

The Cooperative Business Model in the Near West Side of Milwaukee

The Near West Side Partners is a nonprofit founded by five “anchor institutions”: Aurora Health Care, Harley-Davidson, Marquette University, MillerCoors, and Potawatomi Business Development Corporation. Its mission is to revitalize and sustain the Near West Side of Milwaukee’s business and residential corridor through commercial development, improved housing, and lowering crime. Since its founding in 2014, the Near West Side Partners has undertaken projects such as creating Rev-Up MKE, a competition to fund new businesses, revitalizing ten homes through their project Block Build MKE 2017, and removing a tobacco shop.

The Near West Side is an oddly-shaped area defined by the City of Milwaukee as being bound by I-43 (east), HWY 41 (west), Vliet Street and Highland Boulevard (north), and I-94 (south) and is broken up into seven neighborhoods: Avenues West, Cold Spring Park, Concordia, Martin Drive, Merrill Park, Miller Avenue, and The Valley/Piggsville. An understudied area, the most recent look at the Near Westside was Place Dynamics LLC’s 2017 market analysis of the area, which is the only study available breaking down data by neighborhood.¹ This is especially important because by isolating data by neighborhood, Marquette University’s large student population can be accounted for without misrepresenting the rest of the Near Westside. The data provided separates Marquette’s statistics from the Avenue West population (where Marquette resides), allowing for more robust conclusions to be drawn. Place Dynamics LLC’s data on median household income shows all neighborhoods in the Near Westside are either at the Milwaukee average or below.² Looking at unemployment, all but three—Avenues West, The Valley/Piggsville, and Marquette—are above the city’s unemployment rate; the three exceptions, with Avenues West containing much of downtown, Piggsville being a smaller community and a

more affluent community (compared to the remainder of the Near Westside), and Marquette containing many fulltime students explains why these three areas are the exception as well.³ Looking at poverty rates, one can see that all locations are at or below the city's poverty rate, with Piggsville's comparatively higher income exempting it.⁴ Avenues West's high poverty rate also demonstrates how higher employment rates have not reduced poverty in the area, with low quality jobs ineffectively providing livable wages. It should again be noted that Marquette's unemployment numbers are skewed due to their large student population.

The racial breakdown is fairly consistent with the rest of the Milwaukee area, with Marquette University's student population being the exception, having a much larger white population.⁵ More recent data is available for the totality of the Near Westside for race, showing that 45 percent of the population is white, 38.4 percent is Black, 0.6 percent Native American, 7.2 percent Asian, 4.2 percent some other race, and 4.6 percent self-identifies as two or more races.⁶ With the majority of the permanent residents being people of color—since most Marquette students inevitably will leave the Near Westside—many of the area's problems are associated with the legacy of racially discriminatory practices and de facto discrimination/segregation presently, with Milwaukee historically being one of the most segregated cities in the US.⁷

The Near West Side of Milwaukee provides an opportunity to not only revitalize the area, but to do so by using cooperative business models as an alternative to traditional business models. Milwaukee as a whole has several cooperative businesses that are well-established, and the Near Westside has the opportunity to expand the cooperative model into its own area. Given their goals and extensive funding opportunities, this study asserts that the introduction of a cooperative business model—specifically a homecare co-op—would both align with their

mission and benefit the community, as well as empowering one of the few markets dominated by women of color. The potential for gentrification is also a real threat for those in the area, and promoting community-run businesses of color such as co-ops can be crucial in combating such neo-colonialist practices.

The Near West Side of Milwaukee is in a state of transition; business is expanding within the area along with the opportunity to develop the neighborhoods and lives of the people living within it. There are initiatives already put in place by the Near West Side Partners as well as the Near West Side Business Improvement District 10 to revitalize the area and assist this transformation, if done well. Through new economic development, the circumstances to build up the community should be taken advantage of much like the redevelopment Sherman Phoenix, which rejuvenated not just local business, but also strengthened the culture and community bonds in the area. To develop for development's sake would therefore be a mistake, but instead the end goal should be the direct improvement of the quality of life to the tenants in the Near West Side.

To achieve such goals, Gandhi's economic philosophy envisions what aims a community should strive for, which are consistent with his mission to promote peace in municipalities across the world. This provides the vision of the end goal, but what is a proper means to transition towards his economic tenets? By comparing his economic philosophy to the core principles of cooperative business models, it will become apparent that the appropriate method of transition is by introducing a cooperative business into the Near West Side. Traditional business models can be a way to cross the bridge between the world as it is and the Gandhian vision of economic justice, but where the cooperative model is advantageous are the parallels between Gandhi's principles and the cooperative principles that directly pursue his ideals.

Gandhi's idea of Sarvodaya demonstrates his methodology by explaining his social ideals as containing dignity of labor, equitable distribution of wealth, communal self-sufficiency, and individual freedom.⁸ His Sarvodaya philosophy was influenced by Ruskin's *Unto This Last* where through three conclusions he came to redevelop his economic philosophy:

1. That the good of the individual is contained in the good of all.
2. That a lawyer's work has the same value as the barber's, inasmuch as all have the same right of earning their livelihood from their work.
3. That a life of labor, *i.e.*, the life of the tiller of the soil and the handicraftsman, is the life worth living.

The first of these I knew, The second I had dimly realized. The third had never occurred to me. *Unto This Last* made it as clear as daylight for me that the second and the third were contained in the first. I arose with the dawn, ready to reduce these principles to practice.⁹

A cooperative business model promotes Gandhi's economic thinking because it embodies the same principles and also strives for a better world. To show how Gandhi's methods align with the cooperative model, this paper will outline the core principles of cooperative businesses and demonstrate how they promote Gandhi's method or his means of creating social change while improving work quality, conditions, and income inequality through peaceful means. The core principles of cooperative businesses used are from the University of Wisconsin Center for Cooperatives (WCC)¹⁰ and the International Cooperative Alliance (ICA),¹¹ which provide a baseline of the goals of every co-op and what services they provide. These guidelines are similar to the worker co-op principles that Ranis¹² outlines with a few differences discussed later.

To explore these topics, this paper is broken into three sections: First, it provides an interpretation of Gandhi's economic philosophy and how the cooperative principles of Ranis, WCC, and ICA can implement his philosophy. Second, these principles will be shown within the contexts of cooperative, traditional, and alternative business models to demonstrate how they perform in practice. Finally, the home care industry will be evaluated to note its complications

while demonstrating how the cooperative model can achieve Gandhi's economic goals as opposed to traditional or nonprofit business models.

Gandhian Economics and Cooperative Principles

Bhabatosh Datta provides an excellent explanation of the basic principles of Gandhian economics, stating

...first, avoidance of mechanization and encouragement of cottage industries...; second, improvement of rural small scale agriculture; third, making the village community as much self-sufficient and self-reliant as practicable; fourth, decentralization of the administrative and economic structure; fifth, reducing income inequalities, by raising the income level among the poor and by changing the attitude and motivation of the rich; and sixth, ensuring that capitalists and big businessmen serve as 'trustees' for the whole community.¹³

The influence of Gandhi's Khadi movement, which encouraged Indian citizens to spin their own clothes during a boycott of British goods, reflected his economic tenets. The prominence of self-sufficiency and self-reliance within municipalities along with his goal of reducing income inequalities has clear ethical value that should be strived towards.

The problems with these principles, however, are the total avoidance of mechanization, moving towards a completely decentralized administrative/economic structure, and the overreliance on big businessmen or "trustees" to act philanthropically, even giving up some of their power. Many of these arguments were not meant as practical means of changing the economy; rather they served as a symbolic way to point out the political problems of contemporary India regarding British rule. Concerning his statements on mechanization, "His essential protest was directed, not against industrialism as such, but against the social disruption that may accompany it."¹⁴ Like many activists before and after him, Gandhi used symbolism to appeal to the masses, which was the goal in this case, rather than creating a specific economic theory to be followed. As for the decentralization of the economy, this paper asserts that Gandhi was thinking in utopian terms to further push his symbolic arguments; in practice this leads to

completely unregulated markets. Gandhi rejected the economic notion of rational actors seeking to maximize material self-interest or the “multiplication of wants” because he thought this line of classical economic thinking was unsustainable.¹⁵ Instead, he believed in fulfilling people’s needs, which included the need for meaning and community. His final point regarding trusteeship also appeals to proponents of unregulated markets since its foundation is on the principle that those with wealth should look after the prosperity of the poor, in a role similar to philanthropists. His meaning here was more of an ethical argument, that the rich need to care for the poor and those with money should treat their earnings as a trust fund for the rest of the community. This still implies that the wealthy would be in charge of the welfare state in practice, an idea practical in only an overly optimistic sense. He also believed in universal lifestyle changes throughout communities, such as only eating a vegetarian diet, only access to third class train tickets, and no jewelry, to name a few unrealistic changes.¹⁶

For this reason, it would be a mistake to take Gandhi’s “economic principles” as a literal means to achieve economic satisfaction in the world. Rather, this paper will analyze how his method and philosophy are promoted economically, but not as a theoretical framework for a new economy. This is a more relevant way to approach Gandhian economic thought because Gandhi himself was not focused on a single theoretical framework to achieve economic justice, but to demonstrate how through a peaceful process innovation could occur:

Indeed, it is this skepticism about grand theories that makes Gandhi relevant to the challenges faced by economics at the beginning of the twenty-first century. Without a grand theory to fall back on in the face of previously unknown situations, Gandhi recognized the need to go beyond theories to the method of understanding society. The method he developed was inclusive enough to deal with both the known and the unknown, while reducing the scope for expediency.¹⁷

In relation to cooperative business models, Gandhi's philosophy of Sarvodaya is the end goal to strive towards and demonstrate that the cooperative principles can transition municipal economies towards Gandhi's economic tenets.

The first cooperative principle is that co-ops must have voluntary and open membership to all people. This of course allows for all people of all genders, races, and religions, and, it should be emphasized, people of different political ideologies. Cooperatives encompass the political spectrum from conservatives to radicals by rallying around the shared economic goal of uplifting their community.¹⁸ They can bridge the divide between different economic beliefs to promote not only a unified front to fight economic inequalities, but also a direct method without reliance on government policy changes on a macro scale. The focus is on building up their community, which Datta listed as one of Gandhi's basic principles, alongside self-sufficiency and self-reliance, which are achieved through cooperatives. This is not to say that communities should isolate themselves since businesses, especially co-op ones, can aim to provide goods and services to those outside of their locality. The intention is only to give people involved with the business a collective goal of improving the local area through economic means.

The second principle is democratic member control, where members actively participate in setting policies and making decisions. Sarvodaya's synthesis of the individual's needs converging with society's needs¹⁹ is incorporated well within the cooperative model by allowing for a single vote-system for all policy decisions of the business while collectively still holding a power greater than any single individual could. As put by Gandhi, "if the individual ceases to count, what is left of society?"²⁰

Due to the democratic member control, this leads to the third principle, member economic participation. This means that there is an equal economic stake put into the company,

to avoid members gaining more power over the business by contributing more money and gaining control. Being egalitarian, capital being democratically controlled, and members equal contributions to the cooperative business are thus protected by equal member economic participation. This may involve the buying of a single stock for a cooperative where each member is limited to one purchase and equates to one vote, but not all co-ops necessarily use this method.²¹ Control over capital gains not only reinforces the second principle, but also allows for member control over the allocation of funds in the business as well as setting the wages to a suitable rate that is usually set by management in a traditional business model.

To ensure that outside forces do not gain control over the democratic process within cooperative, the fourth principle is the need for autonomy and the independence of the business. If a cooperative were to work alongside other organizations or find capital from external sources, the democratic control of the members cannot be affected. The role of autonomy though starts at the individual level for Gandhi:

Autonomy stands at the center of Gandhi's political philosophy. It is his greatest good and precedes in importance his other political and social goals. He sees individuals carrying a moral project that is related to who they are. As such Gandhi claims, they not only deserve the freedom to pursue their moral projects honestly but they have the duty to do so.²²

Gandhi also posed the idea of taking on moral projects, which the cooperative business model falls under because of its concern for the community. Although autonomy is discussed in an individual sense above, Gandhi still understood the role that others such as community or cooperative members play in achieving these moral projects: "Love, kindness, generosity and other qualities can be manifested only in relation to others."²³ Although the individual in Gandhi's eyes is important, he understood that society could not function as many separate parts, but needed cohesion. Culture building is key to achieving these goals. The cultural/economic practices intended to reinvigorate the community are better integrated and ingrained when taught

and reinforced instead of simply introducing a new economic model that assumes public acceptance without community involvement.

Cooperatives have education and training as their fifth principle: the goal should be to build within a community instead of forcing its way in immediately and hoping it is well received. Members of the cooperative also have training available so that they can fully contribute to the business. For example, a person working in a coffee co-op could be a barista one month, then change to grinding coffee beans, and after that try booking, hence learning all the aspects of the business, instead of a single, specialized position. Since Gandhi's mission accentuates community building and self-reliance, it is only logical that there is a need to disseminate information, to build a cooperative culture, and connect with the community as well as improve methods of self-reliance by training within the co-ops. With traditional business models, there can be an incentive for businesses to deskill labor so they do not have to train new workers or lose them after they invested in a workers skill training,²⁴ but since cooperatives focus on the community as a whole, they aim to build workers skills because they are building the community, not just the business. Speaking to this, the final cooperative business principle is concern for the community. As cooperatives exist on a municipal level, the workers in co-op businesses have a great stake in the welfare of the community as compared to national and international businesses. Pani shows the consistency with Gandhi's thought by saying:

The ideal institutional framework for the Gandhian method would then be one of a large number of decentralized completely autonomous institutions. These local institutions would take up all the issues affecting the local economy that can be addressed locally. This would include the choice of desirable consequences as well as the actions towards these consequences that can be carried out locally. In addition, it would consider the unintended local consequences.²⁵

Businesses would not think only in profitable terms since they are conscious of the consequences to their community. This also shows that the fourth principle of autonomy does not isolate

cooperative businesses; they can still function within the community and help it prosper collectively by coordinating with other businesses or organizations as well.

One of the principles given by both the UWW and ICA is cooperation among cooperatives, which ties into Ranis's final principle of fighting the capitalist state once established. This principle is worth mentioning in relation to Ranis's, as cooperative businesses give an alternative to traditional capitalist business models. There can, of course, be unity between cooperatives and non-cooperative businesses, but the salience of cooperation among cooperatives is to support an alternative model that may be seen as competition to traditional businesses as well as building and encouraging democratic work environments in our own communities.

Methodology

To show qualitatively how Gandhi's economic principles function in practice, this study interviewed workers, managers, and owners from five local businesses in the Milwaukee area and one in a different midwestern city, kept confidential per their request, to demonstrate how cooperative business models can and do function relative to traditional or non-profit models in the Milwaukee area. Although this paper's focus is on the applicability of the cooperative business model to the Near Westside, it would have limited the research goals to only focus on businesses limited to the Near Westside—where two of the six businesses are located. There are currently no homecare cooperatives within Milwaukee to compare with the traditional homecare businesses, hence why some interviews were conducted outside of Milwaukee. Each business was paired with another in the same field, though with a different business model, to compare the workers' experiences as well as the performance of each. Although there are many different types of cooperatives such as producer, consumer, housing, etc.,²⁶ worker co-ops are specifically

centered around empowering the employees, which is why both of the cooperative businesses interviewed were worker co-ops. This is not to say that worker co-ops are always the best type of cooperative businesses, but for this paper they make the comparison to traditional business models clearest because of their focus on workers.

The three pairs compared were contracting companies: one traditional for-profit model and one worker co-op model, cafés: one traditional nonprofit model and one alternative model, and homecare agencies: another nonprofit model and one worker co-op model. Comparing several different business models made sense for several reasons. First, the structural differences of the for-profit business and cooperative business were the most pronounced, and a direct comparison illustrates this dichotomy well—which was shown by comparing businesses in the contracting industry. Second, to show that the cooperative model is not the only other option, one of the café businesses interviewed was an “alternative” business model which differed from both traditional and cooperative models, and the other was a nonprofit business that is commonly the antithesis of for-profit businesses. To differentiate between the types of businesses, this paper defines a traditional business as hierarchical, without worker autonomy, and a purely monetary relationship with its clients, customers, and workers. Alternative businesses are those which diverge from these characteristics, which therefore puts cooperatives under the category of alternative businesses, but not all alternative businesses are cooperatives.

Finally, according to the Center for Medicare and Medicaid Services (2015), 80 percent of home care agencies are for-profit and the alternative given is usually nonprofits, hence the comparison between a worker co-op to a nonprofit in the homecare industry.²⁷ The paper builds off of these comparisons, ultimately arguing that within the homecare industry nonprofit models

may serve Medicare and Medicaid participants, but the cooperative model gives added benefits to workers otherwise denied.

Participants interviewed were recruited using judgmental sampling, with each cooperative business being paired with a traditional business model within the same field, all employees having worked at their respective business for at least six months, and interviewing at least one “crew” level employee and one management level employee at each business. Workers in different positions and at different levels in the hierarchy at each business were interviewed to show how the quality of working conditions, pay, and satisfaction varied internally; this being a crucial difference between each business model. By doing so, this paper compared directly how the workers’ experiences differed between traditional business models (including non-profits), alternative business models, and cooperative business models, thereby providing a holistic view of how these business models performed compared to their counterparts in the same field/market. Sixteen workers sat for interviews that were approximately forty-minutes minutes long, with each interview recorded and later transcribed. Each business had three interviews with the exceptions of the home care co-op and the traditional construction company, which both had two. Once transcribed, the original recording was deleted, and the transcription was coded for topics focusing on the quality of the worker’s life in relation to their employment as well as how the cooperative principles function pragmatically. Since the total number of businesses interviewed is relatively small, the findings in this paper are non-conclusive, though they still illustrate well the distinctions between workers experiences at varying business models. This research obtained IRB approval through Marquette University which deemed the risks for participants of this project as minimal.

Principles in Action

The results of this investigation showed three main findings that cooperative businesses offer because of their principles: democratic control, better wages, and job security. First, democratic control gives the workers autonomy over their working lives. When the workplace is a democracy rather than a dictatorship, average workers have more control over their economic participation. Second, co-ops have better wages because of workers' ownership and being able to set their own wages. Crew level workers in traditional businesses have no control of their own wages without appealing to management, which can still be rejected without a collective decision-making process. Third, employee ownership puts the workers' wants and needs first, meaning that their jobs are more important than cutting costs. Alternatives can be found to laying off workers in recessions, and management does not have the firing ability that traditional businesses exploit. This section compares how different businesses perform when they utilize the cooperative principles versus when they are not present. By comparing businesses in the same field, the differences in principles becomes starker in how the workers' lives differ.

First, when comparing the different contracting/painting businesses, it is evident that the main difference is that there is no managerial position in the cooperative model as Sam, a worker-owner at the co-op notes, "...I think the way that we conceived of our own cooperative is that we would have no management; we're all worker owners. We all have equal say. We try to have everything be consensus based or as close to consensus as possible." As an Industrial Workers of the World (IWW-an international trade union) affiliated business, their stance against hierarchy in the workplace puts them in a unique situation, not only compared to traditional business models but also compared to most other cooperatives that still elect management positions. The IWW itself is not against management if they are elected and do not have hiring or

firing power, but in the case of this cooperative they felt that their business did not need a management position to operate well.

For both of the cooperative-interview participants there was a general distaste for management, as Ben shares, "...I don't mind hierarchy, but the fact that those who are doing the work have no say over who is their manager or management as far as a middle management situation goes is problematic. If we're talking about management as this idea of management as a part of the ownership team in a capitalist corporation, I'm against that model." Ben assisted with the creation of the cooperative but is not a member himself, although because of his past experience in the cooperative realm his opinion reflected the feelings of this co-op. Sam also went on to explain how the lack of managers "barking orders" and instead worker-owners keeping each other in line was an advantage over the traditional business model. In the traditional business, however, management was not seen in as harsh of a light as would be expected. Phil, a foreman, when asked about his businesses management says, "I think management is great... [my boss] is a very nice man. He's cool, he's funny, he can joke around but is also serious, so I appreciate his management style." Braverman describes the assumed relation of manager to worker being planning vs. execution, or managers "doing the thinking for the men,"²⁸ which should still result in less job satisfaction. Burawoy contrasts this argument by showing how the expansion of choices, even if within narrower limits of power, as well as middle management's assistance with helping the workers whether by giving them breaks or helping them with work related tasks, put them in a more trustworthy position than Braverman theorized.²⁹ This is consistent when looking at floor workers outside of management as well with George's description of management stating, "They're real chill...they have three rules: get paint

on the wall or your tarp and nowhere else, come to work, and when you're at work be doing work."

The biggest difference that the co-op business has experienced not having management is an increase in wages. Phil describing his wages at the traditional construction/painting business said, "I think it may have been like 12 [dollars an hour] was where it started and then I got two pay bumps, one for becoming a foreman and then another one was just like, 'Hey you're doing good,' and got another pay bump. So I went up to 14 that year and I think I started at 16 the next year." Even after pay increases, at sixteen dollars an hour wages are slightly lower than the \$18.52 an hour national median in painting, construction, and maintenance,³⁰ but compared to the wages available at the cooperative business they seem deplorable since according to Sam, "At our bill rates the worker owners have been making upwards of 28 to 32 an hour." When asked why they were able to offer such higher wages Sam replied, "I would say because there's no management class, so to speak, that you're paying." Ben reinforces Sam's notion of management absorbing most of the profit, describing how within his own music-based business that is transitioning into a cooperative, "I put in some money for advertisement and I worked these leads, and then these leads turn into students and that brings in revenue and the more that I am doing that, there's a direct correlation of my productivity to my wage."

Direct control over wages and choosing management³¹ or in this case no management, that cooperative principles offer allowed for increased wages for the workers that traditional businesses would have kept as profits. Gandhi's emphasis on the combination of caring for both the individual and society as a whole is reflected here by the incorporation of democratic member control and member economic participation over wage setting. This also provides the workers and business with the power to stay autonomous by choosing the distribution of their

funds for different administrative costs and decisions over financial risks instead of relying on management to make all such determinations. The equal member economic participation spreads any potential risk to all members and not just management (although the companies well-being in traditional businesses still effects workers), which enlarges members stake in the company as well as their personal involvement into business decisions.

The café where people were interviewed, which was neither a traditional business nor cooperative, still considers itself an alternative business because all products are “pay what you can,” with no set pricing. Morgan, the founder of the business, said she started the café because she had been working in a food ministry³² with a similar model and one day thought: “I wanted to start a restaurant where people pay whatever they want, and we eat rescued food.” Although this sounds unsustainable, after two and a half years of operations, they are still thriving. There are multiple unique reasons why they can do this. Morgan explains this process by saying:

...we need at least six people a day to run this place. [name of cook] is our cook in the summer two days a week and the fall and the rest of the year three days a week. And we have another cook who volunteers on Fridays in exchange for use of our kitchen for her catering business so it's like a swap...Then we have our custodian who does one hour every day after we close so it's just four hours a week, and then we have three or four interns who are actually paid from outside of our space...and then everyone else is a volunteer. But the cool thing is that the people who are on the payroll, (myself, my cook and our custodian), we all make the same hourly wage. The CEO and the custodian make exactly the same. I think we're at 14.62 an hour and every year we do like a cost of living small increase; we're trying to make our way up to 15.

In addition to their model's unique business tactics, most of their food is either grown themselves or donated by customers which further cuts costs. The restaurant also only serves one meal a day, four days a week while still providing paid workers full time employment. She also mentioned that one of their cooks, Joyce, does volunteer work in exchange for the use of the café's kitchen for her own catering business since she is, “on an alternative system of barter and exchange” instead of using money transactions. Many of these methods that make the café sustainable are

outside of the money economy, giving them more options for cheaper operations that would be unusual for a traditional business model, yet show potential options that can be used in any type of business.

The café's utilization of volunteers also allows for people who cannot pay for their own meals to instead exchange volunteer work for food. Although the volunteers and workers do not have a membership to the business, the openness of the café to anyone resembles the cooperative principle of voluntary and open membership, which is consistent with Pani's analysis of Gandhi's inclusive economic beliefs. Morgan describes how Joyce also provides training to the workers/volunteers, saying: "...she interests people to learn how to do things and trains people kind of like good kitchen standards like how to keep a commercial kitchen safe and clean and running well so that when they leave our place and want to go out to get a job they have some skills and know how."

Providing training and giving skills to workers is consistent with cooperative business principles, improving the workforce within the community as a whole even if they choose to leave, making the community more self-reliant and stronger, just as Gandhi sought to do in the Khadi movement. The community is also clearly involved in this business since they give their own labor for free because of their love of the café. This is a great example of a self-reliant business with strong ties within its own neighborhood.

The two main problems with the café's model are its reliance on government funded programs to provide labor and the potential issue of self-exploitation.³³ The state program (Wisconsin's TANF program) that they use is a great way to teach the workers skills, while providing job placements to people such as Leon, who needed the program, "Because I was in a car accident and I messed up my lower back so it was kind of hard for me to work the job that I

was already at with me having back pain.” However, reliance on such programs though should be avoided if possible because it takes away from the autonomy of the business by relying on external funding/factors as expounded by the cooperative principles. In the café’s case, the government programs allowed them to operate on a lower budget, but this makes them susceptible to government policy changes. Within the context of cooperative business models, keeping autonomy whenever possible is key to remaining self-reliant. That is not to say that external help is a burden (cooperation among cooperatives encourages supporting others and taking support) but autonomy, self-reliance, and self-determination intersect with each other which should be considered when relying on outside help. Self-exploitation is a possibility that all small businesses are susceptible to. Morgan when talking about her work hours said that she puts in, “about 55 hours a week” because they have no second manager to look after the business if she was gone. Without other managerial positions (whether elected or rotating), or an equal distribution of administrative tasks such as in the construction co-op, the burden falls on a single person, which pushes them to overwork for the sake of the business. Cooperative businesses are not immune to self-exploitative practices.

The second café is run by a war veteran nonprofit and much of their funding is derived from the larger organization. As Nelly, the manager of the business notes, “I love our mission, I love what we do... I love the idea that we help veterans get back on their feet; finding a job, training them here, and basically learning skills and then we help them find jobs.” Although the café’s goal is inevitably to be a sustainable and self-reliant, through the assistance of the nonprofit veteran’s organization they are also able to provide a culinary training program for veterans in need:

A great example is one of our employees... He came through our training program and now he's working for us. If you really think about it, it's like "woah, this person went from being a homeless person, to having shelter, temporary housing, then he was involved in a special program to get permanent housing, and now he has a permanent apartment". The way it works is just very meaningful. We see lives change in every person we serve. We're really proud of that.

As Nelly explains, the veteran's organization also provides housing programs, while working to improve on their socioeconomic conditions. The training itself is an eight-week course that leads to a guaranteed interview the day of graduation with other businesses, or sometimes results in trainees being hired on the spot. Lance was the graduate of the program which Nelly spoke of, which he describes as, "a training like no other that I've been in. It's a people's person training; social life, culinary skills, all kind of different avenues to go up in this training program." The training not only taught culinary skills, but many of the unspoken rules and rituals expected of a worker at a new job; invaluable information that otherwise is not necessarily taught and for Lance, "benefitted me greatly."

All three employees interviewed attested that they love working in the food service industry and within a veteran's organization as well, with Byron—another crew level worker—saying, "...cooking is the ultimate expression of love. So like in a way its giving back and then especially being with a veteran organization now it's kind of even more like me giving back to some of the people that have obviously served the country and are arguably in the best of places right now with this organization so it's pretty cool to give back."

Byron also owns a local pizzeria with his business partner but wanted to participate with the café because of its mission of assisting veterans. He said that wages "could be better" in the hospitality industry generally, with Lance reiterating the point, "...my wages are fine with me because it's about a mission and the organization and I'm just looking to help this mission out. My wages are pretty you know...they're satisfying to me." In a nonprofit business model (even

if supplemented by a veteran's organization) the workers should not feel as though they should settle for lower wages because of the altruistic mission, especially if you are the product of such a mission, as in Lance's case. Lower wages are not necessarily due to the café being a nonprofit, but with Nelly as a manager having an unspecified higher wage than the other workers—there being four total workers—is a managerial position with a higher pay necessary? Both Lance and Byron have worked in the food industry for years (both having worked in food service, retirement home kitchens, fast food, etc.) where they have emphasized their continual acquisition of skills within the field, with Lance saying he intends to, “go back to school in the fall...to get my culinary degree.” Byron also alludes to the idea that service industry workers build skills in their field, “You put value into yourself, so I know what I can do so I know what I bring to any place I go to. I don't necessarily need validity or validation from anybody or a pat on the back because I know when I come in I know what I can do.”

Gandhi's tenet of worker self-reliance naturally occurred to the workers as a means of self-valorizing themselves in the industry. Training could possibly be better administered by current workers as well, who are familiar with both the industry and the veteran's organizations mission. The altruistic goals of the nonprofit do align with caring with both the individual and society as a whole, but it might be improved if the individuals served are then given self-determination over their own labor process within the organization as well as their own wages. Within the context of the business as it is, the skills gained were not obtained solely as a means of self-reliance, but also as a defense as not to become replaceable. Nelly's views on job security of workers shows why these skills are a survival tactic, “Because in reality, everyone is replaceable, that's the reason why I think that. Unless you put forward your best effort, the only

value you give yourself is the one that you put out there. So in reality, for me, job security is overrated. No one is guaranteed to be in a job. There's nobody else but you.”

As an employee of a business, it is disheartening to be viewed as replaceable. That is not to say that Nelly is wrong, with the Marxist idea of the reserve army of labor addresses how having a precarity job market is necessary in capitalist industry to promote businesses’ economic growth,³⁴ but with the cooperative model job security is a higher priority, “Worker cooperatives are managed to generate income *and* provide stable employment for their members. When faced with a tradeoff between pursuing profits and maintaining employment, worker coops often choose the latter.”³⁵ With worker control, workers could be driven by their direct responsibility over the business’s livelihood instead of by fear of being replaced. Still, much like the other café business, external funding to survive has deprived this café of its autonomy while further diminishing job security, with Byron saying, “This place runs off of grants so there really is no security if you understand what I’m saying, cause once that runs out if there isn’t another one. It’s not like you can see into the future.” For this reason, Byron was not planning on staying with the business permanently, while for Lance, “I feel like we’re going to be building on, making more places of business and such...we’re going to get it together. As long as our culinary training program keeps growing, our business will keep growing and that way we can branch out.” Due to the reliance on grants, both the business’s sustainability and autonomy are never guaranteed. Though Lance has benefitted from the training program—that has a goal of promoting worker’s job security and life stability—what does it say when the job that trains you is not necessarily sustainable? The training offered by the veteran organization is a unique opportunity for workers to gain skills with no strings attached. Hopefully outside of the nonprofit

industry the skills learned by their trainees will help with job security, but without worker control there still isn't control over the quality of workers' wages.

Home Care Industry

Within the home care industry, between 2005 and 2015, the number of workers doubled from 700,000 to 1.4 million and is projected to increase by 38 percent between 2014 and 2024,³⁶ as the baby boomer generation begins to need home care assistance, creating a crisis due to the shortage of home care workers. Of the worker population, over 90 percent are women and 60 percent are racial and ethnic minorities.³⁷ As for the wages, 65 percent are from government funded programs (primarily Medicare and Medicaid) with a total revenue of \$77.6 billion in 2016.³⁸ Even with the growth of demand for home care, workers' wages have remained relatively stagnant, rising between 2007 and 2017 from \$10.66 an hour to \$11.03 an hour even though prices of goods and services increased. Home care workers average wages in 2018 were \$11.57 per hour,³⁹ with a median annual income of \$22,600, although because increases in federal funding are not directly slated to the workers home health aide agencies can retain portions of these increases⁴⁰ on top of the inconsistent hours make the \$15,100 median annual income figure a better estimate.⁴¹ One in four home care workers are also below the poverty threshold as compared to 9 percent of all other US workers, and half rely on some kind of public assistance such as Medicaid, food stamps, housing, or heating assistance.⁴²

The advantage that the cooperative model would give to this industry would of course include the principles discussed earlier, but the most important one would be the democratic control over the business. The greatest advantage which the cooperative model has over other for-profit or nonprofit models is that it can give power and control not only directly to the workers but can properly represent the demographics of the home care industry. Whether trying

to implement a better policy, have better representation among management, or control over setting wages, the cooperative model gives workers the power to enact those policies, vote for management positions that they deem acceptable, and decide how capital should be distributed. The incorporation of a cooperative is not a panacea to all problems in this industry (most notably due to its reliance on government funding) but it is a push in the right direction.

Within the home care field, one problem (beyond economic issues) is the lack of respect from the public, other members of the home care sector, such as nurses or therapists, and of course certain clients as well.⁴³ As put by a cooperative worker, Linda describes jobs in the traditional home care industry:

It's like they don't honor the way that you come into work and you're in here helping them and doing something for them and it's just like... the way that they talk to you, we're all adults. You can talk to me just like I'm an adult. There's a lack of respect that they have for you even though you're in here busting your ass; they still want to come in here and treat you like you're not in here doing nothing.

The cooperative model gives voice to the workers through the power to set policy and elect management, which in Linda's case resulted in higher satisfaction in the cooperative business saying, "The management team that I work with at (home care co-op) is great because we all have voices, we're all coming up with ideas and we're all a team." Giving a voice and empowering workers is especially important in the home care industry because, as said before, most workers are women of color and having mechanisms in place such as electing management and democratic policy making gives these women the power over their own lives that would not be possible in the traditional home care business. Noelle explains how the home care co-op allows her to thrive in her management position:

Working with (home care cooperative) I've had the opportunity to expand my skills and talents, meet a lot of great people, learn more about the systems that hold problems in place; it's just been a great journey of learning and growing not only by myself but with a group of highly skilled women who were never viewed as skilled or a valuable asset to the community.

Supporting the empowerment of home care workers, Linda also says, "...the only way you're going to know that we all agree is because everybody votes and if your votes count, your voice is heard." The democratic decision-making process along with managerial elections thus empowers workers to a further extent than traditional business models would be able to.

The traditional for-profit business model has so many faults, the conclusion that most people come to is that the nonprofit sector would be a proper alternative instead of a cooperative that is still for-profit. The reason why cooperatives are a better route is because nonprofits are still structured similar to traditional businesses, with no worker control. The nonprofit has all the power to set wages, pick management positions, and can set all policies. The home care nonprofit interviewed did have some mechanisms in place to include the workers in decision making processes as Melanie, who worked in administration explains:

I think one of the greater parts of the leadership skills that we demonstrate is that we include all of our staff into a decision making process...we'll say, "Hey, we understand that you are more of a 'subject matter' expert as it pertains to this procedure, would you please document your instruction into this template?" We'll take it back as leaders, review it, provide you with our edits, and then share it with the team to get their full conglomerate kind of feedback before we make it final. In not all circumstances can we do that, but when we have steps that influence an individual's workload, it's important to give them that buy-in and for them to participate.

While this is helpful and can empower the workers to a certain extent, it still does not fully give individual workers direct power over policy since the management has final say on what changes are made. Melanie also notes when home care workers are included in this process, "If it's something that directly impacts them, yes. However, we've acknowledged that their supervisors are a lot of times speaking on their behalves," further removing the worker from the decision-making process. Nonprofits of course can and have done great work in their respective communities and for their clientele, but workers are the driving force in the industry that knows

best how to serve the clients, knows the industry woes, and cares most about the community they are serving. This is demonstrated by Noelle saying:

I feel that I am taking all of the experience and the skills that I've learned. My informal experience allows me to recognize and create strategies to help the home care workforce which is primarily women and women of color and low wealth. So, my professional experience goes along with my passion to see those demographics have better opportunities is a perfect opportunity for me.

As for the woes of the industry, dependence on Medicare/Medicaid for setting wages puts a limit on home care workers incomes. The alternative of working in the private sector seems appealing, but the limitations there are that you most likely are not helping the people who need assistance most since they would be reliant on Medicare/Medicaid, and women of color are already at a disadvantage without control over the hiring practices of for profit home care businesses. One solution that home care businesses reliant on Medicare/Medicaid funding could do to supplement wages is to look for external funding or grant money, that as long as the business could guarantee that they could provide wages equal to the market average, then an additional amount (maybe two or three dollars an hour) could be added on top of the initial wages. The problem is that it is unsustainable because of external reliance and may cause the business to lose its autonomy and independence as to cater to external requirements.

Along with the increased control that the cooperative model gives to the workers, another advantage is the final principle mentioned, cooperation among cooperatives, that may help aid the wage problem in the industry. As co-ops branch out and work with the community as well as with other cooperatives, they have goals driven to help the community instead of only gaining profit. Noelle in her interview talks about a child care cooperative, for example, that could alleviate some of the burden on home care workers by lowering the cost of living. Her vision is to build a solidarity economy based around the cooperative businesses to better her life and other workers lives, "...we're starting to build this environment that will help us be self-sufficient. So

even if we can't move our wages because they're federally controlled, we're going to make a difference for ourselves by decreasing living expenses by working together."

Although this would be a separate endeavor from a home care co-op, the sentiment of a child care cooperative that would be beneficial to the rest of the community is contained within not only home care co-ops, but also cooperative culture itself. This hypothetical child care co-op would not have to be a worker co-op but would likely be better if it were a consumer cooperative. This is because in the home care industry, even though the Medicare/Medicaid reimbursement should be much higher than it is, there is no way to raise prices unnecessarily high because of the limited government funding. In the case of a child care co-op, since they do not have a limit on profits, they would be incentivized to gain as much money as possible. A consumer co-op is owned and run by the members utilizing the goods or services of the business so there would be no reason to want to raise prices for child care. Only worker co-ops employees were interviewed in this paper, but it should be noted that various types of cooperatives can be utilized to improve communities other than worker co-ops and can help stabilize a potential solidarity economy. Concern for the community as well as training/education build cooperative culture within the localities the businesses wish to serve, promoting a collective invigoration to improve the lives of their friends, families, and neighbors.

When interviewing home care workers, even though wages are stagnant, work conditions mediocre at best, and there is a lack of respect for the industry, there was not any doubt that they wanted to be in any other line of work. As Linda puts it, "I see myself doing this until the doctors declare me physically unfit to do anything else but sit in my house all day. Until my last dying breath, I will definitely be enjoying taking care of people and making sure that they get the best quality care that they can."

Working within the home care industry is rarely done for personal gain and accolades but is undertaken by people who truly care and know that their calling in life is serving others. All home care workers interviewed shared this sentiment and love their job along with the people who they help. Kendra, a home care worker in the nonprofit sector, exemplifies this point:

...this job takes a certain type of person. If you don't like people, you shouldn't work with people and I like people. You want to be yourself because a lot of times that means that other people will open up because we deal with people that have trust issues and if I can come in and be who I am that person is going to trust me and we can get a little but further.

These workers have a passion for their job that is more like a calling than anything else. Even with all of the less than ideal conditions that go along with caring for people, the drive to help others is more than a job but a vocation embedded in the hearts of each worker.

Conclusion

The mission statement of the Near West Side Partners, the driving force behind the revitalization in the area is, "To revitalize and sustain the Near West Side as a thriving business and residential corridor, through collaborative efforts to promote economic development, improved housing, unified neighborhood identity and branding, and greater safety for residents and businesses." This paper catalogues how the cooperative principles in practice can unify neighborhood identity and branding by bridging Gandhi's shared passion for such achievement by means of the cooperative business principles such as concern for the community and cooperation among cooperatives. In addition, the home care industry's ever-increasing need throughout the U.S. is continuing to grow and provides a much-needed service while also giving the workers *autonomy*, *decision making power*, and *economic inclusion* as opposed to a traditional or nonprofit business. Solidarity can become actualized when these tenets are met, providing workers in multiple economic sectors better possible ways of organizing their businesses. The workers within this industry are more than capable of managing the business

themselves because of their combine experience which bring me to the conclusion that the best plan of action is to provide an autonomous platform for them to thrive. The cooperative model allows workers this opportunity that other business models have no proper way of providing, empowering the workers within the home care industry.

Gandhi's Sarvodaya "uplifting of all" is best encompassed by the cooperative principles, which a home care cooperative aims both at uplifting the lives of their clientele and the worker's lives themselves. Further, the cooperation among cooperatives principle is a means to continue to promote Gandhi's economic vision. The goal of a solidarity economy that cooperative culture contributes to is the uplifting of the community as a whole where cooperation and support is encouraged between different businesses. The Near West Side has the opportunity to build on the solidarity economy's philosophy which would not only help the standard of living of workers in a home care co-op, but also members of the community itself by lowering costs of living while also engraining a sense of mutual support within the community's culture.

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