COMBATTING INEQUALITY THROUGH EMPLOYEE OWNERSHIP

Worker Cooperatives and Employee Stock Ownership Programs in Buffalo-Niagara

ILR Buffalo Co-Lab
Kristin Ksiazek and Annabel Bacon
Introduction

Communities across the United States are grappling with income inequality. Since 1979, earnings of the top one percent of Americans have risen by a staggering 157%, compared to an increase of just 22.2% for the bottom 90% of workers.\(^1\) Today, 44 percent of American workers earn less than $18,000 per year, while the CEOs of the largest 350 companies earn, on average, $18.9 million per year.\(^2\) From 1978 to 2018, compensation for CEOs grew 940.3%, but wages for typical, nonsupervisory workers grew by just 11.9%.\(^3\) Wealth gaps between the most privileged and marginalized social and demographic groups have widened by even larger amounts—to the point where, in 2015, for every dollar in wealth owned by white households, black and Latinx households held just six and eight cents, respectively; and women owned only 32 cents for every dollar held by men.\(^4\)

Equally as troubling, present generations are far less likely than their parents and grandparents to experience upward economic mobility,\(^5\) and they are burdened by much more student debt.\(^6\) Job seekers of all educational backgrounds are faced with fewer choices in the American labor market, where much of the recent job growth has come in the form of low-wage work.\(^7\) This trend means that low income workers do not have the option to simply “find better paying jobs.” Rather, the data show that “there are not enough living wage jobs to go around.”\(^8\)

The lack of living-wage jobs disproportionately affects women and workers of color. Put differently, income and wage inequalities are inseparable from broader forms of discrimination and inequality which undermines social cohesiveness.\(^9\) For instance, top earners spend more on housing to insulate themselves in higher end neighborhoods with desirable amenities—including better performing school districts.\(^10\) The result of this “flight” is that low income households are concentrated in stigmatized neighborhoods with fewer amenities,\(^11\) fewer opportunities for high quality employment and schooling, and, generally, poorer and less reliable public services such as transportation.\(^12\)
These phenomena are fundamentally undemocratic. They work together, seemingly by design, to ensure that (1) wealth is owned and concentrated at the top rungs of the economic ladder, in such a way that (2) disproportionate levels of political and economic power add to that wealth, so that the system of privilege that gave rise to the uneven divisions can be sustained and reinforced long into the future.

Responding to these challenges, this report engages with present forms of ownership and power in the workplace, using Buffalo-Niagara as a case study. The Buffalo-Niagara Metropolitan Area is made up of two counties—Erie and Niagara. The region ranks among the most racially segregated and most economically unequal in the United States. Currently, new waves of development and reinvestment are creating pockets of affluence and, particularly in gentrifying neighborhoods, actually exacerbating the plight of the region’s most vulnerable residents. And yet Buffalo-Niagara has a strong labor history and is home to many efforts aimed at building a “new economy.”

The report focuses the Buffalo-Niagara region, but its broader thrust is that current crises have placed our society at a critical juncture where we must question “business as usual” and begin charting a course to a new, more democratic economy. In short, we need business structures and policies designed to pull us out of crisis, drive us away from inequality, and carry us toward shared prosperity for all. The report concludes by identifying policies and mechanisms for bringing democratic economic enterprises to scale at local, state, and national levels.
Workplaces as a Microcosm

Inequality operates at all scales of human society, from the household and workplace up to global institutions of power. Current structures of work exacerbate inequalities in wages and in representation across race, gender, ethnicity, sexual orientation, and other ways that people identify. As organizations operate in an increasingly global market, every employer makes decisions about what is produced or provided and how those goods and services are made. Those decisions impact the environment, locally and globally. As individuals, workers make decisions that affect their local communities—from where they buy their groceries to whom they vote for, from how they move around town to where they live or recreate. Therefore, all workplaces and all workers—management and labor, white collar and blue collar—participate in their political and economic systems.

This report examines the workplace as an arena where thoughtful progressive changes can interact with and strengthen broader scale efforts in systems change. We examine two of the more popular alternative models that have gained traction in the American economy and stand to reshape it as they continue to proliferate: (1) Employee Stock Ownership Plans (ESOPs) and (2) Cooperatives, especially worker-owned cooperatives.

Employee Stock Ownership Plans (ESOPs)

Employee stock ownership plans (ESOPs) extend ownership to employees via shares of the company’s stock, held in the workers’ retirement accounts. When employees leave an ESOP company, they are entitled to cash out their ownership shares. ESOP companies have “repurchase obligations” which require them to buy cashed-out shares at the going market price, thereby ensuring that the shares remain with the company and feed into the ESOP in perpetuity.

Experiments in profit sharing and employee share ownership in the U.S. date to the 1800s, with labor unions—especially the United Steelworkers—frequently involved in their design. It was not until 1974, however, that the federal government codified the ESOP model as part of the Employee Retirement Income Security Act (ERISA). Among other measures, ERISA allowed retiring business owners who sell 30 percent or more of their stock to their company’s ESOP to defer capital gains tax. These federal policy changes created a significant expansion of ESOPs in the United States, offering a source of inspiration to contemporary progressive campaigns for other, farther-reaching forms of broad-based ownership.
There is now a sizeable body of literature on the strengths, weaknesses, and outcomes of ESOPs. Researchers have made these key findings:

- workers at ESOP firms “make an average of 5 to 12 percent more in wages than workers at comparable traditional firms,”
- compared to workers at conventional firms, ESOP workers have “retirement accounts... an average of 2.5 times larger,”
- there is a “small but significant positive relationship on average between [ESOPs] and firm performance,”
- there is “more equal distribution in [ESOP] firms than in other firms,”
- “ESOPs had higher average employment growth in the 2006-2008 pre-recession period than did the economy as a whole, and they also had faster growth following the recession from 2009-2011,”
- ESOP employees report that they have “greater job security and lower likelihoods of being laid off... compared to other employees,” and
- in some cases, ESOP workers’ shareholder voting rights appear to correlate with more informal forms of participatory and democratic decision-making in company affairs; however,
- ESOPs do not guarantee employee-owners sufficient control over business governance, and in many cases, ESOPs are no more participatory or democratic than conventional firms.

In sum, ESOPs extend ownership broadly to employees in ways that have demonstrably increased wages, wealth, and job security for workers-owners. On occasion, ESOPs provide worker-owners with power to participate in company decision-making and governance. However, ESOPs often under-deliver on democratic control. As researchers have noted, ownership without meaningful “employee participation” can doom ESOP firms to operate more like conventional businesses. In fact, some “high profile ESOP failures like United Airlines and the Tribune Company” were characterized by worker-owners with almost no power, thus scarring the reputation of ESOPs.
Employee Stock Ownership Programs in Buffalo-Niagara

As mentioned earlier, changes to federal policy in the 1970s and 1980s catalyzed a wave of interest in Employee Stock Ownership Plans (ESOPs) that spread across the nation. Buffalo-Niagara was very much involved in those developments; for example, a major interstate natural gas utility, whose corporate headquarters is in the region, established an ESOP in 1975.47 Currently, in Buffalo-Niagara, ESOP firms employ more than 6,100 workers and achieve nearly $430 million in annual sales volumes. All the current known ESOPs in the region are listed to the left:

<table>
<thead>
<tr>
<th>NAME</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Preservatives Tech</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Aero Instruments &amp; Avionics</td>
<td>North Tonawanda</td>
</tr>
<tr>
<td>Aftercare Nursing Services</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Allied Motion Technologies, Inc</td>
<td>Amherst</td>
</tr>
<tr>
<td>Clauss &amp; Company Insurance</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Columbus McKinnon Corp</td>
<td>Amherst &amp; Getzville</td>
</tr>
<tr>
<td>Diamond Saw Works Inc</td>
<td>Chaffee</td>
</tr>
<tr>
<td>Ers Industries</td>
<td>West Seneca</td>
</tr>
<tr>
<td>Ferguson Electric Construction Company</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Frank P Langley Co</td>
<td>Amherst</td>
</tr>
<tr>
<td>Great Lakes Orthodontics</td>
<td>Tonawanda</td>
</tr>
<tr>
<td>Greenman-Pedersen, Inc</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Hale Northeastern, Inc</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Harper International</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Irr Supply Ctr, Inc</td>
<td>North Tonawanda</td>
</tr>
<tr>
<td>John W Danforth, Co</td>
<td>Tonawanda</td>
</tr>
<tr>
<td>K &amp; S Contractor Supply, Inc</td>
<td>Lancaster</td>
</tr>
<tr>
<td>M &amp; T Bank</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Moog, Inc</td>
<td>Elma</td>
</tr>
<tr>
<td>National Fuel Gas, Co</td>
<td>Williamsville</td>
</tr>
<tr>
<td>Niagara Specialty Metals, Inc</td>
<td>Akron</td>
</tr>
<tr>
<td>Prince Rubber &amp; Plastics, Co</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Printing Prep, Inc</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Prolift, Inc</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Robinson Home Products</td>
<td>Williamsville</td>
</tr>
<tr>
<td>Russell Bond &amp; Co</td>
<td>Buffalo</td>
</tr>
<tr>
<td>Servotronics Inc</td>
<td>Elma</td>
</tr>
<tr>
<td>Stedman Old Farm Nurseries</td>
<td>Newfane</td>
</tr>
<tr>
<td>Voss Manufacturing, Inc</td>
<td>Sanborn</td>
</tr>
<tr>
<td>W J Cox Associates, Inc</td>
<td>Clarence</td>
</tr>
</tbody>
</table>

How might the wealth-building (and, hence, inequality-fighting) benefits of ownership that ESOPs deliver be coupled with more authentic power to participate in company governance and decision-making? One potential answer to this question lies in a second model of broad-based ownership: cooperatives, especially worker-owned cooperatives.
What is a Cooperative?

Models of cooperative development are not new. Cooperatives operate through joint ownership and are democratically run, typically using a one member-one vote structure to make decisions. The first formal cooperative with these three principles was established in England in 1844 by the Rochdale Pioneers: a group of 28 skilled weavers seeking an alternative to harsh and unfair labor practices such as low pay, long hours, and unsanitary workplaces.

The International Cooperative Alliance, a nongovernmental cooperative federation has expanded the Rochdale Principles to include:

- **Voluntary and Open Membership**: Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

- **Democratic Member Control**: Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions.

- **Member Economic Participation**: Members contribute equitably to, and democratically control, the capital of their cooperative and allocate any surpluses.

- **Autonomy and Independence**: Cooperatives are autonomous organizations controlled by their members.

- **Education, Training, and Information**: Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public about the nature and benefits of co-operation.

- **Cooperation among Cooperatives**: Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

- **Concern for Community**: Cooperatives work for the sustainable development of their communities through policies approved by their members.
The majority of cooperatives today, especially in the U.S., are producer or consumer co-ops. This report is most interested in worker ownership and control over business decisions. Of the five types of co-ops, only worker cooperatives deliver in both domains, and so this report focuses mainly on them.

**Worker Cooperatives**

Shannon Rieger recently summarized research on worker cooperatives’ strengths as follows: worker cooperatives “produce demonstrably better outcomes for workers, for businesses, for local communities, and for society and the economy at large than do conventionally owned businesses.” Among the specific “better outcomes” are:

- locally rooted ownership that makes firm relocation less likely;
- greater “job security in economic downturns”, insofar as worker co-ops prioritize job preservation over profit maximization;
- measurable increases in workers’ reported health and happiness; and
- increased civic engagement and social and environmental responsibility.

On a larger scale, worker cooperatives offer an alternative set of strategies for how new types of workplaces can combat inequality by generating wealth and power in marginalized communities through employee ownership of capital and labor.

---

**TYPES OF COOPERATIVES:**

- **Consumer**
  Owned by consumers who buy goods or services from their cooperative. Example: REI.

- **Producer**
  Owned by people who produce similar types of goods or services who have joined forces to process and market their products to more effectively negotiate prices and to access larger markets. Example: Ocean Spray.

- **Worker**
  Owned and democratically governed by employees who become co-op members. Example: Equal Exchange Coffee.

- **Purchasing**
  Owned by independent businesses or municipalities to achieve better pricing, availability, and delivery of products or services. Example: Ace Hardware.

- **Hybrid**
  A combination of co-op types, where people with common interests but different roles band together in an enterprise. Example: Wisconsin Food Hub Cooperative.
The University of Wisconsin Madison Center for Cooperatives has developed a map to connect cooperatives, economic developers, entrepreneurs, and policymakers with the cooperative resources in their communities. According to the Madison Center, criteria for how “cooperative friendly” an area is include:

1. Existence of Cooperative Development Organizations that provide assistance that encompasses both business development and member support and education.
2. Cooperative Associations that provide a range of services to their members including but not limited to education, advocacy, and thought leadership.
3. Co-op Friendly Capital and Financing Organizations that are familiar with the unique characteristics of cooperative businesses and offer loan assistance or grant funding to cooperatives.
4. Statues (by State)
5. Legal Support with lawyers in the area that are knowledgeable about cooperative law.

**National Worker Cooperative Data**

Worker co-ops are usually small, averaging 11 full-time workers. To join a worker cooperative, an initial buy-in is required, which can range anywhere from $100 to thousands of dollars. A worker must invest the membership fee, labor, and a share of the risk in order to gain member benefits, decision-making power, and a share in the profits. The number of worker cooperatives in the United States has gradually increased over the last 25 years. While comprehensive data is not available on the exact scope of worker cooperatives in the U.S., according to the U.S. Federation of Worker Cooperatives, there are at least 465 known worker co-ops, employing an estimated 6,454 workers and generating $4.7 billion in gross revenues.

Even more striking than the absolute numbers are the data on workplace equity. Most worker-owners are people of color (59%), with a high concentration of Latinx workers, and most are female (62.5%). Worker cooperatives have, on average, maintained a steady 2 to 1 ratio between their highest paid worker and their lowest paid worker. The average wage at worker co-ops is $19.67, which is $7 greater than the minimum wage in the 13 states with the most worker co-ops.
History of Cooperatives in the U.S.

For many indigenous communities and communities of color, self-help and solidarity are fundamental beliefs guiding social, economic, and other systems. In the United States, the first big push for cooperation in business lasted from the 1830s to the 1880s. For much of America’s history, many people were self-employed as farmers, artisans, or merchants. Being an employee of another was considered almost a form of bondage. When the Industrial Revolution gave rise to more factory positions and wage jobs, the working population did not accept the change easily, and often referred to it as “wage slavery”. The cooperative movement began as a response to dissatisfaction with dependency on wages.

The cooperatives during this period were usually organized by unions, such as the National Labor Union and the Knights of Labor, in the hope of creating equality, freedom, and democracy. They sought political control to create a cooperative economic system throughout the U.S. However, a consolidation of corporate power, starting in the 1880s, led to the collapse of the Knights of Labor and the Farmers’ Alliance as well as many cooperatives from this period.

From the 1880s through the 1920s there was little cooperative development. Investment and consumption dropped significantly in the Great Depression, from 1929 until 1939, leading to steep declines in employment. At its worst, in 1933, over 15 million Americans were unemployed, some 25% of the population. One result was perhaps the largest movement of unemployed workers regarding employment in history, which started from the bottom-up. The Self-Help Cooperative Movement began in 1932 when unemployed workers in Compton in Los Angeles offered their labor to farmers in exchange for food. The movement spread to bakeries, medical services, food shops, and other businesses all over the country, involving about 1.3 million Americans across 30 states at its peak, with the goal of providing full employment to all Americans through worker and consumer cooperatives. It ended in 1940 when the state of California pulled its financial support, because cooperatives were presumed to be a part of communist efforts.

The cooperative movement had strong links to and overlaps with the civil rights movement. Economist Curtis Haynes, Jr. describes how the African American community developed economic cooperation as an alternative to the individualism of capitalism. W.E.B. DuBois, among many others, promoted the theory that control of their own goods and services could help African Americans gain income and wealth in order to stabilize their lives and communities.
**Precedent in New York State**

By the mid-eighties, 18 states and the City of New York had passed legislation encouraging worker ownership. This came amidst a backdrop of leveraged buy-outs beginning in 1979 with Houdaille Industries, a Buffalo manufacturer that was bought by Kohlberg Kravis Roberts & Co. (KKR) that exacerbated job loss across NYS. In 1983, New York Governor Mario Cuomo signed the “Employee Ownership Assistance Act” which authorized the Department of Commerce to promote the idea of employee ownership and to provide general technical assistance. But there were no funds allocated to support these efforts. In 1984, New York State law was amended to recognize worker cooperatives as legitimate businesses, and in December of that same year, Governor Cuomo established the Industrial Cooperation Council to develop policies and programs related to issues of economic, industrial, and technological change. One of its subcommittees recommended the establishment of the New York Center for Employee Ownership and Participation, which formed in 1987 with some financial backing. The new center would have three major functions: education and outreach, technical assistance, and financial assistance. Its purpose was to assist employees threatened by a shut-down or out-of-state relocation, help small businessmen to sell their company to their employees rather than liquidate, encourage employee ownership—especially co-ops—in service and manufacturing companies, and anchor capital in the state. It assisted companies in conducting feasibility studies and developing succession plans. In its first year, 1987-1988, over 75 companies, employing more than 8,000 workers, received assistance from the Center.

**Cooperatives in Buffalo-Niagara**

Unlike ESOPs, cooperatives have not benefited from national policy changes to encourage their development. In fact, New York is one of the few states with a separate legal structure for them. As such, they remain relatively few in number. The United States Federation of Worker Cooperatives (USFWC) currently lists only two Buffalo-Niagara businesses in its directory, but USFWC is a voluntary, membership-based organization that require members to pay dues, and thus its directory is not exhaustive. Even so, the total in Buffalo-Niagara remains relatively small: research for this report identified five active worker-owned cooperatives, one disbanded co-op, and one worker co-op incubator. The active worker cooperatives employ more than 200 workers and achieve nearly $69 million in annual sales volumes. We now review the history of worker co-ops in the region and offer examples of current and recent co-ops.
First Wave
In Buffalo, beginning in the 1930s, notions of economic cooperation for black communities appeared as a method of economic survival through the Depression and post-Depression years. Dr. Ezekiel E. Nelson, a black physician, advocated for cooperative economics and racial solidarity. In 1928 Dr. Nelson helped to organize the Citizens Cooperative Society, whose mission was to “afford blacks of Buffalo an opportunity to help themselves and improve their standard of living through collective work and responsibility”. They attempted to launch the Citizens Cooperative Grocery Market, but the financial stresses of the Great Depression proved too much and one year later they sold their shares and members disbanded. In 1935, Dr. Nelson and many former Society members formed the Buffalo Consumers Economic Society (BCES), which incorporated in June 1939, opening a grocery store and Federal Credit Union to serve the over 100 new families who had joined. For a number of years these ventures proved successful, offering dividends to investors and providing food and support to the local community. But, by 1961, BCES and its affiliates had declared bankruptcy.

New Wave
“New Wave” cooperatives in the Buffalo region began in the 1960s/70s, in part due to the counterculture and Anti-War Movement. This wave focused on environmental goals, with a number of cooperatives that reduced packaging and featured organic, natural, whole, unrefined, and bulk foods, including Lexington Co-Op, North Buffalo Food Co-op, Greenfield St. Restaurant (a food co-op), and Yeast West Bakery, a worker cooperative. Some of these cooperatives failed in the 1980s due to lack of capital, insufficient member support, and competition from other business as the natural foods industry developed. Common tensions included idealism versus competitive business strategy, and consensus-style decision making versus professionalized management. The Lexington Co-op eventually switched from consensus decision-making to a managerial style, a decision that Jenny Bruce, its financial manager, says helped it survive when it was on the brink of a financial crisis. Derek Bateman is a Lexington Co-op Board member, a founder of the Buffalo Cooperative Community Credit Union, and an investor of BreadHive, among other roles. He states that “Co-ops need good managers [. . .] I would say that one of the reasons the new wave co-ops failed is that we were not management-oriented. We were anti-management. No one was changing our orientations to adapt to the change that was happening around us, and they dropped like flies as a result.”
Tim Bartlett, the General Manager at Lexington Co-op, states: “Food co-ops started with the member worker program, a really amazing concept, but I think eventually when people stopped having the time, co-ops had a really hard time transitioning away from it. It was a challenging time for both Lexington and North Buffalo Food Co-op, and North Buffalo eventually went out of business because there was really no accountability.” The member-worker program lacked management, and was often inefficient, and Bartlett credits ending it, and adding an $80 member share and patronage dividends, with keeping Lexington a sustainable company. 82

Jonathan Johnsen, a lawyer who has helped startup cooperatives throughout New York State, suggests that cooperatives must balance cooperative values with business thinking to be competitive in the market. Johnsen did legal work for Yeast West Bakery, which paid him in bread due to its lack of capital. Johnsen notes that the Yeast West had a very philosophical vision, and wanted only to supply whole grain breads, even though the market also wanted white breads. Johnsen believes that Yeast West failed in part by strictly adhering to their values to the point that they were not competitive. 83

Another issue faced by many co-ops, including North Buffalo and Yeast West, is that the most dedicated workers are often the founders; when they leave, the projects lose momentum. In our interview, Johnsen mentioned that at its end, North Buffalo Food Co-op was essentially run by one man, and he could not keep it sustainable on his own, as many of the other founders had retired at that point. 84 Bill Nowak, one of the past owners of Yeast West Bakery, left it in 1988 to work for the City Council because he wasn’t making enough money to support his family. 85

The cooperatives formed during this period often started small, with few members and limited capital. For example, Lexington Co-op, a consumer co-op with two locations in Buffalo, started with just 17 members in the back of an art gallery, and now it is 15,000 members strong. Lexington is the only co-op that survived past the 80s. Pointing out the issues that may have contributed to the downfall of the new wave co-ops may aid today’s co-ops to thrive.
Third Wave

Buffalo is currently experiencing a third wave of cooperative development. In the past ten years, many cooperatives have formed, and the cooperative network in Buffalo is becoming stronger. The cooperatives in the region today include Lexington Co-op, which recently opened a new location on Hertel Avenue, Nickel City Housing Co-op, the Buffalo Federal Cooperative Credit Union, BreadHive Worker Cooperative Bakery, and GroOperative, among others. While the last two waves of the 1930s and the 1960s/70s had very clear catalysts, the Great Depression and the Anti-War and counterculture movements respectively, the recent wave of development appears to coincide with feelings of disenfranchisement and inequality. Some feel a lack of control over their lives, and Gar Alperovitz, the author of America Beyond Capitalism, claims that this is caused by people feeling they are on the margins of the political and democratic system. He points to cooperatives as a sign of our nation moving toward a new system, describing co-ops as a revolution growing out of existing institutions.

Jenny Bruce, the financial manager at Lexington Co-op, states that people value good food and a concern for our planet. “People want to be connected to the people that make their food, and they want that human connection,” in this age of disconnect with new technology and online shopping. Tamar Rothaus, a past General Manager of Lexington, and her husband, Tim Bartlett, the current GM at Lexington, also mention a fear of agribusiness and a concern for the food supply that might be turning people towards cooperatives.

Peter Pitegoff, who was a member of the faculty of UB Law School in the 1980s researched and did legal work for cooperatives when he ran the Community Economic Development Clinic (Jonathan Johnsen, quoted above, was one of his students). Pitegoff is now a Dean of the Law School at the University of Maine, and in a phone interview, he discussed that in the wake of the Great Recession there is an increased interest in alternate corporate forms:

There just aren’t as many jobs available, and it’s part of this entrepreneurial culture that I’m seeing certainly in millennials and people in their 20s and 30s, who are trying to create jobs rather than find jobs. And a certain ethic of collaboration and a lot of disgruntlement with traditional business practices. And a lot of dissension or at least a lot of criticism of how pure profit motive in many different forms is destructive. It sort of opens people up to try to do things in a better way, a more ethical way, and a more participatory way.

Assemblyman Sean Ryan, a proponent of co-ops in Buffalo, said that this third wave may be occurring now because, “there’s an economic uncertainty. People don’t have great faith that if you are going to work for a company, that it’s just going to work out now. You want to have better control over your destiny, and corporations used to provide that. Now they don’t anymore.” The gap between the worker and owner has been growing, and the owner of a company, or the majority of its shareholders, may live hundreds of miles away.

Jenny Bruce, the financial manager at Lexington Co-op, states that people value good food and a concern for our planet. “People want to be connected to the people that make their food, and they want that human connection,” in this age of disconnect with new technology and online shopping. Tamar Rothaus, a past General Manager of Lexington, and her husband, Tim Bartlett, the current GM at Lexington, also mention a fear of agribusiness and a concern for the food supply that might be turning people towards cooperatives.
Cooperation Buffalo

Even in Buffalo, where many cooperatives are thriving, there are many people who do not know what cooperatives are or what principles they operate under. There are only a few experts in the region who can support those interested in worker cooperatives. Jonathan Johnsen, for example, is one of the only lawyers with experience in the logistics in starting up cooperatives and helping them to raise capital.

Fortunately, however, Buffalo now has an organization specifically dedicated to supporting cooperatives. Cooperation Buffalo was founded in 2019 by Director, Andrew Delmonte, with the help of Michael Heubusch, a community organizer and economist who works as a cooperative developer and educator. Cooperation Buffalo is working to “mobilize workers to achieve economic stability through cooperative business ownership, generating wealth and power in communities most affected by inequality.”

More immediate goals include supporting and increasing the number of cooperatives in Western New York by starting new enterprises, converting/transitioning traditional business ownership models to worker cooperatives, or helping cooperatives obtain small-scale loans. It tailors its assistance to the individual needs of each co-op or potential co-op.

In Fall 2019, Cooperation Buffalo hosted a 12-week academy that brought in over 70 participants across the region. Their curriculum is distinctive in that, in addition to business models and strategies, it also focuses on the personal and interpersonal skills that people need in order for the cooperation to be sustainable over time.

According to Delmonte, worker cooperatives increase democracy in several ways: "Worker cooperatives demonstrate what democracy should look like. When workers can practice having their voices heard in their workspaces, they are more likely to engage in the larger democratic systems and to take more action.” He notes that cooperatives enjoy reduced turnover as a direct result of that additional participation, and that “people need to be working toward something bigger for the community than just individual gain.” When workers have a say in their organization, they ask for and work toward higher wages, community benefits, and environmentally sustainable practices.
Known Cooperatives in Buffalo-Niagara
As of today, there are 20 identified cooperatives in Buffalo Niagara—the majority of which are consumer cooperatives.

<table>
<thead>
<tr>
<th>NAME</th>
<th>LOCATION</th>
<th>TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amherst Cooperative Nursery School</td>
<td>Buffalo</td>
<td>Consumer Co-Op</td>
</tr>
<tr>
<td>BreadHive</td>
<td>Buffalo</td>
<td>Worker Co-op</td>
</tr>
<tr>
<td>Buffalo Cooperative Federal Credit Union</td>
<td>Buffalo</td>
<td>Consumer Co-Op</td>
</tr>
<tr>
<td>East Aurora Co-Op Market, Inc</td>
<td>East Aurora</td>
<td>Consumer Co-Op</td>
</tr>
<tr>
<td>Energy Cooperative Of America, Inc</td>
<td>Buffalo</td>
<td>Hybrid Co-Op</td>
</tr>
<tr>
<td>Grand Island Co-Op Nursery School</td>
<td>Grand Island</td>
<td>Consumer Co-Op</td>
</tr>
<tr>
<td>Hilltop Country Antique Co-Op</td>
<td>Sanborn</td>
<td>Producer Co-Op</td>
</tr>
<tr>
<td>Lexington Real Foods Co-Op Market</td>
<td>Buffalo</td>
<td>Consumer Co-Op</td>
</tr>
<tr>
<td>Metro Buffalo Florists Co-Op</td>
<td>Buffalo</td>
<td>Producer Co-Op?</td>
</tr>
<tr>
<td>Niagara Frontier Growers Co-Op (which includes)</td>
<td>Buffalo</td>
<td>Consumer Co-Op</td>
</tr>
<tr>
<td>African Heritage Food Co-Op</td>
<td></td>
<td>Consumer Co-Op</td>
</tr>
<tr>
<td>Gro-Op</td>
<td></td>
<td>Worker Co-Op</td>
</tr>
<tr>
<td>Orchard Park Co-Op Pre-School</td>
<td>Orchard Park</td>
<td>Consumer Co-Op</td>
</tr>
<tr>
<td>Ridgewood Village Co-Op, Inc</td>
<td>Buffalo</td>
<td>Producer Co-Op</td>
</tr>
<tr>
<td>Rose Garden Early Childhood</td>
<td>Buffalo</td>
<td>Worker Co-Op</td>
</tr>
<tr>
<td>Steamburg Milk Producers Co-Op</td>
<td>East Concord</td>
<td>Producer Co-Op</td>
</tr>
<tr>
<td>Sunoco Cooperative</td>
<td>Tonawanda</td>
<td>Producer Co-Op</td>
</tr>
<tr>
<td>Upstate Farm Co-Op, Inc</td>
<td>Blasdell &amp; Buffalo</td>
<td>Producer Co-Op</td>
</tr>
<tr>
<td>Upstate Niagara Co-Op, Inc</td>
<td>Buffalo</td>
<td>Producer Co-Op</td>
</tr>
</tbody>
</table>

NoLabels, a worker cooperative, was Western New York’s only store owned and operated by and for the transgender community. Founded on Allen Street in July 2016 by Felix Keigh and Bridge Rauch, it operated for three years before closing its doors in 2019. As the name suggests, NoLabels emerged as a way to fill a need—to provide a safe shopping experience for everyone—particularly the LGBTQ community. It was the only store in the region to sell chest binders and shape-wear, worn by many gender non-conforming people to align their outward appearance with their gender identity.

After opening, Rauch and Keigh soon realized that more was needed to support the community beyond mitigating body dysmorphia. Rauch realized they were “doing a lot of resource direction.” Digging into the principals of cooperatives, striving to maximize community benefits, they began offering monthly community forums, name-change clinics, movie screenings, meet-ups, and regular fundraisers for local groups with initiatives serving the transgender community.

Rauch notes that the choice to be a worker cooperative was intentional. While NoLabels was a business with clearly defined goals, selling clothing, they wanted to also “redefine what we think of as success. Anyone who is starting a cooperative, THAT is a success right there. Just the effort is moving society toward something better.”

And though NoLabels is no longer operating – due to sharply rising rent costs in the neighborhood – Rauch is still available to support others looking to build and define their own work spaces, “it is a different path that you’re trying to forge, but the groundwork is there for someone to pick up.”
Challenges Facing Cooperatives

Cooperatives must overcome many challenges not faced by typical firms. Joint ownership, democratic control, and focusing on member benefits can pose difficulties. Discussing the benefits of these ideals is very different from putting them into practice.

One of the biggest barriers to establishing worker cooperatives is a lack of information. Standard institutional business development models and support programs do not talk about worker cooperatives or have, at times, explicitly advised against them. Other challenges articulated by worker cooperatives include health insurance and other worker benefits, administrative burdens, and business planning.\(^\text{94}\)

The start-up process for cooperatives tends to be more difficult than for traditional businesses. Traditional lenders may be unfamiliar with the model and reluctant to offer funding. Many cooperatives run out of capital before they are self-sustainable. Most states and cities operate under capitalist business structures, and certain areas may not be well suited to create a cooperative. It is much easier to start a cooperative when there is an ecosystem that can foster cooperative growth.

When a cooperative is created, owners need to have a frank conversation about what they are signing up for, and they need to understand trade-offs. For example, in worker cooperatives, the current owners must understand that they may be passing the fruits of their labor down to the next generation of owners while they are building equity in the company.\(^\text{95}\) It can be very difficult to balance idealistic views about cooperatives while also focusing on being a competitive business.

Peter Pitegoff, who has assisted many different cooperatives, including the Cooperative Home Care Associates, the largest worker co-op in the country, also commented on how good governance is crucial for cooperatives: “A cooperative is not the same as a collective with consensus decision making; it’s a lot about the governance structure. So, you’ve got strong management, but to whom is management accountable? They’re accountable to the board, and who elects the board? The workers elect the board, so it’s circular, and people know their roles.”
As a startup, an entity 1-5 years old, a worker cooperative is three times more likely to be successful than a non-cooperative, which may be a result of increased employee motivation.

**Benefits of Cooperatives**

The resiliency of worker cooperatives is impressive. In the U.S., for entities 6-10 years old, worker cooperatives have a 25.6% success rate, whereas other small businesses have only a 18.7% success rate. When workers have a direct stake in the performance of a firm, they have a greater incentive to ensure its success. As a startup, an entity 1-5 years old, a worker cooperative is three times more likely to be successful than a non-cooperative, which may be a result of increased employee motivation.

Additionally, worker cooperatives reduce employee turnover – in part because the purpose of their operation is not simply the bottom line, but to benefit the members and allow the operation to be sustainable. One London School of Business study compared cooperatives to non-cooperatives and found productivity increases between 9 and 19 percent. In times of macroeconomic shock, worker cooperatives often opt for reduced wages or hours rather than layoffs. For example, the cooperatives in Mondragon, the largest cooperative ecosystem in the world, have never fired a single member over the course of its 56 years. When one cooperative fails, they relocate members to another Mondragon co-op through a process of retraining.

Cooperatives allow people to participate in a democratic, decision-making system that most Americans do not usually encounter in their daily lives. Delmonte commented on this notion of participation, “It amazes me that in this democracy, considering that it is one of the most successful democracies in the planet, that most people don’t have any democratic experiences. All they have is this passive experience of voting once a year [. . .] one of the thing that co-ops can do is empower people.”

**Community Benefits**

Under the classical capitalist system, it is not uncommon for companies to come and go from different communities, often devastating a community when they leave. When a large corporation does not have any ties to the community, it does not give much thought as to how its decisions affect the people or environment. Also, since shareholders of large corporations often live all over the world, the money made at a corporation bypasses the community and is aggregated by the owners and shareholders. For the most part, the money consumers spend at co-ops stay within the community and keeps the local economy thriving.
Consumer co-ops are typically owned by community members, like Lexington Co-op—owned by around 15,000 members all over Buffalo. Worker cooperatives can create sustainable employment with good benefits in a community. Many cooperatives, including Lexington Co-op and BreadHive, also focus on buying locally grown and made products to support community organizations and firms. Cooperatives have been found to engage in socially and ecologically sustainable behaviors in their communities, more so than typical firms, and they are also less likely to relocate jobs. Since members of a cooperative are themselves members of the community, they are anchored to the surrounding area, and want to see it thrive—even if they could leave and earn higher profits elsewhere. This rootedness leads cooperative members to make decisions that are more socially and environmentally friendly.

While the primary goal of cooperatives is to meet the needs of the members, this does not mean that they should not also focus on profits. For example BreadHive's goal is to create sustainable jobs for the community. The only way to do so is to earn profits, so they can continue to hire more community members and pay their workers better wages. Profits are important to cooperatives just as they are to other businesses—but they are not the only priority. GroOperative, or GroOp, is a Buffalo-based worker cooperative that specializes in aquaponic vertical farming; it sells lettuce, microgreens, mint, basil, and cilantro to local restaurants. GroOp strives for specific community benefits—growing with organic food practices that have a low impact on the environment, keeping jobs local, and partnering with schools to teach sustainable agriculture and economics. According to co-founder Mike Zak, GroOp "uses 90% less water and 80% less nutritional resources than conventional gardens, keeping food safe for folks by never using chemicals or herbicides in plants. The fertilizer comes from fish waste, fish waste comes from our fish, which are fed using beer production waste. It's a closed loop system that is efficient, yet sustainable."

Zak says a growing concern with the wealth gap in the United States and other countries led him to study "the best way to create a world that values all people equally." He cites the meritocracy myth—that is, many Americans believe that success is based solely on individual merit measured by innate abilities, hard work, practicing the right attitude, and having high moral character. He says, "there are a lot of people who work very hard, people who work three jobs, who can barely pay their rent." There are a considerable number of systemic, non-merit factors that limit upward mobility for the vast majority of Americans. The decision to create a worker cooperative stemmed from the idea that "workers should be valued, get a say and get profits based on the work we put in—a system actually based on merit." Zak says that by starting in the spaces where most people spend one-third of their lives—their jobs—a co-op can create a "small scale democracy that benefits everyone who works for it, and the more places we can build like that . . . that is how we can build a more just and equitable society."

Starting a cooperative is not easy, though. Currently, GroOp has only four worker-owners. To become a worker-owner in GroOp, a person must invest $500 to demonstrate that they are willing to "put skin in the game," or they can do sweat equity. GroOp's longterm goal is to get into a 50,000 square foot facility in Buffalo's East Side. In order to develop a truly sustainable, long-term business model, they are hoping to connect with a hospital or a university, to draw upon larger fulfillment contracts. One of the inspirations for this worker cooperative is Equal Exchange, an international hybrid cooperative with over 100 worker-owners that sources bananas and coffee, among other food products. GroOp co-founders met one of Equal Exchange’s worker-owners and used their by-laws as a stepping-off point. Locally, GroOp relied on support from the Westminster Economic Development Corporation, a Buffalo-based non-profit that reduces barriers to success and opportunity through economic development, community building, and education. WEDI guided GroOp toward grants, offered grant-writing assistance, provided business incubation, and assisted with the filing to become an official NYS worker co-op corporation.
“The opportunity to own your labor and build equity through your work” is a key value voiced by Allison Ewing, co-founder of BreadHive, a Buffalo-based bakery promising “good bread, good work.” Ewing, Emily Stewart, and Victoria Kuper founded BreadHive as a bakery in April 2014 and expanded it into a café and eatery in July 2016. They remain grounded in the local community, offering coffee, drinks, and other products from local establishments, such as Public Espresso, Barrel & Brine, regional breweries, and more.

At the time of the founding, the three women were living in Nickel City Cooperative, a housing co-op on Buffalo’s West Side, and looking for a way to do something important and meaningful. Their goal was to create jobs in the community, and keep their revenue local with community capital control.

Emily Stewart, one of the founders, believes in spreading the wealth across the workers at BreadHive, even if that means diluting her share: “I once owned 33.3% of the business; today I own 20%. My hope is that my percentage continues to go down because it means we are doing our job” and “if equity is shared among its workers, that business is spreading its profits to many people, not just the few and privileged.”

Starting a worker cooperative took a lot of guidance, support, and trust—in others and in themselves. “I wanted to trust my passion and skills to be relevant and translate to a functional cooperative business,” says Ewing. “When you’re a young employee, you sometimes don’t get heard. In a co-op (in a consumer or a worker owner or a resident), you have a different voice and people who are obligated to listen to it. So you develop skills on how to use your voice effectively.” Another owner, Valerie Rettberg-Smith, explains, “I have worked many jobs where I’ve given all that I have to my work. In those jobs I’ve left feeling unfulfilled or unheard.” At BreadHive, it is clear how much the owners value their employees, as they work beside them, and there are deep connections between them. They frequently have one on one meetings to check in and make sure the employees’ needs are being met.

BreadHive did not have an exact model in Buffalo to work from; in 2014, there had been no worker cooperatives in Buffalo for two decades, and there were only a handful across New York State. Ewing, Stewart, and Kuper spoke with other bakeries and cafes to form their business model; they also attended a conference in Maine for cooperatives to learn lessons from others who had been in shoes similar to theirs. Many of the banks they approached, though, did not understand or value the worker cooperative model and would not lend to a business with such non-traditional structure of ownership. Local labor lawyer Jonathon Johnsen helped BreadHive incorporate as a New York State worker cooperative corporation, which is different than a standard LLC or standard DBA. This corporate form allows worker-owners to retain control of the business through Class A shares, while selling Class B shares to non-worker investors. The over 60 Class B investors in BreadHive, most of whom are fellow Buffalo residents, receive a 3% return every year as well as “our undying recognition and gratitude.” To date, BreadHive, has 8 worker owners and 9-10 additional staff. Not every worker wants to be an owner. To become a worker-owner, you need to work at BreadHive for over a year, attend meetings, take on more responsibilities, take on a project and evaluate it as a group, and make an initial investment of $3000. Every coop sets its own buy-in amount, and when worker-owners leave, they get their internal capital account (ICA) money (profits from the cooperative) and their initial investment back.
Implications

POLICY CHANGE

Since 1970, nearly every state and local government has expanded its efforts to promote development and create jobs. Tax incentives for businesses add up to over $80 billion each year, dwarfing all other money spent on state and local economic development programs. Typically, larger firms are much more likely to receive incentives. Many incentive programs have minimum size requirements, and, even if they do not, it is the larger companies that tend to have the staff, expertise, connections, and time to apply for and win benefits.

The data in this fact sheet illustrate the potential that worker-owned, mission-led, democratic enterprises have to make a new, more equitable economy in Buffalo-Niagara, where, already, they employ tens of thousands of workers and do more than $1 billion worth of business per year. Below are policy recommendations to expand the worker-owned economy:

- Preference for government contracts. Similar to the laudable manner that municipalities (including the City of Buffalo) give preference to women- and minority-owned business enterprises (W/MBE) in government contract procurement, municipalities should amend their procedures to give additional preference for (1) worker ownership, (2) worker control, (3) social mission, such as benefit or B corporation status, and (4) inclusivity.

- Provide a local tax incentive. Jurisdictions can give tax incentives to firms, using the same four criteria listed above. In Philadelphia, for example, certified B Corps that locate in city limits are eligible to receive a credit of up to $4,000 against their Business Income and Tax Receipts liabilities in a given year.

- Creating and seeding a fund to support worker cooperatives and ESOPs. Following efforts by other Rust Belt cities to develop worker cooperatives, municipalities in Buffalo-Niagara should allocate small portions of their capital budgets to establish funds for worker cooperatives and businesses looking into ESOPs. For example, Madison, Wisconsin recently committed $600,000 per year for five years. These funds should go to low-cost start-up loans and technical assistance for prospective and existing organizations.
AN ELECTED LEADER’S APPROACH TO ESOPs AND CO-OPS

New York State Assemblyman Sean Ryan is focusing on keeping businesses in the area by doing research on how to create a succession planning model that will incentivize retiring owners to sell their business to their employees to convert to a worker co-op or an employee stock ownership plan (ESOP). Ryan’s succession model will work to keep the wealth generators for the community in place and the jobs from leaving the area.

Ryan first got involved with co-ops in helping BreadHive, as the Department of Labor did not know how to classify them because of their different structure. Ryan seems to think that it is best to convert companies with over 100 workers to ESOPs and companies with under 100 to worker cooperatives, as ESOPs take a lot of capital to convert with the legal and accounting work.

• Grant employees a “right of first refusal” to collectively purchase their companies when owners wish to sell. This mechanism grants workers the right to buy a company when it goes up for sale, is closing, or is moving overseas. To assist with buyouts, it would be necessary to establish an ecosystem of supporting institutions, such as the U.S. Employee Ownership Bank proposed by Senator Bernie Sanders (I-VT). The proposed “$500 million [bank would]… provide low-interest loans, loan guarantees, and technical assistance to workers who want to purchase their own businesses...In order to be eligible for assistance under this plan, the ESOPs or worker co-ops would need to be at least 51 percent owned by workers.”

• Expand the 1042 Rollover program to incentivize worker control. The 1042 Rollover defers capital gains taxes for retiring business owners who sell 30% or more of their company stock to an ESOP. The current policy promotes broad-based ownership, but not democratic control. An expanded and stronger 1042 Rollover would create a capital gains tax exemption for business owners who sell 50% or more of their ownership shares to their employees, “provided that the employees vote for a majority of the board of directors on a one-person-one-vote basis.”

• Establish a statewide Center for Worker Ownership. In 2016, the state of Pennsylvania established the Pennsylvania Center for Employee Ownership, which provides technical assistance and education on worker ownership—both to the public and business owners—and advocates for policy reforms to encourage worker ownership. A centralized hub for worker ownership in New York State would conduct research, disseminate information, create networks, and provide technical assistance aimed at growing the number, profitability, and community benefits of worker-owned enterprises statewide.
CREATING AN ECOSYSTEM FOR GROWTH

A cooperative or ESOP is more likely to be successful if the community it is entering has certain factors. It is vital that information be shared with entrepreneurs looking to start businesses, with retiring owners and with the general public. New York State has several statutes that support the establishment of all types of cooperatives.\(^{115}\) In addition, the University of Wisconsin National Cooperative Resource Ecosystem map shows that New York City has ample development, associations, capital, and legal support. The map, however, does not yet contain Cooperation Buffalo and other Western New York resources, such as attorney Jonathan Johnsen, and this information should be added.

At the base of a cooperative ecosystem is simply knowledge that cooperatives exist. In Mondragon, students grow up with cooperative values incorporated into their education, and most eventually go on to work in a cooperative. How can we increase awareness about cooperatives and what their values are? A diversity of cooperatives in an area will aid in their success. Jenny Bruce, the financial manager at Lexington Co-op, has assisted a local day care transition into a worker cooperative. In discussing this, she said, “The other thing about [. . .] being successful is that we are able to help other co-ops be successful, too, because we have the experience.” Tamar Rothaus, who was instrumental in giving advice when the founders were opening BreadHive, mentioned that “A lot of it is just having someone root for you. And somebody who believes in what you are doing and validates the struggles you have. I do think that in our culture, a co-op is a tough structure for people to have.”

Whereas traditional firms are designed and incentivized to maximize power over, and where gains in this power are self-reinforcing and tend to push firms to unaccountable and socio-environmentally harmful scales, worker cooperatives and similar democratic workplace structures are designed to explicitly and simultaneously invest into multiple, alternative, equalizing forms of power.\(^{116}\) Explicitly, power within, power with, and power to form an interlocking system in which each form complements and strengthens the other, enhancing the functionality of the organization in ways that help make it—and its relationship to the outside world—sustainable.\(^{117}\)

TAX INCENTIVES FOR CO-OPS

In 1983, Massachusetts passed a law that allowed for the classification of worker cooperatives under Subchapter T of the Internal Revenue Code. This statute also allowed for types of tax incentives for worker cooperatives. This statute was copied and implemented in New York State, and other northeastern states and the west coast.

Peter Pitegoff aided in the creation of the statute. He states that his goal was to “return excess earnings to labor, not to capital, and to legitimize, in some ways, the notion of a worker cooperative, and to provide a structure that also assured operation on a cooperative basis.” He used inspiration from the cooperative system implemented in Mondragon, and translated them to American law.

Pitegoff sees the need to revisit this type of legislation because, since then, the LLC corporation has become very popular, and, because it is not taxed as a corporation, it makes the tax incentives under Subchapter T less attractive.
Sources


31 Ibid., p. 9
34 Ibid., pp. 9-10.
35 Section 1042 "rollover" in the Internal Revenue Code
37 As testament to the depth of research, a March 2020 Google Scholar search for the acronym “ESOPs” yielded 11,500 results.
39 Ibid.
41 Ibid.
42 Ibid., p. 16.
43 Ibid.
44 Ibid., p. 17.
46 Ibid., pp. 6-7.
57 Sustainable Economies Law Center (2016), pp. 3-4.
59 Flanders, Laura. "Own The Change: Building Economic Democracy One Worker Co-op at a Time." YouTube, uploaded by The Laura Flanders Show, 09 Feb. 2015, https://www.youtube.com/watch?v=8G1-SYMatNc
64 Ibid., Curl.
65 Ibid., Curl.
66 Ibid., Curl.
68 Ibid., Abdurrahman.
70 Du, Bois W. E. B. Dusk of Dawn: An Essay

71 James Peter Warbasse’s article “The Theory of Cooperation,” The Crisis, XV (March, 1918), 221.


74 https://www.usworker.coop/directory/

75 Haynes, Dr. Curtis. Personal Interview. 29 June 2017.


77 https://library.buffalostate.edu/archives/mfc/bces

78 Derek Bateman, Jenny Bruce, and Bill Nowak

79 Bateman, Derek. Personal Interview. 14 June 2017.


81 Bruce, Jenny. Personal Interview. 18 June 2017

82 Ibid, Bruce.


84 Ibid, Johnsen 2017.


89 Ibid, Bruce, 2017.

90 Bartlett, Tim. Personal Interview. 28 June 2017.


95 Ibid, Kennedy and Odeken.


97 “Shift Change - Putting Democracy to Work.” YouTube, uploaded by bobb849, 01 Nov. 2012, https://www.youtube.com/watch?v=NK9SjSpRcCQ

98 Ibid, Kennelly and Odeken.


100 Ibid, Brown.

101 Ibid, Kennelly and Odeken.


103 Ibid, Shift Change.

104 Ibid, Kennelly and Odeken.

105 Ibid, Kennelly and Odeken.


109 Working and Rebuilding Together: Worker Cooperatives as an Economic Development Tool. (2013) Stephanie Durden, Maggie Haight, Laura Hanson, Kimberly Harris, Francisco Perez, Daniel Sanchez, Sarah Ray, Laura Tatum. Princeton University Woodrow Wilson School of Public and International Affairs.

111 https://www.phila.gov/services/payments-assistance-taxes/tax-credits/sustainable-business-tax-credit/


113 Rieger (2016), p. 35.


115 General Cooperative Corporations Law, N.Y. Coop. Corp. §§ 1 to 134; Agricultural Cooperative Corporations Law, N.Y. Coop. Corp. §§ 110 to 114; Credit Union Banking Law, N.Y. Banking, §§ 450 to 490 (Article XI. Credit Unions); Housing Cooperative Corporations Law, N.Y. Coop. Corp. §§ 1 to 134; Mutual Insurance N.Y. Insurance Law, § 1211; Utility N.Y. Rural Electric Cooperative Law, §§ 1 to 72; Worker Cooperative Corporations Law, N.Y. Coop. Corp. §§ 80 to 94; Other Credit and Agency Corporations, Cooperative Corporations Law, N.Y. Coop. Corp. §§ 120 to 123

116 https://robertreich.org/post/117461327725

117 E.g., Stranahan and Kelly (2020a).

VECTOR ATTRIBUTION

rawpixel.com / Freepik