent for wide expansion of co-ops (one need only look at the massive Cooperative in the United Kingdom, which is the successor to the first consumer cooperative at Rochdale). But this expansive geographic scope would be considered a violation of the spirit of the “new wave” and is one of the leading reasons cited for the death of the lauded Consumer Cooperatives of Berkeley (Fullerton 1992). Expansion became an issue at Weavers Way during its (ultimately unsuccessful) project in the West Oak Lane neighborhood of Philadelphia.

Food co-ops face these choices as they deal with an extremely competitive business environment. In the 1970s, they were the only purveyors of the food that they sold, except for the occasional private natural food store (Reid 2010). Today, co-ops face overwhelming competition from large-scale grocers such as Wal-Mart and Whole Foods and specialty grocers such as Trader Joes. In order to remain viable, the co-ops professionalized and moved away from the oppositional orientation documented in prior co-op histories (Cox 1994; Stoecker 1994; M. McGrath 2004). Today’s startup co-
ops search for the proper balance between accommodation and opposition to existing market practices (Mid-Atlantic Food Co-op Alliance 2011). In order to strike this balance, co-ops must first ascertain the scope of their organizational influence.

Organizational boundaries and cooperatives

One of the defining features of co-ops as membership organizations is something that I call “the paradox of exclusivity.” The paradox of exclusivity refers to co-ops’ determination to be broadly inclusive but at the same time have a coherent organizational identity. The cooperative movement pursues a cooperative-based economy with as many people involved in it as possible. But in order for individual co-ops to work as business and social purpose units, some boundaries need to be placed around the characteristics of participation. I outline these later in the dissertation; they include the merchandizing mix on the shelves, the requirements of membership, and sometimes racial and class-based homogeneity.

Cooperative organizations have a boundary problem. Pfeffer and Salancik (2003) explore the notion of organizational boundaries, defining organizations as coalitions of participants with interlocking behaviors. They assert that “descriptions of an organization developed by inventoring its parts at one point in time may describe nothing about the same organization
at another point in time” and that “it is perfectly possible for a person to be both part of an organization and part of its environment through different behaviors occurring at different times” (Pfeffer and Salancik 2003, 30).

This can be thought of as the problem of partial inclusion. People form partial allegiances to a number of organizations at any one time. This is far from problematic. What does matter is the level of commitment participants bring to bear inside of these boundaries. In the case of cooperatives, it is difficult to determine how far the boundaries of the organization extend. Surely staff and members are part of the organization, but what about vendors? What about non-member shoppers? These last two categories may find themselves significantly financially intertwined with the co-op, but have no governance role or ability to participate except as affiliated producers or consumers. What makes someone a part of a consumer cooperative organization: their consumption behavior or their governance responsibilities?

Pfeffer and Salancik attempt to resolve the boundary problem. In their analysis, it is the activities of the organization that count more than the specificity of the individuals who perform them. The organization is able to catalyze and control certain activities irrespective of who exists in the boundary. Organizations ought to be thought of as a social relation, not a thing; they are a coalition of participants performing certain functions.
This analysis prioritizes the “what” of organizations. In order to more fully reckon with them, we ought to give thought to the “why” of the organization’s behaviors as well. The institutional logics perspective attempts to address that question.

Cooperative logics

The study of institutional logics focuses on the broadest set of societal institutions (i.e. church, state, market) and asks how the overriding logics of these domains constrain and form organizational life (Thornton and Ocasio 2008, 103). Friedland and Alford maintain that each of these institutions has a singular central logic, “a set of material practices and symbolic constructions” that “constitutes its organizing principles” (Friedland and Alford 1991, 248). Institutions are “supraorganizational patterns of activity rooted in material practices and symbolic systems by which individuals and organizations produce and reproduce their material lives and render their experiences meaningful” (Thornton and Ocasio 2008, 101). They identify several such institutions: the market, the state, democracy, family, religion, and science. Each of these institutions is characterized by a central logic.

The concept of logics has been applied to various industrial sectors, including the thrift industry (Haveman and Rao 1997) and community development (Kirkpatrick 2007). In these analyses, evolving logics conflict and force organizational decisions. Sometimes these evolutionary steps take hold
subtly, as in the case of the thrifts, which went from a guiding logic of community banking to a logic of bureaucracy over the period of 60 years (Haveman and Rao 1997, 1604). Sometimes these are a result of a major disruption, such as the introduction of complex financial derivatives, which brought the logics of science and computation to the world of investment banking (Cassidy 2010).

Kirkpatrick (2007) illustrates the competing logics of community development in his case studies of CDC-led real estate projects in Oakland, California. He highlights the contradiction between the logic of community and the logic of the market that complicates the work of community development (see also Stoecker 1997; Vidal and Komives 1989). Kirkpatrick rejects a simplistic opposition of these two logics, seeing “indeterminacy” in the legal structure and organizational form of the community development corporation itself (2007, 352).

Kirkpatrick’s refusal to reduce the two logics of community development to a simple binary points to a larger flaw in the logics perspective. The logics perspective, at least according to Friedland and Alford, is premised on a single, unitary logic possessed by each of the institutional frames they identify. The notion that the market has one logic is reductive. The work of J. K. Gibson-Graham (1996; 2006; 2008) refute this thoroughly. Granted, theorists from Marx to Milton Friedman have demonstrated the profit-maximizing motive of the market. Yet Granovetter (1985) demonstrates the
embeddedness of social relationships in economic actions, proving that even in the most explicit economic domains we cannot escape the interpersonal.

Consumer cooperatives do not come up in the institutional logics literature. Yet in the co-op literature Brett Fairbairn touches on the issue as he discusses the ontological status of co-ops. Fairbairn believes the co-op's organizational innovation is that it defines itself as both an enterprise and an association. It has both an ameliorative social and a business purpose. In logics language, co-ops serve both a market and a community logic. This dual character lets co-ops act in markets, take risks, have successes and failures, and have some kind of a bottom line that that they have to meet. Conversely, co-ops also have to engage members, be transparent and have a social bottom line rooted in cooperative values (Fairbairn 2011). This also makes co-ops tremendously difficult to operate, as these two logics are often in competition. Consumer food co-ops struggle with needing to stay in business and make money when some of them want to “give away the store.” In 2013, Weavers Way was able to lower prices on more than 200 items because of its financial success and good management. But the general manager wishes he could go further, saying, “If it were up to me I would give away food for those who needed it at no cost, or sell everything at a sliding scale” (Bergman 2013).

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3 For an interesting discussion—from a logics perspective—of cooperative businesses and their status in social movements, see (Schneiberg, King, and Smith 2008).
Co-ops that turn too much towards the market logic risk becoming “co-ops in name only” (a phenomenon I discuss below) and pursuing economic success above all else. If co-ops focus too much on the community logic, they risk failing at businesses and being unable to operate at all. Zamagni and Zamagni call co-ops a “genuine, two-faced Janus,” quipping that:

If conventional economics has trouble explaining the conduct of an agent who does not pursue only self-interested ends, social sciences also has trouble understanding how an agent like the cooperative can successfully act through the market to forge strong ties of solidarity and advanced forms of participatory democracy (2010, 1).

It is the challenge of cooperative organization to balance these multiple logics. The new “new wave” food cooperatives, including Mariposa and Weavers Way, currently struggle to achieve and sustain this balance.

Organizational Narratives

In preparing this study, I struggled to find my way with the logics perspective. Recent scholarship on logics has begun to address the shortcoming in the original framework by highlighting multiple, layered, and conflicting logics like those possessed by co-ops (Schneiberg 2006; Lounsbury 2007). I am comfortable with a more constructivist approach, as offered by Meyer and Rowan. They assert “organizations structurally reflect socially constructed reality” (Meyer and Rowan 1977, 49). Despite the apparent distance between mainstream organization theory and Meyer and Rowan’s postmodern orientation, their argument is built on the same
foundation of metaphor and language that the rest of the logics work abuts without admitting it explicitly.

I believe that a narrative approach to organization studies provides a more suitable addition to institutional analysis. Narrative and rhetoric are explicitly mentioned by Thorton and Ocasio (2008) as the means of measuring the effect of each of the four causes of institutional change. The centrality of narrative and story to understanding individual and group experience cannot be overstated. As Joan Didion says, “We tell ourselves stories in order to live” (Didion 1990, 11). I would expand this sentiment, and say that our organizations tell stories so that they may live. An understanding of the dynamics of narrative in cooperative organizational life is at the heart of this research project.

Barbara Czarniawska asserts that organizations are narratives in action and partake of elements like genre, plot and character. She looks to the work of Umberto Eco, who writes both literary theory and fiction. Eco sees no meaningful distinction between the two: “There is not some mysterious ontological difference between these two ways of writing...The differences stand, first of all, in the propositional attitude of the writer, even though their propositional [attitude] is usually made evident by textual devices...” (Eco and Collini 1992, 7; Czarniawska 1997, 140).
Based on this assumption of genre, it is possible to regard organizations as tellers of “fictional” stories. It is up to the engaged interpreter to sift through these fictions and determine how they are “constructed and sustained” (Czarniawska 1997, 10). Is organization then just a language game, full of postmodern sound and fury? Though this may be a plausible understanding, it is not a useful one. The game is not being played just for fun; narrative organization researchers are interested in trying to establish meaning and be of use to organizations and to the social sciences.

Czarniawska advocates for the study of the case in its particulars, in Abu-Lughod’s words, the “ethnography of the particular” (1997b, 48). Positivist social science relies on generalizations about meaning (as opposed to the natural science’s predilection for generalizations about behavior). We must stop ourselves from thinking that things mean the same way across cases (Flyvbjerg 2001). Czarniawska states: “The global perspective can be reached only by studying how different locals are connected to one another” (Czarniawska 1997, 49).

In this study, I assert that cooperative organizations are sites of overlapping and conflicting organizational narratives. These can be loosely collected into the institutional logics of the community and the market. At the heart of the struggle for cooperative success is an understanding of how communities
participate in the market. In this next section, I explore this relationship as it relates to moral consumption.

**Storekeeping and Moral Consumption**

In addition to the organizational perspective considered above, I want to examine the challenges of cooperation through another lens: that of the consumer one. Co-ops offer a different kind of choice to the market, holding the potential of member ownership and a voting stake. Member control of cooperatives often extends to deciding what is carried on the shelves. For example, product selection and suggestions are a regular feature of Weavers Way’s Shuttle newsletter. And Park Slope Food Co-op members decided in 2012, after a high-profile debate, not to ban Israeli-made products from its shelves (Semple 2012). Consumer sovereignty has been part of the cooperative agenda going back to the first consumer cooperatives, persisting today. In this section, I argue that it needs to be a focus of social practice more broadly in what I believe is a turbulent time for consumers. Looking at today’s economic and social climate, one uncovers crises that echo the ones faced by the early cooperators in the Industrial Revolution. In the following pages, I examine the challenges faced by consumers today and relate them to those of the Industrial Revolution. Then I introduce and evaluate the concept

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4 The Park Slope case generated a lot of media coverage; some of it had a mocking tone. I think people in the media were so surprised about these participatory and deliberative acts of consumption that they did not know what to do besides shake their heads or laugh.
of moral consumption as a necessary corrective to the excesses of our current political economic framework.

Consumers emerged historically under the rubric of capitalist consumption (Hoyt 2004). In the early days of industrial capitalism in the 19th century, capitalists required consumers who constantly sought to acquire new goods, who would replace their old goods rather than mending them. Just as the dawn of capitalism was accompanied by protest and contestation, so were the early years of consumerism. As Furlough and Strikwerda note, the "consumerist ethos was...neither inevitable nor universally embraced, and there have been (and continue to be) competing visions and practices" (1999, 2). The making of the capitalist consumer was achieved through concerted practices and rhetorical framing. These practices culminated in the creation of an advertising industry, national brands, and economies of scale that created cheap consumer goods (Hoyt 2004, 267–268).

The consumer identity has been construed by cooperative theorists as one of the historically significant contributions of the cooperative movement. A close examination of the status of consumption after the Industrial Revolution reveals that "the consumer identity, by contrast [to the producer identity], was an all-inclusive identity and it became more rather than less...

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5 The changes were not only in demand. There were also supply side interventions such as Henry Ford's five-dollar day wage.
relevant as the economy industrialized” (Donohue 1999, 117). The early cooperative movement emphasized the primacy of consumer power, especially the power of the market basket. Women, as the family “spenders,” were expected to be frugal and savvy, using values of thrift and home economics to make ends meet on small household budgets; their “basket power” was an important part of the growth of the cooperative movement. One of the innovations of James Peter Warbasse’s cooperative philosophy was the belief that women played a pivotal role in reshaping the prevailing economic arrangements. Cooperation would be a battle fought for families’ well-being with women at the helm.

A religious frame for consumption figured prominently among the early cooperators. Some of the Rochdale pioneers were non-conformist Unitarian Methodists. Robert Owen and Rochdale historian G. J. Holyoake were both Christian Socialists. Lawless (2003) surveys the moral foundations of cooperatives. He finds that clergy saw cooperatives as a way of implementing Christian economic and social values in the world.

This affiliation between Christianity and moral, even anti-capitalist, consumption may be read as unconventional, as Protestantism has been notably associated with capitalism through the writings of Max Weber. Weber wrote of the influence of the doctrine of predestination on the drive to accumulate wealth among Protestants. As a show of God’s favor, believers
embraced capitalism to allay their spiritual anxiety about the “status of their salvation” (Caruana 2007, 294). They believed that hard work would lead to material wealth, which in turn showed their election.6 Weber’s theory forms part of the way classical sociology has seen the relationship between morality and consumption, but there are dissenting strains in the history as well.

John Ruskin, an inspiration to the Christian Socialists, in his late career theorized an entire political economy around moral consumption. Consumption becomes the organizing principle of all economic activity, as consumption is distributed throughout society. For him, consumption is “the chief ethical determinant of economic life” and the consumer is “the final authority directing the work of the people whose products he or she buys” (Craig 2006, 249).

Consumption, in Ruskin’s view, relates the consumer and the product consumed to both the worker and to nature. The morality of consumption must encompass all of these fields and their relationship to one another, from natural resources to labor to output. Only when all of these elements are understood in a holistic manner can the morality of their relation be inferred. The act of consumption implicates all and creates a web of mutual obligations. It becomes the consumer’s responsibility to factor all of these

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6 For a summary of the criticism of Weber’s theory, see (Pierotti 2003).
things into his or her reading of the value of a good, not just what appears on the price tag. Thus, the ethics of consumption becomes “a practice of moral imagination...open to deliberation while seeking the cooperation and inclusion of democracy at its best” (Craig 2006, 254). It is an everyday practice that has activist potential at every turn.

This consumption to support home and family falls under the domain of social reproduction. Social reproduction is the bundle of activities “mental, manual and emotional,” that help to “maintain existing life and to reproduce the next generation” (Laslett and Brenner 1989, 383). Traditionally considered under the rubric ‘women’s work,’ Gibson-Graham and other feminist theorists have called for reexamination of the role of the family and voluntary sphere (Gibson-Graham 1996, 33). The community building work that takes place in ostensibly private domains has considerable impact on community strength and economic stability (e.g. Venkatesh 2006).

We need all the strength and stability we can get. We are living through an era of globalization and footloose capital. Cities and nations are in a race to the bottom on taxes, regulation and wages to compete for industry. These conditions have fostered a number of specific crises faced by the working class in the United States. There are persistently high levels of unemployment; in the so-called Great Recession the rate reached 10%. And there are many discouraged workers and people who have stopped looking
for work who were not counted. Unemployment in cities and in minority neighborhoods was even higher than the national average.

There has been a systematic dismantling of organized labor, which is down from about 35% of the workforce in the 1950s down to about 11% recently (Alperovitz 2005; Bureau of Labor Statistics 2013). This erosion has reduced worker protections and leaves room for exploitation. Among the working and middle classes, there has been wage stagnation, with people earning virtually the same wages as in the 1970s, working more hours and needing two incomes just for families to keep up. And lastly, there has been a precipitous rise in income and wealth inequality. The top one percent of Americans received 93% of the growth in incomes in 2010 (Stiglitz 2013).

Significant crises continue to occur in the food system. There has been widespread adulteration of food. Beginning with a scandal in 2008 and continuing today, Chinese families have been sold milk contaminated by chemicals like melamine (BBC News 2010). There have been thousands of instances of food borne illnesses like the 2006 case of spinach infected with E. coli (Raine 2007). There has been abominable treatment of animals in concentrated animal feeding operations (CAFOs), leading to environmental degradation and other abuses as brought to public consciousness in films like Food Inc. (2009) and books like The Omnivore’s Dilemma (Pollan 2006).
Some workers today are treated horribly, as exemplified by the read-it-to-believe-it 2011 expose of Hormel's Spam factory (Genoways 2011). Protection for workers continues to decline, as unregulated work increases (S. McGrath and DeFilippis 2009). There is widespread evidence of climate change and an increase in “natural” disasters leading to considerable price volatility in the market; fluctuating commodity and fuel prices affecting the prices on the grocery shelves. This affects low income consumers as well as producers of food.

Today’s crises in the food system recall those of the Industrial Revolution—the founding era of consumer cooperatives and the days of the Rochdale Pioneers. In their pursuit of a cooperative commonwealth that would eventually include housing and farming, the Rochdale Pioneers chose storekeeping as the first strike. But why did they begin there? Why did they take on the retail trade? In the mid-19th century, storekeepers were extremely powerful. People in the north of England grew less and prepared less of their own food; they had lost the facility (Birchall 1994). They depended on the truck system, in which they were forced to shop at stores controlled by their employers, at prices considerably above market rate. There was no meaningful competition, and often people’s wages consisted of in tickets redeemable only at one “company” store.
In addition to the anti-competitive atmosphere, food itself was often adulterated or improperly weighed. Many poor people became sick and malnourished from diet related illnesses. The cooperative consumers sought "fair prices, unadulterated foodstuffs and goods made under just conditions by unionized workers" (Furlough and Strikwerda 1999, 4). The cooperators’ desire to provide inexpensive, safe and wholesome provisions for its members and their families eventually found expression in consumer cooperation. The use of “honest weights and measures” was a major factor in the success of the Rochdale cooperatives’ success (Fairbairn 2008).

The poor and working classes could only afford a narrow range of goods, so it was easy for the earliest food co-ops to stock up and compete in this era.7 Today, the stock of many cooperative stores is still fathoms smaller than their supermarket competitors, with their tens of thousands of different products.

Emphasizing values other than mere abundance, the cooperative movement provided an outlet for consumers who wanted to consume, as they saw it, morally: "...the history of consumer cooperation is important because it both articulated notions of a consumer identity that were not fundamentally rooted in appeals to diversion and self-indulgent pleasure, and because it

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7It was said that somebody could cart away the holdings of the first cooperative store in a wheelbarrow if he so desired (Birchall 1994).
gave voice to moral and ethical commitments” (Furlough and Strikwerda 1999, 5). Beatrice Potter Webb asserted that cooperative consumers could affect the entire supply chain with their actions. And they would generate a new economy for themselves, seeking “a new moral world” based on “the art of association” (Gurney 1996; quoted in Furlough and Strikwerda 1999, 7). Recently, Alkon has echoed Potter Webb by asserting that “morally embedded economic exchange is not only congruent with just sustainability, but the most promising channel through which to pursue it” (2008, 488).

What is moral consumption, and how does it relate to cooperatives? It begins with an exploration of morality itself. Morality is based on an understanding of rightness and wrongness of behavior (McGregor 2006). Divining right and wrong behavior is a complex and fraught task, embedded in social processes and constructs (Caruana 2007). Morality needs to be distinguished from ethics, in that ethics is a formal framework for addressing moral questions. It is possible to make moral decisions, that is, decisions of right and wrong, absent an overarching ethical praxis. But these decisions are contingent and instrumental.

Morality can be yoked to consumption through the pervasiveness of consumerism. Today, consumer culture (and theorizing about consumption) is so widespread that “the moral dilemmas posed by consumption are fundamental to the process that drives consumption to begin with” (Wilk
2001, 253). These dilemmas did not escape early cooperators, who urged cooperation as a moral form of consumption.

There are some obvious criticisms that can be made of the moral consumption framework. When the message comes from the wealthy, it can be easy to discount: they have sufficient income that price is less of an object. They are embedded in a privileged class. Craig notes the irony of a wealthy man like John Ruskin “placing the chief ethical corrective to industrial capitalism in the hands of consumers and…charging them to spend wisely” (Craig 2006, 251). The same kinds of charges were leveled at William Morris and the Arts and Crafts movement. Morris extolled the virtues of the handmade in an era where the handmade became more costly and inaccessible compared to the goods made by machine.

This criticism rings true today as well. The politics of moral consumption encourage consumers to spend more. It costs more to steward the natural world, to compensate workers fairly, to make goods of lasting, useful value. One example, organic food, commands a price premium over its conventional counterpart. This premium starts at 20 percent and can climb from there (Martin and Severson 2008), making it less affordable for families on constrained budgets. And there has been a backlash against some of the expansive health claims (Brandt 2012).
Another criticism of consumption-driven social change is the notion that it prizes individual market behavior over collective action (Alkon 2008). A focus on consumption reifies consumerism as a motive force of capitalism, even as it looks to reform consumption. Can strategies that prioritize exchange value affect social justice and social change?

Finally, who decides what is moral? True moral consumption must be inclusive of diverse viewpoints. Yet the contemporary natural food landscape is largely white and middle to upper class. In places where there is diversity, there are instances of division and exclusion (Slocum 2007). Alkon and McCullen speak to the damaging effects this imbalance may have on pursuing a mission of social justice:

This whiteness can inhibit the participation of people of color in alternative food systems, and can constrain the ability of those food systems to meaningfully address inequality. Thus, such whiteness may prevent alternative food movements, despite their growing popularity, from contributing to a just sustainability that can transform existing social, material and ecological relations (Alkon and McCullen 2011, 938).

One of the goals of moral consumption is to disrupt and remake these relations. In order to succeed as a force in the world, it must address these issues of exclusivity of price, atomization and cultural exclusivity.

The first issue is price, and it is a difficult one. I do not think it can be gotten around. Categories like “organic” are about more than their health claims. If it
is better for the workers, the environment, or the consumer, it ought to be considered in the landscape of moral choices, worthy of consideration. Spending on food as a percentage of household budgets has fallen from over 40% in the early part of the 20th century to below 10% in 2012 (Johnson, Rogers, and Tan 2001; Gates 2012). Spending more on food is justified when one considers the overall implications of consumption. Co-ops can work harder to make healthy and sustainable food affordable, but it will never be as cheap as factory-farmed food, as long as the latter receives significant government subsidy.

The atomization question is an easier one for cooperatives to address. Co-ops prize the social solidarity of consuming in common. Reforming consumer behavior needs to happen within institutions with an educative function. There is so much misleading information in the consumer economy that it takes specialists to wade through and find the data that will inform people who want to be more deliberate in their consumption behavior. Co-ops like Weavers Way and Mariposa have embraced the education part of the cooperative mission, and the social environment inside these co-ops supports and rewards thoughtful action.

Last is the question of cultural exclusion. It is consonant with my observations that co-ops are as white as any other part of the natural food system. But this can change: there is nothing in the structure of cooperation
that excludes people from other communities. Later in the dissertation, I discuss this issue in considerable depth with my interview participants and work out some of the reasons why there is not more diversity in co-ops across the sector.

There may be, as McGregor (2006) argues, pervasive hedonism and lack of moral conscience among today's consumers. But co-op consumers invest in ventures with potentially high moral value. Cooperatives can be sites of moral consumption in both the content (the goods on offer) and the structure of the enterprise. They are local businesses that source more goods locally than their competitors (National Cooperative Grocers Association 2012). Like other community-based businesses, their ecological footprint is smaller than chains and multinationals. Cooperatives offer the potential of consuming as resistance to the dominant capitalist scheme. They can be anti-capitalist without being anti-market. They can still participate in the market without seeking profit or having business decisions driven by short-term value creation.

Consuming food at higher prices does not bypass or alleviate the complex problems of a global food ecosystem. But consuming morally and sustainably may have an effect on the food system through “large-scale, consumer-led changes in the production of food” that “may invigorate democracy” (Alkon 2008, 489).
In order to foster truly moral consumption, consumers must think as broadly about consumption as Ruskin suggests. Shopping for fairly made goods at a local business like a cooperative is still beneficial even if the consumer does not have a moral intention in mind—one might call that “accidental moral consumption.” But if the current cooperative movement is going to sustain itself, it needs to foster moral conscience in its consumers, even if it is just to build loyalty to the cooperative business model. In order to be guided effectively, I argue that it needs to be part of a larger cooperative democracy.

**Cooperatives and participatory democracy**

A third way to talk about cooperatives is through the democratic lens. That which is moral is and should be continually contested. The only way moral consumption can be achieved is through debate in a deliberative democracy. Co-ops that prize deliberation, participation and direct democracy stand in contrast to political institutions that are based on voting and representation.

Co-ops begin with the recognition that group life is the basis of organizing. Each member of a cooperative stands as a unit in a larger whole, and through putting small capitals together, attempts to achieve greater good. Iris Young explores the dynamic between the individual and the group, and finds that
the social context of human interaction helps in the construction of individual identity. That is, groups constitute individuals. She relates:

One of the main contributions of poststructuralist philosophy has been to expose as illusory this metaphysic of a unified self-making subjectivity, which posits the subject as an autonomous origin or an underlying substance to which attributes of gender, nationality, family role, intellectual disposition, and so on might attach...The self is a product of social processes, not their origin (1990, 45).

For Young, the social settings that we find ourselves in as individuals (gender, class, etc.) are fundamental to the formation of the self.

Through these social settings, we form communities. But the term ‘community’ itself is rather slippery. Notions of community often go unexamined (Joseph 2002; DeFilippis, Fisher, and Shragge 2010). As Raymond Williams admits, “Community can be the warmly persuasive word to describe an existing state of relationships, or the warmly persuasive word to describe an alternative set of relationships” (Williams 1985; quoted in DeFilippis, Fisher, and Shragge 2010, 12). In either case, the word is almost never meant to encompass the negative and challenging aspects of group behavior.

For the purposes of this analysis, I will merely acknowledge and then sidestep the complications of the term. I employ the following definition of community: “diverse groups of people who live in a commonly understood
location or place...a neighborhood, a town/city, or a county” (Majee and Hoyt 2011, 48).

Yeo and Yeo (1989), in their intellectual history of the word, trace the way it has changed connotations from the 19th century to today. They find many distinct usages for ‘community’ in the context of British social and labor history. Community was initially defined as mutuality—cooperation among workers and consumers—an alternative to competition. The premise of cooperative organization is the return to this definition of community, one that is based on mutual support within localities themselves. It is a vision of self-help, not controlled from above by paternalistic organizations, nor called into being by remote spokespeople.

The mechanism that cooperative organizations use to cultivate and manage community is the cooperative principle that calls for democratic member control. Co-ops foster what political scientists consider a participatory form of democracy (Barber 1984; Pateman 1970; Mansbridge 1980). In participatory democracies, stakeholders engage in greater participation and reflection throughout their lives—from the household and the neighborhood, to the workplace and beyond. Participatory democracy differs from a more ‘thin’ conception of democracy that relies on citizens merely to state preferences by electing officials. Voting and other forms of aggregative behavior find their roots in a view of individuals relating to one another in a
merely instrumental and contractual mode. A more participatory structure better accords the notion of thorough social engagement.

Participatory democracy theorists draw inspiration from the work of John Dewey. In *The Public and is Problems* Dewey calls for the creation of a “Great Community” that can only be brought about through communication and creation of strong publics (Dewey 1991, 147). Dewey is distressed at the state of the public as he finds it, calling it “a ghost which walks and talks (125).” The cure for this impoverished public is not a retreat from democracy, but more democracy. To attain it we must interrogate and revise the institutions we have established. Democracy needs to be expansive and thorough; it should occur at all levels, from the family to the church and the workplace to the political community of the state.

Gittell locates the source of social action in organizations, as most segments of the population can only attain power through collective action. Community based organizations are “important institutional vehicles to expand political incorporation within a democratic movement” (2012, 119). Understanding group activity is vital to understanding participation and democracy. Meaningful participation comes to fruition in culturally inclusive advocacy organizations, rather than organizations that have been coerced to include token participation as part of their funding or charter.
Carole Pateman takes up the mantle of participatory workplaces in *Participation and Democratic Theory* (1970). She believes, following John Stuart Mill, that democracy has an educative function, and the more we participate, the better off we will be. Pateman asserts that even elite political theorists believe that some sort of training is necessary for political participation, even at the most basic, constrained levels. But the dominant organizational forms of work are hierarchical and non-participatory; Pateman calls these models out, considering it hypocritical to insist that such institutions can teach about representative democracy.

Participatory democracies prominently feature deliberation among stakeholders to achieve desired ends. Mansbridge et al define deliberation as a fundamentally non-coercive and reflective form of communication (2010, 65). Classic views of deliberation are based on the participants’ giving of reasons for their beliefs. The idea is that participants will enter the deliberation with divergent viewpoints and then come to a consensus based on the force of the better argument. This type of discourse requires the checking of self-interest at the door. Mansbridge and her co-authors reject the classic model for a more agonistic version of deliberative negotiation that includes the self-interest of the participants in the mix.

Over the last decades, participatory democracy (at least in name) has become a mainstream preoccupation (Polletta 2012). It is cited as a factor in Internet-
based movement organizing, political campaigns, and city planning. All of these loci for democracy share a common mistrust of bureaucracy, preferring to engage stakeholders directly in shaping decisions. Polletta demonstrates that meaningful participation is often circumscribed and merely for show. But she highlights the acceptance of the participatory nomenclature as a factor worth exploring.

Participatory democracy has taken hold recently in social movements like Occupy Wall Street. The world became familiar with obscure consensus-building techniques such as the hand signals for blocking, standing aside, and finger-waving. Polletta traces these techniques back to activists of the 1970s and 1980s. She sees their adoption as a sign that participatory democracy has been refined and formalized. Yet there is a risk that these elaborate styles of deliberation run the risk of alienating potential allies. For participatory democracy to be effective, there needs to be a minimum of jargon and an elevation of outreach, education and training.

Cooperative organizations, and membership organizations more generally, can serve as laboratories for participatory democracy. When members own the organization and are made responsible for vital decisions, it compels members to reckon with issues of governance and change in non-trivial ways. Cooperative organizations are designed to aggregate up, forming a movement though the cooperative principle encouraging collaboration and
outreach. But getting this right is a major challenge for cooperatives. Too much democracy can lead to disorganization. Too little can lead to stifling of the participatory spirit. The two co-ops in this case study are both in the process of struggling to figure out how much democracy is enough. They are coming at it from opposite directions. Mariposa has been working to cautiously erect more structure and representation through the establishment of a board and other moves. Weavers Way has been running as a hierarchy with the general manager and board at the top for some time; it is looking for ways to increase member participation in elections and governance.

Implications for Community Development

The last of the four lenses I want to look through is that of the cooperative principle of concern for community. Cooperatives have long sought to move beyond the boundaries of their business activities into community amelioration. Even the Rochdale Pioneers built housing and owned farmland, so that they could control a larger share of their collective destiny. Cooperative practices have the potential to redress shortcomings in the field of community development that have emerged since the late 1980s. In this section, I will elaborate on the critique of community development before examining the possibilities for cooperation to complement existing practices.
Over the last half-century, urban planning has largely framed neighborhood revitalization in terms of community development carried out by community development corporations (CDCs). But since 1980, community development has suffered from piecemeal funding, mission creep, and professionalization that moved the CDC away from its basis in neighborhood activism and advocacy (Stoecker 1997). These organizations are more accommodationist and compliant with the dictates of funders from outside the community.

CDCs and other community-based organizations have been turned into “shadow-state institutions relegated to providing a rudimentary level of social welfare or directly participating in the development activities of the local urban regime” (Newman and Lake 2006, 48). These issues are connected to larger political economic shifts, and it is a mistake to locate these concerns within the ambit of community development alone. But addressing them requires a rethinking of community development approaches.

As Yeo and Yeo point out (1989), co-ops’ appeal to mutuality and democratic member control allow them to endorse and sustain fairly specific modes of community. These are negotiated in the ongoing process of running a cooperative organization. Cooperative consumers support local neighborhoods by retaining profits in the communities that operate the
businesses, reorienting the relationship between place and the broader global economy (Gibson-Graham 2006; Shuman 1998; Alperovitz 2005).

But organizations in today’s complex global political economy need to acknowledge capital, not hope to simply opt out, as the co-ops and communes of the 1970s tried to do (James DeFilippis 2004, 46). The necessary step for cooperative business comes about through the empowerment and orientation of cooperative consumers. Just as Pateman advocates for participation as a way to deepen democracy, experience with cooperation makes consumers more adept at it.

Zeuli and Radel (2005) espouse a practice of cooperative development designed to work with existing community development strategies. They assert that the community benefits of cooperatives ought not to be seen as externalities or unintended consequences, but as a core aspect of co-ops’ work. Cooperatives are especially suited to empower communities because of their local membership and ability to recirculate various forms of capital in their communities.

The authors highlight three types of community development into which co-ops may be integrated: self-help, asset-based and self-development. Self-help cooperatives are organized within a community to solve a problem or meet a need. These co-ops might focus on providing affordable housing, food, or
health care. The optimal way these co-ops get created is through a grassroots effort from the local community. If they are seeded from outside, there is a chance that they might not take hold and prosper (as in the case of Weaver’s Way branch in West Oak Lane, which I describe below). A middle way is to organize communities with the help of a cooperative developer or intermediary.

The asset-based approach to cooperative development is based on Green and Haines’ (2007) framework of looking at community capital. Capital can take many forms, from financial to physical to human to social capital. Co-ops are especially adept at leveraging social capital. They enhance both bonding capital (close relationships within a defined group or network) and bridging capital (external relationships necessary for accessing distant capital). By leveraging social capital, cooperatives may be able to lift whole groups, rather than individuals, to a higher level of economic security (Majee and Hoyt 2011).

Co-ops also increase the stock of human capital in communities. They provide opportunities to learn about running a business, serving in leadership roles on a board, doing strategic planning, and doing hands-on

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8 The capitals approach has numerous critics, especially of the classification of social relationships as a form of capital. For relevant discussions, see (J. DeFilippis 2001; Joseph 2002). I am sympathetic to the concern about turning relationships or education into commodities. Nevertheless, I think there are useful ways to talk about community capital, using this terminology to make community use values legible in a capitalist framework. What bothers me is not the terms themselves, but who is present in the conversation when they are used and to what end.
work. Cooperative work has an educative function (for example, one person I interviewed got a job at a heating oil cooperative partly due to her experience as a volunteer at Mariposa Food Co-op). In addition to “on-the-job” training, many co-ops include education programming such as film screenings, speakers and the like. They do this work in accordance with the fifth cooperative principle, education, which states: “Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperative” (International Cooperative Alliance 2013).

Finally, co-ops provide financial capital to their members, who aggregate their small pools of wealth into something many times larger. If co-ops are successful as businesses they distribute patronage refunds or dividends to their members. These either lower the cost of goods or services or provide a direct payment, distributed in amounts relative to patronage of the co-op.

The final approach outlined by Zeuli and Radel is self-development. This effort seeks community control of local assets. It is related to movements like Black Capitalism. Because the co-ops are community controlled, they are often willing to accept lower than market returns in order to continue to serve a community need. These co-ops can correct a market failure such as the lack of groceries in underserved areas or electrification in rural America.
These three approaches are not mutually exclusive; they are merely different angles from which to view the justifications for cooperative development. And cooperatives are not sure bets for parties interested in elevating community wealth. They are difficult to start, time- and energy-consuming to run. Organizational democracy is hard to cultivate and maintain. And balancing ideals and business excellence is fraught with many challenges. I will discuss each of these considerations in detail later in the study. But with all of these challenges, cooperation has exciting potential to transform communities. Consumer cooperatives are particularly apt for this aim.

In contrast to export-base theories of economic growth, there is evidence that local consumption drives urban economic development (Markusen and Schrock 2009). These consumption-based activities supports local economies by encouraging job growth for people who spend locally and by attracting skilled, creative residents (Vitiello and Wolf-Powers 2011). When it comes to skilled and creative residents, one needs only to look at real estate listings in Mount Airy, Philadelphia to see that proximity to Weavers Way Co-op is advertised as an amenity.

One way to recalibrate the relationship between professionalized community development and local communities is through utilizing the power of household consumption. CDCs and associated entities focus on production: the provision of housing, of jobs, of access to capital. Consumer cooperatives
seek to take advantage of the primacy of the consumer identity and bring its force to bear on local community empowerment. Consumer cooperatives encourage patronage by their employees as well as other members, completing a circle of investment. Many food co-ops, for example, have employees who are also member-owners. And the expansions of the two co-ops in this case study have generated dozens of new jobs since 2010.

**Conclusion**

Cooperatives offer two substantive critiques to the contemporary neoliberal political economy. The first is a critique of the notion of *homo economicus*, the person guided in decisions merely by economic calculation. It achieves this challenge by opening up spaces of moral consumption. In these spaces, local economies are valued, employees are better compensated, and there is somebody looking out for the planet’s ecological well-being. The second, related, critique is that of political individualism. The cooperative embrace of participation and robust organizational democracy rebuts a vision of society based on winner-take-all achievement. Co-ops attempt to be anti-capitalist but pro-market.

History is littered with the carcasses of failed cooperatives. So can cooperative efforts today thrive in a capitalist political economy? Is it possible to foster the development of cooperative consumers? The answer
depends on a nuanced understanding of the challenges involved. The complex logics and narratives of cooperatives need to be embraced, not rectified. The co-op that adheres to its principles will always serve the market and the community simultaneously. It should not shy away from either side of its obligation. I will explore the dynamics of that challenge in the data that I found with Weavers Way and Mariposa.

Co-ops also need to foster practices of moral consumption. They will never be able to outcompete their corporate competitors on price or economy of scale. But they can deliver a different, more satisfying communal experience. By trumpeting their willingness to engage in discussions of values, co-ops will attract consumers who are motivated by more than just the bottom line. But these co-ops need to be appropriately inclusive in order to have a platform on which to deliberate the issues of moral consumption. This requires an embrace of the cooperative principle of open and voluntary membership.

That principle is closely related to the principle of democratic member control. A participatory climate is essential for the requisite democratic space. It is possible for co-ops to embrace structure without foreclosing on the possibility or participation. This balance is another aspect I will explore in the data chapter that follows.
Last, co-ops ought to pay heed to the principle of concern for community. Working beyond the organization's boundaries is necessary. As Pfeffer and Salancik note, people are part of more than one organization and co-ops only govern a small segment of the social lives of their participants. These other domains often need attention, and co-ops offer a sturdy democratic structure that can help assist people in their lives beyond grocery shopping. Community development in cooperation has still not be completely theorized but it is my hope that this study will help to illuminate the ways two co-ops strive to do it in practice.

The consumer food co-op is well suited to respond to it challenges. Its local scale needs to be treated as an advantage, not a liability. It must be understood “as a nexus of community, household and workplace, which are essential components of everyday life and crucial organizations that shape political values and ideology” (Clarke and Kirby 1990, 394) cited in (DeFilippis 2004, 158). Food co-ops combine economic self-determination and member participation with a focus on household consumption and democratic participation to a degree unmatched by other forms of organization. The potential for making that “nexus” explicit is the potential of the cooperative movement.
Chapter 3: Methods

I was at a Mariposa general membership meeting in 2010, observing and taking notes, when something happened that provided unexpected insight into the organization. The meeting took place in the basement of a church that served as a community center. This place was home to everything from the Methodists and Mennonites to Alcoholics Anonymous and martial arts classes. The meeting was just about to begin. I was sitting one row in front of a Mariposa staff member, Esteban Kelly. Two seats down from him was a person who looked to me like a blond woman. She (I’ll call her “she”) turned to Esteban and asked him where to find the restrooms. He turned back to her and pointed to one side of the basement, “Over there is a men’s room.” He pointed to the other side. “Over there is a ladies room. Unfortunately there are gendered bathrooms here.” He was encouraging her to choose which one was appropriate for her, making no assumptions. She looked a little puzzled by his response, and then got up to walk towards the ladies room.

This moment crystallized a few things for me. The first was that Mariposa was extremely sensitized to gender and queer identity. This was not news to me, but I somehow thought it only applied to people who “looked queer,” meaning ambiguously gendered, as many activists around the organization did to my eyes. The second was that, as extreme as the example seemed to me at the time, operating a truly inclusive organization that makes people
feel welcome in their diversity is a challenge. Sometimes it means there are no simple answers, even (especially) to a question about bathrooms. Third, I realized that I would need to use qualitative research methods to help tell Mariposa’s story. Collecting and analyzing quantitative data would not sufficiently capture the richness and uniqueness of the co-ops I had found myself studying.

**Choosing Qualitative Methods**

I chose qualitative methods as most appropriate for undertaking a detailed study of two cooperative organizations in a holistic and thorough manner. I wanted to situate participants’ narratives in the field of organizational stories. I do not believe that these data would have been adequately captured through quantitative instruments such as surveys, maps, or multivariate regression analyses.

Qualitative methods have a number of useful applications, including the pursuit of research that seeks cultural description and ethnography; research that elicits multiple constructed realities, studied holistically; and research on little known phenomena or innovative systems. Qualitative research is especially useful in studying organizations, as it assists in uncovering informal and unstructured linkages and processes in organizations; and
research on real, as opposed to stated, organizational goals (Marshall and Rossman 2006, 53).

The Case Study Method

I focused on two case studies, Mariposa and Weavers Way Cooperatives, for the scope of my dissertation. Yet even in the qualitative framework, there is no reason I should have been bound to the case study method. Why did I choose to employ the case study? I could have decided to do a sectorial study of a larger sample of the consumer food cooperative population. I could have surveyed all of the boards of directors of the food co-ops in the Mid-Atlantic Food Cooperative Alliance. Dozens of research designs presented themselves as alternatives.

I have two justifications for using the in-depth case study method. One is theoretical; the other is phenomenal. I'll present the phenomenal one first. I came upon the two retail food co-ops prior to choosing them as a dissertation topic, and became intrigued by their organizational structure and goals for their communities. I wanted to understand more about the phenomenon of community food cooperatives using an inductive approach, and began to investigate these two organizations on the basis of that initial interest.
I continued to research these co-ops and turned the project into a dissertation based on the theoretical justification for case study research. Flyvbjerg (2001) explains that case studies are a cornerstone of what he calls phronetic social science. His work calls for a social science grounded in phronesis (meaning prudence or practical reason), asserting that much contemporary research shortchanges the human learning process. Phronetic social science values prudence, expertise and judgment rather than seeking to produce technical knowledge (techne) or epistemological grand theory (episteme).

Phronetic social science is grounded in empiricism. It is built around understanding “the ways in which the evidence is collected, coded and analyzed” (Landman 2012, 27). Case studies produce context-dependent knowledge—that is their power. Flyvbjerg (2001) asserts that all knowledge in the human sciences is context-dependent. Therefore, case study ought to be considered a leading tool in this domain of research. Using this tool, I was able to generate deep knowledge of the co-ops in question and add to the literature about the specific challenges faced by this type of organization.

There are a number of different ways to choose cases. I selected Mariposa and Weavers Way to serve as extreme or deviant cases in the field of consumer food cooperatives (Flyvbjerg 2001, 79). At the time I began the research, they were among the only ones to have mandatory membership
and member labor in their co-ops. I chose them for this reason. Because I am interested in highly participatory organizations, I was not going to study co-ops without member labor or ones that did not have a recent history of member participation.

At the same time, I knew that both co-ops were in the process of getting rid of mandatory member labor, so I wanted to study organizational change in the two cases, and see how it affected them. Learning about how member labor works in co-ops that embrace it (and talking to other co-ops that do not employ it) is a way of understanding and commenting upon the role of participation in cooperative organizations.

**Narrative Inquiry**

Once I decided to work with the case study methodology, I also chose to use narrative methods of ethnographic investigation. Case study narratives are an important part of phronetic social science practice (Flyvbjerg, Landman, and Schram 2012; Flyvbjerg 2001).

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9 The most famous example of member labor consumer cooperation is Park Slope Food Cooperative (PSFC) in Brooklyn, New York. I chose not to study Park Slope for two reasons. The first is that PSFC was not planning to undertake a major organizational change at the time of the study. They were not considering lifting the member labor requirement or significantly expanding. The second is that there are so many peculiarities about PSFC and Park Slope that I think it deserves a separate study. I discuss a potential research project with PSFC in the final chapter of this dissertation.
Given that case studies make substantial use of narrative, it seemed appropriate to turn to narrative inquiry for assistance in preparing the work of the cases. Narrative inquiry as a field is very much in development; it is a grab bag of methodologies and approaches that have appeared over the last several decades, coming from a “rich but diffuse” tradition (Chase 2005, 651). This can be frustrating at times, as narrative inquiry is not a single defined methodological approach. But it also presents a variety of opportunities for an enterprising researcher to make his way and his mark in the narrative inquiry space.

Because of the diffuse tradition of narrative inquiry, it is best to define “narrative” early on, so as not to subsume all interview data or prose under its banner. According to Chase: "Narrative is retrospective meaning making—the shaping or ordering of past experience. Narrative is a way of understanding one's own and others' action, of organizing events and objects into a meaningful whole, and of connecting and seeing the consequences of actions and events over time" (2005, 656).

Several key aspects of this definition make it useful for this research project. One is that it sees narrative as retrospective. In this project, I ask people to reflect on their past experience in the cooperatives in order to understand what they have learned from their participation in the organizations. The
work I have asked the participants to engage in is neither hypothetical nor speculative.

Second, this definition of narrative comprehends narrative as an interpretive project. It allows space for the research subject to put the pieces of her memory and experience together and make sense of experience. It allows her to ask, “What is this case a case of?” (Flyvbjerg 2001, 86). The reader is invited into this interpretive project by having access to the questions and transcribed answers from the narrative interviews.

In order to conduct ethnographic interviews as narrative inquiries, there are a couple of caveats that must be understood at the outset, as specified by Chase (2005). The first is that narratives are situated performances. They exist in space and time, a byproduct of the interaction between interviewer and interviewee. A different interviewer, time of day, or setting could easily result in a different interview.

It is important to treat the results of a narrative interview as simultaneously authoritative, complete-in-themselves, as well as totally contingent on circumstance. The practical consequence is the knowledge that some other person might be able to elicit very different details from the same interviewee, or that another interview might be called for if something else is desired.
The second caveat is that the interviewee needs to be thought of as a narrator. There is a difference between seeing the interviewee as a source of data, an answerer of questions, versus a full-fledged narrator. This change is a “conceptual shift” away from the concept of question and answer to the mode of narrator with unique and vital stories to tell (Chase 2005, 660).

This distinction has implications for the mood and pacing of narrative interviews. Instead of a volley of questions and answers, the narrative interviewer has to be prepared to let the interviewee stretch out and follow the story, even digress. The researcher also has to work to elicit and invite stories as opposed to merely seeing the interviewee as a source for quick answers to questions. This desire to invite stories calls for the asking of generative questions and focusing on specifics.

The use of extended quotes from interview transcripts in the final research product allows space for the narrative elements to breathe and speak on their own terms. Use of extended quotations has prominent advocates in the storytelling and planning literature (Throgmorton 1996; Sandercock 2003; van Hulst 2012). I am guided in this practice of extended quotation by the desire to let the research subjects be included in the circle of authorship of the paper (Lake and Zitcer 2012).
Once I decided to make use of narrative inquiry for the dissertation I had to choose among the variety of methods that comprise the narrative inquiry set of tools. Riessman (2008) explores several of these in depth, including thematic, structural, dialogic/performative and visual analysis. The primary distinction she makes is between thematic and structural approaches. Thematic approaches are more concerned with what is said in the narrative interview. Structural work is more concerned with how it is said. The structural approach tends to look at smaller segments of text, and sometimes does it without looking at the larger context of the interview. These methods are useful for analyzing and comparing short segments of text, with rigorous attention to the linguistic element of speech.

The thematic approaches, by contrast, look at larger segments of text and apply somewhat less rigor to each utterance of the research subject. Thematic approaches search for broad themes in the narratives and seek to connect themes among participant narratives.

For this project, I chose to employ thematic analysis. I was more interested in the content of the interviewee’s narrative rather than the manner in which it was presented. There were times at the outset when I thought that I might explore how certain terms were used, or trace the occurrence of certain concepts in a more structural way. But ultimately I decided that it was more
important for an exploratory study of cooperatives to first learn about the phenomena by understanding the thematic content of the interviews.

**Critical Events Narrative**

Drilling down further within thematic narrative analysis, I discovered a method called the critical events approach. In justifying the organizing of narrative study around critical events, Webster and Mertova make the following observations: narrative is an event-driven tool of research; specific events are key determinants of how we recall our life experiences; and our memory of past critical events often leads us to adapt strategies and processes to apply to new situations (2007, 71). Researchers employ critical events narrative methods in order to properly capture the data produced through this dynamic.

So what, then, is a critical event? "A critical event...reveals a change of understanding or worldview by the storyteller...It is almost always a change experience, and it can only ever be identified afterwards" (2007, 74). Critical events are unplanned and unanticipated. They can either be positive or negative, but they are powerfully influential. They take place in communities of practice, but have strong personal consequences for the individuals who experience them (2007, 83). And the further in time one gets from a critical event, the more clearly one sees the profundity of its effect.
As a researcher, it can be difficult to work with critical events narratives. It is not possible to come to an interview prepared with a list of critical events that you want to discuss with an interviewee. These need to be elicited through narrative interview techniques. It is possible, however, that after speaking with a number of interviewees, a set of critical events in the life of a community of practice becomes visible and takes shape. The more interviews one conducts (until reaching saturation), the more perspectives one can receive on the given critical event, aiding veracity and representativeness and decreasing the researcher’s dependence on convenience sampling (Landman 2012, 35). The interviewer can ask questions that surround these events to ascertain whether or not these events have a critical quality for the interviewee in question.

Using critical events narrative inquiry, I found it possible to focus the extraordinary range of available narrative inquiry methods into a set of interview protocols that sought out particular kinds of stories and reflections from interview participants. I knew that I wanted to do thematic analysis on participant narratives, looking especially at events that appeared to be critical using Webster and Mertova’s definition of the term.

How I Chose the Cases
As I stated above, I chose the cases before I created the framework of the dissertation. It was a research situation where I found a compelling set of phenomena that piqued my nascent research interests, and I followed my nose. At the time, I had only a passing familiarity with the cooperative business model. Why did I find these co-ops compelling in the first place?

The dynamic that interested me most about Weavers Way and Mariposa, at least initially, was their complicated staff/member relations. In both organizations, the members are owners and thus indirectly oversee the staff. At the time, Mariposa did not even have a board standing between the general membership and the staff. But the staff is responsible for managing the members during the member workshifts and the staff is often the most knowledgeable about the functions of the organization. It struck me that both groups (staff and members) were simultaneously empowered and constrained relative to the other in a way that could be either crippling or motivating to the organization. But everything depends on the nature of the trust relationships, the degree of participation of the membership, and the power invested in the staff and management. My first impulse for this study was to try and unpack these dynamics by understanding how food cooperatives work in general and how these two organizations specifically handled their structures.
I did a small pilot study of the two co-ops in early 2009. I interviewed the member coordinators on staff at both Weavers Way and Mariposa and spoke with them about the dynamics among members and staff. These interviews, coupled with on-site observations at the stores, confirmed my initial inkling that the organizations were worthy of study. I learned that the organizations were undergoing organizational change, and that they were evaluating the dropping of their membership requirements. At the end of the pilot study, I made the commitment to pursue working with these two organizations for the dissertation.

Stoecker maintains that case study researchers ought to specify the structural and historical boundaries of the case; a case study is thus “a research project which attempt[s] to explain wholistically [sic] the dynamics of a certain historical period of a particular social unit” (1991, 97–98). I chose to use the cooperative organizations as my social unit of study. And based on my research into their history, I have chosen to bound the case studies in the period 2002-2012. Though I talk about their history before this era, this period is the time of greatest scrutiny. It corresponds to a critical event in each of the organizations: a financial crisis at Weavers Way and a human resources crisis at Mariposa. Both of these incidents (as I will demonstrate later in the study) propelled the co-ops into their current organizational epochs.
Design of the Research

As is common with narrative analysis, my primary research method was the semi-structured interview. Over the course of 2010 and 2011, I conducted 59 interviews with stakeholders of the cooperatives and other relevant organizations. Of these, 18 were with Weavers Way stakeholders, 18 were with Mariposa stakeholders, and the remaining 23 were with a variety of others. This last category includes staff and board members from other food co-ops around the country, academics who study cooperatives, Philadelphia community leaders, cooperative development consultants and funders who supported Mariposa and Weavers Way's expansion, and others.

I used snowball sampling to determine whom to interview and in what order. Snowball sampling is an appropriate method in qualitative research for non-random, non-statistical purposes (Marshall and Rossman 2006, 71; Strauss and Corbin 1998, 214). I began with key informants in each organization, chosen for their particular knowledge of the co-operatives. During each interview, I asked each interviewee for the names of other people with whom I should speak and the basis of their knowledge about co-ops. I also was able to generate my own lists of key informants based on looking at the staff and board lists of the two case study organizations, reading the trade publication
Cooperative Grocer, and subscribing to the electronic listserv Cooperative Grocers Information Network.

I stopped the interviews when I felt that I had reached saturation:

“Saturation is...a matter of reaching the point in the research where collecting additional data seems counterproductive; the ‘new’ that is uncovered does not add much more to the explanation at this time” (Strauss and Corbin 1998, 136).

Access

With any such project, the researcher has to be concerned with achieving access to the case study organizations. In my case, I was able to begin with my prior connections to the membership coordinators at both case study co-ops. In the case of Mariposa, I continued to work with the membership coordinator on gaining access to the rest of the staff and the board. This person was my entrée into the organization, and from there I had a fairly easy time finding people to talk to in the co-op.

I did two things that eased my way in the Mariposa case. The first was that I reactivated my membership. I had been a member in the early 2000s and I rejoined the co-op (I had done this just before doing the pilot study) and began to shop there more frequently. The second thing was that I joined the
membership committee (called the Member Accountability Team or MAT for short) as my then-mandatory workshift. This was the committee convened by the membership coordinator, which enabled me to stay close with that person.

In the case of Weavers Way, I had to retool slightly after the pilot study. The membership coordinator that I worked with left the co-op by the time that I returned to start the larger study. I had to begin establishing a new foothold in the organization. I reached out to the communications director and editor of the co-op’s newspaper, who set up an interview with me. That person (a longtime employee) guided me to the general manager of the co-op, who opened the rest of the relevant doors. The general manager’s name (or sometimes the GM plus a board member’s name) was enough to get anybody in the co-op to talk with me. I also activated a membership in the co-op (I had been a member of this co-op previously but only for a very short time).

**Interview Protocol**

As I mentioned above, the interviews that I conducted were semi-structured in nature. The shortest interview lasted about 25 minutes and the longest lasted nearly 2 hours. Most interviews were about an hour long. I recorded all interviews on two digital recorders, making sure that I had one recorder for backup. Most of the interviews were conducted in person. The ones with
people from out of town (New York, Hanover, NH, etc.), I conducted by phone.

I obtained Rutgers IRB certification under research protocol E10-184 on March 10, 2010. This project was granted an exemption from IRB review because it does not examine sensitive data or deal with compromised populations.

In order to receive IRB approval, I submitted an interview protocol (available as an appendix) that served as a guide for the interviews. Initially I stuck rather closely to the interview questionnaire. After reading a short background statement about the research and gaining informed consent, I asked a number of basic questions about the participant’s role in the cooperative.

At that point, I went on to ask questions about how decision-making happens in the co-op, including the dynamics of general membership meetings. Then I asked about board and governance activities, asking for specific and concrete examples (Chase 2005).

Finally, I ended with my “bonus” questions. These were the ones specifically designed to elicit critical event stories. I asked the interviewees about the most memorable positive and negative experiences of their time involved
with the co-ops. And then I asked if they could change one thing with a magic wand, what would it be?

I wrapped up each interview by asking people who else I should talk to, furthering the snowball sampling method.

This protocol merely served as a guideline to the interviews that I eventually conducted. As I got more comfortable, I began to vary the questions according to what I thought each person had to offer or to specific things that I understood they were primed to talk about based on their specific role. In this kind of research, it is necessary to be open and flexible regarding interview technique, conceiving of interviewees as “conversation partners” rather than as rigid sources of data to be mined in an inflexible manner (Rubin and Rubin 2005).

**Other Forms of Data Collection**

Though narrative interviews were the primary method of the dissertation, I sought out other ways of knowing in order to triangulate the data. Triangulation is considered a best practice in research in order not to over depend on any one source of data. According to Marshall and Rossman, “triangulation is not so much about getting ‘truth’ but rather about finding the multiple perspectives for knowing the social world” (2006, 204).
The two other methods that I used in the research were participant observation and document analysis. They played a supporting role to the interviews, but they were nonetheless helpful in calibrating what I heard from the interviewees. I will discuss each briefly in turn.

I conducted participant observation at each co-op as a member-owner who attended meetings and served on committees. I also conducted simple observations as a shopper at the branches of the co-op stores throughout the periods of interviewing and analysis. My participant observation was considerably more thorough at Mariposa than at Weavers Way. Mariposa does a lot more of its work face to face, and does not document it as consistently as Weavers Way.

At Mariposa I was a member of the Member Accountability Team (MAT) for over a year. MAT was charged with drafting membership policies and sending them to the Board for consideration at General Membership Meetings. MAT was also the body that heard disputes if members were not in good standing with their workshifts or member equity payments. MAT was a small and well functioning committee of about six people at any given monthly meeting.
Beyond MAT meetings, I attended Mariposa’s General Membership Meetings, which are not held on a regular schedule but happen about once per quarter. I also did workshifts as a “storekeeper,” which meant stocking shelves and produce and the like.

At Weavers Way, I worked in the store several times doing member workshifts. I worked in the kitchen, preparing foods. I worked in the home and beauty department. I worked stocking produce on the main shop floor.

In addition to these workshifts, I attended Weavers Way’s general membership meetings, which happen biannually. I also sat in on one of Weavers Way’s board meetings.

I also used document analysis to support my observations and interviews. At both cooperatives I collected meeting minutes, newsletters, agendas, marketing and promotional materials, flyers and other ephemera throughout the course of my study. These documents help to support and confirm (or contrast) what I heard in the interviews. For the most part, they are official communiqués from the organizations, so they need to be read with that in mind. In some cases, they reveal nuance and debate (some meeting minutes) but in other cases they are explicitly promotions (flyers and promotional brochures). Nevertheless, even promotional documents are useful as they
help to illuminate the qualities about the co-ops that the organizations themselves want to highlight.

**Quantitative Data**

In order to situate the cooperatives within their host neighborhoods and their local economies, I wanted to give some sense of their context. It seemed to me that the best way to do that would be through the use of the United States Census. Using a tool called Social Explorer, I downloaded data from the decennial census (at the block group level) beginning in 1970 (the decade of both co-ops’ founding) through to 2010, the most recent census.

I looked at data on household size and composition, incomes, race and ethnicity, educational attainment, and rates of homeownership. I felt that these personal, household and neighborhood characteristics gave me an ample sense of what was going on in the co-op’s communities and allowed me to depict the backdrop of their activities. I compared changes over time as well as comparing the two neighborhoods to one another.

I will discuss more about how I chose the variables, limited the geography and analyzed the data in Chapter 4 when I present the data and its analysis.
Data Analysis

Generating the interview material was just the beginning. The data needed to be transcribed, coded and analyzed. I transcribed about 50% of the interviews on my own and used a paid transcriber to do draft transcriptions of the rest. As the paid transcriber was not a native speaker of English, I needed to go over each of the transcriptions and make corrections to all of the transcripts. Through the process of transcribing and correcting transcripts I had the opportunity to read each transcript several times before starting the coding process.

I did the coding of the data using Atlas.ti, a qualitative data analysis software package. Atlas.ti allows researchers to import text files, PDFs, images and even videos and annotate them with researcher-defined codes. The files for a given project are grouped into what is called a “hermeneutic unit” and data can be output in a variety of ways. I was able to generate reports that cut across many interviews, comparing how different interviewees spoke to different themes or topics throughout their interviews.

Using Atlas.ti I did thematic coding of the data, taking several passes through the data and refining and condensing codes as I went along (Riessman 2008; Gibbs 2007). I linked related codes into code families and began to look at themes as they emerged. After I had a clear understanding of the themes that
were found in the data, I compared these with the notes I had taken on my participant observations and the other documentation I collected and began to write up the case studies.

**Ethical Considerations**

Disclosure and reciprocity were important values to me in the conduct of this study. I disclosed to the co-op’s board and members my role as a researcher at every interaction. I explained the objectives of my study and asked for participants’ feedback. I offered to present a set of my findings to the organizations at the end of the dissertation and at meaningful milestones. In addition, I let the organizations know that I was willing to work on behalf of the co-ops on small projects that used my skills in exchange for their cooperation.

I was asked on several occasions to help Mariposa in its expansion efforts. This took the form of drafting and editing documents for fundraising purposes, helping to work on a policy for youth membership at the co-op, and helping with door-to-door canvassing to conduct a survey about interest in the expanded co-op in the broader neighborhood. Weavers Way took less advantage of my offer to do work in exchange for the access I was given. I gave a presentation on my research at one of the Weavers Way board
meetings and volunteered to staff a day of a cooperatives trade conference that Weavers Way was hosting.

When all of the interviews were transcribed and coded, I worked to put the participants' quotes into the structure of the dissertation. Once I knew what quotes I was planning to use, I contacted each of the relevant people and showed them their quotes. I gave them the opportunity to attest to their accuracy and I made minor changes based on their feedback to improve their accuracy.

In addition to the situations described above, I worked within the confines of my IRB protocol. I obtained informed consent from my research subjects. I respected the confidentiality of my interviewees and kept my IRB paperwork in a safe and secure location.
Chapter 4: Introduction to the Case Studies

This section introduces the two case study cooperatives. I have placed it here, before I move into the narrative style of the rest of the data chapters. This section looks at the history of each co-op, offers a brief neighborhood background, and discusses its contemporary structure and functions. The idea is to tell the reader one kind of story about the co-ops; it is the version of their story that answers the basic "who, what, when and where" of their existence. After I set these co-ops in the proper context, I move in the next chapters to the "how" and "why."

Weavers Way Co-op

![Figure 1 Weavers Way Locations (Source: Bing Maps)](image_url)
Introduction

Weavers Way Co-op is a retail food cooperative with locations in the West Mount Airy and Chestnut Hill neighborhoods of Philadelphia. The co-op's leadership extends to its work in cooperative startup development, urban farming, and community development. Poised to enter its fifth decade of operations, Weavers Way has become something of a regional and even national leader in the consumer cooperative movement.

Figure 2 Weavers Way Mount Airy (@alankin on flickr)

The Weavers Way narrative is closely linked with the narrative of Mount Airy, acclaimed as one of America's few successful experiments in racial
integration (Ferman, Singleton, and DeMarco 1998; Perkiss 2012; Sternberg 1996). From the 1950s through the 1970s, civil rights activists and civic and religious institutions banded together to resist redlining, blockbusting and white flight. Weavers Way was founded at the tail end of this activism but was created very much in the spirit of continuing and extending it (Ferman and Kaylor 2000).

Over time and through its share of organizational challenges, Weavers Way has emerged to become a political and economic force in Northwest Philadelphia and beyond. Its leaders have worked to foster the growth of startups as well as organize networks of cooperatives. Recently Weavers Way has expanded its presence beyond Mount Airy to a second store in Chestnut Hill. While Weavers Way appears to be in a place of great organizational strength, it has taken on significant debt and has adopted a governance structure that moves away from participatory democracy and vests significant organizational power in its General Manager. I discuss the ramifications of these circumstances in the analysis below.

**Neighborhood Background**

Weavers Way is part of two communities in Philadelphia: Mount Airy and Chestnut Hill. Chestnut Hill is a consistently affluent neighborhood; its median household income is double that of the City of Philadelphia generally.
Chestnut Hill residents are majority White, highly educated, and somewhat older than the average in other neighborhoods. Mount Airy shares some of these characteristics (an older population, high educational attainment), but differs as well. Mount Airy has a greater diversity of race and income than Chestnut Hill. Though it is richer on average than the City, there are parts of Mount Airy that reach either end of the income spectrum. The area is diverse racially as well, with a majority Black population but also a significant White population. The demographic story of Mount Airy is complicated; there are census tracts that are largely low income and Black in East Mount Airy, and areas of West Mount Airy that are as affluent and White as Chestnut Hill. The area of Mount Airy surrounding Weavers Way is an area of rather high income and education.\textsuperscript{10}

Historical overview

Weavers Way has its roots in a buying club that operated out of a church in Mount Airy in 1972. But one man, Jules Timerman, felt that the community could support a food co-op and went door-to-door soliciting support. Soon, he rented a storefront—the former Sid’s Delicatessen—and that became Weavers Way in January 1973 (Weavers Way Co-op 2013a). In the earliest incarnation of the co-op, there was no member labor and Timerman managed it. But soon the other members started to learn about the new wave

\textsuperscript{10} For a full analysis of the demographics of the Weavers Way and Mariposa neighborhoods, see the appendix.
co-ops that were cropping up all over the country and adapted Weavers Way to be more like the co-ops of that time.

By 1975, Weavers Way parted ways with Timerman and adopted the structure that would continue for most of the co-op’s existence: mandatory membership and mandatory member labor (Kromer 2010; Weavers Way Co-op 2013a). The co-op existed for people who were interested in inexpensive foods (the local and organic focus came later), and also being part of the Mount Airy community experiment (Bergman 2013).

Weavers Way has always had a penchant for growth and entrepreneurship. There was a failed effort to start a co-op in an adjacent neighborhood in 1979. The co-op organized a credit union, heating oil cooperative, and a health care buying club. Over time, these initiatives have changed form or fallen away, with the credit union getting bought up and absorbed by the Police and Fire Credit Union, the heating oil co-op splitting off and becoming the Energy Cooperative, and the healthcare buying club becoming unaffordable due to healthcare economics. In 1993, Weavers Way expanded and renovated its original store; it had been difficult for shoppers to navigate since the co-op’s earliest days. This sufficed to support demand for a time, but there was ongoing talk of further expansion as the original storefront became more cramped with shoppers.
In 2002, when a larger expansion was poised to occur, financial mismanagement on the part of the then-financial manager came to light, halting the process. When the final accounting was done, over $600,000 of members’ equity in the co-op had disappeared. The co-op’s longtime General Manager resigned. And the co-op’s bookkeeper faced criminal charges, though the mismanagement did not include theft or embezzlement (McGoran 2004; Blanchard 2002). Weavers Way’s Board investigated the co-op’s finances and discovered that vendors had not been paid, overdraft fees had piled up, and funds were misapplied.

Weavers Way’s board president called for an investigation into the crisis that ultimately resulted in an Accountability Committee Report to the Board of Directors in June 2003 (Ashodian et al. 2003). In order to unravel the increasingly complex financial crisis, the co-op also brought in special accountants to help reconstruct the co-op’s financial activities and understand its current position. Weavers Way resolved the crisis by raising prices, asking for emergency member loans, renegotiating agreements with suppliers, and asking the staff to accept temporary wage cuts. To the surprise and delight of many people who were involved, the members and stakeholders rallied behind the co-op, and within two years the co-op was again in a strong financial position. As a result of the crisis and the subsequent accountability report, Weavers Way strengthened its financial and accountability mechanisms and created a more professional and
bureaucratic organization. It put more financial controls in place, got serious about instituting the Policy Governance system with its focus on executive limitations, and began to do serious financial modeling and budgeting under its new General Manager.

In 2007, the Ogontz Avenue Revitalization Corporation (OARC), a local community development corporation, asked Weavers Way to operate a small branch in the West Oak Lane neighborhood. Weavers Way operated in this space from 2007 to 2011 before ultimately deciding that it was not financially feasible to continue in this location. West Oak Lane was a small co-op in a lower- to middle-income African American neighborhood and meant a move beyond the co-op's demographic and geographical comfort zone. In the four years Weavers Way spent in West Oak Lane, the co-op attempted to “reboot” the store several times by trying out different merchandizing mixes and different staff (Tu 2012). None of the approaches that it tried worked, and the co-op ended up subsidizing the operations at West Oak Lane to the tune of $200,000 a year. Even though Weavers Way, by 2007, was in good financial shape, the co-op deemed the losses unsustainable. In August 2011, Weavers Way left the business, turning control of the storefront back to OARC.

In 2010, the promise of expansion was fulfilled with the expansion to Chestnut Hill. After a market study, Weavers Way decided that enough of its
existing membership and potential future growth was based in Chestnut Hill. A former grocery store site was available and suited Weavers Way’s needs. In May, the Chestnut Hill store opened on Germantown Avenue with sales that exceeded all projections, and is still doing brisk business (Campisi 2010). In Summer 2012, Weavers Way closed the Mount Airy store for six weeks and renovated it to bring it closer to the function and feel of its newer counterpart.

![Image](image.jpg)

*Figure 3 Weavers Way Chestnut Hill Store (Courtesy Weavers Way)*

**Contemporary Structure and Functions**

Weavers Way has approximately 4900 members. The co-op gained 2000 new household members with the expansion to Chestnut Hill in 2010 and into 2011; it is now holding steady. The members of Weavers Way Co-op are individuals who make equity investments in the co-op and become member-
owners. The investment is $400, payable annually at a rate of $30 per year. Members are eligible to vote in elections, to serve on the Board of Directors, earn patronage rebates and get member specials. Working members get 5% off their purchases in exchange for six hours of work annually (Weavers Way Co-op 2013b). Members can sign up for their hours via an online work calendar. Jobs include working in the store, unloading deliveries, bagging bulk items, or serving on the Board and Committees. Even though six hours annually is a low number of hours, interviewees stated that it helps the co-op. Cooperators are given jobs that can be learned in a few minutes, leaving the rest of their two hour shifts for active work. And many members have held the same shifts for years, developing expertise along the way. With thousands of members working mandatory shifts, these hours add up.

The working member requirement was lifted, however, in early 2010. Today less than half of the co-op’s membership works. The requirement was lifted for a number of reasons. In part, the co-op believed that members coming from the elite Chestnut Hill community would not want to do workshifts. In part, the co-op’s management felt that the work requirement was turning a lot of potential business away. The working membership requirement was put to a vote of the membership and dropping the requirement was unconditionally favored.
The popularity of workshifts is greater in Mount Airy, where the workshift system was in place for decades, than in Chestnut Hill, where workshifts have always been optional. In Mount Airy, cooperators are still a daily, constant presence. Weavers Way’s board and management are working to increase the number of working members by promoting the benefits of membership. The co-op has found that members and especially working members are more engaged, shop more, and get more involved in the co-op.

The number of paid staff at Weavers Way is approximately 130. This is a substantial expansion of staff due of the opening of the second branch in Chestnut Hill. Paid staff work alongside member-owners during workshifts in the stores. When recruiting staff, Weavers Way places a high priority on competitive compensation and offers health benefits to its employees (Weavers Way Co-op 2013c). The co-op is managed by a general manager in coordination with a management team that consists of the two branch store managers, the purchasing manager, the human resources manager and others. All of the administration of the co-op is based out of the Mount Airy store, with those administrators running the back end for both stores.

One of Weavers Way’s unique features is the co-op’s commitment to its two production farms. One is a two-acre market farm that sells produce at farmers markets and at the co-op branches; the other, a 2.5-acre farm, produces food for a CSA. The co-op employs two farmers year-round, and has
several farm apprentices and interns during the growing season. Working members can do their work shifts at the farm instead of in the co-op stores. The farms currently break even, but the co-op hopes that the farms can serve as a small profit center.

Weavers Way has a nonprofit arm called Weavers Way Community Programs (WWCP). WWCP is responsible for farm education at the co-op’s farms as well as a community gardening program at Mount Airy Stenton Family Manor, a family homeless shelter. In addition, WWCP oversees the Marketplace programs, which teaches students in a half a dozen local middle and high schools about cooperative business practices by having them run their own in-school mini-co-ops.

Weavers Way serves a population whose strongest concentrations surround its two branch stores in Mount Airy and Chestnut Hill, two affluent neighborhoods in Northwest Philadelphia. But the reach of the stores goes beyond the immediate vicinity (Hula and Jackson-Elmoore 2000). Members and non-member shoppers come from throughout Northwest Philadelphia, including the surrounding suburban Montgomery County and the adjacent Germantown neighborhood, as it is the only food cooperative in Northwest Philadelphia and there are no natural grocer competitors nearby. There is considerable concern about a future gourmet supermarket planned for the
same section of Chestnut Hill that Weavers Way currently occupies, but this has not yet come to fruition (Blackmer 2012).

Weavers Way undertook an electronic member survey in 2011. The results of the survey indicated that respondents were overwhelmingly White, affluent and highly educated. As with any voluntary survey, we have to take the results with a grain of salt, as it is unclear if these responses are representative of the membership or the shopper group as a whole (Fowler 2009).

Weavers Way’s sales for 2012 exceeded $16 million; the co-op is profitable, declaring in 2012 a patronage rebate, paying down debt, and giving out staff bonuses. This is a considerable increase in revenue due in part to the success of the Chestnut Hill store. The co-op receives financing from The Reinvestment Fund (a community development financial institution based in Philadelphia that supports fresh food financing), Valley Green Bank (a local community bank with branches in Mt. Airy and Chestnut Hill) and its members. The co-op received loans and grants to support the expansion to Chestnut Hill from The Reinvestment Fund, PNC Bank and Valley Green Bank.

The Board of Directors and general membership of 4900 govern Weavers Way. The general membership meets biannually and the Board meets monthly. The Board uses a system of board leadership called Policy
Governance. Policy Governance leaves all operational decisions in the hands of the management team and leaves the Board to focus on issues of organizational purpose, or “ends” (Carver 1997). This allows Weavers Way to function with great efficiency and a clear separation of powers between the Board and the management. However, the model leaves questions about what issues ought to be considered operational decisions and what ought to be considered more fundamental.
Mariposa Food Co-op

![Mariposa Food Co-op Location Map](image)

Figure 4 Mariposa Food Co-op Location (Source: Bing Maps)

Introduction

For 40 years, Mariposa Food Co-op nestled in a tiny 500 square foot storefront at 4726 Baltimore Avenue in the Cedar Park neighborhood of West Philadelphia. Through most of its life, Mariposa served a small membership of a few hundred, with most members walking to the co-op to purchase groceries off the shelves or by bulk pre-order.

Mariposa is committed to a participatory democratic structure, with consensus as its operating basis. This conviction, along with the radical
activism of some of its most dedicated members, makes Mariposa different from many of the politically liberal but mainstream co-ops in the nation. Mariposa members are active on issues of food justice, gender and sexuality, anti-racism and more. The co-op devotes considerable staff and member resources to its activism, attempting to make the store an expression and outgrowth of these values. As the co-op grows larger and more financially successful, there is a concern among some members that the political agenda will be diluted or may disappear altogether.

The neighborhood around Mariposa, Cedar Park, is an ethnically and economically diverse streetcar suburb of downtown Philadelphia, with “Center City” easily accessible by trolley and bus. The neighborhood is largely a population of renters, with a high transient population of students affiliated with area schools such as Penn, Drexel, University of the Sciences and Walnut Hill College (University City District 2012). The area has gentrified in the last decade, with an influx of young families and professionals who have driven up property values (Lind 2011; Drummond 2009).
In March 2012, Mariposa relocated to a considerably larger store at 4824 Baltimore Avenue, one block west of its original location, adaptively reusing an old bank building and renovating it using the latest in sustainable architecture. The co-op raised approximately $2.5 million for the relocation from a varied set of earned and contributed sources including: member loans, conventional bank loans, sale of the original co-op storefront, and grants and low interest loans from an array of funders, including the Takoma Park Silver Spring Co-op (Contosta 2011).
Mariposa has made significant strides in the last several years towards its goal of serving the broader West Philadelphia community. But the co-op is challenged by the debt it has taken on in the course of its expansion, the high cost of labor, potential burnout of key staff and volunteers, and the challenge of staying true to its ambitious mission of social justice and making the retail grocery store the nexus of a social and political transformation.

**Neighborhood Background**

The Mariposa trade area, including Cedar Park and neighboring Spruce Hill, is a diverse and multifaceted neighborhood in the eastern part of West Philadelphia located along the Baltimore Avenue commercial corridor. It is a neighborhood with many people in their teens and twenties, but it does not skew considerably younger than the City since there are fewer young children. It is younger than Mount Airy and Chestnut Hill. It is not as wealthy an area or as highly educated as one might assume given the presence of the many higher education institutions. There is also a contingent of people in the trade area who are quite low income and are likely excluded from the employment or education opportunities that these higher education institutions afford some people in the trade area.

**Historical overview**
Mariposa was founded in 1971, first renting and then buying the building it called home. For many years, it shared space and some operations with another co-op, the Life Center Co-op, until the two merged in 1980.

Broadly speaking, Mariposa and its forebears are part of the New Left that came to prominence in the 1960s and coalesced around social justice struggles such as civil rights and opposition to the Vietnam War (Singerman 1987). Activists became interested in ecology and the environment at this time as well, with the advent of Earth Day in 1970 and the publication of Diet for a Small Planet in 1971. Philadelphia in the 1970s and 1980s was also home to the Movement for a New Society (MNS), a national network of social justice activists influenced by anarchist political philosophy (Cornell 2011). Though Mariposa was not formally affiliated with the Movement for a New Society, a number of group houses that were part of MNS maintained (and some continue to maintain) shopping accounts at Mariposa and are considered allies of the cooperative.

In Mariposa’s early years, it intended to be a place that provided cheap, simple and healthy food to the progressive and largely White activist communities of West Philadelphia. Though the co-op was an outgrowth of MNS and most members were activists, the store itself was not primarily considered a political project. It served as a refuge, a place to nourish the activists in the community. For most of its existence, Mariposa was a
vegetarian store, specializing in bulk orders, whole grains, produce and dairy. All shoppers had to be member-owners of the co-op, and all member-owners had a work requirement. Members worked stocking shelves, at the cash register, cutting cheese and unloading delivery trucks. After a probationary period, members could receive keys to the store allowing after-hours access so they could shop and write down their purchases in the ledger.

Mariposa’s racial and subcultural homogeneity through most of its existence came up as a constant theme in my interviews. People from within Mariposa and beyond it expressed concern about the exclusivity of a co-op in a diverse neighborhood like Cedar Park. Over the last 15 years, there has been significant gentrification pressure in parts of Mariposa’s trade area, making the issues of race and class even more fraught. Racism at the co-op was the focus of at least one general membership meeting, with the Food Justice and Anti-Racism Committee (FJAR) emerging as a standing committee to address these issues. FJAR helped put together community outreach surveys prior to the new store opening, has sponsored anti-oppression training, and shown films relating to food, race, class and gender.

For most of its history, Mariposa existed in a relatively steady state, open a few days a week, with a few hundred members. It had a staff of three or four, and most of the business practices were non-standard and ad-hoc
(Rothschild-Whitt 1979; Rothschild and Whitt 1986). Books were kept by hand; there was no cash register; there were no personnel policies.

But in the mid- and late-1990s Mariposa experienced significant membership growth driven by the growing interest in local and organic food (Dimitri and Greene 2002; Browne 2011), mistrust of large corporate retailers (Randall 2011), and the aforementioned popularity of the Spruce Hill neighborhood. This pressure pushed Mariposa to expand staff, professionalize operations and ultimately choose to expand and relocate.

**Contemporary Structure and Functions**

Mariposa had approximately 1550 members as of the beginning of 2013, a sharp increase from a few years before. This increase is due to a membership drive prior to the relocation of the co-op, as well as the snowballing popularity of cooperatives (Reid 2011) and local and organic food.

Membership entails a financial investment in the co-op. This investment, commonly known as member equity, is the member’s ownership stake in the co-op; the collective equity of the membership forms the working capital of the co-op. The required contribution totals $200 per individual member and is billed in $25 quarterly installments. If there are two members listed on the account the total equity investment is $400. If a household has more than
two members, the household can request reduced equity investment (Mariposa Food Co-op 2013a).

The $200 equity investment is merely a minimum. Any member can contribute more—up to one percent of the co-op’s overall equity (Mariposa Food Co-op 2013b). The one percent restriction prevents any one member from controlling a disproportionate share of the co-op’s working capital though, according to the cooperative principles, each member still gets one vote in deliberations. During the expansion process, the co-op undertook a drive for additional member equity to help finance expansion and relocation.

Mariposa allows non-member shopping but actively encourages shoppers to become members. Once shoppers have become members they have two categorical options for membership: non-working and working members. Non-working members get a 5% discount and working members get a 10% discount off the posted shelf prices. Though member labor has been in decline for the past few decades (Gutknecht 1987), there are signs of its revival in new startups (Reid 2012). It is unlikely that these co-ops, with a small number of notable exceptions, will require member labor.

Members participate in the co-op through two primary means: workshifts and governance responsibilities. Workshifts happen in the store (or at offsite partners such as the Mill Creek Farm) and earn members discounts on products. Workshifts include stocking shelves, helping with deliveries,
processing bulk orders, and working in the back office. Members can also earn workshift credit by serving on a committee, attending a General Membership Meeting or serving on the Board of Delegates.

Member owners govern the co-op through their participation in General Membership Meetings and through the Mariposa Board of Delegates. Mariposa’s member owners are eligible to run and vote in annual Board elections, to serve on committees and working groups, and to participate in General Membership Meetings.

For most of its history, Mariposa was a direct democracy with governance enacted solely through meetings of the general membership. Decisions were made by consensus, where any member could use his or her power to block consensus and stop a decision from taking place. Mariposa’s consensus approach derived from the co-op’s roots in MNS, and MNS’s own formation out of the Quaker antiwar movement (Cornell 2011). At first, consensus of the membership seemed feasible, as the membership was quite small. But over time, membership grew to the point where only a very small subset of the growing general membership would attend meetings, making decisions for everybody. In addition, the business of the co-op was getting more complicated and more responsibility fell upon the small staff to complete. In the mid-2000s, the co-op membership empowered the Mariposa Standing Committee to serve as an organizing group that would convene meetings and
serve as a clearinghouse for newly established working groups and subcommittees.

In 2010, a 13-member Board of Delegates (with more governance power) replaced the Mariposa Standing Committee. This move was not particularly controversial as the Standing Committee was instituted as an intermediate step, and the board was billed as a mechanism to facilitate the will of the members. Unlike the Board of Directors of Weavers Way, the Mariposa Board reserves many major decisions for a consensus of the general membership. When the Board of Delegates was founded, it mostly set agendas and ran general membership meetings. Now it makes more of the ongoing, corporate decisions about the co-op. A number of committees work with the Board such as Food Justice and Anti-Racism, Member Accountability Team, Member Education and Training, Operations and Facilities. Each of these committees nominates a member to serve on the Board, and they are called upon to serve once they have the consensus of those present at a general membership meeting. Staff members are also allowed to serve on the Board.

Member participation was a significant challenge at Mariposa prior to the relocation. The co-op struggled with members missing workshifts, which cost the co-op money, as it would have to pay cooperators or staff to fill those slots. In addition, there were a number of General Membership Meetings that did not attain quorum, demonstrating lack of member engagement. This lack
might have been because the staff essentially operated the co-op and made
all of the major decisions, which were then made official by the membership.
But as the co-op grew, the staff, which did not want this responsibility,
worked with the membership to create a stronger governance structure.
Enthusiasm about the relocation and the new store also generated
excitement among the membership, leading to significant engagement
through the fundraising and member equity campaign; a lot of member
workshifts in the new building are being filled by the co-op’s 300 working
members. It will be up to Mariposa’s staff and Board to continue this
momentum over time.

The staff at Mariposa works as a collective, somewhat like an informal
worker cooperative, which workers join after a 90-day probationary period.
By early 2013, there were 35 people on the staff, with all but a few out of
their probation period. The staff collective works together to operate the
store on a day-to-day basis. The collective sends delegates to the Board of
Delegates and to various committees. Some staff members of the staff
collective that predated the expansion have moved on to comprise the
operations committee, a board-created committee that creates policies for
the operation of the store. Some prior staff collective members decided to
remain on staff collective alone and not to take on the additional
responsibilities of being on the operations committee.
The staff has the responsibility of supervising members during their in-store workshifts, and in working alongside them as partners on the Board and in committees. The dynamic between staff and members is overwhelmingly cordial and mutually supportive, but my interviews and observation of general membership meetings uncovered occasional notes of suspicion of the staff by a minority of the members. These members feel that the staff has an “agenda” that it is trying to pursue to support its own ends, whether it is a pay increase or more worker-friendly policies in the store. I attribute this to the strong culture of solidarity among the staff collective and the weak governance structure that was in place for decades at the co-op. Now there are mechanisms such as a Board of Delegates and committees trying to assert governance responsibilities, but for much of Mariposa’s life the organization was effectively run by the staff in the absence of any other actors. So although the staff is actually exercising as much or less power than it did in prior organizational epochs, there is a minority perception that staff is trying to wield more than its share.

The co-op’s main sources of financing are sales and member equity. However, Mariposa turned to a number of other sources to fund its expansion. It received conventional debt financing, low interest loans, grants and member loans. Some of its supporters included the Philadelphia Industrial Development Corporation (Philadelphia’s public-private economic development corporation), The Reinvestment Fund (a community
development loan fund with over $1 billion invested since its founding) and
the Merchants Fund (a private foundation that makes grants to Philadelphia
area businesses). These funders had diverse motivations. The members and
other co-ops that were supportive presumably wanted to foster the principle
of co-ops helping co-ops. Funders like The Reinvestment Fund and the
Merchants Fund stated that they are interested in increasing food access. In
all, Mariposa raised $2.5 million towards the first phase expansion and
relocation. Subsequent phases are planned and include the addition of an
elevator and roof garden at the new location.

Mariposa’s competition comes from the Trader Joes and Whole Foods
downtown, which are the major purveyors of similar food on a citywide
scale. There is also a grocery store near the University of Pennsylvania
campus. But the part of West Philadelphia Mariposa sits in is mostly served
by convenience stores. Mariposa projects its annual sales to climb to over $3
million, more than double the sales of the years prior to expansion. Though
Mariposa realized a loss in 2011 due to the costs of expansion, sales have
been strong and the new store is paying down debt faster than expected.

In sum, Weavers Way and Mariposa share a lot in common. They both began
in the same era, with a similar founding ethos. They are both urban co-ops,
though their host neighborhoods are quite different. Over the last decade,
each has stabilized and professionalized. But they have taken different paths
to get to where they are. In the next section, I begin an in-depth exploration of their organizational assumptions, stories and aspirations.
Chapter 5: Why Co-op?

Introduction

This chapter is organized around three themes, based on my research questions. The first, based on my questions about organizational narratives, asks why people cooperate in the first place? What is special or unique or advantageous about cooperatives to the people who are dedicated to them? The second theme looks at inclusivity and exclusivity in the cooperative movement. This relates to the questions that I asked about co-ops and their neighborhood contexts. Last, I explore the presence and absence of participation and democracy in the case study co-ops and the movement generally. Understanding this issue is critical for linking the practice of participatory community development with cooperation. Between these three thematic sections are discrete critical event narratives. Each one deals with an isolated aspect or collection of incidents experienced by the case study co-ops, demonstrates how these were life-changing for the particular co-op in question, and explores the co-op’s engagement with these critical events.

Why do people join cooperatives?

Why do people found or join food cooperatives? The first and most obvious reason is the food—a general awareness of eating local and organic, a desire to obtain food products they cannot otherwise find nearby, and concerns
about the health of the planet. Like-minded people can come together in co-ops to share their food politics and create a safe space for moral consumption.

Along with food comes the perceived benefit of a cooperative to its local community. Co-ops are a nexus for the building of social capital through the web of interpersonal relationships fostered by owning and running a business together. Urban co-ops like Mariposa and Weavers Way have profited from the return of the middle- and upper-middle classes back to city neighborhoods. Places like the Lower East Side in New York, the Remington neighborhood in Baltimore, or Kensington in Philadelphia benefit from gentrification and food co-ops in these instances are one response to a lack of grocery amenities. But not all co-ops are run by the arriviste. There are counter-examples, such as the Chester Community Co-op or Weavers Way, which grew out of the desire to stop White flight from West Mount Airy 40 years ago. These co-ops (and many startups, too) claim a social justice mission that expresses itself partly but not solely through food access.

Finally, co-ops are resurgent in times of economic uncertainty (Birchall and Ketilson 2009). They are a way for people to keep their financial capital close to home, invested in something that they can see and touch and taste. There are no derivatives markets for co-ops. As Stuart Reid from the Food Co-op Initiative asserts, “It’s not just getting natural food into your community;
business values are a part of the conversation. [Co-ops] are a better business model—that's why you should adopt them.” In this section, I talk about these three reasons why people are forming co-ops: food, community and economy.

**Good eats**

Co-ops allow for the possibility of moral consumption, with healthy food sold at a locally owned business. They attempt to serve their constituents through carefully selected merchandise, consumer advocacy and education, particularly around healthy and sustainably grown and sourced food.

Food co-ops have introduced a number of innovative grocery practices including unit pricing, nutritional labeling and bulk goods. Co-ops were also an incubator and champion of the natural and organic food category (Deller et al. 2009). Members and shoppers benefit from these now-standard shopping innovations. Though Whole Foods and others have adopted these tactics, co-ops are quick to claim the mantle of progenitor of natural and organic foods.

According to David Woo, past president of the Board of Weavers Way, co-ops have helped to pull the country towards more sustainable consumption habits and have a vital role to play in continuing them:

If there could be more mass towards the cooperative movement, more mass towards a demand for better food, for
more locally sourced food, more food labeled GMO food or not, we can pull the overall American market in that direction. If you walked into an Acme 20 years ago, you wouldn’t see any organic products at all. Now there are tens of feet of shelf space devoted to organic. Whole Foods has influenced that, but grocery cooperatives have helped as well.

Though co-ops sometimes define themselves in opposition to the big grocery chains, David is happy to see co-ops working in positive and creative tension with them.

Co-ops can also help to alleviate the lack of fresh food in food deserts. For example, Chester’s Community Grocery Co-op, in Chester, PA is the only grocer in a city of nearly 35,000 people. Mariposa was located in a food desert until Mariposa’s own sales helped the neighborhood to lose that designation.

Funders have found Mariposa and Weavers Way’s mission to provide access to healthy food attractive. I asked Leah Pillsbury, Mariposa’s capital campaign director, why a major funder, The Reinvestment Fund (TRF), gave money to a small co-op. Food access was the answer:

It’s really about food and food access...TRF’s mission is building wealth in low-wealth communities and food access and food systems is the larger part of their work now. You can argue [that] this is an incredibly mixed-wealth community, but it is technically a food desert.

Food access, or quantity of food, goes hand in hand with its quality – food security. In 2006, the co-op community reeled from a major outbreak of E
coli in spinach that was linked to Earthbound organic farm (Bowman 2006; McChesney 2006). Food borne illness has been on the rise in the era of factory farming, and is estimated to cost the United States $152 billion per year (Bittman 2011). Given these conditions, Jon MacGoran from Weavers Way believes shopping at co-ops is more important than ever. For him, these issues “have become really stark” and food safety is no longer “some theoretical political argument.”

He discusses a case of a woman who got sick and became paralyzed from eating a contaminated hamburger. In this case, the beef in a single hamburger had come from several different states and Uruguay (Moss 2009). The patty was infected with a powerful strain of E. coli. MacGoran spoke with incredulity at the practices of the mainstream food system, contrasting them with how Weavers Way buys its beef:

You have these massive industrial food infrastructures and you don’t know where the hell [the food] is coming from. That’s why you have this phenomenon of these creeping food recalls. When you shop at a co-op, it answers a lot of those questions...It’s a pretty impressive thing when you can say, “Oh, here’s what we have. Here’s the farm we got it from. Here’s the farmer. He’s name is Ted. We visit him. We know him.” Exactly.

And it’s not like there’s no risk. Life is risk. It’s possible that [with Ted’s meat] there’ll be E. coli or whatever. But usually it’s going to be less likely because...it’s not mixed in with 18 gazillion tons of other food that’s going to sicken however many people.
Weavers Way’s connection to “Ted” is something that cannot happen as easily at corporate chain grocers like Whole Foods and Acme. This is a structural problem. Though the large supermarket chains may try to conjure up these relationships through marketing materials in the “supermarket pastoral” vein (Pollan 2001), their economies of scale are too big to allow for relationships with individual small producers, except on a token level.

MacGoran highlights the co-op’s relationship with “Ted” in order to portray the specific moral accountability of both the co-op and the farmer if something goes wrong with the food. By personalizing the parties in that exchange relationship, shoppers can feel an added sense of security when navigating the aisles.

But co-ops’ focus on food alone has its detractors. Tina Johnson of Chester’s Community Food Co-op feels that many of the “new” new wave co-ops are in business only to sell elite food without regard to a social, political or economic mission. She feels that the term “co-op” does not really describe what they do:

It’s an interesting catchall: what is a co-op? Now you have all these models and the purposes are different. Now it’s just, “We want to sell food” and it’s not about the same things that it used to be about and it’s really frightening where the model’s going and how twisted it is. I am no longer a member of MAFCA [the Mid-Atlantic Food Co-op Alliance] because there’s no representation there for our co-op and when we talk about the issues I don’t feel any connection to the group because we don’t talk about this stuff. You know, you guys are worried about how you are going to get volume discounts and I am just like—
ANDREW: It’s not what you want to talk about.

It’s not that it’s not what I want to talk about, but it’s an issue, it’s almost like they are moving towards being a different version of a traditional market by calling themselves a co-op and that makes them different. But they’re really not. You’re now becoming a traditional market and you need bigger space and you are still charging out the nose for products and your reason for doing it is that “We’re a co-op and we’re buying locally.”

This issue was strongly articulated a number of years ago among the Mariposa staff. At the time, the co-op was growing in membership and there was some conflict about how to adapt to meet the needs of more people. There was a rift on the staff about whether or not the co-op’s primary purpose was to become a great grocer. As former employee Dave Jonas related, “[Some staff] took the position that, yeah, we might sell groceries—but we are a political organization—that’s what we do, but we happen to do it by selling groceries.” These two activities are not mutually exclusive, but some staff members wanted to be primarily political and not put organizational resources into the grocery aspect.

Food is a fraught signifier. To some, it is a means to a political end. To others, good food is an end in itself. Food can be alienating to those who cannot afford it or who do not find it culturally relevant. The heart of a food co-op’s identity lies in figuring out the role played by the food it sells, even when it considers itself a political organization first and a grocer second. Only the co-op’s stakeholders can determine the food culture of the organization. Solving
this issue is where the community building function of a cooperative must come into play.

**Building community at the co-op**

Food is visceral and immediate but it is not the unique defining feature of consumer cooperatives. The way food came up in these interviews almost always pointed to something else, something deeper. Like Jon MacGoran’s story about the relationship between the farmer and the co-op, these stories are about a different mode of economic and community exchange. In addition to offering healthy food for moral consumption, co-ops provide a forum for building social capital. Only with the capital built in the organization can there be a constituency for figuring out how food works.

The ability to strengthen social capital is not unique to co-ops, but their mission allows them to connect social capital to a broader ideological agenda.

Here a Weavers Way past board president compares co-ops to other community businesses that serve a similar function:

> The hardware store plays some of that same role. A good community store plays some of that role. A good diner plays some of that role and it’s a gathering point...a good bar plays some of that role.

But...of course [a co-op] can do more. Because it’s going to take that profit and return some of it to its members but some of it to other community goals, [a co-op] really offers this powerful ideology that, you know, when successful can just be remarkable.
Longstanding co-ops function in just this way; they are considered a bedrock community institution. According to Rosemary Fifield, Director of Education and Member Services for the Hanover Consumer Cooperative Society, everybody joins the co-op when they move to town: “In our community the co-op is the center of things. It’s what you do when you move to Hanover; one of the things you do is that you join the co-op. We have the advantage of being part of the culture.”

Member labor is one way that people come together to form bonds. Weavers Way’s member work requirement was part of its culture for the first four decades of its existence. With a membership that worked together, social bonds formed. Norman Weiss, who worked at Weavers Way nearly since it was founded, mourns the loss of the work requirement as a diminution of the co-op experience. He asserts:

I think that Weavers Way’s working requirement had a big impact on what Mt. Airy became as a neighborhood. I think this is, like, totally under recognized. But I think having all these people work together for so long, that made Mt. Airy a way closer community than it would have otherwise been. I mean, it was already close, but this, like, raised it to a whole other level. There is no substitute for working together, to getting to know someone. And then if you see them outside the co-op, you already have the bond now. So, I guess what I think is now the co-op is available to more people, but it’s a diluted version of the co-op.

Glenn Bergman worked with Norman Weiss during the process that led to member labor becoming optional. Though member labor is no longer
required, Glenn believes in its power = to bring people together. He tells a story about one of the co-op’s employees that puts member labor at the center of why she works at Weavers Way:

So when one of the staff who was here for about a year, she came to me and I just sort of said what do you like about working here? She’s 24 years old. She [could] work anywhere, right? Maybe she can work in a coffee shop…we’re paying her 10 bucks an hour. [It’s] probably pretty good, some health insurance, stuff like that. So that’s pretty good. That was one reason, she said.

But the other thing she likes about this place is really unique from anywhere else she has worked is that one day, she’s in grocery, one day, she’s stocking shelves with a lawyer. Another day, she’s stocking shelves with an architect. Another day, it’s an artist. Another day it’s a housekeeper, someone who’s at home. And another day, it’s a very famous…civil rights lawyer. She said the conversations are just fantastic. And so that’s what she likes about it.

But what was interesting was the relationship between the worker and the shopper is structurally different than anywhere else I’ve ever worked.

It stands to reason that the relationships in the co-op are different than in other places the staff person worked: the co-op itself is structured differently than a traditional grocer. Weavers Way has long prided itself on paying its workers above average and offering quality health insurance. Mariposa is starting to catch up, after decades of undercompensating the often part-time labor. The co-op movement overall pays better than the supermarket industry, on average a dollar more per hour, with many more employers offering benefits (National Cooperative Grocers Association 2012).
Weavers Way employee Mike Herbst recognized the advantage of working for a co-op, and contrasted his employer with conventional grocers:

[We] have that mentality that we are not doing this to line somebody's pocket. We want to improve our community; we want to create a non-hostile work environment. We want to pay people living wages; we want to respect the people who are here, who are owners, and I think that also is a motivating factor; that we have an invested stake in the future of the co-op. That you wouldn't get if you were just working for "the man" at some grocery store.

Mike highlights the practice of many co-ops that workers are member owners as well. This dual relationship with the co-op allows for a greater sense of connection and feeling of ownership. (It can also lead to some conflicts and challenges that I will discuss below.) Weavers Way Chestnut Hill is housed in the former home of a neighborhood grocer. Going in and renovating the space gave Jon Roesser, Weavers Way's head of human resources, direct evidence of the way in which the co-op functioned differently from a conventional grocer:

JON: When we took over the market in Chestnut Hill that had been Caruso’s, I got to see the personnel files so I got to see what people were earning. It’s just a different business model. They were a family-owned business. They were interested in maximizing the profit for the family. I get that. They weren't doing anything illegal. I am sure their turnover was higher, I am sure their staff disgruntlement was higher, and I am sure that their customer service was worse because of that.

[Employee compensation was] one of the things that drew me to [Weavers Way]. I mean, if all a sudden Glenn said, "You
know what, this 25% percent [cost of labor as a percentage of sales]—we’ve got to figure out a way to make it 19%.” Or you know, Aldi’s is at like 9%. Then what you are talking about is bringing people in at minimum wage or a little bit better and no benefits and I am certainly not interested in working for an organization like that. It’s a different philosophy.

Some employees at the co-ops had experience working at non-co-op health food stores. While the experiences were mixed, these kinds of stores are structurally closer to Caruso’s than to Park Slope Food Co-op. One employee compares working in a health food store in Philadelphia to working at Mariposa:

Oh my god. Night and day. [Mentions name of local health food store] I am really ready to trash them. I worked there for a little over a year, which is an extremely long time. Probably 20 employees came and went in the time I was there. Their turnover rate is extremely high and the reason it’s extremely high is because they pay a little over minimum wage, their pay rates are super low. You’re probably better off working at a chain grocery store.

It’s just the typical conditions: some of the managers and the person who owned it were kind of dodgy. The bullshit just became really clear after a while: “Oh, we’re this macrobiotic place and here’s this whole philosophy and we do everything here around this philosophy.” And then they were lying and misrepresenting about the food they were making and how they were making it. I remember the day that I was like, “I’ve got to quit this job.”

And this was a minor thing but it was a sign of what was frustrating me all along. They would ask us—they had bulk goods in containers or baked goods in containers that had a date printed on them, and they would just ask you to re-date them when they were coming up to expiration—just put a new sticker on it. I was just, “I’m not doing this.”
The image of employees putting new dates on expired food strongly resembles the sorts of behavior that the earliest cooperators combatted in the 19th century. Whether it is the adulteration of ingredients, the thumb on the scale or the food being sold past its sell-by date, conventional grocers are driven primarily by a profit motive. Some will resort to such tactics to squeeze out a little more profit.

Participating in a community-owned co-op means that serious decisions are up to the membership. Unlike employees at a conventional grocer, where business decisions are made in a remote boardroom, co-ops have autonomy and the ability to decide if it does not make sense to continue. Tina Johnson from Chester has managed to survive in an extremely low-income city for the last few years. But she recognizes that it might not last forever. She is comfortable with that possibility, so long as it is a decision that the members come to themselves:

We exist because our members use us; we exist because we are working at making this work, so it’s a grassroots effort. If we decide to close it’s because of a decision we make as a community, not because somebody else told us to go. Somewhere else might be more lucrative. The bottom line for us says, “You’re not making ends meet, therefore you have to close.” Not because we are going to move to another community and make more money there.
Shinara Taylor, a staff member at Mariposa, echoed this sentiment. Co-ops, though usually small, have the potential to support their members and their communities:

We really exist because the membership is like, “We want this and we are going to put our dollars into it and we are going to put our time into it.” I think that it’s really important to retain that sense of democratic ownership of something. Otherwise, it’s like, “I’m a little voice, nobody can hear me!” But together we have a loud shout. And even though a thousand people is not that many in the scheme of things we are allowed to exist and to meet our collective needs—some of them, most of them—at least in this one arena of food and health.

I occasionally go to Whole Foods if I know they have something that I can only get there and sometimes it’s like, “Wow, so much choice!” But I don’t feel like they care about me. And I feel that in a smaller business or a collectively owned place there is a sense that like, you matter.

David Woo also talked about the power of the “loud shout” of a lot of little voices. For him, the capitalist marketplace is too brutal and cold. Like Shinara, he feels the cooperative space is more caring and supportive of all kinds of people:

One of many reasons I have felt an affinity [for co-ops is their] humanity and more egalitarian way of doing business. It’s not perfect but better than the pure capitalism model where people can race to the top. People may not have drive or talent to be a super-entrepreneur. There is only room for one at the top of hierarchy and there has to be room for the rest of us. That’s what my experience with cooperatives has been. Something for the rest of us.
Structural shift in the economy

Co-ops provide their stakeholders with a sense of communal identification. But that and organic food is not all co-ops offer. Differing from the typical capitalist business culture, co-ops offer the possibility of a fundamental transformation of the economy. Not that such a transformation is easy. One interviewee, Daniel from Mariposa Co-op, sees it as a slow movement towards building an alternate economic system:

A central part of being a co-op is this long run movement to shift the economy as a whole from being controlled by investors and proprietors to being controlled by co-ops and other organizations that are democratic in one way or another.

Daniel compares the plans of cooperators with the work of the early capitalists, emphasizing that it can be a slow process:

Capitalism didn’t start with a bunch of capitalists rubbing their hands together and twirling their mustaches and saying, “We are going to take over the world.” It started with them saying, “We have a small business and it’s going to get bigger. Oh, we just made some money. Better invest it again.”

For the cooperative sector to get stronger and achieve a structural transformation, cooperators need to work steadily towards their ends. But they need to keep the long-run goal in mind, or else the co-op will take on the
less-ambitious aims of a non-profit organization or (worse?) a traditional corporation:

There’s this kind of double trap. One is that you think in terms of the current membership and you turn into a sort of private club. Another is if you don’t think at all about co-op ideology then you end up turning into either a mission-driven non-profit, which isn’t a bad thing but it is just doing what it’s doing and doesn’t have that kind of natural structural change. Or into what’s essentially a business where the investors happen to be the same as the customers. And there are co-ops where both of these things have happened. And they usually end up becoming co-ops in name only or not co-ops at all anymore or just falling apart.

For Daniel, co-ops must bear in mind political economic change to succeed beyond the bottom line. Otherwise they risk becoming like non-profits. In his view, non-profits are comfortable in the capitalist construct; they happily accept contributed income from the wealthy. The other threat is that co-ops will become too focused on the business and not on the structural change, turning into “co-ops in name only.”

A longtime Mariposa employee believes food co-ops have potential to grow in other ways beyond the bottom line, by emphasizing community and education:

I personally feel like the role of the co-op is to really beef up the other parts of what a co-op can be. Be a center for community; be a center for education about alternative economy. Really foreground the cooperative ownership piece and where it’s coming from and what it’s about and what our goals are around it.
I wouldn’t expect a standard grocery to necessarily prioritize [these efforts], but I think it is something we can do that is super valuable in creating community, in creating sustainable small-scale local economy. I think that that is a role that we can play and should prioritize continuing playing...And I love that we buy stuff from UNI [the Agatston Urban Nutrition Initiative, a university supported farm and nutrition program], and we buy stuff from Mill Creek [Farm] and we support these growers that are students or who are [on] educational farms. I think that that role is important.

Part of the way co-ops can produce a major shift in the economy is by being present in multiple sectors. Having cooperative grocers, banks and other modes of cooperative mean that dollars can be recycled in the community and benefit the people who live there. Esteban, a Mariposa employee, found West Philadelphia attractive because of its cooperative economy:

Ideally you should be able to bank with a credit union and shop at a food co-op and live in a housing co-op, and I feel so privileged that I can do that. And that was part of what really jumped out at me upon moving, and choosing to move to West Philly.

Temple professor TL Hill agreed, saying that “however imperfect” the individual organizations, West Philadelphia had a lot of cooperative amenities: “this [neighborhood] is like the beginnings of the collective economy, collective households or collective gardening. There was a collective credit union. There was a collective food store. And it was just part of the package.”
One of the defining features of food cooperatives is local ownership. Although some co-ops operate multiple branches, they are all owned by their members, who hail from the home region of the store. And when branch stores open in new neighborhoods, people from that area are usually encouraged to join as member owners. (In Weavers Way’s case, the prevalence of co-op members living in Chestnut Hill led the co-op to expand into that community.)

Jon MacGoran from Weavers Way explains that big box stores are detrimental to local communities. Co-ops, in contrast, keep the money and the decision-making local. He sees a positive trend in people’s awareness of the benefits of cooperatives versus the Wal-Marts of the world:

People have seen the negative impact that big box stores can have on communities and this whole backlash against Wal-Mart and those types of stores where basically you spend your money at a store and it leaves the community immediately whereas with the co-op, it’s owned by the members and the members live in the community. It’s not going anywhere. The money’s not going anywhere. It’s not perfect but it’s much better.

You can get stuff cheaper but at what cost? It’s hard sometimes to make that calculation when you’re putting your money down on the counter—when you can get something that’s made by slave labor in China for a lot cheaper. You get food that’s grown with artificial growth hormones and genetic modifications that has travelled thousands of miles to get to you but it’s 10 cents cheaper. It’s hard to make that calculation but more and more people are putting it together and are supporting it.
Even for those who are interested primarily in food access, owning the grocer means that members can get the things that they want. That can mean the types of things on the shelves, the training of the employees in the aisles, the co-op's hours and more. Local ownership means local governance and all of the challenges and opportunities contained therein. A member of the start-up Kensington Community Food Co-op explains the difference:

To me it’s about ownership. We own it, so we drive it and we participate in it. It’s on a level where you can actually participate in the democratic process and have an impact. There’s something about that, which is really important. It’s different than having a Whole Foods. Whole Foods is not interested in the community owning the grocery store. Ownership is at the core of the cooperatives business structure. They are owned by the community, cared for by the community and they are invested in the community.

The difference in relationship to cooperatives versus corporations is inscribed even in the language. Shoshanna Grunwald of the Energy Cooperative explains the different feeling that comes over her as she shops at her local food co-op:

When you walk in, you are like, “I own this place!” There is something to be said for “What do we have? Not “what do you have?” Just difference in language, but it’s significant. And it’s indicative of people feeling an ownership stake in the co-op. I think it’s a competitive edge.

Last, co-ops have the potential to anchor development in their retail corridors. Weavers Way in particular, is at the center of what is called “Mount Airy Village,” an area with a café, a bookstore, a yoga studio and other
amenities like a dry cleaner. But Weavers Way has been there the longest, continually anchoring the corner of Greene and Carpenter for the last forty years. A past president of Weavers Way Board muses that the co-op builds community at its physical location:

The fact that the co-op [is there] has meant that [it] has also developed that whole community corner where there is a bookstore and a café. That to me is the nucleus of at least that one community. There are a whole lot of things that unify and bring people to the co-op. But for me, it was the sense of community.

**Cooperative critiques and the “real deal”**

Throughout this chapter I have come back to the question of what it means to be a co-op. There are people who are plagued by uncertainty about it but not everyone feels that such hand wringing is warranted. Stuart Reid, of the Food Co-op Initiative, feels that the worrying on the part of the Tina Johnsons of the world is misplaced. He said, “There are people that are very concerned about co-op structure – ‘Don’t let it be diluted; it could be co-opted by other business.’ I think people can see pretty clearly when they are getting the real deal or not. It’s not that easy to fool people.”

I think this statement is wrong. People can see they are getting the real deal only when they have some sense of what the real deal is. When it comes to cooperatives, as with any project of ideological merit, debating the nature of the real deal is paramount.
Some co-ops decide that they are the real deal—that they have struck some kind of mystical balance. Then they ossify around their organizational practices. This was the case at Mariposa in the mid-2000s, when they were confronted with growth and neighborhood change and had no capacity to manage it. Esteban Kelly, a staff member, described the co-op as being in a “time capsule”:

I think that clash of being brought into this world that was, in some ways, already a time capsule that was sort of in transit through time, but it was very much preserved in this really bizarre way.

One of the ways in which Mariposa felt it was the real deal was that it allowed after-hours shopping by its members. Members received a key to the store after six months of membership (this was rather loosely enforced) and could let themselves in at any time, day or night, to shop on the honor system. They would simply write down what they purchased and pay for it when they settled their accounts later. Though most members surely abided by the rules of the co-op during after-hours shopping, a number of problems made the practice untenable. But it continued long after that point. Mariposa discontinued after-hours shopping shortly before the co-op moved to the new location and it does not exist in the expanded co-op.

Talking about after-hours shopping elicited several fantastical stories of malfeasance. These incidents were symbolic of how far Mariposa had moved
from conventional business practices in its journey through time. Some of these stories strained credulity and stood out as “chicken moments,” urban legends like those of people bringing live chickens on Chinatown buses (Klein and Zitcer, 2012).

One co-op member, Monica Fauble, expressed concern about the practice before launching into one such representative story:

I thought it was insane that they let all these people run around in the co-op at night, locking and unlocking doors, relying on them to lock the co-op and not have the co-op be vandalized and ravaged in the middle of the night because someone had not locked the door.

So I think it’s a magical level of trust in a body of people. I’m on the accountability team, as you know, so I have seen that play out in bad ways, where people are stealing from the co-op, and having sex in the bathroom evidently, and my favorite co-op afterhours story is the person who came in afterhours, after binge drinking, passed out on the floor, surrounded by Rice Dream ice cream wrappers and cigarette butts. I mean, that should not happen, obviously.

Though it is amusing to picture the person passed out on the floor of the co-op, the real thrust of her story is the “magical level of trust” that Mariposa placed in its members. Just like other elements of the paradox of exclusivity, there is some upside to endowing members with such privileges. It allows them to feel closely tied to something that they do not have any place else in their lives. One interviewee lamented no longer being able to buy the ingredients to make a cake at 2 a.m. whenever the mood struck her. That, to
her, made the co-op feel like an extension of home and the domain of social reproduction.

But after-hours shopping did not work. Though the co-op did not mean to do it, it was allowing for errors and encouraging stealing. Eventually it had to be discontinued, although the decision to do so was controversial among the Mariposa membership. Dave Jonas explains why it was hard to let it go:

> If the concept of...crime doesn't exist in your head you can't imagine anyone else doing it. It never even crossed my mind that there was shrinkage or theft. [I assumed] everyone was being responsible. [But there was] all sorts of crazy stuff going on.

> Everyone wanted afterhours shopping because it was awesome. It was really empowering on a psychic level that I am trusted to have a key and write down what I buy. [It seemed like] a punishment to have that taken away.

The after-hours shopping dated back to a time when the co-op did not have proper refrigeration for its produce. If there was extra food left after the various members picked up their bulk orders, members could come in and shop for the “extras.” Hence the older members of Mariposa called after-hours shopping “extras” shopping. There came a point where “extras” shopping was a significant percentage of the co-op’s sales for the week. At some point, produce started appearing on the shelves as well as the dry goods that people had ordered. And in this way, the co-op started to become more of a store than a place where members could let themselves in to pick up the goods they had ordered in advance. However, produce is extremely
perishable, and it would not last very long without refrigeration. Grocers have a hard time with produce for this reason, and many do not sell truly fresh produce.

Former board member Nancy Wygant tells a story about how produce was handled in the early days and how, to her, this practice become symbolic of the way the co-op needed to change:

[Early on] we put [produce] in the coolest place that we had...it wouldn't last long. I think the plan was pretty much that we order enough produce to sell quickly. And towards the end of that cycle, the produce was getting really tired, you know. I'm sure that some of it would end up getting tossed because it just wasn't - or, you know, put in the free box or the - mostly the mark down box was - if you think this is worth something, pay something. And if you think it's not, just take it. It wasn't any more organized than that.

And part of [coming to terms with the expansion and other changes] was kind of realizing that my picture of the way things used to be kind of included the assumption that it had worked when we were smaller, the way it used to be. And I think...that it actually wasn’t ever working so well. [When] we were smaller, the consequences were less significant—and partly we were just kind of used to it. Kind of like before we had the walk-in [refrigerator], we were just kind of used to having the veggies wilting.

Before Mariposa went the way of the wilted veggies, it needed to make organizational and operational changes to adapt to its new circumstances. This was not easy for some staff and community members to come to terms with, as they were not comfortable with conventional business practices being employed in the co-op. Dave Jonas was one person who advocated for
these practices being adopted, and he ended up leaving the co-op due to intra-staff conflict and a feeling that his vision for the co-op would not be adopted. He talks here about wanting Mariposa to take on “real business tools”:

[I thought] hippies can do it too - just because you are progressive doesn’t mean you can't use real business tools. It’s not the tools that are the problem; it’s the people that are using them. I wanted the co-op to maximize the good it could do and I didn’t see that happening. Systems were really holding back what the co-op could be, even in terms of its own mission statement.

Our problems are operational. We need someone who is comfortable with numbers, someone who can sensitively and cooperatively tell someone they are doing it wrong! We need to stay in business in order to do all these things. We need to be self-sustaining in order to do all the non-grocery-store things we want to do.

Dave did not stay at the co-op long enough to see that the changes he advocated ultimately came into effect. Perhaps his agitation catalyzed Mariposa to move in this direction and he was blamed as the bringer of tidings from the outside world that could no longer go unheeded.

In the end, the “Why co-op” question is a corollary to the question, “What is a co-op?” It can be parsed like a riddle: When is a co-op not a co-op? Is a co-op not a co-op if members cannot let themselves in at all hours? Is a co-op not a co-op if the membership is not racially and ethnically diverse? Is a co-op not a co-op if it sells cigarettes and sugary cereals?
This line of questioning touched a nerve with Tina Johnson at the Chester co-op, who perceived that the other co-ops and cooperative developers were watching Chester to see if its member-only model failed:

There’s... sort of voyeuristic curiosity, “can they make it?” And I am aware of it. There is a kind of hope that we succeed and a hope that we fail. I get that. I have heard from people...“Well, if this model works, this might be the model we use for poor communities.” I am like, “What!” Do you know what I mean?

So you hear this type of ignorant stuff and you wonder when does a model for food become the model for the rich and model for the poor? And the model that Weavers Way is doing and the model that Mariposa is doing are for the rich. That’s pretty much what they are saying. We didn’t choose this model because it is the poor man's model! We chose it because it had all of these wonderful layers to it.

These internal quarrels are normal in any industry, and it is healthy to have the debate. But there is no answer to this question apart from what is found in the cooperative principles, which talk about autonomy, voluntary and open membership, a focus on education, and cooperation among co-ops. The expression of the model is entirely up to interpretation so long as the members strive to uphold the underlying values of what it means to cooperate.
Critical Event Narrative: Financial Crisis

The headlines in the *Philadelphia Inquirer* in December 2002 depicted a dire situation: “Money woes may kill a popular co-op;” “Money crisis at co-op shakes members’ trust;” and “Money picture gets worse for troubled co-op.” That winter, Weavers Way faced the possibility of its own demise due to a financial crisis. When the final accounting was done, $618,000 of members’ equity in the co-op had disappeared. The co-op’s longtime General Manager resigned. And the co-op’s bookkeeper faced criminal charges.

Yet Weavers Way survived, even flourished, in the face of this financial crisis. A situation that exposed serious structural flaws led the co-op to correct them. A scandal that shook members’ trust led to a redoubling of that trust. Financial mismanagement that resulted in the loss of hundreds of thousands of dollars in member investment somehow led to members extending even more financial support to Weavers Way. It is a story of remarkable organizational resilience. It is also a story of change in the face of crisis. And the experience of 2002-2003 also contains the seeds for the Weavers Way of today, with all of the strengths and shortcomings entailed.

In this section, I explore the nature of the financial crisis that confronted Weavers Way in 2002, what in the structure of the co-op made it possible in the first place, and how the co-op responded to the crisis. And I discuss its
after-effects, noting how, a decade later, Weavers Way is still shaped by this critical event.

**What happened?**

In late November 2002, Weavers Way planned to purchase two buildings across the street from its original location in Mount Airy. This was to be an incremental expansion, one designed to convert two small buildings into a site for a café and a location for prepared foods. The then-General Manager went to the loan closing, expecting the longtime financial manager to attend as well. The financial manager claimed to have hurt her ankle and said she needed to see a doctor. (She was not seen or heard from for several days as the crisis began to unfold.) Upon examination, the General Manager found out there were not enough funds in Weavers Way’s accounts to cover the check, meaning the purchase of the properties could not go through. Over the next several weeks, Weavers Way’s Board investigated the co-op’s finances and discovered that funds had been transferred from one bank account to another to cover shortfalls at the co-op.

As time went on, understanding of the scope of the problem deepened.

Weavers Way’s board president called for an investigation into the crisis that ultimately resulted in an Accountability Committee Report to the board of Directors in June 2003. In order to unravel the increasingly complex financial
crisis, the co-op also brought in special accountants to help reconstruct the co-op’s financial activities and understand its current position. The Accountability Committee Report detailed all aspects of the crisis, bringing to light problems that went back at least as far as 1996, possibly even as early as 1994. It may have taken Weavers Way’s board as long as eight and a half years to become aware of the financial mismanagement in its midst.

**What did the Accountability Committee uncover?**

One thing the investigation uncovered was that Weavers Way consistently paid its vendors late. The co-op owed vendors nearly $350,000 more than what it reported on its internal balance statements. Checks were printed and signed but never mailed to vendors. The financial manager would enter these transactions on the co-op’s accounting software as if they had taken place. Because no one besides her ever looked at the co-op’s bank statements, no one noticed the massive discrepancies.

There were at least two major consequences to these actions. The first consequence is that these actions led to a deterioration of the relationships between Weavers Way and its longtime vendors. Vendors could no longer depend on getting paid in a reliable manner. According to the Accountability Report, it was the financial manager who would field irate calls from vendors herself, and not let other members of the staff or board know about the problems. Other staff members who dealt with vendors were aware that the
vendors were not happy with Weavers Way, but they deferred to the financial manager, giving her credit for keeping the co-op solvent in what they perceived were cash-constrained times.

The second consequence is that the inaccurate financial picture made it appear that the co-op was more profitable than in fact it was. The co-op’s cost of goods sold was considerably lower, since the co-op was not actually paying the full cost of its wares. Weavers Way also gave up on potential discounts, because as it continued to grow, an accurate sense of what the co-op purchased might have led them to reach out to vendors for volume discounts.

In addition to the late payments, there was also a tremendous volume of bank overdrafts on all of the Weavers Way bank statements. These were not reported on the co-op’s internal financial statements. These ended up costing the co-op $140,000 over approximately 4500 overdrafts. The financial manager hid most of this activity from the finance committee and board. But she did report a large number of overdrafts (far smaller than the actual number) and nobody stepped in to question them. Nor did anyone notice the volume of mail coming from the bank or look at any bank statements.

The Accountability Report explains that the financial manager: “opened all mail (including bank statements), reconciled the bank statements, paid the invoices, and prepared the financial statements—without any effective
oversight or support from the general manager or treasurer” (Ashodian et al. 2003, 11).

She was also allowed to open two co-op bank accounts at the local bank without any other signatories. The board president and treasurer were not aware that she opened them, and the general manager was only aware she opened one. The Accountability committee asked a bank representative why the bank allowed the financial manager to open the accounts, as she was not a signatory on any other co-op accounts. They answered that they “knew [her] for years.” The report states, “To the bank, [she] was the Coop.”

The financial manager was hardly the only person at fault for the financial crisis; the Accountability Report makes clear that blame was shared throughout the organization, including the board. Surprisingly, the Weavers Way board never conducted audits of its finances. Norman Weiss addressed this issue and how it was corrected after the crisis, based on the recommendations of the Accountability Committee:

Well, we started doing audits. That’s the other thing that the old board members didn’t [do]...they thought audits were very expensive. So we had, like, fake audits. We had what were called reviews.

ANDREW: Were they conducted by a third-party or they...?

Yeah, they were conducted by a third-party and they [did] do some testing, but nobody did the key thing which was, "Go get a bank statement and look at the bank statement and compare
what’s on the bank statement to our balance sheet,” because basically people would trust it. There's a lot of trust. There [was] so much trust that [it] would violate most financial controls of today.

Another board member reflects on this shortsightedness of the board, and this person puzzles over the disjuncture between the board members’ own business savvy and their failure to apply it to the co-op setting:

What [the Accountability Report] really showed is that the nature of the problem was a failure of the organization—of the organizational culture and an absolute absence of even the most basic financial and business control systems that any organization could have. And the thing that I always found amazing is the people who had been the presidents, treasurers, senior officers of a co-op board—they were serious people. They weren’t Moonbeam Jones and Sunshine Smith, you know, and running this wonderful hippie little organization, they were business people and they were lawyers and—and so, what they would do is somehow here they put on blinders, I said, “Oh, but that’s the co-op.”

What this board member brings to light is that these business people somehow saw the co-op differently than they viewed their own businesses.

The co-op, perhaps by virtue of its social, community-based mission, was exempt from the kind of hard-nosed scrutiny that other businesses required.

This exemption even extended to conflicts of interest between board and staff:

The other thing is that there was a great deal of - I don’t know if it’s nepotism but...kind of nepotism. Board members with the spouse would be on the board. There were five or six different staff people who were the chairs of committees or all been on the board reviewing the general manager. It is just, you know, everything was just really fuddled.
After the Accountability Report, Weavers Way evaluated and revised these practices and changed the ones that led the organization to feel so “fuddled.”

There were a number of smaller practices at the co-op had the potential to lead to abuse. A few of these continued until quite recently:

We had - even today people weigh their own stuff [produce, spice, bulk goods]. And I think that's going to be phased out soon.

ANDREW: Right.

And we’d do things, like, cashiers would share drawers. Which, to some extent still goes on. We had the pet store, which is still the honor system—weighing stuff. We used to have employees who had little charge accounts where they would just write what they took in the day and pay every week because that was more convenient and they didn’t want to wait in the line.

The co-op based a lot of its operations on the honor system, and these dynamics may have been appropriate for the tiny organization that was Weavers Way in the mid-1970s. But by 2002, the co-op was doing nearly $5 million a year in business and growing rapidly. Weavers Way had to make changes to match the size and scale of its current operations.

**What was done**

Aside from the organizational changes, which were systemic and implemented over time, the co-op undertook several operational
adjustments. These were not easy either, but they had the effect of putting Weavers Way into the black. Norman Weiss explains what happened once the management team had a handle on the co-op’s operations:

Had we known [about the cash flow problems], it turns out in hindsight it would not have been hard to fix. We would have to raise margin about 1%...And that would have been fine. But because we didn’t know that, we didn’t do it.

We had to raise prices. We had to cut payroll and just kind of run as lean as we could and start making money again. And I was worried there for a while. I thought we were going to run out of cash. I think I took over in April. And I was scared we were going to run out of cash in August.

Weavers Way responded to the threat of financial ruin by making several serious asks of its members and its staff. The staff agreed to wage and benefit givebacks. There was a surcharge on all purchases. Members made loans to the co-op. And though it was a difficult period, the community around the co-op was supportive. Nancy Weinman, a board member, reflects on the dynamic in the organization:

When I say that they were supportive [of the co-op], we needed money and the members came up with loans to help us through that time and there was no problem at all collecting, whether it was a couple hundred thousand, I don’t remember but there were member loans and members came up with significant money to help us through that time and all those loans were repaid on time.

And also we were short on cash so there was a surcharge. We all agreed to pay to make up for some of the lost revenues whether it be from some of the overdraft fees or some of the things that could not be recouped and there was a time I remember three months or something to bring us to the point where we could be much more financially stable. And the members were fine with it.
Norman Weiss underscored the stunning support that the Weavers Way community offered in the wake of the crisis:

I did the budget, you know, and I did it very conservative. Well, it turns out I was way too conservative. We made a ton of money.

**The reaction in the community**

For several years, Weavers Way was based on completely inaccurate financial statements and no real financial controls. It was a disaster waiting to happen, and then it did. News of the financial crisis hit the papers in early December 2002, with many people speculating about the co-op’s ability to survive.

A membership meeting at the height of the crisis drew hundreds of members, several times the turnout of a typical meeting. Tempers flared; recriminations were hurled. Former board president David Woo explains what happened at this meeting and how it changed his relationship to the co-op:

[WW had its] biggest membership meeting [ever] at the Germantown Jewish Centre during the financial crisis. There were 400 people, [we had had] no more than 90 people ever. [There was a] hue and cry in that crowd with people who were brave enough to talk – [shouting] "off with their heads!" [and that the] board should resign.
David explained that before the crisis there had been a degree of apathy regarding co-op governance. The crisis changed that, spurring him to get involved with the co-op board for the first time:

Previously only 3 people had run for 8 slots – were you willing to take on this role? This was my consciousness and my awakening. [We had an online] bulletin board that was moderated [that was full of] flaming comments. I was a moderating voice, [saying] put your money where your mouth is. Part of this is our fault for not participating or running in the elections.

Nancy Weinman talks about the mood in the organization at the time of the crisis:

People were very upset. And there was a real feeling that we didn’t want to just lay blame on the bookkeeper without understanding whether there was a crime that was committed, whether it was incompetence--we just didn’t know. We just wanted to know what the facts were so that we could understand.

And I think that there was sort of a split a little bit that I understand more by secondhand than by direct knowledge that there were many members that were very supportive of the bookkeeper and there were other members that felt that criminal charges ought to be assessed. I don't think it got to the point that it was real divisive, but I do know that there were those two camps.

The notion that the Weavers Way community was divided on how to handle the bookkeeper, with people on either side, is similar to the two camps that huddled on either side of Sunshine at Mariposa when he was given an ultimatum to leave by the rest of the Mariposa staff. In these kinds of strongly articulated, values-driven organizations, there appears to be a reluctance to
disown people who have been long-standing members even when they have been repudiated by parts of the community. In Weavers Way’s case, the Accountability Committee report was fair-minded, even gentle in its treatment of the financial manager, even though her misdeeds had been confirmed by this time.

A culture of trust

Trust was the most important factor in both the co-op’s near-downfall and also its recovery. Trust permeated the organization, from the shoppers’ ability to weigh their own goods to not auditing the work of the financial manager. The right amount of trust, applied in the right places, can be a key to institutional success. But trust has to be skillfully deployed, or it can lead to organizational destruction. As Communications Director Jon McGoran explained:

The root cause of most of these failures stemmed, ironically, from the culture of trust that had long been at the core of Weavers Way’s identity. It was something that the management and board had inherited from their predecessors but had not addressed as Weavers Way evolved from a basement buying club into a $5 million business. Still, as each failure of financial controls was recognized and rectified, there was a feeling of sadness, a feeling of loss, as if a small portion of our identity and our history disappeared (McGoran 2004).

Jon writes with some frankness about his feeling of loss as the co-op began to grow more professional and corrected for its lack of systems. He and others in the co-op feared that the organization lost something important of its identity as an intentional community based on trust, when this type of
growth and change occurred. This is a legitimate reaction to this kind of culture change. Weavers Way has become more bureaucratic and rule-bound since the financial crisis; there are ways in which trust has become circumscribed. Security cameras were installed above the cashier stations in the Mount Airy store before a recent renovation, which might be seen as demonstrating a lack of trust.

The Accountability Committee was so traumatized by the betrayal of trust during the crisis that it resorted to poetry, quoting a work by Adrienne Rich called “Women & Honor: Some Notes on Lying” in a footnote to its report. The poem says, in part, “We take so much of the universe on trust...When we discover that someone we trusted can be trusted no more, it forces us to reexamine the universe, to question the whole instinct and concept of trust...we are brought close to formlessness” (Rich 1979, 192 cited in Ashodian et al. 2003, 4).

But other members of the co-op community reacted to the issues uncovered by the Accountability Report in more stoic and pragmatic terms, emphasizing, like Nancy Weinman does here, the responsibility that the co-op had to run like a bigger business and be the stewards of the members’ equity:

And it was on that basis [of the accountability committee report] that the co-op went from a mom and pop kind of governance structure into a big business governance structure. We were at a point where, I don’t remember what our gross
revenues were at that time, but it was up around maybe $4 million or something and we were operating as a small mom and pop where the co-op grew up where the founders did everything and there were really no controls, you know, we trusted each other. We really felt that since we had members’ equity that we really needed to act the way that any organization with those revenues would act.

Glenn Bergman was not working at the co-op at the time of the financial crisis, but he reflected on what trust meant to Weavers Way:

We were running on this belief in trust, and that’s not good enough. And we were running on no audits, no real supervision of the books. And while we were only doing 4 or 5 million dollars a year of business, it’s a whole movement here that could’ve gone under.

And luckily it didn't because of the trust of people and the involvement of people in the business. They bailed it out.

Glenn’s quote highlights the dialectical way trust worked in the co-op. It was the misapplication of trust that allowed the crisis to transpire. But without the trust of the members in the organization, Weavers Way never would have recovered. There was a tremendous reservoir of faith in Weavers Way as an entity that led members to pledge their support to the troubled co-op and keep it alive throughout the financial crisis. At the very contentious membership meeting David Woo described, the Inquirer also noted “several in the audience took the microphone to offer donations and proclaim their commitment to keep Weavers Way alive.”
And the co-op’s vendors continued to trust the co-op, even after all that had happened. Norman Weiss stepped in as the Interim General Manager and had to contact vendors to see if it was possible to continue working together:

We found out we were, like, over a hundred grand in debt to one of our biggest vendors. So, we had to restructure that outstanding balance into a loan. We had to basically plead with all of our vendors to keep selling with us, that we were going through this crisis. And they were all great.

ANDREW: Oh, really?

Yeah. I called some of them, not all of them, but a lot of them, to plead our case. And one of the things that surprised me was that this didn’t seem like a new story to a lot of our vendors.

ANDREW: Oh, really.

It’s not the first time they heard with something like this. So, they were, like, "Yeah, we trust you, you know. You’ve been doing business with us for, you know, 27 years, you know. We’ll work with you." So, that was great.

In this case, the vendors trusted the co-op as an institution rather than the individual staff members. That is a crucial distinction. At the time of the crisis, one member was quoted as saying, "It is kind of nice to see something in 2002 that operates on trust. Too bad it doesn’t work." I disagree. Though trust was misapplied by placing too much of it in individual staff members, without sufficient board oversight, it was appropriate to place trust in the institution. Weavers Way functioned well as a community of a few thousand people that believed in cooperative enterprise and co-owned a retail grocer that generated more than $5 million in annual sales.
The lesson here is that cooperative organization can succeed and sustain themselves when they have adequate controls and they disperse organizational responsibilities among the various staff, board and members. They need to apply sound business practices, like paying vendors in a timely manner and doing audits, and acknowledge that their eclectic and sometimes anti-capitalist nature does not excuse them from these core responsibilities. And they have opportunities to build trust based on all of the other elements that are unique about cooperatives: member ownership, one person-one vote governance, lack of pursuit of profit for its own sake, concern for community and more. It was clear to the members, staff and vendors that Weavers Way believed in all of its core values and lived by them. Even a crisis of the magnitude that befell the organization in 2002-2003 could not fully shake the trust people felt in Weavers Way. So the organization was able to weather it and recover, leading to a renewed vigor, a strengthened board and staff, and ultimately to the expanded operations it currently enjoys.
The Paradox of Exclusivity

Retail food cooperatives struggle with a paradox of exclusivity. On the one hand, they seek to include as many people as possible in their democratic experiment. The cooperative principles emphasize outreach, education and the building of a cooperative economy through mutual support among co-ops. The more, the merrier. But cooperatives also face a number of distinct challenges that butt up against this desire for radical inclusiveness.

First, many cooperatives struggle with racial and class homogeneity. The natural food movement, which many of today’s co-ops participate in, is still largely a white cultural landscape (Slocum 2006, 2007; Alkon and McCullen 2011). As I elaborate below, both Mariposa and Weavers Way have had challenges attracting and retaining people of color and people of low incomes.

This lack of diversity is related to a second challenge: many co-ops have stringent standards about what they will and will not sell. That often means they favor local and organic products, pricing out certain consumers who might want to shop in the stores. Since the new wave co-ops of the 1970s, many stores have emphasized healthy and sustainable fare. At first, the food was low cost, with an emphasis on whole grains and bulk purchasing. But over time, the prices at many co-ops have crept upwards with the popularity
of local, organic and artisanal food. And prices at supermarkets have gotten lower, as economies of scale have grown and agricultural commodities have been subsidized. This has left co-ops vulnerable to the charge that they are elitist and inaccessible from a standpoint of price and product mix.

Food co-op’s business practices have also reinforced a reputation for exclusivity. At one time, many co-ops were open only to members and required member labor. Though this has largely changed (with Park Slope Food Co-op, Mariposa and Weavers Way being notable exceptions), there are still calls for a return to these practices from their supporters. In addition, early rules (like no cash transactions at Mariposa or weighing your own produce at Weavers Way) make the co-ops seem like exclusive clubs with quirky rules.

In this section, I explore the paradox of exclusivity as it has played out at Mariposa and Weavers Way throughout their histories. Both co-ops attract a more diverse clientele than at other times in the past. These changes happened through deliberate effort and structural changes to the concepts of membership and member labor, as well as smaller issues like signage and customer service.

An exclusive club?
Mariposa Food Co-op has struggled with charges of exclusivity for most of its history. At times the co-op seemed to deliberately cultivate an exclusive air, with a strongly activist, almost completely white membership and staff; with signage that seemed to dissuade others from entering the store; and with limited and confusing operating hours. At other times Mariposa seemed to work hard to make its organizational borders porous to members of the local community by partnering with community based organizations, having preferential Affirmative Action membership slots, and efforts to translate its materials into many languages. Since its recent expansion and relocation, Mariposa has firmly positioned itself as striving for inclusion while attempting to retain a strong culture of member involvement. In the passages below, the interviewees describe some of the challenges in negotiating this paradox.

All the way back to its founding, some of Mariposa’s neighbors saw it as an exclusive club. To be accepted, one had to act, dress—and eat—a certain way. A neighbor and community activist recounted a story of visiting the co-op in the early days of the 1970s and feeling uncomfortable as a divorced single parent (and non-vegetarian):

I went to inquire [about membership] – yeah, and did not get lucky with my first encounter. I found people - well, I was coming out of a whole ’60s culture, you know, sort of. And so, I wasn’t into the sort of bourgeois thing that everybody’s got to be cleaned and dressed well and so forth. But I found people a
little sloppy. I can live with that. But the self-righteousness really got through to me.

“We don’t sell meat.” Well da-da-da-da, “Aren’t we precious?” [laughs]. And it was off-putting...And I couldn’t do it anyway. I didn’t have time. I wasn’t about to hire a babysitter, so I [could] just go and [do a workshift]. You know, it was silly.

This person emphasizes a difference between the hippie aesthetic of the 1960s and the “sloppy” yet “self-righteous” early members of Mariposa. She also took issue with what the co-op sold, or failed to sell. Though there were practical reasons that it would not have made sense of the co-op to sell meat in the early days, she experienced it as a snub to omnivores like herself. Last, as a working single parent, she felt it was unreasonable to be asked to pay a babysitter just so she could work for the ability to shop at Mariposa.

Although leftist social and political activists founded Mariposa, some of the interviewees felt that the co-op was nevertheless inhospitable to low income people and people of color. A former staff member explains how she first encountered the co-op’s reputation:

I heard about the Co-op when I first moved to West Philly about three and a half years ago but I heard some really horrible things about it.

ANDREW: Oh yeah?

Yes. I heard it was like a really racist co-op that was really exclusive and you had to have like this special account and you couldn’t shop there if you didn’t and they didn’t take cash...
By having policies (a membership requirement, no cash shopping) that made it difficult for people to shop at the co-op, some members of the community felt that Mariposa was racist or classist. Workshifts were intended for people who could afford to take that uncompensated time, or had a partner who could provide childcare while they worked their shift. This requirement has the potential to exclude lower-income people and single parents. (I explore this issue at greater length in a discussion about member labor below.) The community activist who spoke earlier also reflected on the implied class politics at Mariposa:

You have young white people who are fairly privileged. And you have them feeling superior to the African-American single mom next door to me who's taking her kids to McDonalds—a dollar for a value meal for all three and she can feed her children for three bucks and she has something herself. The whole family can eat for $5 dollars.

Now, if you do a Mariposa dinner, honey [laughs]...that's not healthy food but that woman has her own need. And has a very limited budget. And she shouldn't be scorned for what she does...they're not to be scorned. They are to be helped, you know.

She reflects here on the high prices of Mariposa, with its organic and local food, and the lack of economy of scale and labor efficiencies possessed by a Trader Joe's or Whole Foods. For the low-income African-American single mother she conjures in this image, McDonald's is just more affordable and accessible. That same former employee acknowledged that while reports of
Mariposa’s exclusionary elements were accurate, the intentions ascribed to them were not:

...and all these things were true but the way they were phrased...the super racist part [was not true] because I don’t think that that's a defining aspect of Mariposa. We all struggle with racism, even as individuals, so I don't think that could be something that is like held as a huge intentional fault.

Though the co-op does not have racist motives, its actions may nonetheless generate a feeling in the neighborhood that the co-op is intended for middle-income Whites. (This employee herself later resigned from the co-op, citing the same racial issues that she defends the co-op from in our conversation.)

Even the local neighborhood association picked up on the exclusionary tone. A member of Cedar Park Neighbors (who is also a member of the co-op) felt Mariposa was seen as alienating. The issue came up when Mariposa asked Cedar Park Neighbors for a loan to support the co-op’s expansion and relocation:

I think there is a longstanding sense that the smugness and the perceived elitism of people who can afford to spend $8 for a gallon of milk, that Mariposa is for those people and it's not for neighbors. And partly it’s its price and partly it’s not seen as a place that is available to families and seniors because of the work requirement.

Longtime employee Sunshine added that Mariposa might have been socially alienating to some members of the community:
Probably to somebody of color, it did not feel welcoming there; they might try it once and just not stay. Not that it was a closed-knit community but it wasn’t really attractive to everybody.

ANDREW: What are the specific ways in which you felt that it might have felt uncomfortable or that it might have felt closed?

We would have storekeepers and cashiers, but how good they were at seeing that somebody would come in the store and not know that somebody knew what was going on...how much they would approach them and welcome them...the staff was probably better in that, but the people who were doing their workshift probably just weren’t open to that.

Sunshine felt that the staff would likely welcome new people into the store and help them get oriented; the members were another matter. There are a number of possible reasons for this, and individual members surely differed in their reasons for being cold to outsiders. One member ascribed the lack of openness to a body of members that felt excluded by society themselves, and maintained a guarded introversion:

There’s a certain, not clique-ishness, but people are wary of outsiders. A lot of people here feel like outsiders, and they look around and they say, “I’ve worked really hard to develop a safe space,” and are not necessarily interested in bringing new people into that safe space. That’s kind of what I’ve seen. True or not, I don’t know.

TL Hill, longtime member and scholar who studies cooperative business practices, explains that the co-op membership became more homogenous as time went on. And he concurs that the policies about shopping did have an
unintended effect of making the co-op seem inaccessible to many in the neighborhood:

My sense is that [the early membership consisted of] collective households but the collective households were very inclusive. There was, you know, a lot of diversity in the households of almost all sorts. By the time that - I was more involved - the households had settled into a pattern of being essentially, you know, largely white activists, both middle and working class but trending towards middle class.

...You only could pay by check, and there was no EBT, and you couldn’t pay cash. So, if you were excluding cash, then you’re excluding poor people.

Mariposa had formed in a time when the Cedar Park neighborhood had a lot of group houses; many had activist leanings. According to TL, these were working class young people, of many races and cultural backgrounds. It was only as time went on that the houses began to be occupied by wealthier White activists.

TL was able to offer an explanation for the co-op’s quixotic refusal to accept cash:

Part of that was a rational reaction to a dangerous neighborhood. You don’t want to use cash there especially because they work, you know, it was very open. I mean, now, it’s hard to get in there but you could just walk in. And so the idea of these many people to walk in, there’s plenty of eyes on the stuff, so the stuff wasn’t going to get stolen but especially if you have cash, you don’t want people breaking in and try to steal the money or barging in. And it was certainly about the time in the late ‘80s people, where we could be sitting here with the door shut and someone could barge in, you know, high on crack, grab a TV and run out.
It was weird. [Mariposa] was both exclusive and incredibly loosey-goosey, which is why what it’s been doing is tightening up.

Despite TL’s explanation of the co-op’s cashless transactions, the other stores in West Philadelphia accepted cash. This quirk made the co-op an outlier, and made it more complicated for people without bank accounts to participate in the cooperative’s business experiment.

In addition to cash issues and work requirements, the physical layout of the store was seen as a limitation to the co-op’s inclusivity. Though the original location was on one level with no grade changes, and thus accessible to wheelchairs, the store was so small and cramped with product it was difficult to navigate. Bull, a longtime employee, relates the frustration he found when starting to work at Mariposa:

The whole way that the store used to be set up was really tight so it’s still impossible [in] certain places for someone, say in a wheelchair or with a baby stroller, to get into some of the [parts of the store].

One membership committee member felt that the physical layout limited the social dynamics in the store:

I feel like there’s a certain amount of friendliness at the store but it’s packed, it’s hard, people aren’t necessarily likely to just sit around and shoot the shit because the space itself isn’t conducive....
Bull and other staff members worked hard to try to unclutter the store and move things around to improve accessibility and foster greater interaction. But ultimately there was little Mariposa could do until the 2012 relocation to the facility with a larger floor plan.

**Prices at the co-op**

Mariposa was not always an expensive place to shop, according to some of my interviews. The more expensive products came later, with greater awareness of organic and local sourcing and greater competition from other natural foods behemoths. The early days of Mariposa were quite different.

Another longtime employee explained that a combination of factors kept prices low in the early days. These factors included cheap overhead due to a devoted member labor corps and low facilities costs:

> It was cheaper at the co-op, pretty much all the time, I think...if you have a large group of people who are into [being working members], and they are like, “Yes! We are changing the world, we’re making everything better”...the mass of amount of people really want to come and do their workshifts.

> And now it’s not [the case]. There are people who want to do that, but there are people who just actually want, “I just want to get organic lettuce and a vegan treat, and I have to do a workshift. And I don’t really want to go to meetings. And just buy my food for me, don’t make me talk about the politics of where it comes from.”
Low prices at Mariposa were partly due to member labor, which kept costs down since paid employment was kept at a minimum. But that was only part of the story. The co-op had a very small fiscal footprint and low overhead, including a low markup over cost in the early days:

Our markup at one point [went up to] 27%. I feel like [back then] maybe it was 11% or 19%. The purchase price on the building was $11,000. The mortgage wasn’t very much, and there was an apartment above it. So the overhead was really low.

I think I started at $6-7 dollars an hour. It was very low to the ground and very cheap to run. And the paid staff hours were low and the members did a lot of the work...I feel like our prices didn’t get more expensive, for various reasons, until we had to raise our markup and that the outside world began providing stuff at a cheaper price.

She alludes here to the growing competition from the organic-natural foods industry:

There wasn’t a Whole Foods buying a million times more and getting a better price. It was like, “We are going to get the same potatoes that the grocery store is getting, and we are paying the same price for the potatoes that the grocery store is getting!”

Part of what makes some co-ops expensive is the focus on the organic food category, as well as foods that are sourced from cooperative producers and smaller corporations.
One former board member of Mariposa, Daniel, was troubled by the price issue, and laid out some of the challenges that it brings. He begins by referring to the work of outreach to communities beyond the co-op’s core demographic, but he sees outreach alone as insufficient if prices are still high:

In my opinion however much [outreach] we do it’s not going to be a whole lot of help as long as two-thirds of the store is kind of premium organic, Whole Foods type stuff. If it were just the produce and bulk foods departments or if that was what felt dominant, it would be different. If we had a mixture of products it would be another matter but when we are selling three-dollar cans of beans that’s going to be off-putting enough on its own no matter what else is going on...

He sees a moral hazard in segmenting the product categories. There is a problem with healthier organic food being sold at a premium to those who can afford it and less healthy conventional food being sold to the poorer patrons. It creates a two-tiered food system in the co-op: healthier organic for the have, everything else for the have-nots.

Yet there is more than one way of looking at the shelves at both Mariposa and Weavers Way, with inexpensive bulk grains stocked across the aisle from a $9 fig jam. Perhaps the gourmet selection cross-subsidizes the low-priced bulk bins, or makes higher salaries possible for the staff. Mariposa, for one, has a higher markup on things like health and beauty products than it does for staple goods.
Many of those discretionary goods attract buyers who, if they weren’t buying it there, would be spending those same dollars outside of the cooperative economy, in a gourmet specialty store. Depending on the narrative a shopper deploys as he picks up the $9 fig jam, he is either doing it altruistically—to support the co-op—or just because he can afford fancy fig jam and he desires it. The net effect is the same, and the narratives are not mutually exclusive. Once the sale has been rung in, the co-op and the customer are both satisfied. And the staff sees a robust demand for more luxury products, further ratifying the choice of carrying these goods.

Tension over merchandize mix played out in Weavers Way’s Chestnut Hill location, because it has a more up-market merchandising mix than the Mount Airy store. And those products sold really well. The staff that was put in place there comes largely from the grocery business. They do not come from the cooperative movement. One can imagine them wondering, “Why are people wringing their hands so much about the fact that we have all kinds of fancy products? They move really well. Everybody wants them.”

Yet some at the co-op, driven by a history and ethos of moral consumption, do spend time thinking about it. TL explained:

[At WW there are] people who are very wealthy, you know, the upper five percent, probably upper two percent of the social mix. [Given] the disparities in our culture [they] are very wealthy, worrying about whether we are too capitalist.
And in Mariposa you got a group that is a little less wealthy, although increasingly similar, demographic group with more genuine worries about that...And it wasn’t too long in the past, certainly in my time, [that] Mariposa thought, if you’re from a working class activist background, why should we have a $9 fig jam? I mean, that’s just not the right approach. We should be pushing healthy food for everybody, not allowing the rich to subsidize us. There’s something wrong about that.

Yet TL felt that, over time, co-ops like Mariposa became more devoted to a bourgeois clientele:

There was a fairly radical tradition since when it started it was, we need to get good food to poor people and we are poor people. A lot of people involved in [Mariposa and Movement for a New Society] were from working-class backgrounds. There’s a very strong class analysis as part of what was going on, which has been I think long since lost... A lot of the structures were designed around cheap food. Now as...our worries about chemicals and interest in organics grew, then there became a tension.

And I think the tension has been mostly resolved on the side of, you know, basically maybe Mariposa is going to have a more middle class clientele than it used to have...It’s mostly tipped towards we’re going to have, you know, good, healthy, local organic-ish kind of foods and not cost be damned, you know, we still wanted to be—as inexpensive as we can, given that, but there’s going to—we’re going to pay more for good food here.

So over time, this idea of paying more for “good food” took hold and had the effects outlined above. Mariposa is no longer simply about “good food for poor people.” As a demonstration, here is an example of a recent online post from a store manager:
While members and shoppers can enjoy the fruits of moral consumption (and a fine Carrot Beet Celery Juice) at the co-op, this selectivity does not readily translate into the low prices that shoppers have come to expect for consumer goods.

And it is not just something faced by Mariposa Food Co-op; it is a sector-wide issue. Rosemary Fifield at Hanover Food Co-op (one of the largest co-ops in the United States) discusses the challenge they face with the same issue in Hanover, NH and recently in their store in White River Junction, VT:

ROSEMARY: The community that we started out in is affluent—Dartmouth—we have always had the reputation of being higher priced than chain stores. People who came to the Hanover co-op, you wouldn’t find a lot of people in lower economic strata in Hanover co-op. [We had a] reputation for being unaffordable.

Diversity and its discontents
There was a notable incident in the annals of exclusivity that occurred at Weavers Way. And it led ultimately to the creation of the Weavers Way’s non-profit community organization, Weavers Way Community Programs.

Weavers Way is next-door neighbor to the C.W. Henry Elementary School. In the mid-1990s the co-op and the school started to have a conflict. Every day, when school let out at three o’clock, kids would stream into the co-op. The co-op couldn’t really handle more than a few customers at a time. It is a small building and it is packed with groceries, produce, and dry goods. The co-op would get 10 or 20 boisterous kids at a time. Some kids started trouble including some shoplifting. According to my interviews, many would buy things too, but by and large the kids were not patient while they waited in the long lines that had formed. Some kids didn’t have enough money or know how much money they needed (they might have $3 when their snacks cost $5); it really slowed things down and changed the tone of the co-op in the afterschool hours.

The co-op took a proactive step. They decided to more rigorously enforce their members-only shopping policy during the after-school hours. Only children of members could shop:

SYLVIA: When Henry School let out [for the day] and a child came to the doors of Weavers Way, managers were closing up the door to say, "Are you a member?" And if you said your parents were a member, you could come in.
Well, the African-Americans kids' parents were not members, so they were not allowed in. Well, one of my nephew's children, young son, came home and told his father—this is a mixed child, his father is African-American, his mother is white—came home and said "Daddy, they won't let us in the co-op. They don't let the black kids come in."

Well, that got back to me when I was on the board. So as a result of that comment, the board began to, "Look at what hath we wrought?" We were busy...selling the lettuce and the bread, the bottom line, were busy taking care of the needs of the co-op, and the immediate community, we forgot that Henry School also was a neighbor.

The enforcement of the membership policy had a very undesirable effect: many of the children of members were white and many of the non-member children were black. So Weavers Way had an issue with a manager, often white, turning away black children, while letting white children in to shop.

This was the beginning of a story, not the end. Employees at the co-op saw what was happening and decided that the solution was not to turn kids away but to teach them about the philosophy of cooperation. The Weavers Way Marketplace program was born. Weavers Way employees helped kids at Henry School pick out snacks and drinks at wholesale, teaching them how to sell them at a profit in a kids' co-op in their school, and having the kids donate the profits to the charity of their choice. In doing so, the kids learn about cooperation, entrepreneurship and giving back, and they know
something about having a stake in something of their own. Today the marketplace program is in seven schools.

**Signs on the door**

Weavers Way continues to work to combat the perception of exclusivity that goes with the co-op identity. A manager spoke about efforts to create welcoming signage on the outside of the building:

On the front [of the store] it says “Co-op.” So we put “Open to the Public” on the front because people were coming in all the time, saying, “Oh, can I shop here?” They didn’t realize we were open to the public as well. Because they weren’t [always open to the public] in Mt. Airy. That’s pretty recently that they have opened to the public.

Once people ventured into the store, she made sure that membership is promoted as a concept and as something that is easy for shoppers to do:

We have a lot of information around...people can become a member right at the register, get their card. Sometimes we have a presence of membership here whether it’s our outreach person or if it’s people volunteering to sign up members. We usually do that when we have events going on. And then any staff person can answer basic questions.

Mariposa also had a problem associated with its signage. Nancy Wygant tells the story of a membership meeting that was called about racism at the co-op.

One of the main suggestions to make the co-op seem less racist was changing the sign on the door and in the window:
Seven or eight years ago, a small group of members who were mostly young radical white folks decided that the co-op needed to look at racism...and called the membership meeting, which is actually the one time that I can recall when we had a membership meeting that was just called by a bunch of members.

I remember there was something in particular. There was that sign, which I guess isn't there anymore, since you can't go in after the store is closed anymore. But for years, since you could let yourself in when the store is closed...Someone had decided that we needed the sign about "don't let random people" into the co-op. And somehow that was connected with, like, some particular person had been coming in and taking stuff.

But the initial version of the sign that went up was really kind of confrontational...But it was something just kind of weird about - like it seemed to me that the way they phrased that was making certain assumptions about who you would or would not let in.

**Mariposa's Affirmative Action**

The problem with racial exclusivity at Mariposa was not just centered around signage. The co-op, in one staff member's words, was a "subcultural organization" mostly comprised of white activists. For a time, it seemed so unlikely that non-white people would shop at the co-op that such people were greeted either with suspicion or condescension:

People come in, and if they're black, it's assumed that they're not members. And that's not necessarily accurate. And then from that assumption, either they get offers of help that they didn't need or they get, like, "What are you doing here? You don't belong here."

Mariposa was growing rapidly in the mid- and late-2000s, and the store was beginning to strain under the pressure of supporting so many members. In
late 2007, the co-op put a cap of 700 memberships in place. That cap meant that interested parties had to go on a waiting list before joining. But Mariposa wanted to encourage minority neighbors to join the co-op. The fall general membership meeting in 2007 was a moment for soul-searching and some conflict about how to proceed. A longtime employee related the issues that came up:

We are already alienating and excluding a lot of people just by the nature of how our store looks, how the people who work there look, etc. And so then to also put up this wall; to have a storefront that looks like a grocery store and then not allow people to shop freely in it, felt complicated...And I think that we were particularly concerned about being alienating or even more unwelcoming to folks of color, to people who had lived in the neighborhood for a long time, to people who really needed access to this food for health or medical reasons, because they were low income - people for whom it was not easy to just pop in the car and go over to Whole Foods.

The solution the co-op devised to the difficulty of excluding these populations was an affirmative action exception to the membership cap. Though it passed as a proposal, it was not immediately accepted:

It got a little intense, there was definitely some pretty intense differing of opinions, so it was agreed that a group of members out of that meeting would convene as a temporary committee...to write an affirmative action policy to go with our membership cap.

That group of people—and there was something kind of beautiful that happened there—there had been a couple of people, who coincidentally were young white men, who were opposed to having any kind of affirmative action. They joined the affirmative action committee, and somewhat quickly were
persuaded that it actually was a good idea. So that was kind of neat.

At the time, one of the staff members made this caustic observation: “Katt reminds us that as long as there are no non-white people at the co-op, no non-white people are going to join” (Mariposa membership meeting 11-18-2007). Over time, this has proved not to be true, as the composition of shoppers at the renovated co-op is significantly more diverse than at any time in Mariposa’s past.

Queering the co-op

Mariposa struggled with racial and class diversity in different parts of its organizational history, but it does an extremely effective job of embracing the varieties of gender that are expressed in the neighborhood. The co-op is friendly to straight, gay, queer and transgendered people, with staff and members that represent every facet of the gender spectrum. Shoshanna relates her initial reaction to the gender diversity when coming to West Philadelphia and to Mariposa:

I was drawn here because I couldn’t tell the gender of half the people walking down the street - and I was a women’s studies major and I love just that challenge to the norm, saying, “OK, we can do things differently. This can be an alternative and it can also be a safe space.” It seems like it’s been happening here for kind of a long time; it’s not just a newfound - you know, things got cheap and everybody moved in. I think some neighborhoods are emerging now in the city - but West Philly feels like it’s been there for kind of a long time.
For Shoshanna, this neighborhood is a place of refuge for people who do not fit in other places. They seek each other out in safe spaces like the co-op, and create a strong identification with those institutions. This refuge is the upside of exclusivity. It allows people to be together, as they are, without having to make the kind of sacrifices that the rest of the culture asks of them. And once inside, people in the co-op took care to make sure all those who felt comfortable joining stayed comfortable. Shoshanna reflects on this culture of careful deliberation and accommodation:

There are a lot of people who feel like, in their day-to-day, they’re the ones who are the exception, and who aren’t getting that attention. And not in a way that they are attention-seeking, but they really want to make sure that people are well cared-for, because they think, in many situations in most of our lives, that’s not the case.

**Race and Weavers Way**

Weavers Way has also struggled with exclusivity, specifically in attracting black members. Considering the history of integration in West Mount Airy, the co-op had ample opportunity to have black members. But in its early days, Board Member Sylvia related, African-Americans did not feel included:

And at that time, the African-American community here wasn't so sure that we were welcome at WW, and that has been a very delicate and a very important sore spot...Back in those days, in the African-American community, we psychologically said, we’re not going to beg anybody to take our money. And if for
one split second we felt we were unwelcome, you’ll never see us there again. We can go someplace else.

If these shoppers did not feel that the co-op was a welcoming environment, they would take their business elsewhere and not become members of Weavers Way. Beyond seeing other black people at the co-op, Sylvia said, people had troubling finding culturally appropriate merchandise in those days:

Some of the product line we tout [at Weavers Way]—we buy or subscribe or try and obtain things that members want—but some things that we wanted were totally ignored. And one of the things was collard greens, to give you a good example.

ANDREW: Yes, sure.

They just didn’t stock it. And we would ask for it with that. So I managed to—not, managed—I enjoyed the coop, I also knew that this is a role our generation played, my generation played. As we moved into the corporate environment, into new neighborhoods, into new schools, we knew that we were the ones that had to set the example. We were the ones that would have to teach the white community that we’re just like you.

I asked Sylvia if she felt that Weavers Way had become a more accessible and inclusive place for people of color, including African-Americans:

Yes, I do. I’ll just tell you a little funny story. The Diversity and Outreach Committee that we had originally started that got this ball rolling, the members of the committee, what we would do, little studies about our membership. Well there’s no way we would know how many, who was who from membership. So we called it our One Minute Study. Every time one of us is going to the store, we would take note of how many minority shoppers where in the store...there was a time where there would be absolutely none.

When we began to wake up and realize that we have to work at diversity, we began to see one shopper, three shoppers, two
shoppers, five shoppers. So we began to see - and today, it's - haven't done that study in a long time, we only did it off and on for maybe a year or two, it was - we would all get a chuckle at it how it's an unscientific study, but at least, you knew when you walked in what kind of a place it was.

Issues of race and class suffuse the consumer cooperative and natural foods movements (Slocum 2007, 2011). Some people affiliated with Weavers Way blamed the failure of the West Oak Lane branch on poor neighbors who would only have supported a store if it sold junk food, cigarettes and lottery tickets. And, in a telling exchange with a funder of co-ops, I was told that low- and moderate-income people do not “seem to be able to create that community investiture. [They have a] hard time with dues, even at lower rates. [The] work ethic thing is foreign to these communities.”

I asked other interviewees about this idea that poor people did not have the aptitude to run cooperatives. One of the responses I heard came from another funder of co-ops: The Reinvestment Fund. She disagreed with the premise and accuracy of the remark:

I disagree strongly. Putting it that way is like blaming the community. What's needed is that the community may need to be educated. There are a lot of cooperative-type things that are happening that are under the radar. Look at churches...they are organized and happening in African American, Latino and Hispanic communities. Buying clubs [a route to starting a food cooperative] originate out of churches.
She went on to talk about instances of cooperative economics and moral consumption in her own upbringing:

I remember growing up on my block with my grandparents, aunts...they did cooperative shopping. You bought a bushel of potatoes on the 9th street market and you split it up. And that's co-op buying and distribution. Communities of color are incredibly organized—just not the way white communities are organized.

**Conclusion**

In this section, I have explored the many ways in which the case study co-ops confront the paradox of exclusivity. Though the co-ops are on the way to being more broadly inclusive, organizations, like democracies, always possess a “boundary problem” (Pfeffer and Salancik 2003). There are no clear rules about who to count as part of the co-op and who stands outside. With the first cooperative principle of open and voluntary membership, this controversy seems to be resolvable to only those who join the co-op as member-owners. Each member-owner gets one vote, regardless of how much equity she has put in. Surely voting membership is the easiest way to conceive of the boundary of a co-op.

But few co-ops have mandatory membership any more. So it is possible, even likely, that those who benefit from the co-op most will have no ownership stake in it. Are they to be counted out of the organizational boundary? After
all, they do not vote, attend membership meetings, have a financial stake in the co-op’s survival. In some sense, they are merely consumers who keep the machinery of the co-op operating for its members, staff and board.

This challenge, though I believe it is fundamentally unresolvable (and that is not a bad thing) seems to have been provisionally resolved on the side of including shoppers within the organizational boundary. Co-ops see this as possible, even desirable, because of their ontological status as both enterprises and associations (Fairbairn 2011). The association part of their identity would push them to accept only those who participate in the community-building work of ownership and governance. But their status as an enterprise means that co-ops must embrace all shoppers as part of the organizational project, for they possess strength in numbers and dollars. As long as co-ops still struggle with this definitional issue, and the shades of gray that are implied by having differently-motivated stakeholders involved, the conversations will help advance the cooperative model. For now, there are compelling reasons why co-ops draw the boundaries of inclusion more broadly.

The Merchants Fund’s Patricia Blakely funded the expansions of both Mariposa and Weavers Way. In her opinion, the whole members-only co-op system was unnecessarily exclusive and was a barrier to receiving funding from her kinds of sources. She goes on to explain why she wanted to see
them open to the public before she could support them. She deftly outlines
the steps most co-ops are taking today to be attractive to funders and others:

PATRICIA: Between the two institutions, Mariposa has had to
do a whole lot more institutional change - we have gone from
mom and pop to institutional. That happened at Weavers Way
too. Mariposa had to do a lot of changing of bylaws. They had to
have an open and transparent [system], not putting public
money into a privately owned co-op. They had to be open to
the public. The co-op model is built on the fact that you work,
so you pay an added premium. On a strictly business model
you can't lock people out and make any money. It's bad
business. You want all customers, not just our customers.
**Critical Event Narrative: Human Resources**

In 2002, an employee called Sunshine was asked to resign from Mariposa Food Co-op after a long, contentious series of events. He had been with the co-op since the 1980s. It was a fraught moment for Mariposa. The rest of the staff threatened to quit unless Sunshine was fired. The other three staff members felt that he was difficult to work with and held too much organizational power in what was supposed to be a non-hierarchical, “flat” organization.

Sunshine’s departure came up in many of my interviews as a critical event in the history of Mariposa—an event that signaled a kind of dysfunction in the co-op as well as the birth of the co-op’s modern era. It was a human resources crisis, and a failure of organizational process, but the interpretation of it depends on whom you ask about the situation.

The incident holds significance for four reasons. First, it was a critical moment in the life of an organization without human resources policies that got trapped by its lack of policies and protocols. A boycott and strike against the co-op resulted and threatened the existence of the then-30 year old institution.
Second, it showed the pitfalls of requiring decisions by unanimous consensus of the membership, especially when it came to sensitive personnel decisions. At that time, there was no personnel committee, board or management structure that could handle human resources, which can often be a fraught matter and one that involves some degree of confidentiality.

Third, this incident demonstrates that Mariposa was not up-to-date technologically because it depended too much on the computational and bookkeeping abilities of a single individual with an idiosyncratic, paper-based system.

Last, the Sunshine story illustrates an organization that was conflicted about membership growth even though growth was already occurring. Decisions that might have been credibly made at one time by a very small group of people through a deliberative process could simply not be made by the hundreds of members who were part of the co-op by 2001-2002.

In the following section, six members of the Mariposa community (including Sunshine) reflect on the critical event. Throughout, I explore the significance of Sunshine’s resignation from the co-op.

I first heard about Sunshine from Dan, a staff member who came along after his departure. This staff member believes fairly strongly in traditional
bureaucracy and hierarchical management, and was troubled by the drawn-out and byzantine process that the co-op went through before asking Sunshine to leave. He explains his understanding of how the situation occurred:

Sunshine was the old financial manager and treasurer when there were only a few staff people, when there were three or four staff people... They had all kinds of issues working with him... Sunshine is super old school and refuses to use computers and all that... He would add up things by hand entirely; he wouldn't even use a calculator. Financial reports were all handwritten. A couple of years ago I entered some of his old financial reports into spreadsheets and found a couple of errors.

But beyond the stubbornness and inefficiency of not being willing to use technology at all, he was also kind of a bully and a difficult person to work with and the other three staff weren't able to get him to leave on their own so they brought it to a series of membership meetings that were really, really ugly.

I attended one in 2002 maybe where I remember a whole bunch of people, tense, all packed into a room—the meeting had gone on for hours. The issue was just that Sunshine needed to leave but there was no collective will to do that. It was just crazy. People were just like, “We need to just disband the co-op and start over again rather than just asking this one person to leave.” And it was only resolved when he himself stepped down because there wasn't consensus from anyone else to fire him.

In this excerpt, Dan highlights the lack of standardized record keeping at the co-op during Sunshine's tenure as bookkeeper. He discusses how the staff had only two means of addressing conflict: diagnosing and solving problems on its own, or bringing it to the general membership. Dan also brings up the policy that there needed to be consensus of the general membership meeting to fire somebody, and that it wasn't possible to achieve that in this case (it is
not clear if this had ever been attempted before, but it does not seem so from my other interviews).

Mariposa member and business professor TL Hill felt that the Sunshine incident was a turning point in the history of the co-op. TL was involved in working to standardize Mariposa’s financials and wrest control of them from Sunshine and his unique approach to bookkeeping. He explains the situation below:

The time that I was most involved [at Mariposa] is in the period when...we removed Sunshine out of being the bookkeeper.

ANDREW: And that was a very critical period, from what I understand?

Yes. I think that was...sort of a turning point.

I do remember...looking at little pencil scratches because he took everything in pencils and scraps of papers. He didn’t like to waste any paper. All around his room, big boxes of this, that, and the other thing all over a cooperative house.

ANDREW: So, not bound, not in ledgers, just kind of...

Not bound, not in ledgers, scraps of paper in a box. It was the way things were done. Everything done by hand, everything added in his head. He’s very, very good at it. He’s very good at that kind of math, seldom made mistakes, often caught errors but also did it in weird ways that were very un-transparent to the people.

Basically I’m trying to understand the system. I’m trying to reinvent the system and make a lot of it much closer to bound ledgers and even Excel spreadsheets and things like that. And as we did this with Sunshine basically resisting every step of formalization, it finally got to the point where it’s clear that basically, he needed to go.
In addition to giving more details about the way the books were kept, TL explains the ways in which he perceived Sunshine to be resisting the formalization of Mariposa into a co-op that used standardized business practices. Sunshine appears to have embodied many of the transitory and oppositional organizational practices highlighted by Rothschild and Whitt (1986) in their study of new wave co-ops.

I spoke with an employee who was on staff with Sunshine at the time, and heard from her what it was like to work with him, and to go through the challenging process leading up to his resignation. She recounts the story in full:

I feel like I worked with [Sunshine] 11 years, and he had been there before me... many people got along with him totally fine; he is a really nice person. But he was a very hard person for a lot of people to deal with. And at a certain point one of the people who worked at the co-op was like, “I am going to quit, I am going to resign, because I can’t work any more with this person.” And there were four of us on staff at that point, and two others of us said, “Don’t resign, we would rather work with you.” And the three of us approached him and asked him if he would resign and he would not.

And so there were these very long, drawn-out emergency meetings and conflict resolutions, and membership meetings every month and people tearing their hair out. It was really a rough, rough thing. And at that point—this may still be the case—the way that someone could be fired was by consensus of a membership meeting. Which, if you’ve got houses of people who live together and you have got housemates of the person who are just going to show up and say, “I block [consensus]! He’s being railroaded!” It was just a crazy, crazy scene. And I feel like it lasted a long time.

ANDREW: What is a long time?
Like half a year? More. A very long time. I don't remember how long the conflict resolution thing was. And eventually he said he would be willing to resign if the membership meeting would consense that that seemed to be the best way out of the situation, which is what happened. So that was a very large turning point. It's just one of those things that happened and I don't feel good about it. That's a horrible thing to do to somebody. To say, "We want you out of here and to say we are going to make you leave this place you have worked at for 15 years because people have such a hard time with you." So it wasn't like, woohoo. But it actually made things much different at the co-op. It made it much...much more a pleasant place to work and to be. It seems like a really important thing that happened at that point.

Rachel emphasizes a few things in her narrative. The first is the extremely long time that the resolution of this incident took: more than six months.

Second, she reinforces the notion that the co-op had survived at this point for decades without formal human resources policies that could protect both the small staff and the organization. Last, Rachel highlights another feature of non-bureaucratized organizations: the tendency to be run along the lines of personal relationships. In this case, it was the ability of people who lived with members of the staff to block consensus to fire Sunshine or to support the other members of the staff.

Longtime employee Bull discusses what it was like to plan the ultimatum that set the whole Sunshine resignation incident in motion. He begins by explaining how he felt that Sunshine controlled the co-op in a way that was unhealthy:
I didn’t have any experience with co-ops before having it with Mariposa but from my little understanding of it, of co-ops and other collective structures of workplaces or organizations, that the way that he controlled things really did not make any sense.

Bull goes on to talk about how long it took for the staff to actually plan to offer the ultimatum. They worked alongside Sunshine for several months before deciding to go forward with the plan to ask him to resign:

That was the beginning of 2002 so I guess it was a little bit longer [before the ultimatum]. We started talking about it in the summer after I was hired. It was six months in to me being hired. We talked about it for several months before we actually decided to go ahead with it so that winter, going into 2002.

Bull reflected on the effect that the lengthy process of conflict and conflict resolution had on the co-op as a whole. In his view, the issues among the staff did not limit themselves to the professional relationships among the four of them:

It definitely bled into the store and the business...it was a community where almost everyone knew each other and had chosen a side as to whether they thought this was best for the co-op or some piece of the staff. So it was very polarizing and very tense for a while.

A longtime member, Nancy, discussed the overlay of the politics of the personal in the Sunshine incident. When people with personal relationships with the people concerned are making the decisions about human resources in an organization, it is very difficult to maintain objectivity or professional distance. In the case of Mariposa Co-op, some considered it totally inadvisable. The personal relationships were considered inputs into the
organizational decision-making. In the following extended quotation, Nancy details how her personal relationship with Sunshine led her to support him and also to encourage the staff to undertake conflict resolution before asking him to resign:

NANCY: My husband was a really good personal friend of Sunshine, so I was also a friend of his. So we got really involved and it's kind of two contingents within the membership who were really actively involved with this in opposite directions. So, my husband and I obviously were part of the supporting Sunshine contingent. And also part of the "Let's do some conflict resolution here, let's try to work this out" contingent. We need to take time to make this decision well even though we understand that you all are feeling totally desperate, you have to understand that this was the first we've heard of it and we need time to think through this.

Nancy contrasts the approach of the people who wanted to take whatever time necessary to resolve the conflict with others who felt that it needed to be resolved urgently. She makes the point that although the staff had been planning this ultimatum for months, they had only just brought it to the membership. She goes on to stress her desire to see conflict resolution:

And then there was another contingent who are, in some extent, siding more with the other two staff members and certainly sharing their urgency about we've got to resolve this fast—we can't stand it. And I think also who were—this is my perspective, they might not see it that way, but our perspective at least was that they also tended to be folks who had more of a standard business approach to personnel issues. They were not particularly interested in the conflict resolution process. They were more interested in "We need formal job descriptions. We need to clarify what everybody's job is so that we can evaluate. If somebody isn't doing their job, we can fire them."
There is a clear opposition in Nancy’s view of the organization between people who held a cooperative view and those who favored a “standard business approach.” To her, an expedited resolution predicated on job descriptions would violate the spirit of the organization. She goes on to talk about why Sunshine garnered the support that he did:

ANDREW: Without trying to speak for [Sunshine], could you tell me what you thought was the reason to be supportive?

Well, I mean, partly, you know, a lot of us who were supporting him were supporting because he’s our friend. And my, you know, general take on life is it’s very seldom that there is one person who is the problem...So, we felt very strongly that if there was a conflict there needed to be a conflict resolution process. And there was one person out of the three who, really, from the beginning was unwilling to participate in a conflict resolution process. And, you know, several of us have the perspective that that in itself would be grounds for firing someone.

Andrew: Not participating...

If you’re working for a co-op and you won’t participate in conflict resolution, you don’t need to be working for a co-op.

Before Sunshine agreed to resign, there was a week during which many members of the co-op organized a boycott of their own store in order to protest his continuing to work there. It is clear from Sunshine’s account that there was an overall change in direction of the co-op towards growth and formalization that he did not feel comfortable with, and that he tried to hold back. He addresses it in part below. In the following extended quote from Sunshine, he explains why he thought his relationship with the rest of the
staff deteriorated and tells the story of the boycott and its eventual resolution by his resignation.

ANDREW: What started to change towards the end?

One thing that changed, I did end up having a fair number of enemies. As the treasurer, I was also sort of the enforcer, which bothered people who owed money or something like that. There were a number of people joining who took offense at that. It needed to get done so somebody had to be more heavy-handed. And [another co-worker] felt that I was more trying to be “boss” rather than coworker. But I saw myself in a role of defending the co-op, of things [this person] wasn't doing that if members knew, they would be offended. So I needed to voice it and I did raise it at some membership meetings.

And there was more people wanting to join, and there were visions of growth that I didn't agree with. There were relationships, not that they were incestuous but they were housemates, or former housemates, or working together, or various things. So I was sort of on the outside of that, so when issues came up, things kind of exploded.

In this quotes above, Sunshine raises a few themes that have been discussed before. First is the theme of growth, and Sunshine’s antipathy towards it.

Second, he references the existence of relationships that are not professional, relationships that he stops just short of calling “incestuous.” He clearly feels like an outsider at this time in the co-op's existence. Sunshine goes on to elaborate on his anti-growth position:

The thing that changed the most for me was the feel of the co-op. With the limited store hours you felt like you knew people and with it getting bigger, it was going to lose some things. It was going to gain some things but it was going to lose the sense—I don't know how much it has the ongoing sense of community.
Sunshine explains that the elements of the membership had a back-up plan if he didn’t resign: they were going to boycott the co-op and go on strike:

At the final meeting, when they were trying to fire me, I am pretty sure that they had a back-up plan that if I didn’t get fired at that meeting the boycott and strike was going to go into effect. It wasn’t a spontaneous thing, in my opinion. It was sort of a strange mess and I didn’t have any choice but to leave.

ANDREW: When you say boycott and strike, what do you mean?

We had a meeting that ended with trying to do a rush fire me. The consensus was blocked. It was six or seven people blocked consensus. At that point, you needed to go by consensus to go to a two-thirds vote. It was unclear how it was going to go based on how people were raising their hands. A third of the people were supporting me, but it was left of having [a member] do a strange boycott. Whether it was a strike or a boycott it was a strange week.

ANDREW: So there was a boycott that lasted a week?

Well, people were shopping but not paying, there was various stuff appearing on the [books]—some factual, some not factual, it was trying to force me to resign. It was like, “Don’t pay, don’t do your workshifts until Sunshine leaves” was how it was put out there. [The member who led the strike] wanted to barricade the co-op and not let people in, including distributors.

In the end, Sunshine decided to resign. The co-op recovered from the brief boycott, and its growth continued apace. Sunshine continued to hold a membership in the co-op through a group house. Mariposa did not proceed from this incident into an unyielding era of frictionless good times in the arena of human resources. Its efforts to put together a personnel committee led to a lot of frustration and it was ultimately dissolved. There were other employees that left unhappily, or were hired under fraught circumstances.
The purpose of relating this critical event is to share how Mariposa prepared itself to accept growth and some measure of professionalization as inevitable as it ultimately moved towards its eventual expansion and relocation. The question the story asks is what, if anything, was lost in the process?
Participation and Democracy

One of the benefits of cooperatives is their commitment to organizational democracy, as enshrined in the second cooperative principle: democratic member control. Shoshanna Grunwald, a Mariposa member, recognizes the power of democracy in her work at Mariposa and the Energy Co-op, another Philadelphia cooperative:

I like the democratic element. I like the fact that people get to choose based on real decisions that they are making on a fundamental basis how they spend their money and how they come together...I like that kind of power and that opportunity.

Some in the cooperative movement are predisposed to civic engagement and democratic practice. Others find the opportunity presented by cooperation to be a catalyst for such practice. Lena Helen and Peter Frank, founders of the start-up Kensington Community Food Co-op in Philadelphia, discuss overcoming feelings of apathy and anomie:

PETER: I think that sort of feeling alienated about the economic situation and also feeling alienated politically...is [bringing] people that are...new and excited to the co-op world—[after] the combined frustrations of the 2000s. Under George Bush, I felt like I couldn’t do anything. I couldn’t create anything. I don’t think I could've created a co-op [then].

LENA: I’ve never been politically active besides voting and maybe putting a sign on the window or wearing a T-shirt but yeah, co-ops are always the best example that I’ve understood of pure simple democracy that really connect and create something tangible.
So how does this democratic practice manifest itself? I will look at two of the ways co-ops have tried to embrace democratic practice: through governance and through the use of member labor.

The dominant participatory practice of any co-op occurs through the act of consumption. This is a fundamental means of participation. In some people’s view, it is necessary but not sufficient. For a co-op to thrive, its members must be engaged in its governance. In most co-ops, governance is similar to a non-profit’s representative democracy, based around a governing board of directors. But some of the “new” new wave co-ops are still governed directly by the membership. The two cases in this study represent those two avenues, with Weavers Way governed by a board, and Mariposa governed by its members (although it has enacted a board, the board has considerably less power than the norm).

As both co-ops expand, democratic member control becomes harder to achieve. Much as the cooperatives want participation, greater numbers risk diluting the participatory character of the organization. The co-ops then have to devise new ways to involve members in the life of the organization.

The second means of engagement revolves around member labor. Co-ops that require member labor find that it generates a strong sense of buy-in
among the members. People get used to working shifts at the store and get to know one another, and the store, better in the process. It can also lower prices on the shelves by reducing the need for paid labor in the store. But mandatory member labor is difficult for people who work long hours, hold multiple jobs, are single parents, or are disabled. Mandatory member labor, once common in the retail co-op world, has nearly vanished. But both Mariposa and Weavers Way still employed it at the beginning of this study. And it is still in use at a few co-ops that I interacted with, namely the Park Slope Food Co-op in Brooklyn, New York and Chester’s Food Co-op in Chester, Pennsylvania.

In the rest of this section I will examine participation and democratic member control as it is expressed in consumer food cooperatives.

**General membership meetings**

Since its inception, Mariposa has used a form of consensus decision making of the general membership. General membership meetings at Mariposa begin with a consensus approval of that meeting’s agenda. Then there is approval of the minutes from the prior meeting. Then each issue is raised in turn, with all members having a chance to speak their minds. Members get on a “stack,” which is a list of upcoming speakers managed by the meeting’s facilitator. Everyone gets a chance to state an original point, or to respond directly to the point made by another. When all have said their piece, the facilitator tests
the room for consensus. People are able to support a proposal, “stand aside” and allow a proposal to go forward even if they do not confidently support it, or “block” the proposal from moving forward (see Figure 1).

![Figure 7 Hartnett’s Consensus Decision Making Flowchart](image)

At this point, there is continued deliberation with those who have stood aside or blocked the test for consensus. This may result in modifications to the original proposal. Then there is another test for consensus. The issue is discussed until it is resolved by consensus or tabled for another time. It is possible to spend most of a meeting on issues, of great or small relevance to the cooperative, while seeking consensus.

According to member Daniel Flaumenhaft, Mariposa uses a system that really requires unanimity rather than consensus. This unanimous-style consensus in use at Mariposa is difficult to achieve, with any one member able to block
the larger motion from going forward until that person is satisfied (Hartnett 2011). The membership can debate a decision for hours without a tangible policy yield. This process can choke out the opportunity for change. On the other hand, decisions made in this way are strongly supported by the co-op membership.

Former employee Dave Jonas found the consensus system frustrating, believing that people misused it to benefit their own singular preferences:

[The consensus] system is incredibly conservative. Everything stays as is as long as there is one person who objects. People weren’t open to consensus being against their own desire or motive—or they weren’t trained enough to make their desires subservient.

Meetings where controversial policies are proposed can last for as long as four hours, well beyond the scheduled duration. At one meeting I attended, the meeting lost quorum because of the length of time it took to work through the issues involved early in the agenda. At that point, none of the decisions arrived at could be binding since the meeting was not an adequate representation of the co-op.

In the last few years, co-ops like Weavers Way have experimented with online voting for officers or on bylaws changes. In Weavers Way’s case this resulted in a higher rate of participation than in the recent past. Mariposa has not implemented online participation, with some members stating that if
people are not present to hear the deliberation around certain issues, they are not entitled to contribute to the decision-making. This emphasis on physical presence is somehow both stifling and impressive, because only very committed participants are able to get the full fruits of participation. (In 2013, Mariposa offered paper ballots in the store before the election.)

Dan Ohlemiller and Karen Scholl are a married couple who are both heavily involved with Mariposa. Dan is the co-op’s finance manager, and Karen was on the board at the time we spoke. In this exchange, they describe their displeasure with Mariposa’s consensus system, and imagine what changing it could mean:

DAN: I definitely believe that maximizing local, organic, healthy, fresh food for the community is the most important purpose of the co-op. And if accomplishing that means that we aren’t this crunchy, friendly thing all the time anymore—I think that’s absolutely fine.

KAREN: Yeah, I guess the thing that makes us different from a lot of the other staff people and board people is that...the consensus decision making is not necessarily important to me. But spreading and having more people buy better food and more people having access to food—those are like tangible important things that are like real. [They have] more important value in people’s lives I think, than “you can’t make that decision if I don’t like it” or something.

ANDREW: So consensus isn’t a core value for you?

DAN: It’s not. It definitely was for most of the time that I was a member but I feel like my perspective has changed being on staff, among other things.
KAREN: Just because of the opportunity costs of not being able to move fast? I mean, if we didn’t have to have consensus and we were doing everything democratically, we could have decided a long time ago to move to a new space and decided all kinds of directional things that could save money. And if we save money then the food costs less, and it becomes more affordable to people who are cost-sensitive. And then maybe the organic broccoli ends up costing what the conventional broccoli used to cost so it’s a moot decision.

The issue of consensus at physical meetings brings up a larger issue of how much of the membership is being represented in these discussions. When Mariposa began, it was small enough that all of its founding members could sit in a common room at a neighborhood group house. It was not until the 2000s that meetings started to occur in public venues. Perhaps in these very early days, the membership was represented adequately for decisions to reflect the will of the whole organization. But as the co-op grew, the number of people who showed up for membership meetings declined, both in relative and absolute numbers. This state of affairs persisted until recently.

When such a small percentage of the overall membership is represented, decisions that get made may have the consensus of all assembled, but that body does not represent the will of the whole co-op. Bull, a longtime Mariposa employee, reflects on the conundrum:

There were a handful of people that were active in the membership meetings...[it depended on] whatever members randomly turn[ed] out at the membership meeting. And they were maybe three or four times a year tops and there [were]...
often big things that needed to be dealt with like approving the budget or some sort of financial crisis.

For the most part, Mariposa would have a few membership meetings a year, with the daily decisions of the co-op being made on the fly by the staff.

McGrath's (2004) research on food cooperatives makes it clear that this phenomenon was not unique to Mariposa. However, there were times when the co-op met regularly to work through a major issue. At these junctures, the paucity of turnout would combine with the revolving cast of attendees to frustrate members of the small staff. A longtime member of the Mariposa staff explains:

> When we were trying to do work that was ongoing...or things that happened in steps, it was extremely exhausting because we would have a meeting one month, and the 12 people that were there would get educated about the issue, we'd discuss it, we'd get a piece of the work done. The next month it would be 12 different people...It just felt like we were getting random opinions from people that weren't that engaged or that educated...which felt like it wasn't in the spirit of our model anyway.

> Of course, throughout this time there have always been a core group of folks who were always there, but that group is very small.

In response to the “random opinions” from people who were less-than-engaged with the ongoing business of the co-op, members and staff began to discuss the idea of instituting a board. (Before Mariposa’s current Board of Delegates, the co-op put together a body called the Mariposa Standing Committee, which managed the process of setting agendas and running
membership meetings. Eventually in 2010, the co-op elected its initial board.)

The idea [of a board] had been rolling around for a while. I think that it was an unfriendly idea for a really long time, because it was a shift away from the even more directly democratic, even broader consensus thing that we had going on. The creation of the Mariposa Standing Committee was a great improvement in organizing and coordinating our governance, but they didn't have any decision making power, so the decisions were still happening in general membership meetings. So as the co-op grew, and general membership meetings shrank, I think it just reached a point where [the Board became more attractive].

But the idea of a board was not an easy sell to the longtime members of Mariposa. Esteban Kelly, who brought the idea of the board to the table, recalls getting accosted just for making the suggestion that Mariposa have an organized, representative body:

[When I first brought up the idea of a board] somebody who was an old time resident of the community who'd been living in the neighborhood for a long time and who was actually the partner of someone who was on staff, literally pulled me aside and was like, even just the mention of the idea, he was just like, "I would block [consensus on]...anything in that realm of ideas."

And it was super disheartening and like really shut me down. And there was a super power dynamic of having this older white anarchist man who had the authority of having lived here...to be shut down in that way, it really drained a lot of stuff out of me. And those moments of demoralization, it's like, you know what, fuck it. Go ahead and crumble, or whatever the hell's going to happen without more efforts like this.
For all the strain caused by the consensus system at Mariposa, the organization is highly participatory, deliberative and demanding of members’ attention. That deliberation has kept the cooperative relatively “pure” and free from the influences in the rest of the cooperative sector, such as the adoption of Policy Governance or unnecessary bureaucratization. And Mariposa allows the participants in the general membership meetings to feel that they are truly shaping the life of their co-op.

At other co-ops, general membership meetings are more pro forma. They are closer to the way a shareholder meeting might work in a joint-stock corporation, with little to no deliberation.

Here is how the board oversees management at the Co-op Food Stores of New Hampshire and Vermont, and its implications for the membership meetings:

The membership votes for a nine-member board. The board writes policies for the general manager. GM reports [to board] on how he is complying with the executive limitations that they write for him—what he shall not do financially, or whatever.

This system keeps the board from being involved in things that the board shouldn’t be involved in—product selection, etc. They are supposed to be looking at the bigger pictures. Here our customers just see that we carry Cheerios and the great olive oil. They can get everything. They don’t have that emotional attachment to the store.

There is an annual meeting. Members can’t vote on anything at that meeting—they vote in printed ballots submitted over 30 days. There can be write-ins but no nominations from the floor,
no amendments. It is an informational and questioning session between members and the board. No decision-making takes place.

Weavers Way has a similar type of informational meeting, though the members who attend can vote on the board slate on that day. The votes are then counted and the results announced shortly thereafter. But deliberation is limited to a session of questions and answers to the co-op's General Manager. Margaret Lenzi, a board member, explains the scope of members' involvement in governance:

The general membership meetings weren't really involved in, like, the nitty-gritty of governance. It was more of an informational type meeting; information was given, you know, there was a potluck usually and some presentations and stuff like that.

Weavers Way is clearly a representative democracy. If a member seeks voice in the organization, the board is the appropriate place to bring those concerns. The board acts on behalf of the membership to interface with the staff. At the same time, because of the vesting of so much organizational power in the General Manager position, the paid managers have tremendous operational, daily power in the organization. I will discuss the Policy Governance model that makes this all possible in a while below.

**Staff-board tension**
One of the major issues that charged the climate of Mariposa in 2010 and 2011 was an undertone of mistrust of the staff on the part of some members. Because the co-op was largely devoid of policy in its early years, many decisions were simply made by the staff as the need arose. In these early years, then, the staff was very powerful. A staff member explains how life at the co-op looked to the staff before they encouraged the membership to create some other form of oversight:

Staff wrote policies, came to meetings with proposals, we planned the meetings, we led the meetings - it was kind of staff doing all of that. And at some point we realized that that wasn’t our job. And as store hours expanded and as we got more deliveries and as we got more members—as all of that stuff happened—our workload increased and we started feeling like “Whoa! we are overtaxed,” and this is the kind of work we shouldn’t be doing for a variety of reasons.

The staff (who are also member-owners of the co-op) are often the most knowledgeable on a given issue, but some members see them as functioning as a bloc to try and advocate for their own interests. There is a perception that the workers will put their own self-interest above the good of the co-op.

Former staff member Joshua Greenberg sets the stage for this discussion of roles and power by relating the challenges that can come from having so many different levels of commitment to the co-op trying to work together:
[We have] all the levels of participation that a person can have...[from] being a proxy shopper on somebody’s account and having no work commitment to the place—and then myself working 20 hours a week, versus somebody who works 40 to 45 hours...

One thing that frustrates me about this co-op is everybody is an equal member—but those people who have more time to be the most present members and are outspoken enough to be the most outspoken members and are maybe more opinionated enough to be the most outspoken present opinionated members are doing a lot more directing this co-op than I would like and that’s where I resent this whole [suspicion of the power of the] staff collective thing.

Staff member Shinara Taylor feels that there is something of a grassroots resentment of people who are perceived to be in power. In the case of Mariposa, this means the staff, although they are not well paid, do not have full medical benefits, and are vastly outnumbered:

...I think that it’s a sentiment that we have in this country, to mistrust the people who seem to have power...Among people who have a certain set of political values there’s this distrust for like growth, or governance, or like, whatever. And I struggle with that myself; I feel that too.

Before the co-op instituted a Board of Delegates, the entire general membership governed the co-op (the portion of the general membership that was represented at a given meeting).

Former board member Nancy Wygant sheds some light on why the members might feel alienated by the staff. She explains that the staff formed a collective, an informal organization within the co-op. The staff collective
mostly speaks to the membership with one voice, and collectively manages itself in a non-hierarchical manner:

Over the span of a few years...the staff kind of created itself into a collective, which it hadn't been before that.

ANDREW: And how did that functionally change things?

Well, it meant that the staff had decided that they would jolly well evaluate themselves and figure out their own jobs.

ANDREW: Oh, okay.

And they were not interested in a committee of the membership doing either of those things for them...And theoretically, now how it works is the staff collective evaluates each other as individuals. The board is responsible for evaluating the staff collective as a whole. The two years that I was on the board that never happened because we didn't have a flaming clue how we are going to do that.

**Skill sets and cultural capital**

Nancy describes the challenge that the board faces as it tries to evaluate the work of the Mariposa staff collective. Many things about running a co-op are difficult, especially when non专业人士 are put in the position of running a business. The level of professionalization of staff and board members is something that co-ops (and non-profits as well) constantly struggle with.

Mariposa in particular has bristled at the notion of professionalization, preferring to be a movement organization first and foremost, and a grocer second (though this is changing rapidly since the expansion). A Mariposa
staff member remembers his frustration about the lack of skills of the people around him when he arrived:

But people just sort of being like, yeah, I don't know, I'm interested in this and this, and I've done work in totally un—like arts or dance or being a mechanic or just like totally disparate things—and now I draft budgets. And I'm like no wonder why our budgets are shit, you know?

Shoshanna Grunwald describes what it felt like to sit on the personnel committee, a particularly dysfunctional committee that has since been disbanded. Before the hiring of a dedicated human resources person in 2011, the co-op’s hiring, firing and other decisions were made (or not made) by this committee of the membership:

And listening to them talk in circles, and heated voices, in increasingly frustrated debate over something that, to me, seemed ridiculous. Because they were dealing with HR issues, which are...hugely important, and specific, and often legally-based. So you get a bunch of non-HR professionals who have never dealt with that world. And instead of saying, “this is an area of expertise the co-op doesn't have, or that you can't organically just divine,” and instead of knowing when to tap a resource and say, “We need help,” it was so indicative of the co-op and other similar experiences that I have had of people just trying to make things happen from nothing. And I don't think there is any kind of just banging your head against the wall that is just going to create that. And when it’s so fundamentally important, too - the staff are going to walk out if we can’t come together with some personnel policies that are better than what we have now. That’s critical. It could cripple the co-op.

A number of interviewees cited the personnel committee at Mariposa as a constellation of people and events that they found discouraging. In one
critical incident, these issues of staff-board mistrust and professionalization both came to a head around a staff hiring decision. Candidate One (I did not get consent to use her name) was a finalist for a staff position, and she had prior experience in community organizing but not grocery retail. The other finalist did not have the political *bona fides* but had the grocery experience. A former staff member picks up the story:

[Candidate One] is a queer woman of color. [The other candidate] presented as a straight white woman. I am all for affirmative action: if you have two equal candidates, damn well take the one for whom it is harder to get there. [But] when you have one person with a grocery experience but another with organizing experience...[Mariposa’s staff already] all had the political ideas.

This staff member’s backing of the other candidate led to a split between him and other members of the staff. He recalls stating, “We all want the same things at the end of the day” – meaning that they all had the same ambitions and hopes for Mariposa, but each faction thought a different person represented them. He recalls another staff member replying, “No, I don’t think that we do.” The staff collective backed hiring Candidate One.

This story ends up being about the relationship between the staff and the personnel committee, and it demonstrates the challenges at the interface of two non-professional groups. Both supposedly “wanted the same things” for the co-op, but ended up in bitter, heated conflict:
The personnel committee was this fragmented body of former Mariposa Steering Committee people that had sort of gone in and out of existence over time but definitely wasn’t a consistent, productive, reliable body of people. And we had had tension with them around the hiring process and how hiring should happen. And in the past our hiring processes had been admittedly disorganized and inefficient. Like the previous one - we had had the entire staff at every single interview; we interviewed every single person who applied. It was really costly. When this time came around, we were saying, “We need to hire someone.” The personnel committee was kind of barely in existence. There were one or two people who weren’t responding to emails, whatever. So we just kind of went ahead and we were like, let’s redraw our hiring process; let’s get this streamlined and whatever. So we began our hiring process because it was urgent. And we blazed through it.

And so the staff decided - and we talked about it at length - it did take a long time for us to come to consensus about it...we decided that it was abundantly evident that Candidate One was cut out for that job. And we were really excited about her. The other candidate, although she had all this experience in the natural foods industry, she didn't know anything about co-ops, had never worked at a co-op before, didn’t have any kind of...Not only did she not have experience but she didn’t have a clear interest either.

The staff made that decision...So the way that the process was supposed to go was that we would choose our favorite candidates and those people would be re-interviewed, not asking similar questions but asking follow up questions, with any staff that hadn't been at the first interview but wanted to meet them, and one or two representatives from the personnel committee, and then together we would choose our candidate.

The people on the personnel committee wanted the other person. Because they looked at her and were like, “How can you compare these two? This person has crazy amounts of experience, the co-op’s growing; she has all these skills. This is obviously the choice.” I think that those folks had different priorities than us and had a different understanding of what was the essence of working at the co-op.

So then what ensued was like a snowballing, terrible situation - meetings where people were yelling, crying, people walked out, people refused to go to meetings. We couldn't come to
agreement, and in the process, I think a lot of people were hurt, offended, shut out and it was a mess. And I strangely don’t even remember how it was resolved. I think I was at the last meeting with personnel where someone starting crying and said they quit; someone else basically said they quit...It may have happened that personnel brought their candidate and staff brought our candidate and it was worked out at the meeting. The meeting went an hour and a half overtime. It was super crazy. I think there was heated debate. It went on for hours, but in the end people consensed to hiring Candidate One.

Candidate One explains that she was honored when people told her, “I fought for you to be here.” (She ended up leaving the co-op on bad terms, citing racism as the main reason.)

TL Hill has been inside both Mariposa and Weavers Way. He sees the difference in professionalization and bureaucracy between the two as definitional. He attributes part of the difference to the scale of the two operations (at the time of our interview Weavers Way was fifteen times larger than Mariposa, financially and in the size of its staff). But TL also sees a difference in cultural capital within the two organizations that affords them vastly different organizational horizons:

All kinds of things were possible [at Weavers Way] which were impossible in Mariposa. [There is a] huge difference in...education. And I don't mean education just in terms of - well, I mean, it's a reflection of class. It would be, you know, Bourdieus cultural capital, you know, people who knew the language of power and worked in that level. They're more comfortable at that level.

[At Weavers Way] you know, upper managers and some of the senior managers...to [some] extent there's a meritocracy there.
And so, you get a lot of people who are quite comfortable, then, at the time they know what it means to make an executive decision.

And so, you know, what it means to be - to have the financial means and to be responsible for managing property and managing, you know. So, there's always a skill set there, which, you know, Mariposa suffers from a deficit of, though less now than it used to...It's like not even that you don't know how to fix the plumbing, you don't know how to hire a plumber.

The differences between Mariposa and Weavers Way are shrinking. Today, both co-ops know how to hire a plumber. And they are not fifteen-fold different in scale any more, though Weavers Way is still a lot larger. But the financial and cultural capital present at Weavers Way certainly pairs well with the dedication to organizational efficiency at the service of deliberation and participation. I do not make a claim as to which is better; both methods are good for different things.

One staff member contrasts the work that Mariposa is doing with the "corporate" co-ops, the co-ops in name only. This person's comments can be read as an indirect critique of Weavers Way. These "corporate" co-ops are not focused on structural change, though they might have started in their early days with this aim in mind:

Co-ops emerged and then they all turned corporate. And it's not like we don't all need to seek and try for models of an alternative. We need that more than ever; especially now the other ones have gone corporate. I don't think that's been accomplished! I think it was accomplished and then
disappeared...It seems like most of the co-ops in this country have drifted far from their original intentions.

I feel like almost all of them are hierarchical and have sort of a more conventional power structure. They have general managers; they have CEOs, whatever it is. I think that’s a big part of it - the loss of horizontal organization. I think also a lot of them seem to have de-prioritized participation, or ask little or nothing in the way of participation. Their members are people who just buy in and get dividends and it doesn’t get any deeper than that. I love anything cooperatively owned over anything privately owned for sure, but I don’t really see that as presenting an exciting radical alternative to the norm.

The question that remains, for both radical and centrist cooperatives, is this: how much participation is desirable versus how much executive management? Though they are more similar than they were in the mid-2000s, this is an area in which Mariposa and Weavers Way’s organizational priorities continue to differ. But they both struggle with finding the optimum level of participation.

**Horizons of participation**

Over the course of this study, both Weavers Way and Mariposa removed the requirement to be a member to shop in the co-op, and abandoned mandatory member labor. These decisions occurred in a time of growth for both co-ops. They worried about the horizons for participation in these enlarged organizations. The thinking among some interviewees was that the larger the co-op became, the less involved people would become (as seems to have been the case in the Hanover example).
As Weavers Way began to lose working members, the co-op’s board issued a directive to general manager Glenn Bergman to try and raise the number of “cooperators”:

Forget about getting new members. We love new members as I said, but we really don’t want to be just new members.

ANDREW: You want cooperators.

We want cooperators. They [the Board] want me to increase the number of working members as a percentage of the base. And they want to see—of course, they want to see sales go up...But they really want to see the number of working members increase. So that’s what I’m going to be working on for the next year.

Since our conversation, Weavers Way has started to push the concept of membership and working membership through gestures like “Member Appreciation Days” and a section on their website called “Why I am a working member.”

Concern about this issue was expressed more often and with more force by the people associated with Mariposa. Mariposa depended on member labor so heavily and for so long, and was such a small, tight-knit co-op, that an influx of new people was seen as a challenge to the organization’s identity. A Mariposa staff member laments, “There is something about the larger the co-op has gotten, the less a sense of ownership, connectedness, community happens for people.” Another staff member, Shinara Taylor, elaborates on this point, speaking at a time when workshifts were still mandatory:
And I think a lot of people abstain from using that right [to participate]. And they’re just like, “Someone else will do this” or “I feel very strongly about this but I don’t know how to get this started or I don’t have the time.” Or they don’t pay attention as a member. They don’t come to the general membership meetings or they don’t read the notes or whatever. They might just do their shift, or maybe they’re exempt and they don’t have to do a shift and they just shop here. And so, I feel like a lot of people say, “The staff have too much power!” But then at the same time, they’re not claiming their own power.

I think if our membership grows and the popularity of shopping in the store grows the number of people that are deeply involved will either stay the same as it is in this space or get even smaller because there is a diffusement [sic] of responsibility and people will be less aware of, “Oh, I am shopping at a co-op.” I think that a lot of people join because of the food and not because it’s a cooperative.

But at the same time as there was this worry, more people overall meant there were new human resources to draw from, and people were indeed stepping up to help Mariposa:

I think with the creation of all these committees and the creation of the board and these big moves and significant new policies and structure changes, I feel like there’s a lot more energy and participation happening now than there was in the early years for me.

Quantity of participation and intensity of participation are both important for a cooperative business. In the new world where work is optional and so is membership, the co-ops need to decide what constitutes an adequate
percentage of engaged stakeholders, and what constitutes meaningful participation.

Member Monica Fauble was troubled by the idea among some on the board at Mariposa that everyone needed to have a participatory relationship with the co-op. She just did not think it was possible nor should it be expected:

I really don’t think we can buy this gigantic store and require everyone to participate. There aren’t enough people. I think we’ve already kind of tapped out our participatory community. We bought a huge building, like ten times bigger than our current building, but we are not going to find ten times more people that want to go to four-hour meetings without food, and vote with thumbs in the air.

A response to this reality as she saw it was to allow people to participate simply by doing the baseline thing that makes people stakeholders in a co-op: consume its goods and services through purchases. But this suggestion offended some of the people in the co-op:

I recently brought up that spending money at the co-op is a form of participation and some people were super-like, "That’s not what we want! We want more than their dollars! We would just be a grocery store if we just wanted their money." I mean, I walk out of my way sometimes to go spend more for something at the co-op that I could get elsewhere because I love the co-op. But I feel like different types of participation aren’t validated.

What are the horizons for democratic participation in a given co-op? The answer is highly variable depending on how strictly the co-op construes its
contract with its patrons. At member-only, member labor co-ops like Park Slope and Chester, the tone and extent of the relationship are spelled out clearly. But for the majority of less stringent co-ops, it must be negotiated over time. The co-ops ought to recognize, as Weavers Way has, that no decision is final. Once the requirements for members were lifted at Weavers Way, it was still possible to work to attract members and member labor through tactics other than making them a condition of shopping in the store. If the participatory culture of the co-op becomes diluted to the extent that it no longer pleases the membership, the co-op can always impose stricter requirements.

**Policy Governance**

Weavers Way has been run by a system called Policy Governance since the early 2000s. Policy Governance is an oversight and governance scheme for organizations developed by John Carver and promoted in his books, videos and pamphlets (J. Carver 1997; J. Carver and Carver 1997; M. M. Carver, Carver, and International Policy Governance Association 2008). The thrust behind Policy Governance is to get the board to be more hands off or, as one proponent puts it, “to have its ‘hands on’ the right things” (Scholl 1998). Carver’s problem with boards is that they micromanage the organization. In the case of a co-op, this can include nitpicking about the prices on the shelves or the hours of the employees. Policy Governance removes the board from
these day-to-day operational decisions by investing complete faith in the chief executive (or general manager, in the case of a food co-op).

In order to achieve this separation of roles, the board is responsible for crafting policies at a high level, asking them to “abstract up” from the everyday (Kreis 2006). Instead, boards create broad goals for the general manager to meet (“ends” policies) as well as things to avoid (“executive limitations” policies). The rest of the board’s work regards self-management and relationships with the general manager (Scholl 1998).

Carver specifies that policies look a certain way. They must be explicit, current, literal, centrally available, brief and comprehensive (J. Carver 1997, 38–9). An ends policy might be that the co-op should have labor as a percentage of sales set at 25%. An executive limitation policy might state that the co-op should comply with all federal labor laws.

Another hallmark of Policy Governance is its stated disregard for staff below the level of the chief executive. The model regards this person as “the Board’s only employee” (Scholl 1998). Policy Governance, strictly applied, requires that the Board have no contact whatsoever with other employees. Weavers Way got around this for a time by having another staff member serve on the board. But a board meeting that I observed contained significant manifest tension between the General Manager and the other staff member present.
The next time I saw the staff member in question, he was being given a certificate of appreciation for his board service at the time of his early departure from his term.

Policy Governance is not specifically designed for cooperatives or any other not-for-profit firms. But it has become extremely popular among food co-ops (Stier 2003; Gutknecht, Nolan, and Swanson 2002). There are even heated debates in the trade publication *Cooperative Grocer* about how to know if your board embodies “Policy Governance Fundamentalism” or practices “Policy Governance Lite” (Kreis 2006; Morgan 2007).

In this section, I have two perspectives on Policy Governance from within Weavers Way. A supporting perspective comes from a former president of the board at Weavers Way. The dissenting position comes from longtime employee Norman Weiss.

The Weavers Way former president gives an overview of how Policy Governance works in the co-op:

Policy governance is designed to have a set of rules that say, it both tells the GM what he needs to do and tells the GM what absolutely can’t happen. You can’t go bankrupt. You can’t earn less than a 2% net return. You must follow all federal law. You can’t be late paying your vendors. So he gives us a report on that. And we have an audit and some other ways that we do a little bit of checking on that, we verify that he’s doing what he’s telling us what we need to know.
We ask him for a set of control policies and he reports on how effective the organization has been in adhering to those financial and organizational control policies. And that's what he reports on. No one board member can give Glenn an instruction. The board as a whole can give Glenn an instruction...he gives us a budget but we don't approve the budget, it's informational. And then he tells us at various stages along the line where he is vis-a-vis the budget, vis-a-vis net profit, but he's adhering to those things we told him either must occur or cannot occur.

He also related that, as a member of the Weavers Way board, he makes contact with employees of the co-op and discusses their concerns with Glenn Bergman, even though this is not technically allowed in Policy Governance.

Having a board that does not engage in daily operational details frees up board members to work on developing other aspects of the organization. But the delegation of so much of the work to the general manager also seems like it might make the board less relevant. I asked the past president if he felt that the board took a major step back after organizing around Policy Governance:

ANDREW: This may sound like a funny question but when the board became less micromanaging or less hands-on did it decrease the requirement of board members? Is it easier to be on the board now than it was before policy governance was really installed?

Yeah, for probably about six months until we figured out what that new role was. But we have moved with both feet and whole hog into a new role of community organizing. So we are forever tweaking policies or we are trying to figure out better ways to engage with members or figuring out how to run our general membership meetings to attract more people or...trying to think of all the damn committees that exist for the
board right now. Or we’re trying to figure out how to manipulate our board calendar to allow more time to discuss the future and less time to do review monitoring reports.

Although the system has made the governance of the co-op more effective, not everything about Carver’s model is perfect. One of the main issues is the role of the board in planning and implementing organizational change:

You know there’s always a tension. Not a hostile tension, but a tension. There are a couple of holes that many of us see in policy governance that we’re working on. One I think we have a solution to that is not implemented yet which is around the whole area of planning. In the way PG at least the Carter version that we were using, it really didn’t have a role...the board did long term goal setting: “we want to change the world;” “we want to help build the world that is beautiful and green;” “we want people to have fair wage jobs.” But that second stage of taking those goals and making them into plans—there was a considerable debate about whether the board needed to do that or whether that was the GM’s job.

There are areas that the membership should control when it comes to the fate of the co-op. Maybe the membership does not need to weigh in on the placement of the apples or the sale items for the month, but more existential decisions need to have the buy in of the membership. He explains that the membership at Weavers Way always has the final say (though he goes on to state that many members do not engage particularly robustly with the co-op):

Well...officially...there is no decision of the board that cannot be overturned by the members. So ultimately they have all of
the power...And there are certain decisions that only the members can make.

But it is challenging in an organization like ours to get members to both understand and care about the governance issues unless something isn’t working. And to the best of my knowledge no one has done a terribly good job of that. People try surveys, people try setting up places at the store to talk to members...but when you talk to members, most times they’ll talk to you about their shopping experience, not their organization...they experience...their organizational life of the co-op is their shopping and that’s overwhelmingly true.

Longtime employee Norman Weiss countered Stu Katz’s generally upbeat and positive reading of Policy Governance. Norman does feel that the “Great Depression” era board members, characterized by persnickety and excessively frugal oversight, needed to go. The implementation of Policy Governance effectively killed off that dynamic on the board:

Well, policy governance came about and co-op started reevaluating. [The “Great Depression” era board members] were very involved in the operation. They would be, like, "Why are you buying this here? Why are you doing this that way?" or "I know about this," you know. “My business would do it this way”...Gradually the board, as those people aged out, and also due to policy governance both—the board got very much hands off. And that’s part of policy governance.

ANDREW: Yeah.

The board does not get involved in operations at all. The manager has like full control. So, yeah, I would say that has been at least ten years.
For Norman, Policy Governance vests too much power in the hands of the general manager; it leaves the rest of the staff’s voices unheard. Concurrently, it dilutes the power of the membership and the board:

I can understand why it came into existence to non-profits that have clients or non-profits that are serving a certain population or that have, like, [a] defined mission, but it’s not operating a store. I think a co-op is different. I think coop members are owners, they’re not clients. And I think as owners, they’re entitled to a bigger say. As if you, if you owned a business, you would have some say of what the business is. I mean, not as diluted as stockholders. There’s that.

And then the other thing is I think it concentrates too much power in the general manager. The way it’s structured now is basically the general manager is doing anything. The general – the board is responsible for reviewing what the general manager does. But one of the main ways the board finds out about what the general manager does is the general manager reports what they do. So, if there’s no, like, press or the fourth estate looking at it from another side. The staff can’t speak up because the board is not allowed to really listen to the staff, like, directly like that. And this is true not just of Weavers Way. This is my criticism of all co-ops that use Policy Governance.

There are advantages and drawbacks to using the system of Policy Governance. One advantage is the clear separation of roles; the board knows what it must and must not do. The flow of power in the organization is clear: the board empowers a chief executive and sets the conditions for that person to succeed. A drawback, however, is that this system mimics corporate, for-profit organizational logic where profit maximization is the main goal. In co-ops, generating profits, as we have seen throughout this study, is one of a bundle of objectives. The cooperative principles of democratic member
control, education and cooperation among cooperatives factor in at least as strongly. Some argue that setting Policy Governance in motion in an organization leaves the board free to pursue these other objectives while the management handles operational excellence. But a culture of engagement with the broader mission of cooperation is better assured when the entire staff and membership are empowered. There are many elements of good governance in the Carver model; it makes sense for cooperatives to structure a board around the big picture, not the every day. The limitation of the model (when applied to cooperatives) is the disconnect between board and staff, and between the general membership and the board.

The challenges of member labor

Co-ops have stimulated member engagement and dealt with the affordability issue by requiring member labor. Member labor can help keep prices down, since the cost of labor as a percentage of sales can be minimized. Of course, this requires that the co-op be efficiently managed, and that people consistently show up for their workshifts. Co-ops with member labor often struggle with these issues, finding that staff management of working members can be time consuming and frustrating (Joyal 2012; Gutknecht 1987; Barry 1987). Nevertheless, member labor has the potential for fostering bonds among members, as well as lowering cost. People getting to know one another through the co-op is an upside of exclusivity. In a co-op that serves the general public, working membership is a tool that allows
people who are more committed to the co-op to come together and build a
culture within a culture

Weavers Way's Glenn Bergman talks about the difference between non-
profits’ relationship to their clients and co-ops’ relationship to their member-
owners. He finds the working member co-op to be a more empowering
model:

[In a non-profit] the clients aren’t involved in the service care
in many cases. And I started thinking, boy, if you could get
clients involved in the service care that would be...powerful
stuff—and maybe some places do that.

So what I see is a strong brand built upon the working
membership and that if you don’t have the working
membership as part of it, then you have to do a little bit more
work to get that message across about the principles of the co-
op and the mission, and it’s harder.

Joe Holtz of the Park Slope Food Co-op feels strongly about the use of
member labor to address the paradox of exclusivity. At Park Slope,
mandatory member labor keeps the prices down, which makes the co-op
more inclusive to people of all incomes. For Joe, it is the higher priced food
co-ops, even the ones that have open membership policies that are
discriminatory:

You are from that co-op [Mariposa] that excludes people that
don’t want to work—you are one of those people who excludes
people that don’t have the money for the good food. Every
model has exclusion. We take this exclusive stuff called healthy
food and make it cheaper or the same as the less healthy food—and we are doing it through people's self-help. The most important equity we have is the labor. We have a low-income equity supplement [to help people pay for the cost of member ownership], [but] you are not told you can work less.

Joe recognizes the paradox of exclusivity that co-ops face. If they attempt to include everyone by leaving membership open then prices will rise so they can sell high quality food. If they have membership and work requirements, prices can be lower (if the co-op is efficiently run), but the co-op excludes people who cannot do the workshifts.

I followed up with Joe, asking him what the co-op thinks about people who have to work more than one job and do not have the time to work at the co-op. Though he went back and forth on the point, ultimately he did not think there were enough people in this category to warrant concern:

You have a point there - you could exclude the 1% that has two jobs. [But it's] not even 1 or 2%. [It's a] nice theory. While you have two jobs, show us how many hours you work and we'll let you not work. There are people who are too busy—tell people to shop at a grocery store! Why should the co-op water down its system of connectivity and strength?

Our co-op can only be the second store in town—there has to be a store for people who can't do the work. If your town is a food desert, don't open up our model...No one's telling you you are not a good person if you can't join the Park Slope Food Co-op. You don't have time? You could be saving the world. Save the world and don't shop here. Don't expect us to change the rules of something that brought people together—[just] don't make it the only store in town.
Interestingly, Joe Holtz has forged a strong partnership with the Chester’s Community Grocery Co-op, and its founder, Tina Johnson. The Chester Co-op is in fact the only store in town, and Joe calls it the exception to his rule. Chester is an impoverished city in Southeastern Pennsylvania that is a food desert, having been long abandoned by any other food markets. Joe and Tina speak once a week about operations and strategy, and work at two of the last remaining member-only food cooperatives in the nation. Tina feels strongly about the members-only model being the only one appropriate for co-ops, as she relates below. She feels the other co-ops are watching her to see if she will fail trying to run a members-only co-op in a low-income neighborhood:

There’s more of a sort of voyeuristic curiosity, “Can they make it?” There is a kind of hope that we succeed and a hope that we fail. I get that. I have heard from people...“Well if this model works, this might be the model we use for poor communities.” I am like, “What?!” Do you know what I mean? So you hear this type of ignorant stuff and you wonder: when does a model for food become the model for the rich and model for the poor?

And the model that Weavers Way is doing and the model that Mariposa is doing are for the rich. That’s pretty much what they are saying. [Chester] didn’t choose this model because it is the poor man’s model! We chose it because it had all of these wonderful layers to it. Empowerment, and all of the things that the co-op model suggests you have to have: self-reliance, independence, this educational component of it, you can share with other co-ops. All of this stuff that meant community. I mean the core of a co-op is community and suddenly we have been relegated to a poor man’s model and a rich man’s model...And that’s really, for me, problematic.

I know why [Weavers Way and Mariposa] changed! You want this money, you have to change your model. And that was more important, after thirty years, we should have something. It’s like a thirty year old man or woman saying, “I should have
been something by this time in my life.” And when you have that kind of pressure on yourself that you want to accomplish something by a certain age in a business or your personal life you begin to make decisions that not part of what you believe because that is what you are being told should happen...Here I am surrounded by co-ops that aren’t co-op.

The member labor issue is a concern at the case study co-ops as well. Having recently moved from mandatory to voluntary member labor, Mariposa and Weavers Way are trying to establish a new normal when it comes to member involvement in the weekly work calendar. At the time of my interviews, there was a different culture of work at Weavers Way between the Mount Airy and Chestnut Hill branches. In Mount Airy, work had always been mandatory, so “cooperator staff” continued to be a fixture of the store even after the work requirement was lifted. The Chestnut Hill store was opened without mandatory member labor, and the culture of member labor did not begin as strongly there.

As a manager in Chestnut Hill explained:

I don’t really put [member labor] in my budget, because the thing about cooperators is that everybody has six hours a year in different cycles so it’s not like they come in knowing exactly what to do. So you have to train them a little bit and you have to work with them, and some people are really great and some people need a lot of direction. Sometimes it’s hard on staff because, you know, they have to really guide them through so I don’t put it in our budget here, but I think they do over in Mount Airy.

Weavers Way’s work requirement is six hours per year, far smaller than Mariposa’s requirement of two hours every four weeks or Park Slope’s two
hours and forty-five minutes every four weeks. As the manager explains above, the worker needs to be trained for some part of the six hours, which takes away from the worker’s productive time. Since these shifts usually occur in three chunks over a period of four months, some small amount of training or direction usually has to happen each time. But cooperator staff in Mount Airy may have held their volunteer positions for years or even decades, allowing managers to rely on them as regulars and account for their labor as if they were staff.

Since the switchover from mandatory to optional membership, the number of shoppers choosing to become members, and members choosing to work, has declined by about half. The Board of Weavers Way has identified increasing working membership and membership in general as a strategic priority, and has instructed its General Manager to emphasize membership recruitment and retention.

An employee from Mariposa feels similarly to Joe Holtz from Park Slope: a members-only co-op makes sense depending on the other stores in the area and what they offer. This person feels, however, that by being the only provider of the kind of local, organic food Mariposa provides means it should still exist as a co-op, but not a members-only one:

I wasn’t in favor of non-member shopping until recently. I think our position is rather unique, being the only significant
provider of what we provide in a crowded urban neighborhood. I think that if we were located in a different context, I would probably not support non-member shopping. I think that being who we are, where we are, it’s time to stop being gatekeepers. That needs to happen; I think that’s a part of making that happen.

ANDREW: When you say, in a different context you would prefer no non-member shopping, what does that mean? A place that has more access to this kind of food?

Yeah, I think if we were somewhere that had abundant access, a place that was more consistently affluent, a place in which it felt easier to consistently ask more of the people shopping in the store. I think just looking at the diversity of folks in the neighborhood…the proper response to that is to respond with a diversity of options.

Mariposa currently offers shoppers three ways to be involved: nonmember shopping; non-working membership (which offers a 5% discount on grocery bills); and working membership (which offers a 10% discount). Weavers Way came to feel that it, too, needed to respond to community needs with a variety of options. In 2010, Weavers Way began offering nonmember shopping and a discount of 5% for working members. General Manager Glenn Bergman explained that not getting the six hours done meant that some people were leaving the co-op entirely. Here he talked about what used to happen if a member was in arrears with her hours:

We used to stamp the [membership] cards—you’re not allowed to shop. But we used to lose a lot of customers that way. So I said, "Why are we losing customers? It’s so hard to get customers! Any retailer would die to get a customer!" And I would hear on the street on the side, "Oh yeah, I'm going to Costco's now."
So how do you get rid of that? Well, you get rid of that by saying, okay, we make working optional and that we want people to be owners of the business. That’s number one. We want people to be owners of this business and put equity in this. And if they do, they do work and give them a discount. We’ll see how that works.

Changing the decades-old practice of requiring membership and member labor to shop was not an easy decision. There were “vocal members” who stood in opposition to the change. Former Weavers Way Board President David Woo explained that the board pushed back on these members:

[There was] unhappiness from vocal members, not the board members. They fought the nonmember and work requirement to work option. [But the] Board’s major responsibility is to do the will of the membership, not the whim of some members. We perceive the will of the membership to be to remove the barrier of the work requirement. In order to be perceived as non-discriminatory, we have to be open to everyone.

**Making member labor work**

Like Weavers Way, Mariposa abolished mandatory membership and member labor as it prepared to move into its expanded home. And like Weavers Way, this change was met with some dissatisfaction. For Mariposa it was a more drastic shift, because the afterhours shopping and use of creative member house names as identification (e.g., “Cindergarden,” “Hot Cop Mustache”) began to go by the wayside. These structural changes upended some people’s relationship to the co-op. Daniel Flaumenhaft, a former board member, explains:
There was a sense that our structure was our mission among a lot of people. That workshifts were key to our identity. That keys were key to our identity. That particular sort of stylistics were key to our identity. That having house names, rather than [member ID] numbers, group houses, that kind of thing.

But the mission of the Mariposa co-op has shifted, and member labor has a different role now. Former staff member Dave Jonas explains the complicated relationship between workers and other shoppers in the co-op. He explains that shopping at Mariposa required a lot of self-confidence. There was a very small staff, and the working members were not trained to do customer service. They were there simply to stock the shelves or ring up purchases.

Other shoppers had to fend for themselves:

[Mariposa] required an active shopper. If you wanted your groceries to be on the shelf and you didn't want to have to look for stuff or ask for stuff or go to the basement and get it yourself, I could see that being an obstacle. It excludes whatever portion of the population that wants to get soymilk and get out quickly.

Using member labor is certainly more complex than having a store operated exclusively by paid professionals. It asks the members to be trained as grocers, which is outside the skill set of most co-op members. The work can be physically demanding and tiring, though I have spoken to members who view it is a nice break from the work they do in their everyday lives. Co-op managers and staff have to be careful to set workers up with workshifts that they can adequately handle. This was not always the case at Mariposa, according to Dave Jonas, who stated, “[Mariposa had a] system that relied on
non-experts to do expert work in store functions. No one cleaned; no one wanted to yell at their friends for not doing workshifts."

In order to make member labor work, there needs to be a rigor and logic to it. Norman Weiss explains how member labor worked well at Weavers Way:

I think Weavers Way did it well: two hour work slots. Initially it was stuff that took, like, five or ten minutes to explain and took, like, an hour and fifty minutes to do. So, it was packing; it was cleaning; it was stocking shelves, you know, it was replacing really entry-level kind of labor.

Joe Holtz of Park Slope explains that the system, when put together properly, can have tremendous benefits. Park Slope has member workers set up in squad where there is group reinforcement and group training. Every four weeks, the same people work together on the same sorts of tasks. This has allowed Park Slope to become a $45 million grocer with labor as a very low percentage of sales. And there are other benefits, according to Joe:

On average our members are more connected. We are better equipped for [member labor]. Our model is less likely to fail. How do you feel like a member of something that is 400 people? You create smaller groups. You feel like you care about the people. Some people are invited to their kids’ wedding. People get married who do their workshifts together.

Joe works extensively with Chester's Community Co-op, partnering to bring the same member labor practices to Chester. Tina Johnson, head of Chester, feels that there is no substitute for member labor, as challenging as that
system can be. Its benefits in terms of reduced food cost and higher participation are just too important to forsake:

You know the model definitely isn’t for everyone. You work 35 hours a year. I mean it’s not for everyone and I will be point blank: it’s not a lazy person’s model. But if you want access to good food and you want the prices to be really low, this is the way the model has to work. There’s just no way to get around labor. You have to have people participate.

So the question is do you want quality food at a fair price or do you want quality food and you don’t care what kind of price you are going to pay? And for us, it’s about a fair price. And so we have to do something to keep something that really costs a lot of money, which is labor, down.

Legal questions about member labor

One of the reasons that member labor is not more widespread is the murkiness of its legality with the U.S. Department of Labor. Though it does not appear to be a settled question, the DOL has selectively enforced penalties for co-ops that pay members in discounts, including La Montañita Co-op in Albuquerque, NM and Co-op Food Fair in Independence, MO (Joyal 2012; Moore 1992). There are at least three ways in which member labor has been questioned as a violation of labor law. The first is in the coverage of members for workers compensation. If a member gets hurt operating a meat slicer, does the co-op have to pay out a claim?
The second regards the Fair Labor Standards Act (FLSA), which says that all workers in businesses of a certain size must be paid the minimum wage per hour. Co-ops often give working member discounts of 5% or 10% of their grocery bill, which usually amounts to far less than the mandatory minimum. Finally, there is a question from the IRS about whether or not member workers should be considered employees and have taxes withheld, as they work at regular intervals in the co-op.

For all of these reasons, Stuart Reid of the Food Co-op Initiative does not recommend co-ops to employ member labor. Instead, he says, co-ops should only employ paid full- and part-time staff. Stuart notes that the industry does not have case law to refer to, just lawyers’ opinions. This gap exists because the co-ops that have had to deal with these labor laws have not had resources to take cases to trial. In his opinion, it is better to fully compensate all workers as employees, which has the benefit of creating meaningful employment in the community.

Norman Weiss is a friend of member labor, and thinks the murky evidence points the other way:

I've seen write-ups from lawyers that say basically you're allowed to work in your own business. So, if you're a member owner, all those rules don't necessarily apply. But I also have seen selective enforcement - and I think there is confusion by both the IRS and the Department of Labor in different parts of
the country by region. I think some co-ops have been called on the carpet for it.

And I think to some extent, the individual agents or branches of the IRS as a partner of labor that have looked into this do not themselves understand what they’re looking at, or understand all the legal implications of it.

At this point, the verdict is still out on the legality of member labor. Both Weavers Way and Mariposa continue to employ it, as does Park Slope and a number of startup cooperatives.

A way out

The final thing that separates hard-core cooperators from other people in the movement is their devotion to the model. When co-ops fail, people who really value participation go on to be part of other co-ops. West Philadelphia was home to a co-op called Ecology for decades. Ecology is now defunct but staff and members from that co-op became part of Mariposa. In one interview, a longtime Mariposa member made it clear that cooperatives were the only way for her. If Mariposa became too corporate or lost what made it special, she had a way out of the situation. She explains:

And to some extent, I went into this whole thing kind of keeping a back door open in my mind, you know, we’ll see how this works. And if it doesn’t, I bet I can find 25 other people to start a buying club. And maybe we can figure out how to have the completely democratic, completely participatory, small operation. With any luck, I won’t feel the need to do that...that’s why I’m still engaged in trying to figure out how to make Mariposa work really well.
Critical Event Narrative: West Oak Lane

From 2007 to 2011, Weavers Way operated a satellite store in the West Oak Lane neighborhood of Philadelphia. They were invited to open this branch by the Ogontz Avenue Revitalization Corporation (OARC), a local community development corporation. After nearly four years of trying various ways of running the West Oak Lane store, Weavers Way decided it could not continue operating in this location.

This is one of the most compelling parts of the Weavers Way story. Weavers Way West Oak Lane has come and gone, with very little overall impact on the organization. But, in its short tenure, West Oak Lane showed another set of organizational possibilities for Weavers Way—in terms of race, income, geography and politics. West Oak Lane was a small co-op in a lower to middle income African American neighborhood and meant a move beyond the co-op’s comfort zone. The failure of the co-op at West Oak Lane was consequential for Weavers Way’s potential as a community development player.

In the following section, members of the Weavers Way organization discuss the West Oak Lane experience. They address how the store came into existence, including how they were first approached by OARC. They offer a discussion of operations at the West Oak Lane store, pinpointing some of the
shortcomings that Weavers Way management identified as critical. There is a discussion of the roles played by both board and management in the decision to shut down the West Oak Lane store. The participants also discuss the role that politics played in the West Oak Lane experience. Finally, the participants discuss the lessons and lasting impact of the West Oak Lane experience.

ORIGINS

Glenn Bergmann, Weavers Way’s General Manager, tells the story of how the West Oak Lane co-op was initiated through a conversation with OARC. Originally, Weavers Way was invited to replace a corner store that was failing:

So [OARC] came to me one time and they said, look, we have this little tiny corner store that has produce in it. It’s open sometimes. It’s closed sometimes. The woman hasn’t paid any rent in months. She’s going out of business and we’d like to have Weavers Way come and take it over. I said, “No, that’s not in our plan.” “Well, would you think about taking it over for a short time and training somebody?” “Oh, we might.” “Would you think about training somebody to go in there?” “Yeah, that we would think about.”

And so we went over and looked at it. We met with OARC and the management team voted to do it. Now I may have pushed it a little bit, but we got $120,000 [from The Reinvestment Fund]. We put in air conditioning. We made it into a really nice...place.

To me it’s one of the prettiest little corner stores you’re ever going to see in the City of Philadelphia. And so, six months later, five months later, we opened up and we had six months of free rent and we had a thousand dollars a month.

Glenn brought the idea to the Weavers Way Board and they were supportive, but ultimately opening up a branch was considered an operational decision
and it was the management team’s decision of whether or not to do it that mattered. Once Glenn’s team decided to go forward, they were able to get support from TRF as well as money from OARC to cover rent and a monthly subsidy.

Margaret, a Weavers Way board member, remembers that there was more at stake than just moving into another physical space. West Oak Lane was a different socio-economic community than Mount Airy, where Weavers Way had been for 35 years by that time. In this quote, she explores both her excitement about the opportunity to diversify the Weavers Way membership and her concerns about process behind preparing the community for the co-op that Weavers Way was opening on Ogontz Avenue:

[The co-op] was a mixed opportunity...going into a community in which it had a different clientele, a more mixed socio-economic racial mix. And I think that was attractive because [as] part of our own system we try to have an open diverse membership and that will help to diversify our membership.

On the other hand we didn’t have the community sort of coming in and really saying we want a co-op in this community. They did not organize it, they did not — you know, a lot of co-ops are sort of organized from the ground up. People say we want to do this and we want a co-op here. People want the concept of the co-op.

I don’t think all that preparation was done at all, so when we opened it up we didn't have the base community...from members who supported and make it successful and I think the plan was if this would happen once we opened and the support and the church said they will help with the outreach and whatever but I don’t notice that really happening in a systematic way so I think that was a problem from the beginning...we weren't organically settled from the beginning.
It was more of an outside decision. And I think that’s why ultimately, we’re closing it.

Board past president Nancy Weinman reflected on the origins of the West Oak Lane store. She contrasts the founding of the co-op by OARC and the management of Weavers Way to the organizing of the original Weavers Way by a community group. But Weavers Way had its own reasons for pursuing the opportunity nonetheless; they felt they could learn valuable things that would help in the expansion to Chestnut Hill (though this was not the only reason Weavers Way did the West Oak Lane store):

I think it came from a community organization as opposed to grassroots community organizing. And we looked at...two things: one is by opening a small store without tremendous financial risk it gave us an opportunity to learn what it takes which we could then apply when we opened up Chestnut Hill. So we saw that as a valuable thing.

And it also served our mission of wanting to put co-operatives in underserved areas. So I think that it was a good idea but—I think there was too much implanting of the cooperative model on a neighborhood that was different—without the proper preparation or research into the proper product line for that neighborhood.

If I were on the board before we would open another one I would want to know that the groundwork had been done at the community level, much as it has been done in Kensington [another Philadelphia neighborhood with a startup co-op under development]. From everything I hear, there is real community buy-in, and I don’t think that was true of us and I think that’s a part of the problem.

At the end of her quote, this person contrasts Weavers Way’s expansion to the Kensington Community Food Co-op, another Philadelphia startup that has taken considerable time to plan before actually opening a store. The
board member feels that Kensington did the community-level groundwork in a way that Weavers Way neglected to do.

**OPERATIONS**

Based on my conversations with people at Weavers Way, the operations at West Oak Lane were a challenge from the very beginning. Weavers Way’s management had expectations for the store that were never met. There were problems with sales and difficulties finding the right staff. Here, Glenn Bergman discusses the financial elements of that challenge:

So we figured, with a store of that size, 500, 600 square feet, we used to do like a million dollars, $2 million to have a store that size. Half a million a year, [we’d] just about break-even. We lose a little bit. $700,000 a year, we break even. So we figured 500 is a conservative number, right? Well, [we were doing] $2,500 a week, $3,000 a week, I needed $10,000 a week. Still haven’t gotten near it. And on the books, I’ve lost $280 something thousand in three years. That’s a lot of money for us. But that doesn’t even include...all the hidden costs that are buried in admin...There’s no way to make it with our model, no way.

Longtime staff member Norman Weiss seconded the challenges that Glenn highlighted, conceding that Weavers Way West Oak Lane was struggling and had lost a lot of money. But, he maintained, there was something special about that part of the co-op:

It’s my favorite store. I can be very critical of Weavers Way. I kind of have a love/hate relationship with it now. Part of the love is Ogontz, is West Oak Lane, for sure. I don’t know what it is, even exactly, I like so much about it. If it’s the size, the neighborhood, the people, I really just don’t know. But it’s one of the most, I’m happiest when I am there, when I am working
to support them... I don't like large stores. I personally don't like the Chestnut Hill store. I don't like Whole Foods.

For Norman, the Chestnut Hill Weavers Way was a move in the direction of being a co-op behemoth (he even makes a comparison to Whole Foods), whereas the West Oak Lane store was a step towards a cooperative future that was more in line with the small-scale, community-serving mission that he imagined for Weavers Way.

**GOVERNANCE**

One of the things I discussed with the participants in the study was how the decision was made to keep operating West Oak Lane or shut it down. The decision was made by the management alone rather than by the Board, because it was seen as an operational, not a strategic matter. Here, Margaret from the board reflects on how the board was kept in the loop about the major issues that came up regarding the West Oak Lane store:

You know, we did get updates on Ogontz a lot—on what was being done and what was being tried, and that was in the context of the general manager’s report. Glenn did tell us many times we’re changing the product line or we’re changing the manager.

People were asking what’s the plan? We’re losing money... People on the board had suggestions about you know we should try to do this, try to do more outreach in the community and things of that nature but they were just sort of suggestions and I think we may have tried some of these but we did not implement anything ourselves... that was really sort of up to the Weavers Way staff.
The Board really only stepped in after the decision to close the store had been made by Glenn and the management. At that point, the Weavers Way Board asked Glenn to give it more time so there could be an orderly hand-off of the space back to OARC:

But [when] it was going to close...we got them to hold off for 30 or 60 days to give everybody enough notice and to really make one last attempt to see if anything could be salvaged from it, and that was just in June when we had that meeting when [Glenn] said he was going to close it and we said, "You can't close it on July first...we don't think that everyone has got enough notice about what was going on."

**PRODUCT MIX**

One of the themes that came up in a number of the interviews was the product mix at the West Oak Lane store. Many of the participants expressed that the co-op should have carried more unhealthy or low-end products to cater to the lower-income clientele in the neighborhood. But this sentiment was not unanimous among the people with whom I spoke.

Here, Glenn Bergman hypothesizes why the store did not do the sales volume that would have kept it afloat. He searches for answers, ranging from the cost of the products to the product mix to the condition of the store to the competition:

I don’t know. It’s not a full service store? Maybe it’s too expensive... [We] didn’t give good service? I don’t know. The place was filthy maybe? I don’t think it was filthy...I can’t figure it out. We didn’t have soda. We didn’t have a lot of chips. We don’t have cigarettes. We don’t have lottery tickets. Is it that?
Others repeated these remarks nearly verbatim, submitting that if only the co-op had sold chips, soda and cigarettes that it might have been successful among the lower- and middle-income African-American demographic.

Patricia Smith from TRF spoke to the challenge that other organizations they have worked with face, and how they solve it by trying to provide “locally sourced and culturally appropriate food.” Sometimes, she explained, it is appropriate for even a store or CSA that focuses on the local to go to non-locally sourced products like tropical fruits and vegetables to provide relevant food for communities that base their diet around these foods.

Sylvia Carter, a longtime board member, stated that she did not think that the lack of support for West Oak Lane was due to the culture in the neighborhood. She admitted that something wasn’t working, but did not put the blame there:

It'd be a shame if it closes, but it's not that African-Americans don't believe [in] co-ops or want healthy food...the fact that Ogontz is predominantly an African-American community is not the plus or the minus of it all.

Sylvia went on to explain that her sense of the shortcoming of West Oak Lane was that there was a full-service supermarket quite nearby that already served the community and that there had been no constituency built up to support the co-op as an alternative:
I don’t know that they care to that degree. And I don’t mean to say that in a negative sense against their values—their values are the same as yours and mine; their needs are the same as yours and mine.

You know, the desire for a place to shop that has good food, we all want that, and they do too, but they have access to it, more so than - well they have access to it period. There’s [a] Shop Rite that is a hop, skip and a jump, where they can get to very easily, either on a bus, or their own cars, or the neighbor will take them. Our store there is very small. There’s no way in the world you would do your major shopping, you would do your pick up stuff.

**POLITICS**

The political benefits of operating in West Oak Lane ran as a strand through my conversations. The Ogontz Avenue Revitalization Corporation has ties to a prominent Pennsylvania State Representative, Dwight Evans, of the 203rd Legislative District. After working with OARC on the West Oak Lane project, Weavers Way was able to secure nearly $1 million in state grants for its Chestnut Hill expansion with the support of Dwight Evans’s office. There are two conflicting narratives about this relationship. The first is that the relationship was initiated through OARC and that Rep. Evans and his staff began to shop in the store, generating an organic relationship with Weavers Way that ultimately led to the support for the Chestnut Hill store. This is how Glenn and former board chairperson David Woo explained it, though David added, “I’d like to think so.”

Others, including a Weavers Way board member and former staff person, suggested to me that there was a *quid pro quo* arrangement whereby
Weavers Way would operate in West Oak Lane, a lower-income neighborhood and, when the time came, it could get support to expand into the wealthier neighborhood of Chestnut Hill.

Tina Johnson, of the Chester’s Food Co-op, was one of the people who suspected that there was something more backroom about the dealings between Weavers Way and Rep. Evans. She felt that the failure of West Oak Lane was detrimental to the whole idea of putting co-ops in lower-income neighborhoods:

One of the things that [Weavers Way] did do that was really detrimental to our co-op is they opened up the Ogontz Avenue co-op. I make no bones about it because it’s the truth. They were told, “Open this up and we’ll give you $700,000 to open up the one you really want to open up” which was Chestnut Hill. And I was just like, “Why would you do that?” Because when it doesn’t work, we’re not going to be able to go after support or after funding because if Weavers Way is not able to make this work in this kind of community, what makes a person from that community think they can make it work?

It does not matter, in my estimation, whether there was a formal *quid pro quo* or not. There is no proof of it; it is just speculation. The outcome of the relationship between Weavers Way and Rep. Evans was the support for Chestnut Hill’s expansion and the cessation of operations at West Oak Lane.

*Lessons*
So what lessons can be learned from the West Oak Lane experience? For the most part, the people involved from Weavers Way felt that the groundwork in West Oak Lane was not sufficiently laid to support a co-op. There were lingering questions about whether or not a lower-income community could have supported a member-driven co-op of this kind at all. And the question of the product mix remains an unsettled question as regards this population. I will let the people involved have their say before weighing in with my own assertions.

Sylvia Carter went back and forth on the question of whether or not the co-op could have survived in West Oak Lane. She felt that it would have taken an enormous effort from the rest of the Weavers Way community, and that maybe the fit wasn't right:

I don't think...as a working community in that household with parents who have children in school they're busy, busy, busy, [the] hours weren't the best in the world to encourage shopping, I'm very sure there are some folks that were at the lower end of the income bracket but that didn't make or break us.

What I find striking about this comment is the assertion that people would not be able to shop at this co-op because they are working. Perhaps she means that the hours needed to be expanded, which was a contention also made by a former West Oak Lane staff member. But I get the sense that she feels that people in West Oak Lane are working harder and have less time to invest in the co-op than in Mount Airy or Chestnut Hill, which comports with
the conversation I had with Joe Holtz from Park Slope about the challenge of people holding multiple jobs. His recommendation was that people that work that hard should not be shopping in co-ops. Nevertheless, Sylvia thought that there was some possibility that the West Oak Lane experiment might come to fruition, if all of Weavers Way came together behind the effort:

But with some enthusiasm, some creativity, some positive marketing, some education, maybe we could survive, but I do feel that it would be a lot of work, and I don’t know that we can afford to pay for the kind of work that I think it needs. I’m not so sure whether we have enough people who could volunteer from the entire co-op community to make these things work. And it could be a situation where we spread ourselves thin.

Margaret Lenzi, a board member, was one of the interviewees who expressed the importance of more preparation before going into a similar situation in the future. She was not alone in citing the need for a market study, because of the proximity to other nearby full-service grocers. But Margaret has been active in working with the other co-ops in the region to start the Mid-Atlantic Food Co-op Alliance and in helping start-ups form in Philadelphia. In this quote, she expresses a desire that Weavers Way try again to seed another co-op in a neighborhood like West Oak Lane, if the right conditions are met:

I think it was only one situation. It doesn’t mean we should never try to go into another community, a more diverse or a racially mixed community. But we have to have a better strategy...we need a market study, we need to make a base in the community and if the circumstances are right it shouldn’t prevent us from doing something like that in the future...I think we do want to expand the co-op model to other parts of the city. It doesn’t really mean that it has to be a Weavers Way operation. It could be another start-up and we would help with the process.
One funder emphasized that co-ops are a viable option in neighborhoods like West Oak Lane. She made the following strong statements: “Don’t blame the victim—demand wasn’t off the charts. We just may have to work a little bit harder to create demand as opposed to just saying, ‘Oh it’s not worth it.’”

The people from West Oak Lane apparently visited Chester and expressed regret that their co-op could not have worked more like the one that Tina Johnson helped to catalyze. She explains:

Some of the folks even came down. Folks who were living in Ogontz came to see us when we were in the corner in a much smaller place, more dank and we were renting one day a week there. And they said, “We would have preferred to start this way. Because we didn't have any ownership.” The ownership piece is really important. When you think of most co-ops like Mariposa and Weavers Way, they started with ownership. There was consensus; there was this sense that we are building something, this grassroots aspect of it. That’s what makes co-ops unique and really wonderful—and very difficult and overwhelming.

So how should West Oak Lane be understood within the organizational project of Weavers Way? It raises more questions than it answers, especially since it is an abandoned project and it is not clear (or I am not privy to) what institutional lessons Weavers Way took from it. To begin, it is clear that West Oak Lane was not Weavers Way’s attempt to do community development. It was an opportunity that was presented to them by OARC, which is very much a community development corporation. But many at Weavers Way were thinking of West Oak Lane as a trial run for the expansion to Chestnut Hill.
Could the co-op run two operations at once? To that extent, it is not clear that the specifics of the neighborhood really mattered when moving to the new store. The co-op did not lay groundwork or plan strategically with the West Oak Lane community. As the interviewees mentioned, there was not a lot of outreach on the community relations side or a market study on the demand side (interviewees stressed that OARC presented numbers that Weavers Way trusted and relied upon).

This is partly a story about exporting a successful cooperative into a new community setting. Weavers Way is not the only co-op to try expanding beyond its own original location, but pushing beyond the social and cultural milieu has particular challenges. The discussions about not knowing what types of food people in West Oak Lane wanted to eat is a symptomatic one. Food cultures are specific and fraught; getting the product mix and price point right is essential to the success of any retail grocer. This returns us to the paradox of exclusivity, as Weavers Way is oriented around selling certain kinds of food that demand certain prices. As we have seen above, there was some disagreement among the interviewees as to whether the West Oak Lane community would have responded to lower priced or lower quality food. But the low sales proved that something was not working.

The West Oak Lane story highlights a shortcoming in the Policy Governance model, or in Weavers Way’s implementation of it. The opening or closing of a
branch of the co-op is a strategic decision, not just an operational one. A move that pushes the co-op into another part of the city and puts Weavers Way in contact with people meaningfully different from the core membership is a transformative one. The board should have been involved at a much deeper level, thinking carefully with the management team how to plan and execute this expansion and deciding in advance what the goals ought to be.

I do not know that it made sense for Weavers Way to operate in West Oak Lane. But the co-op did not make the most of the opportunity. There was a possibility there to transform the broader Weavers Way organization to be inclusive of a wider geography, a different demographic and a wider vision of community. It is possible that this is not Weavers Way’s last expansion. And for it to succeed next time, it is vital that it revisit the experience of West Oak Lane to determine what it seeks to get out of upcoming projects and how to appropriately plan and implement a co-op of this kind in the future.
Chapter 6: Reflective thoughts and analysis

At the most basic level, this dissertation asks: why do we cooperate? How do we cooperate? How do organizations that call themselves cooperatives actually work in a capitalist market economy? In what ways do cooperative organizations live up to their rhetoric and in what ways do they fall short? I spent a few years interviewing and observing at Mariposa and Weavers Way to find out how they have achieved a lasting cooperation. I do not have answers but I have stories and reflections based on those stories.

I started out wondering about the challenge of running a business cooperatively. How could a firm have so many members that are all equal owners? If you own 20% of a public company, you have 20% of the say. Yet even if you invest 20% of the working capital in a co-op, you still only have one vote among the many members. When a co-op member interacts with staff, she’s both interacting with her employee and also the person who might supervise her on how to properly sweep a floor during her member workshift. It seemed to me that a democratic organization like this would be impossible to sustain. I wanted to understand how they manage it.

I based the fieldwork on two food cooperatives in Philadelphia: Mariposa and Weavers Way. Both existed in a pretty steady state for their early lives and then had catalytic incidents that transformed them into new organizational spaces. In the case of Mariposa, I have identified the critical event as a crisis
between the co-op and a staff member in 2002. He was asked to leave, would not leave and, because the co-op was a non-hierarchical consensus based organization, they could not achieve consensus to fire him. They succeeded in firing him only after six months of negotiation and a strike that divided the membership. After that, the co-op started to formalize and become somewhat bureaucratic and more rigorous in its policies. This has led it to the point where 10 years later it is in a new space, doing millions of dollars in business, and there are nearly 1500 members. I think you can trace the formalization and success back to that departure of this thorny staff person.

Weavers Way had a financial crisis in which $600,000 of member’s money went missing. There was no embezzlement but there was misappropriation of funds and fraudulent representation. The bookkeeper never took anything home for her personal enrichment. But in order to cover up mistakes in bookkeeping and cash flow problems, money was misapplied. And it really could have sunk the co-op. After an inspiring recovery from this crisis, Weavers Way tightened up fiscal controls, became more hierarchical, got a stronger general manager, and changed the way the board related to the organization. They were clearing $4 million in business in 2002 and in 2012 they did more than $15 million across their two locations.

Some people among my interviewees are sharply critical of large-scale co-ops; they consider them “co-ops in name only.” Some of this concern comes
from a discomfort over anything resembling traditional “success.” That attitude hearkens back to the oppositional orientation of the “new wave” co-ops. But other critics are right to be concerned. They are not against growth, but ask about growth to what end?

If these growing co-ops’ goal is to be the most local, the most organic, the most sustainable food purveyors, there is always someone who will come along and be a little more local and more sustainable. Because of the purchasing power and business acumen of places like Trader Joe’s and Whole Foods, co-ops will never be able to compete on price like they did in the 1970s. They will not be able to compete on selection because they’re often smaller stores. They will not be able to compete necessarily on freshness, because farmer’s markets can trump them on that.

There is a lot of worry about how competition will affect co-ops, especially the ones without mandatory membership and member labor. Weaver’s Way is instructive here. The store they opened in Chestnut Hill in 2010 does not have a membership or labor requirement. A developer wants to bring in a gourmet Fresh Market a few blocks away and the co-op is very concerned about the effect the new store, if it comes to pass, will have on Weavers Way Chestnut Hill. Yet if the developer were to put that Fresh Market four blocks

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11 Except, for several complicated reasons, Park Slope Food Co-op does compete on prices and carry a lot of the same merchandise as Whole Foods. They are an outlier and deserve a separate discussion.
away from the co-op in Mt. Airy, which has 40 years of hardcore co-op people that are shoppers, I do not think that Weavers Way would be as worried about the loss of its sales. But if Fresh Market locates next to Weavers Way Chestnut Hill, I suspect that a much larger percentage of the co-op’s shoppers will migrate away to the competition. How can co-ops like Weavers Way Chestnut Hill successfully compete?

These co-ops need to compete on cooperation, being more true to their core identity and values and the cooperative principles that were instantiated in 1844. These are the principles of democratic member control, autonomy, a commitment to education, and meaningful outreach. Co-ops may look like Whole Foods or Trader Joe’s, and they ought to strive for operational excellence. But at day’s end, if members want to see a certain kind of pasta, the members get it, whereas you cannot do that at Whole Foods. Co-ops have to embrace their core values to power their growth rather than trying to be more like the nearest competitor. If co-ops want to successfully distinguish themselves from other purveyors of similar goods, they also need to understand the power of their history. They will have to reflect on Fairbairn’s critical assessment of their status as both social associations and business enterprises and succeed in both domains (Fairbairn 2011).

Being more robustly cooperative bumps up against the paradox of exclusivity. Making inclusivity something that people have to work for means
co-ops are not able to be as broad as they want to be. There are only going to be so many people who are willing to work and who are willing to pay for membership. If co-ops only cater to “co-op people,” they will not thrive because there are not enough “co-op people” to go around. So what happens to cooperation if requirements are lessened?

I think the answer lies with a sort of cooperative compromise. Co-ops should make the benefits of membership and of deep inclusion really attractive and really available. Highlight them, but do not make them essential or mandatory. This allows hardcore cooperators to reap all of the benefits of being a hardcore cooperator, including the financial benefit of getting rebates and dividends. They can sit on the board, be on committees, and receive all of the pleasure and benefit of working with a few hundred other people who really believe in the co-op. They also benefit from the other several thousand people who shop at the co-op and basically pay for the luxury of their democratic involvement. As long as the “mere” shoppers comprising the external ring of are invited and welcomed into the inner circle then it is a just relationship. If co-ops make the rules so that it is very difficult for poor people or working parents to come in to the inner circle—if they erect a lot of structural barriers or do not get rid of the structural barriers that are already there—it is an unjust sort of cooperative society.

For example, Mariposa has started to fundraise for a low-income equity fund.
If somebody cannot afford to pay the membership fees, the fund pays that person’s fees. That person does not have to be a non-member shopper because he is unable to afford the equity investment at this moment. He can be a member and then when he has more money he can pay back his membership fees. That’s one way of eliminating economic barriers. Co-ops can have online voting for boards and committees; Weaver’s Way has it while Mariposa doesn’t because factions at Mariposa believe everything has to happen in person. They think that if people are not there for deliberation then they are not really part of the democracy. But opening up online voting would allow working parents and single parents to still weigh in and participate. There has to be some sort of compromise and continual reappraisal of the way the cooperative’s principles are applied in order to be appropriate to this culture and this time.

**The question of scale**

Cooperatives also need to address the critical scale question that plagues discussions of local organizing (DeFilippis, Fisher, and Shragge 2010). Co-ops are not scalable as individual units. It is not useful to envision a hundred thousand-member cooperative. With 3.5 million members, REI is the largest consumer cooperative in America, but when you shop there it is not like you feel like an owner. You pay a small fee and technically you are an owner of the cooperative, just like any cooperative. But you cannot go to a REI store
and say “I demand that you don’t carry this brand of shoes because they were made in a sweatshop.” It is not your prerogative. What is a better way for co-ops to grow to scale? The answer is federation: joining together in a regional or sectorial alliance. Then co-ops can exert the power that comes from being small but many in number. Most consumer co-ops are small by design but they have shared values that allow them to offer advocacy, training and support at larger scales. Historically, cooperatives have formed federations that took advantage of the strength of a network without sacrificing autonomy (Curl 2009; Knapp 1969).

There are contemporary examples of such aggregation. In early 2010, the food co-ops of New York, New Jersey, Pennsylvania and Delaware formed the Mid-Atlantic Food Cooperative Alliance (MAFCA). MAFCA meets quarterly and offers support to start-up co-ops, marketing and branding, and political advocacy. These efforts are inscribed in the International Cooperative Alliance’s principle of cooperatives helping other cooperatives. On a local scale, the Philadelphia Area Cooperative Alliance brings together cooperatives from the consumer, worker and producer sectors to advocate for cooperative development in the Delaware Valley.

Groups like MAFCA can pool their resources and do a private label olive oil that is as cheap and as high in quality as Whole Foods’ olive oil. Or they can bulk purchase ads in every newspaper or website that is related to food, with
one template that on the bottom says the local co-op’s name. The National Cooperative Grocers Association puts out one template of specials for the month and then co-ops can drop in their own details. But they all have the “Co-op Advantage” brand and it looks like one organized entity. When shoppers see “Co-op Advantage,” they know it’s part of this network of national movement organizations. This enterprise scales up by individual cooperatives cooperating.

The cooperative commitment to democracy and moral consumption

The notion of participatory democracy is closely related to the idea of exclusivity and inclusivity. In order to have a participatory democracy it has to be inclusive, else who is participating? A participatory democracy is a vital ingredient in true cooperation; cooperation as a practice strengthens democracy. Being an owner and helping to run an organization makes you more civic-minded. What is more engaging than being a local business owner? It is a proving ground and a training ground for local democracy.

Participatory democracy in cooperatives fosters deliberative, moral consumption. Moral consumption begins by choosing something you think is healthier or more sound for your own consumption, your own family’s food consumption. But it can go much farther, leading to consuming in a way that
is better for workers, consuming in a way that is better for the planet, consuming in a way that is better for the local economy, and so on. Cooperatives have the potential to be the sites of this moral consumption because they believe in voting with your dollar in a very specific way—voting to own a local community enterprise and literally living by it since you are eating the fruits of your labor.

That is where this dissertation connects back to food. We reproduce ourselves and our labor through sustaining our lives, by sustaining our bodies. We do that through food and drink. And if we consume morally and in a democratic space, dissect and debate what a moral kind of consumption would look like, then we have a healthier planet, a healthier culture. People should continue to debate consumption, feeling free to choose to consume amorally. But my sense is that when you include enough stakeholders somebody is going to say, “I am a worker and I deserve minimum wage” or “I am an environmental activist and I think this one kind of fish is endangered and should not be on our shelves.” Community controlled stores can make changes to work with those demands. And if you include enough people in the participation it results in a more robust set of exchanges.

**Why consumer cooperatives matter to planning**
Co-ops are adept at providing economic development and social development in local communities. Because food co-ops and other kinds of consumer co-ops are based around small capital organized by a lot of people into one large capital, their work ought to inform the practice of community development. The message to planners might be this: along with providing housing, let’s support housing cooperatives; along with food assistance, let’s have food cooperatives. Cooperation is a complimentary strategy. If we ask people how they feel about being an owner and steward of their own housing, they may find it appealing. Of course, it is an enormous challenge; it requires people to be educated and trained. Even though people are not immediately ready to run a housing cooperative, they can run a household and be effective as consumers. There is a professional staff that runs a housing cooperative. There is a professional staff that runs the grocery coop. But as a member owner of these things, people can use their internal knowledge of what good housing looks like, what good food looks like, what good service looks like. If they are empowered to put their small amount of capital and their discrete amount of expertise into the pot and have it all come together into a democratically run member controlled organization—that sounds to me like a powerful vision for a community.

Many companies, including Whole Foods, consider themselves a “double” or “triple” bottom line company. But when push comes to shove, are they really? There is nothing written into the DNA or structure of the company. Only a
company that is willing to subordinate profit to mission is a safe bet for a more just society. Cooperatives have a fixed rate of return legally; they cannot give above an 8% return and they have to give the money back to members when they have profits.

If cooperation is so desirable, why am I focusing on consumer cooperation to the exclusion of worker, housing, producer, or other manifestations of cooperation? The answer is mostly guided by pragmatism. Let me indulge in a fictional conversation by way of explanation:

If I said, “I urge you to be part of a worker owned cooperative business,” you’d say, “I don’t have that sort of flexibility. I have a job. I work for a University. It’s an enlightened self-aware organization but it’s not going to be run by its 14,000 employees.” If I said, “You should really move out of your house and move into a community land trust, or move into a housing cooperative,” you’d say “I like my house. I’m staying here.” But if I say, “There’s this grocery store down the street that pays its workers better, that is locally owned, that sells all the same great food that you like to buy at Whole Foods and Trader Joe’s—but it’s locally owned by people in the community. Would you think about maybe going two blocks this way instead of two blocks that way and shop at this store?” I think that request is much more reasonable, and still very effective.
Consumer cooperation is a lower barrier than housing or worker self-management in capitalist society. But the consumer identity is also a more prevalent identity. We are more consumers now than anything else. We live to consume. Most of us do not produce in the industrial sense, and it is possible to endlessly argue about who is a producer. Consumption is distributed across society, across class, as American theorists of cooperation emphasize (Rothschild 2003). A low-income person who consumes for a family of four consumes just as billionaire Warren Buffet consumes. It is not the same in quantity or quality, but it is the same in kind. Everyone needs to go to the grocery store, everyone needs to go to the hardware store, and most people at some time need to hire childcare. All of these things can be cooperatively organized. This may not necessarily yield a structural change in the economy away from capitalism. I think that is an overestimation and unrealistic. But it could be a marginal step towards a more compassionate economy that values more than just the bottom line.

**Co-ops in resource limited communities**

What about the effects of cooperation in limited resource communities with low socioeconomic status? Co-ops need to be able to work in these locales to prove that they are up to the task of community development. The co-op form is resilient in times of economic distress; it seems that people in hard times band together for mutual aid. Cooperation is countercyclical to the
economy, experiencing growth during shocks and recessions. Indeed, there is discussion of whether cooperatives do as well in times of plenty or if they are susceptible to failure under those circumstances (Birchall and Ketilson 2009).

Under-resourced urban communities are in a state of perpetual economic hardship. If co-ops thrive in times of distress, that is an even greater excuse to encourage their development in distressed places. There are challenges beyond just education. The financial capital required to start and sustain a cooperative may be challenging to amass. Nembhard (2004) suggests making equity investments by members available to be paid in installments. Another option is to offset the cost of membership or capitalize the business with outside philanthropic support. This support can come from wealthier individuals in the same community, emphasizing a form of mutual aid. Mariposa is attempting to do this through its revolving low-income equity fund. And financial support can come from charitable foundations, as well. For example, the Cleveland Foundation supplied much of the start-up capital of the Evergreen Workers Cooperative in Cleveland, Ohio. In cases of a high proportion of support from non-members, issues of autonomy need to be raised and settled so the co-op is not hobbled by outside control. In order for

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12 Birchall and Ketilson (2009) relate the founding of credit unions in an agricultural depression in 1860 in Germany, the consumer cooperative movement to the hardship of the 1840s in Britain, and the growth of agricultural co-ops in the United States to the Great Depression.
low income co-ops to succeed, they still need to have a strong education component and strong member involvement (Lawless 1996).

Who are the agents that can contribute to co-op growth in limited resource communities? To begin, the neighbors and workers in these areas can contribute. The Chester’s Co-op is a member-driven grocery store in Chester, PA, one of the most impoverished communities in the region. There are also cooperative developers that specialize in seeding cooperatives. Some, like Pennsylvania’s Keystone Development Group, are expanding their reach into urban communities in order to create more of a market for local producers to sell their goods. These developers work hand-in-hand with residents to get cooperatives off the ground. Last, there are outside philanthropists who can bring much-needed capitalization to the table in under-resourced communities. If their role is properly defined, tools such as program related investments by foundations could be empowering. As a notable scholar of cooperation writes, “Look for the market deficiencies, look for the costs of change—look for the need—and find the niche where a co-op may thrive” (Fairbairn 1991, 1; quoted in Nembhard 2004, 303).

Limitations of the study

One encounters and accepts limitations as a way of bounding research and making projects feasible to accomplish. But these limitations can change
their meaning and significance over time. In this section, I reflect on the limitations of this study and the way my understanding of these limitations has changed during the course of the research.

There are several limitations to this study. As with any such project, some of the limitations are by design, while others came up in the actual conduct and writing of the research. I will speak to each of these in turn, beginning with the formal and intentional limitations.

At the outset of the project, I made the choice to study consumer food cooperatives because of the interesting and generative characteristics possessed by the case organizations. I chose urban food cooperatives because my focus is on issues faced by urban communities and I self-identify as an urban planner with a heavy emphasis on the “urban.” And I chose to study cooperatives in the United States context because my research agenda has a domestic focus.

These self-imposed limitations were guided by my interest in Weavers Way and Mariposa Cooperatives as examples of engaged and engaging cooperative organizations. At the time that I first identified these cases (early 2009), I was quite ignorant of the scope and scale of the larger cooperative movement. I have come to be particularly impressed with cooperatives’ geographical scope and organizational diversity.
As I have discussed above, cooperatives are a worldwide phenomenon. They have a greater share of the market in countries other than the United States, with particularly strong cooperative cultures in Japan, India and Canada (Birchall 1997; ICA 2012). Cooperatives are significant sources of wealth in the United States, mostly through credit unions and agricultural cooperatives (Nembhard 2002; Deller et al. 2009). But cooperative culture has not taken hold in the States as much as it has in some other countries. By neglecting to explore the international scope of cooperation, I have failed to access stories from international cooperative organizations that would help me understand why cooperation has attached itself differently in those countries and cultures.

The second salient element of cooperative geography is the urban-rural divide. At the time of this report, the USDA offers support only for rural cooperative development, through its network of cooperative consultants. Congressman Chaka Fattah of Pennsylvania is working to pass a National Cooperative Development Act that would support the development of urban cooperatives as well, but this effort is still underway. Rural cooperatives face an entirely different set of challenges from their urban counterparts, and these are not to be minimized. But I do not purport to know what these challenges are and I cannot speak to them.
The cooperative developers and consultants I spoke with emphasized the idea that the rural and urban need to be seen as a continuum and not a sharp divide. Agricultural cooperatives and groups of producers from rural settings need to find customers, and dense urban districts have become excellent, supportive markets for agricultural products. This symbiosis is borne out in the case of Lancaster Farm Fresh Cooperative, which operates a Community Supported Agriculture (CSA) program with rural growers in Pennsylvania that supply urban consumers in the New York and Philadelphia metropolitan regions (Cunold and Jeske 2012).

In addition to the geographical variation among cooperatives, there is the matter of co-ops' organizational diversity. In addition to cooperatives owned by their consumers, there are co-ops that are federations of individual producers and those that are owned by their employees. Each has characteristics that make them different enough from consumer cooperatives to render them worthy of separate study.

Producer cooperatives play an interesting role in relation to the capitalist marketplace since they are comprised of individual business people (such as farmers) who affiliate with a cooperative in order to gain competitive advantage. In the case of the Amish and Mennonite farmers who comprise the Lancaster Farm Fresh Cooperative, these people would seem to be competitors. They join together in a cooperative structure because of the
volatility of the marketplace and the challenges they face from industrial agriculture. Their motivations for cooperation are rather different from the case study organizations in this research. Though both small producers and urban co-op member-owners share disdain for large industrial capitalists, their politics and motivations for doing so may diverge significantly. Alas, this study does not look at the nuances or intersections of those motivations.

Perhaps the most interesting controversy in the history of cooperation is the decision to organize a cooperative around consumer ownership or around worker ownership. In the early days of the Rochdale Pioneers there was some support for worker ownership (Birchall 1994; Curl 2010). But over time, these two forms diverged and only recently has there been interest in bringing them back together into what are called multistakeholder or “solidarity” co-ops (Lund 2011).

There are reasons to think that worker owned cooperatives and consumer owned cooperatives are opposed. Worker co-ops are set up to benefit the workers first and (presumably) the consumers second. If the choice facing the co-op is to make a decision that results in a benefit for the consumers (lower prices, let us say) or one that is better for the worker-owners (better health benefits, for example), one can assume that within reason the workers will act in their own self-interest first. In this hypothetical scenario, the result
would be higher prices resulting in better benefits for the staff but a less satisfied consumer.

But is this true in practice? Worker co-ops need to retain customers in order to survive. They must make the same sorts of sacrifices that any business would in order to preserve customer loyalty, such as keeping prices low so that shoppers keep streaming through the doors. But cooperative history and rhetoric is replete with opposition between worker and consumer ownership on precisely these grounds. My study did not examine any worker cooperatives to ascertain the different dynamics that they face as they try to balance support for their worker-owners with capturing and maintaining a customer base. Nor did it address the possibility for multistakeholder co-ops to bring new energy back to this old debate and create a scenario that might serve as the best of both worlds for the cooperative movement.

There is another obvious limitation to the study’s focus on cooperative businesses: I looked only at food cooperatives. Although I believe I have made a solid case for the importance of food cooperatives due to their connection to home economics and moral consumption, there are several other kinds of consumer cooperatives that deserve study. Credit unions are the first that leap to mind, though they have been explored in other venues (DeFilippis 2004). But as the financial crisis has taken hold and the Occupy movement has attempted to assert itself, the credit union has become
increasingly relevant. The credit union has come under fire from some on the radical end of the cooperative movement for being undemocratic, not transparent, and not sufficiently progressive. And the American Banking Association has attacked credit unions from the conservative side. With this much attention, the credit unions are due for a reappraisal.

In addition to the limitations of the kinds of cases I chose, there is the limitation in the number of cases themselves. I have spoken above about the justification for choosing the contrasting case study as a method and I am glad that I did it. I think it has been a fruitful way of understanding each organization and the organizations in comparison. But there is another way of doing such a project that looks at several more organizations and places them into an ecology or network of organizations, such as looking at a larger sample of co-ops from the Mid-Atlantic Food Cooperative Alliance or the cross-sector Philadelphia Area Cooperative Alliance.

Another way of structuring the research, besides looking at more cases of cooperatives, would be to actually have spent less time on the project—but to have done it in a more condensed way. I believe the amount of time that I had at my disposal, my proximity, and my relatively easy access to the co-ops could be construed as a limitation of the study. If I had to travel to the sites I would have had to carve out much more defined time for observation. I would have spent less quantity of time at Mariposa and Weavers Way and
perhaps more quality time. I might have grouped my time there into a few weeks or months rather than the years of consistent but low-impact contact that I had with the co-ops. There is no reason why the approach that I took could be construed as sub-par, but it calls forth a different quality of attention than the more constrained and intense kinds of field observation and interviewing.

It is unlikely in my future career that I will have several years to spend on observation and interviewing the way I did for this project. I am interested in seeing what I can do in future projects with a shorter, more intense timeline. I believe it will force me to bring a different flavor of sustained critical attention to the matter at hand. At the same time, perhaps it is better not to compare the dissertation to other research experiences, because I was simultaneously learning how to be a researcher, learning the basics of the literature, learning how to write a research proposal, and learning to teach.

**Future Research**

There are so many projects that arise from this research. I will highlight just a few of the directions that I think my work may take once the dissertation is finished. The first thing I am excited to do is continue to understand the dynamics of moral consumption. There is a large stack of books on my desk about consumer behavior in society that are waiting for me to incorporate them into my analysis of moral consumption and cooperation. The nexus of
moral consumption and participatory democracy is an area that I would like to explore in more detail.

There is a lot of rich material on the theory of everyday practices and linking that up with social reproduction that I would like to do. There is a link to feminist and critical geography to this research that I do not think I have adequately explored to date. It touches on the governmentality literature as well as work on biopower. I believe this is a rich vein to explore and make the link to food more explicit and fully theorized.

And I would like to start looking at other cooperatives beyond food cooperatives. I want to take what I have learned here and explore, specifically, an international movement of low-cost community acupuncture clinics that is organized as a cooperative. There are already over 200 clinics and the model is less than a decade old. To date, there has been no scholarship on this whatsoever, so I feel that it is a huge opportunity.

**Wrapping up**

To return to the question I posed in the introduction, how does the philosophy of cooperation coexist with our capitalist political economy? It is a complex and varied issue. There are as many ways of achieving cooperation, in practice, as there are cooperatives. One thing is sure:
cooperation cannot be an island in a sea of unfettered competition. There has to be some rapport. To fully extend the potential for the cooperative economy requires the development of institutions within contemporary capitalism that are more compassionate. There needs to be more linkages between cooperative practices and actually existing capitalism, just as the strands of these two economic philosophies have been woven in and out of one another for nearly two hundred years.
Appendix A: Interview Protocol

Title of Study: Dynamics of Organizational Change at Retail Food Cooperatives

Interview Protocol (45-60 minutes)

I. Introduction
   a. Background statement about the research
   b. What is your role in the co-op?
   c. How did you get involved?
   d. Has your role changed over time?
   e. How did you hear about the co-op?
   f. What led you to get involved?

II. Decision Making at the Co-op
   a. From your perspective, how are decisions made at the co-op?
   b. What sorts of decisions are made?
   c. Tell me about your experience with general membership meetings?

III. Governance
   a. Have you been involved in any board or committee activities?
   b. Can you tell me about those experiences?

IV. Peak Experiences
   a. What was the most memorable positive experience you have had with the co-op?
   b. What was the most challenging?

V. Changes
   a. How do you think the co-op adapts to change or faces challenges?
   b. What would you change about the co-op if you could?

VI. Wrapping up
   a. Is there anything you would like to add that I have not covered today?
Appendix B: Neighborhood Analyses

Neighborhood Analysis – Weavers Way

For most of its history, Weavers Way operated a single store in the West Mount Airy neighborhood. According to the co-op's management, its trade area extended throughout the 19119 zip code, which covered both East and West Mount Airy.\footnote{A trade area is the geographic boundary from which a retail store’s customers are derived.} In 2010, Weavers Way added a branch in Chestnut Hill, which is in the adjacent 19118 zip code. Though the store’s sales and membership reach beyond these two zip codes, the primary concentration is here, and I have chosen to focus on 19119 from 1970 to the present, adding in 19118 in 2010 in order to understand Weavers Way’s neighborhood context.

Income

Mount Airy and Chestnut Hill are affluent Philadelphia neighborhoods. Philadelphia’s median household income in 2010 was $36,521. Of the two, Chestnut Hill is far less income diverse. For the ACS five-year estimate 2006-2010 (normalized to 2010 dollars), the median household income for Chestnut Hill was $79,870 (though it is as high as $106,618 in one of the constituent census tracts and all tracts were considerably above the City’s median). In Mount Airy, median household income is $55,585 (though it
goes as high as $88,780 and as low as $30,900). The following chart shows
the income spectrum in the two zip codes divided into categories based on
the 2011-2012 Philadelphia Area Median Income (AMI) as defined by HUD
(Fannie Mae 2012).\textsuperscript{14}

![Figure 8 HH Income Distributions in Mount Airy and Chestnut Hill (Source: ACS 2010)](image)

\textbf{Race}

Mount Airy is a less racially diverse neighborhood than the City of
Philadelphia as a whole, which complicates its legacy of integration. If one
looks back to 1970, the presence of blacks and whites was about equal. But
over time, white flight has led to numbers that are somewhat more divergent
than the City as a whole, but more integrated than Chestnut Hill by far (see

\textsuperscript{14} The lowest tranches are for 30\% AMI (defined as very low income), followed by 50\% AMI (low
income), then 80\% AMI, 100\% AMI, 120\% AMI and More than 120\% AMI. Note that AMI for
Philadelphia is 2.2 times the median household income from the most recent census.
table below). As a whole, Mount Area is less racially diverse than the other study area, the Cedar Park section of West Philadelphia (more on this below).

<table>
<thead>
<tr>
<th>SE:TS4. Race</th>
<th>Chestnut Hill</th>
<th>Mt. Airy</th>
<th>Philadelphia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population:</td>
<td>9,608</td>
<td>27,035</td>
<td>1,526,006</td>
</tr>
<tr>
<td>White alone</td>
<td>7,569</td>
<td>8,581</td>
<td>661,839</td>
</tr>
<tr>
<td>Black or African American alone</td>
<td>1,611</td>
<td>16,908</td>
<td>619,221</td>
</tr>
<tr>
<td>American Indian and Alaska Native</td>
<td>19</td>
<td>84</td>
<td>6,996</td>
</tr>
<tr>
<td>Asian alone</td>
<td>315</td>
<td>319</td>
<td>96,405</td>
</tr>
<tr>
<td>Native Hawaiian and Other Pacific</td>
<td>1</td>
<td>9</td>
<td>744</td>
</tr>
<tr>
<td>Islander alone</td>
<td>68</td>
<td>218</td>
<td>90,731</td>
</tr>
<tr>
<td>Some Other Race alone</td>
<td>225</td>
<td>916</td>
<td>43,070</td>
</tr>
<tr>
<td>Two or More Races</td>
<td></td>
<td>3.4%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

**Figure 9 Comparison of Race for Chestnut Hill, Mt. Airy and City of Philadelphia in 2010**

Most of the white flight occurred between 1970 and 1980, and there are signs of a slight uptick in White population between 2000 and 2010, as well as a continuous rise in the presence of people of other races.

**Homeownership**

Mount Airy has a high rate of homeownership, 63%, which is close to the national average of 65% in 2010. (This is far above the Philadelphia number, which is 54%.) Interestingly, Chestnut Hill only has a 48% rate of homeownership, despite having very high incomes. I attribute this to the fact that one tract has a lot of rental housing—tract 257. This tract is made up of 75% renters while the other tracts in Chestnut Hill are between 57% and 81% homeowners. Tract 257 is the home of Chestnut Hill Village Apartments, a large sprawling mid-price apartment complex.

**Education**
Mount Airy and Chestnut Hill have highly educated populations. As the chart below demonstrates, both neighborhoods have significantly higher rates of college, masters and professional degrees and PhDs than the City as a whole.

Figure 10 Educational Attainment in Mount Airy, Chestnut Hill and Philadelphia (Source: ACS 2006-2010)

Household Composition

Household composition is also somewhat different in Mount Airy and Chestnut Hill than it is in the City overall. See the table below for more details.

<table>
<thead>
<tr>
<th></th>
<th>Chestnut Hill</th>
<th>Mt. Airy</th>
<th>Philadelphia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married-couple family</td>
<td>33.1%</td>
<td>41.2%</td>
<td>28.3%</td>
</tr>
<tr>
<td>Female householder, no husband present</td>
<td>18.3%</td>
<td>7.7%</td>
<td>22.5%</td>
</tr>
</tbody>
</table>
Mount Airy and Chestnut Hill are also older than the City as a whole. The median age of the City according to the 2010 Census was 33.5 years old. In Mount Airy it was 42.7 and Chestnut Hill was not far behind at 41.7.

Mount Airy and Chestnut Hill (combined in the graph below) have a much higher population of people in late middle age and older than the City as a whole. There are young people and young families in Mount Airy and Chestnut Hill but a bit less than the City.

**Figure 12 Population Pyramid Chestnut Hill and Mt. Airy Combined**
Summary

To summarize, residents of Mount Airy and Chestnut Hill are older, wealthier and more educated than the City as a whole. They are married in higher numbers and have a higher rate of homeownership. Residents of Chestnut Hill are more likely to be White and residents of Mount Airy are more likely to be Black, but this varies by greatly by census tract. These are the baseline conditions that form the backdrop for Weavers Way Co-op.

Neighborhood Analysis - Mariposa
Based on staff interviews and data taken from a 2007 Mariposa member survey, I have determined that the trade area of Mariposa Food Co-op consists of the census tracts adjacent to the Baltimore Avenue commercial corridor in West Philadelphia. Though the co-op relocated in early 2012, it only moved one block, so its trade area was not substantially affected. I believe that its trade area is expanding, but my current analysis is sufficient to capture the neighborhood dynamics Cedar Park and the surrounding West Philadelphia neighborhoods.

Readers may note that I am looking at much smaller area than the Weavers Way neighborhood analysis (total area for the Mariposa trade area is 1.18 square miles versus 6.43 square miles for Mount Airy and Chestnut Hill). But Weavers Way is a much larger operation, achieving over $16 million in sales in 2012, whereas Mariposa generated sales in a typical year of about $1 million, prior to is relocation. These figures helped make me confident that the smaller retail trade area assumption, coupled with Mariposa’s own assertions, is an accurate one.

Income

The Mariposa Trade Area is a mixed income, diverse and complex place. It has a median household income of $33,521, for the ACS five-year estimate 2006-2010 (normalized to 2010 dollars). This is only 92% of Philadelphia’s median household income of $36,521. There is a range within the census
tracts that comprise the trade area, however. The median is higher in tracts 78 and 79, though not by much. The real difference is apparent when household incomes are broken out by income tranche and race.

Using the same AMI categories as we used in the Mount Airy and Chestnut Hill example, it is possible to see that there is a high concentration of people at the very low-income part of the spectrum.

Just as a comparison, here is another chart that shows the relationship of incomes in the Mariposa Trade Area to Mount Airy’s 19119 zip code.

![Figure 14 Household Incomes in Mariposa Trade Area](Source: Fannie Mae)
It is possible to see that Mount Airy’s income is much more evenly distributed, although there is a concentration of wealth at the top portion. In the Mariposa Trade Area, there is a concentration of low wealth at the bottom of the chart and not much wealth in the upper sections.

**Race**

Looking at race, the evidence is a little more idiosyncratic. In the City overall, Whites have a considerably higher median household income than Black householders. In the Mariposa Trade Area this is true in three of the tracts, but not true in three of the tracts, where Black householders have a higher median household income than Whites (Tracts 73, 77 and 81.02). There are
also two tracts that are so heavily Black that there are no figures for Median Household Income for other races.

<table>
<thead>
<tr>
<th>TRACT</th>
<th>Phila</th>
<th>72</th>
<th>73</th>
<th>77</th>
<th>78</th>
<th>79</th>
<th>80</th>
<th>81.01</th>
<th>81.02</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>$36,251</td>
<td>$27,007</td>
<td>$24,741</td>
<td>$31,005</td>
<td>$39,759</td>
<td>$40,115</td>
<td>$33,511</td>
<td>$25,110</td>
<td>$32,423</td>
</tr>
<tr>
<td>White Alone</td>
<td>$46,221</td>
<td>$21,855</td>
<td>$29,531</td>
<td>$50,532</td>
<td>$55,795</td>
<td>$37,333</td>
<td>$32,692</td>
<td>$24,691</td>
<td>$32,368</td>
</tr>
<tr>
<td>Black or AFAM Alone</td>
<td>$29,814</td>
<td>$27,382</td>
<td>$24,764</td>
<td>$42,500</td>
<td>$21,953</td>
<td>$35,588</td>
<td>$32,692</td>
<td>$24,691</td>
<td>$32,368</td>
</tr>
<tr>
<td>Asian Alone</td>
<td>$36,440</td>
<td>$12,667</td>
<td>$2,499</td>
<td>$54,281</td>
<td>$36,802</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Some Other Race Alone</td>
<td>$25,221</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$248,152</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two or More Races</td>
<td>$31,220</td>
<td></td>
<td>$65,265</td>
<td>$55,625</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$40,357</td>
</tr>
</tbody>
</table>

Figure 16 Median Household Income By Race (In 2010 Inflation Adjusted Dollars)

When you look at the rest of the table, it becomes clear that in one of the cases, tract 73, the Median Household Income for non-Hispanic Whites is considerably higher than all other races – much higher, in fact than any of the surrounding incomes. This must mean that there is one very high income or a few that skew the data, or an error somewhere.

In 81.02, there is a group of Hispanic or Latino population that earns more than White or Black alone at $40,625 (though Hispanic or Latino is not a racial category that excludes being Black or White). Finally, in tract 77, Blacks have a higher median income than whites and there is a group of Asians with very low incomes.
Delving a little further into race it is possible to see that the Mariposa Trade Area is majority Black, though the Black population has been falling. A look at this historical graph since 1970 will show the population trends:

![Population Trends in Mariposa Trade Area](image)

**Figure 17 Population Trends in Mariposa Trade Area, Source US Census**

There has been an overall decline in population in the trade area, which is consonant with the City as a whole, since 1970, though the decline is slowing. The rate of Black flight has increased in the last ten years, and the rate of White migration into the trade area has intensified. And the presence of
other races and people of mixed races has been on a slow and steady increase over the decades.

These data prompts questions about gentrification and displacement. While these phenomena are not the subject of this study, these data do reveal a pattern of Black people leaving the neighborhood and White people coming in. The first point that the data show is that the trend of black flight from the trade area is not new; Black people have been leaving this part of the City for at least 40 years. But it has intensified in the last 10 years.

Regarding the growth in the White population, from 2000 to 2010, Whites go from being 10.8% to 20.1% of the population of the Mariposa Trade Area. The largest change occurs in Census tracts 78 and 79 (corresponding to 45th to 50th street, Pine Street to Kingsessing Avenue). Though it is not a huge change in aggregate numbers, it is a large percentage jump. There has also been an influx of Asians from 1980 on, largely in tracts 77, 78 and 79 – mostly in tract 77.

Homeownership

There are varying rates of homeownership in the MTA, ranging from a high rate of rental properties in some of the tracts (82.2% and 73.3% in tracts 77 and 78 respectively) to much lower rates or renters in others. The high rate of renting in some tracts can be attributed to the presences of a lot of
students from University of Pennsylvania, Drexel University, University of the Sciences, Walnut Hill College, Community College of Philadelphia and others. There are also a lot of young people and low-income people as well who might not be able to support homeownership. In the tracts to the west of the MTA, there was a surprisingly high rate of homeownership, as high as in the mid- and high 60 percent range in some of the predominantly black districts.

Educational Attainment

Educational attainment in the Mariposa Trade Area tracks somewhat closely to the city as a whole (see Figure). Looking at the data, one can see that the population of the MTA has a higher percentage of bachelors, masters and doctoral degrees than the City as a whole. Interestingly, the neighborhood has a smaller percentage of people with professional degrees.
Household Composition

Household composition in the Mariposa Trade Area varies a bit from the Citywide figures, though it varies by census tract. The percentage of married-couple families is considerably lower in the MTA than it is in Philadelphia as a whole and the percentage of single female-headed households is a few percentage points higher.

<table>
<thead>
<tr>
<th></th>
<th>Mariposa</th>
<th>Philadelphia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married-couple family</td>
<td>20.9%</td>
<td>28.3%</td>
</tr>
<tr>
<td>Female householder, no husband present</td>
<td>25.7%</td>
<td>22.5%</td>
</tr>
</tbody>
</table>
Looking deeper into the data, there is some variation. The percentage of married couple families goes as high as 26.0% and as low as 14.8%. The percentage of female headed households goes as high as 40.1% and as low as 9.1% in the MTA.

**Age**

The Mariposa Trade Area is slightly younger than the City as a whole. The median age was 32.2 in 2010 versus 33.5 for the City as a whole.

Looking at a population pyramid of ages in comparison to the City as a whole, we see the following:
Figure 20 Population Pyramid for MTA, ACS 2006-2010

Figure 21 Population Pyramid for Philadelphia, Source: Census 2010
These charts show that there are more very young children in the City as a whole than there are in the MTA. There are more people in their teens and 20s in the MTA than in the City as a whole, which is consonant with it being a university neighborhood.

Summary

In summary, the Mariposa Trade Area is a diverse and multifaceted group of census tracts in the eastern part of West Philadelphia located along the Baltimore Avenue commercial corridor. It is a neighborhood with a lot of people in their teens and twenties, but it is not considerably younger than the City, since there are fewer young children. It is certainly younger than Mount Airy and Chestnut Hill. It is not a wealthy area, or as highly educated as one might assume given the presence of the many higher education institutions. It is possible that many who live in the neighborhood are in the process of getting degrees and leave once they are finished. But there is also a contingent of people in the trade area that are quite low income and are likely excluded from the employment or education that these higher education institutions afford some people in the trade area. This dichotomy is one of the things to consider as a backdrop to the Mariposa Food Co-op case study.
Bibliography


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