building the future
Worker-Owned Cooperatives and Radical Municipalism

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MAY 8, 2024
I refer to “worker-owned cooperatives” and “worker co-ops” interchangeably.

With each passing crisis it is becoming increasingly clear that established governments are neither willing nor capable of addressing the systemic crises that define the 21st century. As we scroll through our news feeds in sorrow and rage at the most recent war crime, climate disaster, mass shooting, or court ruling, the only reprieve offered by the powers that be is lip service. Despite the formal status of the United States as a democracy, the political system is totally unaccountable to the people. It is time to realize that the change required to meet the needs of the future must then come from below.

Yet even as liberal capitalism is failing, many people struggle to imagine an alternative. Reflecting on the political landscape following the 2008 financial crisis, the philosopher and socialist writer Grace Lee Boggs celebrated organizing efforts in her home city of Detroit which offered “concrete examples of values-oriented means of securing livelihoods.”1 By creating values-based alternatives to the mainstream economy that meet people’s needs, the movement from below will grow alongside people’s imagination of what is possible.

In this article, I examine worker co-ops from a radical municipalist perspective. Worker-owned cooperatives, as part of a solidarity economy framework, offer a way to meet people’s immediate material needs while marshaling the productive forces toward a values-oriented democratic reconfiguration. However, since worker co-ops are structured around capitalist markets with the demand for efficiency and profitability, they can struggle to succeed in both their social and material goals. That is why advocates of worker co-ops who seek economic transformation argue that worker ownership must be linked to a community-building strategy as well as “political struggle to wrest power from the ruling class” if they are to achieve their potential.2 Radical municipalism offers the method for this political struggle which can help worker-owned cooperatives overcome their limitations by embedding them in a radical movement seeking to democratize all aspects of life, in the workplace and beyond.

COVER ART BY MELANIE CERVANTES.

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notes on radical municipalism

Radical municipalism is a political program that places an ethical imperative on direct democracy. Largely developed by the social ecologist Murray Bookchin in the late 20th century, radical municipalism gained prominence through the alter-globalization movement in the 1990’s and Occupy Wall Street in the 2010’s, and continues to inspire transformational movements. Municipalists believe that everyday people have the capacity for self-governance and self-determination, and that the best way to address forms of social domination like racism, patriarchy, and xenophobia is through a participatory and pluralistic society that brings people together across difference.

Radical municipalist strategy calls for political action both inside and outside the current system. On the inside, municipalists push for initiatives like participatory budgeting which open up space for people to directly participate in government by forcing the municipality or state to yield some decision-making power to a popular body. However, these initiatives face structural limitations. Increased participation may yield some beneficial reforms but will not address the underlying power inequities of capitalism and the state. Therefore, radical municipalists have a revolutionary orientation seeking to supplant top-down government with bottom-up people’s democracy. To achieve this, radical municipalists also establish directly democratic people’s assemblies outside the system with the ultimate aim of contesting the legitimacy of established government by creating a more authentic forum for community governance. These assemblies would then link to other assemblies in a federation of free municipalities.

In order to understand the imperative of radical municipalism, it is important to recognize why current governing systems are inadequate. While there are obvious practical problems, like the far-right capture of the Supreme Court or corporate domination of electoral politics, there are deeper contradictions in the prevailing assumptions about the individual, society, and human nature which constrain our ability to create alternative futures.3 To follow this thread, we must take a brief detour into political philosophy.

The liberal philosophical formulation, which underpins the US Constitution and mainstream economic theories, posits the individual self as a pre-political atomized unit primarily motivated by self-interest to maximize utility. Early liberal thinkers such as Jeremy Bentham and James Mill understood society to be a collection of individuals seeking power over and at the expense of each other.4 Therefore, they situated democratic governance as a means of aggregating divergent interests for the purpose of social cohesion. 5 In this

view, government is seen as an inherently constraining force against the individual. Even as liberal theory has evolved, it retains these core assumptions. Today, the dominant paradigm of democratic theory traces its roots to the works of Joseph Schumpeter who understood democracy to be an instrumental method rather than a relationship or mode. Schumpeter applied a market principle to the democratic process, arguing that competition for leadership among elites is its distinctive feature. Voters are then like consumers choosing between political products. Today, this outlook guides the cynical calculations of power politics.

Radical municipalists, on the other hand, recognize this liberal “pre-political individual” as a myth imagined by philosophers projecting their own faulty assumptions into the past. Instead, municipalists understand the individual to be inherently embedded in social and ecological relations. As the late David Graeber points out in Debt: The First 5,000 Years, the market-based conception of human society functions to legitimize current institutional arrangements rather than provide an accurate picture of the past. In reality, human societies have created for themselves a dizzying array of radically different social forms. The Iroquois Federation, for example, functioned on fundamentally different ontological assumptions which instead gave rise to a system of grassroots economics that strictly limited the accumulation of wealth and property. The upshot of all this is that humanity is not bound by cynical liberal myths about human nature. Self-interest has become the dominant modus operandi as a result of a specific social development, not because it is human nature. Other worlds are possible.

Andrew Zitcer highlights the practical importance of these philosophical underpinnings by arguing, “the social self represents a fundamental reorientation to identity, which is a necessary precursor to an understanding of the practice of cooperation.” Radical municipalism then offers a political answer to these philosophical questions by developing institutional forms in which everyday people shape their lived reality through a democratic process. In the radical democratic view, individuals gain a fuller sense of meaning, subjectivity, and ultimately freedom when empowered to participate in collective governance. While possessive individualists fear the loss of the individual self in the collectivity, the social self conception understands that the highest degree of individuality can only be realized through social embeddedness. Furthermore, liberal individualism has no lasting answer for the contradiction of poverty and self-development inherent in capitalism, where economic inequality prevents the majority of people from realizing their individual potential. Some principles extending from this conception of the human as a social and democratic self which characterize radical municipalist movements include pluralism/multiculturalism, feminism,

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7 David Graeber, Debt: The First 5,000 Years (Melville House Publishing, 2011).
8 Michael Menser, We Decide!: Theories and Cases in Participatory Democracy (Temple University Press, 2018).
9 Andrew Zitcer, Practicing Cooperation: Mutual Aid beyond Capitalism (University of Minnesota Press, 2021), 58.
internationalism, ecology, anti-racism, and opposition to the nation-state.\(^{12}\)

The most profound example of radical municipalism in practice is the Autonomous Administration of North and East Syria (often referred to as “Rojava”), which has successfully implemented a system of directly democratic people’s assemblies governing a region of over 4 million people. Other notable organizations and movements embodying these practices include the Zapatista movement in Chiapas, Barcelona en Comú, Cooperation Jackson, and more. Eleanor Finley and Aaron Vansintjan also situate radical tenants’ unions, mutual aid networks, and Indigenous resurgence as adjacent nodes in the municipalist struggle.\(^{13}\)

Worker-owned cooperatives are widely seen by radical municipalists as part of a diversity of tactics situated within a broader solidarity economy movement. Solidarity economy is a framework which emerged in Latin America and crystallized at the World Social Forum, to unite both formal and informal means of meeting social needs with the aim of transcending capitalism and re-embedding economic activity into a social process.\(^{14}\) As formal economic entities, worker-owned cooperatives can be the basis of people’s livelihoods under capitalism while also facilitating the transformation of economic relations through workplace democracy. Carole Pateman argued that participation in democratic decision-making is an educative process where one’s capacity for democracy is increased with practice.\(^{15}\) Worker co-ops are a venue to foster this capacity building. However, worker-owned cooperatives are not inherently transformational and have the potential to reproduce capitalist values and structures as they remain subject to the cutthroat demands of the market.


\(^{15}\) Pateman, Participation and Democratic Theory.
Understanding worker-owned cooperatives

A cooperative is a legal organizational entity, but the underlying idea of cooperation is as ancient as the earliest humans. That is, working together is more beneficial than working individually. Today, there are many different types of formal cooperative entities that serve different purposes. For example, your local grocery co-op is likely a consumer co-op, an entity owned by the members who shop there. Other types of cooperatives include credit unions, purchasing co-ops, limited equity housing co-ops, community land trusts, multi-stakeholder cooperatives, marketing co-ops, platform co-ops, and more. Worker-owned cooperatives are enterprises owned and operated by and for the benefit of the workers.

Worker-owned cooperatives are the fastest growing type of co-op and tend to be the most radical. Since 2008 the co-op movement has expanded dramatically, following a historical trend that sees interest in co-ops increase in times of economic strain and institutional failure. Worker co-ops are especially appealing to vulnerable workers, primarily in the feminized care and service sectors who often lack benefits, are subject to arbitrary employer infractions, and face hazardous conditions. Today, the majority of worker-owners in the United States are women of color, with Latina women making up the largest demographic group. The most prominent sectors where worker co-ops operate are at-home nursing, cleaning services, food/service industry, and construction.

A worker-owned cooperative is a profit-generating enterprise. A successful co-op is a successful business. However, worker co-ops differ from conventional businesses in two important ways. First, worker co-ops are operated democratically through a one-worker, one-vote principle. Second, the profits generated by worker co-ops are distributed to the workers. These dividends are allocated based on hours worked rather than money invested. Worker co-ops provide much better work environments than conventional companies because the workers themselves set the policies and wages while also enjoying the profits. Furthermore, worker-owners usually live in

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18 Baskaran, 358.
20 Baskaran, “Introduction to Worker Cooperatives and Their Role in the Changing Economy,” 362.
the local community where their co-op is located and tend to create positive community outcomes as wealth creation is dispersed among the community rather than concentrated in individual owners.

While many worker co-ops see themselves as part of a transformational movement, others view a more equitable workplace as an end in itself. The demands to stay afloat in a competitive marketplace can also limit many co-ops’ ability to achieve their broader social aims. On their own, worker-owned cooperatives do not pose a serious challenge to capitalism. But as part of a broader economic and political movement, they can assemble a non-capitalist, systematic alternative.²¹

The degree to which worker co-ops can foster democratic agency is largely tied to their governance structures and management practices. Worker-owned cooperatives generally include four major groups: 1) members, 2) board of directors, 3) management, and 4) unions. The members are simultaneously workers and shareholders and are the source of authority operating on a one-worker, one-vote principle. Advocates for worker co-ops like the ICA Group and Democracy at Work Institute encourage co-ops to develop clearly defined structures, roles, and decision-making processes. This is especially important as co-ops grow and become more complex.

In some worker co-ops, democratic participation takes on a more representative form. Membership will meet in a general assembly to elect a board of directors and vote on major items the board has brought to the meeting. In these co-ops, the board of directors oversee day-to-day operations, including hiring management. The ICA Group recommends the board of directors only bring an item to general membership if it 1) will affect survival of the co-op, 2) has to do with policies for hiring or firing co-op members, or 3) affects the basic character of the cooperative. Management plays a similar role as in traditional businesses; however, worker-owners have the power to direct and potentially remove disliked or abusive management. This type of representative cooperative does not support the ethics or aims of radical municipalism, even if it does foster a more just and pleasant workplace environment.

Many other worker co-ops make decisions with more directly democratic methods. These co-ops can (and often do) forgo electing a board of directors, and instead make decisions as a collective or delegate certain responsibilities to self-managed committees. The by-laws or operating agreement of a co-op is a critical document that can encourage or prevent broader space for participation by membership.

As Kana Azhari and Asere Bello point out in Jackson Rising Redux, an important function of worker co-ops is to help “our self-determination muscles grow” as they “remain in a state of stagnation or...”

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23 ICA Group.
24 ICA Group, 18–19.
atrophy.” The cultivation of democratic practice is the critical intersection between worker co-ops and radical municipalism. Research has found that direct participation in the workplace is likely to build the desires and sensibilities of active citizens. However, indirect participation in representative structures is not likely to increase political efficacy. The aim of co-ops, from a radical municipalist perspective, should be to foster democratic agency by creating opportunities for worker-owners to directly participate in decision-making.

Ultimately worker-owned cooperatives are businesses that need to operate effectively and generate profit in order to provide benefits to worker-owners. This creates some tension as radical municipalists support co-ops not because they offer better capitalism, but because they help develop democratic skills and assert worker ownership of the means of production and community control of supply chains. Sharryn Kasmir critiques the much lauded Mondragon Cooperatives in the Basque region of Spain for softening capitalism rather than creating a systemic alternative. Mondragon is the world’s largest network of worker co-ops with over 70,000 worker owners and is often cited as proof of concept; however, its transformational potential is a point of contention in the cooperative movement. A key facet of Kashmir’s argument is that the representative structure at Mondragon retains a management hierarchy and limits job autonomy for most workers, creating a disempowering effect.

While direct democracy is often portrayed as impractical because it is a time-consuming and sometimes messy process that requires a high degree of commitment, trust, and skilled facilitation, the representative governance structure does not necessarily produce better outcomes; it simply conforms closer to standard corporate practices. There are procedural methods, such as sociocracy, which enable participatory decision-making to avoid some of the pitfalls that are often pejoratively associated with direct democracy. Still, it can be difficult even for worker co-ops who prioritize direct democracy to get the full buy-in from all members. Some people just want to put in their hours and go home and are not interested in sitting through long governance meetings. Part of the radical municipalists project is to foster an ever greater desire to participate.

Labor unions are another important facet of the budding radical worker co-op movement. Even in directly democratic worker co-ops, the interests of the members as workers and as owners may diverge. There is a tendency of worker-owners to try and ‘tighten up their belts’ to help the co-op succeed by exploiting themselves as workers. In large representative co-ops, labor issues can be worse (though still better than traditional corporations). A radical union ethos can help maintain the adversarial relation between labor and management, even as the co-op model softens the conflict. Unions are highly resourced institutions that can offer co-op members benefits, pensions, legal


assistance, loans, research, connections to the broader labor movement, and influence in electoral politics. Meanwhile, unionized co-ops increase union membership, help raise sector wide standards, promote democratic governance, and imbue the existing labor movement with more radicalism. As Alexander Kolokotronis argues in his call for Municipalist Syndicalism,

One Big Union of laborers and tenants can advance towards a municipality of worker cooperatives, land trusts with mixed-use limited equity housing cooperatives, and democratized public services. This can begin by forming clusters of industry-specific union stewards in a given community escalating into neighborhood-based workers’ councils. Such workers’ councils can thereby link up with tenant councils and assemblies, together forming neighborhood councils and assemblies that become spaces of combined labor and tenant unionism. Positively reinforcing each other, bargaining for the common good goes from vague pronouncement to being based on the twin pillars of militant and strategic labor and tenant unionism.

In spite of potential democratic shortcomings, worker co-ops are valued by municipalists because they can foster practical education in democratic practices and transition ownership of the means of production to workers and communities. However, radical advocates of worker ownership recognize cooperatives “cannot realize their transformative potential unless backed up by social and political movements.” In a robust solidarity economy network aligned with a radical municipalist political movement, worker-owned cooperatives can be productive engines of the democratic transformation of society.

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From worker ownership to municipal ecosocialism

As previously noted, worker co-ops will not transform the economy on their own and must be seen as part of a wider horizontal process of expanding solidarity economy networks into a countervailing power against capitalist norms. Following the model put forward by Cooperation Jackson, these solidarity economy initiatives go alongside a municipalist political strategy to create "autonomous, deliberative and collective decision-making people’s assemblies." In order to turn worker co-ops from "quaint little projects on the side" into counter-hegemonic institutions with liberating capability, Ajamu Nangwaya and Kali Akuno emphasize the need for "enabling structures."  

A successful radical municipalist movement can support worker co-ops in several ways. By expanding participation in existing governance structures and exerting influence on government sponsored business development offices, municipal and state policy can be leveraged to promote cooperative development. Stacey Sutton shows how friendly municipal policies have significantly encouraged co-op expansion. Scaling co-ops with municipal support "requires a confluence of intersecting and mutually reinforcing supports, including public awareness, co-op training, incubation, financing, and advocacy." There is also an emerging ecosystem of co-op developers such as Co-op Cincy in Cincinnati, Ohio which incubate start-up worker co-ops and help convert existing businesses into worker co-ops with the goal of building a regional cooperative economy. However, Sutton also points out the danger of becoming overly dependent on politicians as well as losing sight of the social mission of cooperation. Radical municipalists can help avert these dangers by fomenting a "revolutionary cooperative culture" within the co-op movement. Furthermore, by building up the people’s assembly as an independent power base outside of existing government, the movement can exert pressure on elected officials.

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37 See https://coopcincy.org.  
38 Azhari and Bello, “Cooperation and Self-Determination -Not Middle Management,” 354.
officials so that cooperative policy is not reliant on political champions. Organizing robust grassroots assemblies would make elected officials beholden to the will of the community in contrast to the current status-quo where voters are like mass consumers choosing between political products.

Worker-owned cooperatives advance the aims of radical municipalism by fostering democratic skills, making visible the principles and desirability of direct democracy, providing worker-owners with the stability and flexibility to join in municipalist organizing, and highlighting the inadequacy of current governance structures. Radical municipalists will not be able to build a critical mass of support through rhetorical appeals alone, but by taking Grace Lee Boggs’ words to heart and building concrete examples of values-oriented means of securing livelihoods. Worker co-ops are one of these examples. Worker ownership of the means of production will improve people’s standard of living while asserting democratic control over supply chains and production—building the future in the present.

Some argue that direct participation in the workplace will cause disillusionment with impersonal and unaccountable electoral politics. A robust municipalist movement can exploit this disillusionment by posing a revolutionary alternative that opens space for direct participation in community governance. A prerequisite for a successful municipalist movement is a population who demand self-determination and have the skills to govern. Worker-owned cooperatives can incubate this population.

The founding theorist of radical municipalism, Murray Bookchin, was not very high on the idea of worker co-ops, which he referred to as a "blatant bourgeois trick." Bookchin instead called for a broad “municipalization” of the economy. While there are many entities which make sense to operate under municipal control, including utilities such as power, water, internet, sanitation, etc., municipalizing every enterprise like a local cafe or construction company or retail shop seems not only unworkable, but antithetical to the overriding philosophy of radical municipalism. As a decentralized, grassroots movement, municipalists should seek to disperse power and decision-making throughout society and the economy. A network of unionized worker-owned cooperatives can complement a radical municipalist future as autonomous productive entities.

In these critical times, worker-owned cooperatives are a solution to deep levels of inequality, alienation, and community disempowerment that define the 21st century. While they are not impervious to capitalist values and contain other shortcomings, worker co-ops offer a way to grow our democratic muscles while expanding community ownership of the means of production. As a constituent element of a broader solidarity economy and radical municipalist praxis, the limitations of worker-owned cooperatives can be overcome toward social, economic, and ecological liberation.

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39 Carter, “Political Participation and the Workplace.”
40 Bookchin, “The New Municipalist Agenda,” 262.
acknowledgements

Solidarity Research Center is a nonprofit organization that builds solidarity economy ecosystems through data science, story-based strategy, and action research. We work at the intersection of racial justice and solidarity economies. We are the home of projects including the Municipalism Learning Series, Los Angeles for All, and Regional Solidarity Economies.

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