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Be Your Own Boss, Join a Collective

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The Bay Area is home to several dozen worker cooperatives, or collectives, in which every member is at the same time a worker and an owner of the enterprise. Some are thriving and others are struggling, but they are all enterprises dedicated to the notion that there is a better way to do business than business as usual.

There is no hierarchy in collectives. Every worker, as a member of the collective, has an equal voice in the decision making, generally gets the same hourly wage and shares equally in the profits of the business. While it seems like a simple concept, it can take considerable effort and commitment to make it function.

The local co-op workplaces are organized into a Network of Bay Area Worker Cooperatives—that's NoBAWC, pronounced "No Boss," which provides a venue for sharing of information among the member co-ops and advice to groups wanting to start new cooperative enterprises.

Dave Karoly, staff person of NoBAWC, points out that local government offices of economic development offer advice for people wanting to start up a business, but, he says, "generally they don't understand a democratic structure."

Karoly said that cooperatives can be organizations such as consumer co-ops as well as institutions like the Free Clinic that incorporate volunteers into their democratically run workplace as well as worker collectives. There are a few other places in the country where there are clusters of worker collectives, notably around Portland and the Minneapolis-St. Paul area.

"I think there's probably a relationship between the politics of the area and the number of democratic workplaces," Karoly says. "I think the atmosphere encourages this. [Places] where there's progressive movement would be more receptive to democratic structures, both in terms of creating a pool of workers as well as supporting them as consumers."

The epicenter of all worker cooperatives is a town called Mondragon, in the Basque country of northern Spain. A young priest named Father Jose Maria Arizmendiarieta went there in the 1940s to teach in a vocational school. Besides teaching technical subjects he talked about social values which led to the concept of worker cooperatives.

The first co-op was started in 1956 and by now Mondragon has a large network of widely diverse and hugely successful cooperative enterprises. A group of visitors from Mondragon University came to the July NoBABC meeting and shared some of their experiences in trying to teach and maintain cooperative values in the present atmosphere of global outsourcing.

Does the name of Father Arizmendiarieta ring a bell? The three Arizmendi bakeries (two in the East Bay and one in San Francisco) are worker collectives which in turn were started with the help of members of the Cheese Board, Berkeley's much-loved Gourmet Ghetto institution. The Cheese Board collective has been around for 36 years and has more than 40 members, many of whom have been there for many years. The operation is fairly typical of worker collectives. Everyone has an equal voice in all decision making, there are no managers or bosses. Everyone gets the same hourly pay, their total wages depending on the number of hours they work.

Participating in all decision-making can be something of a burden. A democratic process takes time but as an owner, every member is responsible, in the words of Crow Bolt of the Nabolom Bakery collective, "for a lot of the nuts and bolts that keep the place together."

But things have taken a turn for the worse at Nabolom, which is losing money, can't pay its bills and might go out of business at the end of August despite months of working to try to save it and staff pay cuts. Nabolom's experience reveals some of the pitfalls of collectives, including poor organization, lack of business experience, and allowing personal relationships to compromise management concerns.

Crow traced the problem back several years ago to an incompetent financial manager and poor communication with the rest of the members. By the time they confronted the situation the collective ended up deep in debt. The Elmwood District bakery has been threatened with a Sept. 1 eviction date unless it can catch up on more than three months of back rent.

"Most of us are on the borderline economically and can't afford to work without pay," Crow said. "(Most) have put a lot of heart and effort into it—far more than they're paid back for it."

Inno Nagara, a member of three-year-old Design Action Collective, said that collectives are a viable business model.

“Co-ops are more stable in the long run, they make better decisions,” he said. “You can look at the trends around cooperatives. They do tend to last longer, they move a little bit slower but as a result make better decisions.”

Design Action is a spinoff from Inkworks, a venerable printing company collective with a more than 30-year history. General manager Erica Braun has been with Inkworks almost since the beginning.

“The participation of everybody is very important in terms of making good judgments about our service to the community,” which, she said, has always been the company’s mission. “It’s hard. It lengthens the process but I think in the end we make better decisions.”

Keeeth (yes, that’s how he spells his name) at Pedal Express, a bicycle cargo delivery service cooperative, said the frustrations of cooperatives are worth it because of the satisfaction of working where “people are empowered to make good choices instead of just showing up for work, punching the clock.”

Collective members tend to bond with each other more than they would in the traditional workplace. They share common goals, they all participate in admitting new members and they spend a lot of time together, he said.

Arturo T., who has been a member of the Cheese Board for 21 years said, “It’s a family. You’re marrying into a family.”

The Missing Link bicycle shop is another business that has a long history in Berkeley with members that have been part of the collective for many years. Bill Sparks, one of the old timers, has a quick answer to the question, ‘What’s so great about being in a collective?’

“It’s the boss thing, of course,” he said. “Because we’ve all worked for idiots. [This] affords us some freedoms that maybe you won’t get in the real world.”