

Worker Cooperatives

"If you think about it, nobody announced the birth of capitalism five hundred years ago, either. People just started doing it. That's probably how the next paradigm shift will happen, too – or is happening."

John Biewen, Scene on Radio, Season 7, Episode 12

You've learned about capitalism's development and the features that characterize this economic system. Now, you'll investigate businesses that are experimenting with changing one or more of capitalism's core features.

In most businesses today, ownership and decision-making belong primarily to investors or shareholders. Workers may help produce the company's goods or services, but they usually do not own the business or share equally in its governance.

Worker cooperatives take a different approach. They are businesses that are owned and governed by the people who work there. While worker cooperatives still operate in markets and seek to earn profits, they pose a different question: **What happens when the workers themselves own the company?**

In this investigation, you'll explore businesses experimenting with worker ownership and consider what their successes and challenges might suggest about the future of capitalism.

Part	Guiding Questions
Part 1 Review and Learn	• What is a worker cooperative, and how does it connect to the features of capitalism? • What aspects of a worker cooperative are different from a traditional business, and what aspects remain the same?
Part 2 Study an Example	• How are some businesses around the world experimenting with worker ownership and democratic decision-making?
Part 3 Research Your Own Community	• How is a business near you experimenting with worker ownership or democratic decision-making?

Part 1 Review and Learn

What is a worker cooperative, and how does it connect to the features of capitalism?

What aspects of a worker cooperative are different from a traditional business, and what aspects remain the same?

Check out the following sources to learn about worker cooperatives.

- **Source 1:** Scene on Radio, Season 7, [Episode 12, 22:42-34:10](#)
(or [Episode 12 transcript, pp. 20-29](#))
- **Source 2:** [“What Is A Worker Cooperative?”](#) from the U.S. Federation of Worker Cooperatives
- **Source 3:** [Features of Capitalism explainer](#)

Part 2 Study an Example

How are some businesses around the world experimenting with worker ownership and democratic decision-making?

Choose one or more of the following companies to research.

Mondragon Corporation Mission: Create businesses that combine economic success with democratic worker ownership. Located in the Basque region of northern Spain, Mondragon Corporation is one of the world's largest networks of worker cooperatives. It includes businesses in manufacturing, retail, finance, education, and research, all built around the principle that workers should help own and govern the companies where they work.	Equal Exchange Mission: Build a more democratic and equitable food system through worker ownership and fair trade. Based in Massachusetts, Equal Exchange is a worker-owned cooperative that sells coffee, tea, chocolate, bananas, and other foods. The company seeks to strengthen farming communities around the world while giving its own worker-owners a voice in how the business is run.	Cooperative Home Care Associates Mission: Improve jobs and quality of care by giving home care workers greater ownership and voice. Located in the Bronx, New York, Cooperative Home Care Associates is one of the largest worker cooperatives in the United States. The cooperative provides home care services while offering workers opportunities to become owners, participate in decision-making, and share in the company's success.
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Research Questions

1. How is this business owned and governed?
 - a. Who owns the company?
 - b. Who makes important decisions?
 - c. How is this different from a more traditional company?
2. How does worker-ownership affect the people who work there?
 - a. How are profits distributed?
 - b. How do workers participate in decision-making?
 - c. What responsibilities come with ownership?
3. Which feature(s) of capitalism is this cooperative rethinking or changing? How?

4. What trade-offs does this cooperative make compared to a more traditional business?
5. What evidence suggests that this cooperative has been successful?
6. What challenges or criticisms has it faced?
7. If more businesses were organized like this one, what might change about our economy? What might stay the same? What trade-offs might emerge?

Research Process

Step One: Launch Your Research

Explore the company's website and relevant segments of Scene on Radio, Season 7 to gather evidence about as many research questions as possible. As you work, record evidence, highlight unanswered questions, and note disagreements between sources.

Mondragon Corporation

- **Source 1:** Company website: [Mondragon Corporation](#)
- **Source 2:** Scene on Radio, Season 7, [Episode 12, 11:32-37:31](#) (or [Episode 12 transcript, pp. 11-32](#))

Equal Exchange

- **Source 1:** Company website: [Equal Exchange](#)
- **Source 2:** ["Our Worked-Owned Cooperative"](#) from the Equal Exchange Resource Center

Cooperative Home Care Associates

- **Source 1:** Company website: [Cooperative Home Care Associates](#)

Step Two: Identify Remaining Questions

Notice which research questions the Step One sources answer, as well as which research questions you need more information about.

- Which research questions do the sources not fully answer?
- Which sources disagree?
- What findings need corroboration (confirmation or support) from additional sources?

Consider what else you'd like to know. What new questions are on your mind?

Step Three: Continue Your Research

Continue your research by seeking out additional sources that support, complicate, or challenge what you've already learned.

Locate additional sources:

- Watch the video from [Common Sense Media](#) about creating strong Google search terms. Then, generate different search terms and operators that you can use to continue your research.
- Check out recent reporting on the organization. For example:
 - Go to Google News.
 - Search for the organization's name in quotation marks (for example, "Equal Exchange").
 - Use the date filter (such as Past month or Past year) to focus on recent coverage.
 - Look for articles from a variety of reputable news outlets rather than relying only on the organization's own website or press releases.

Evaluate those sources by asking:

- Is it reliable? Who is behind the information?
 - What person or organization sponsored the website or created the information?
 - Who is the author? What is the author's perspective?
 - What might the organization's and/or author's motivations be for presenting this information?
 - Based on this, how reliable is the information? Why might it be reliable? Why might it be less reliable?
 - What do other sources say? (Can I corroborate with information from another source I know to be reliable?)
- Is the information relevant?
 - Does the source have information to help answer my research question(s)?

Part 3 Research Your Own Community

How is a business near you experimenting with worker ownership or democratic decision-making?

Brainstorm businesses in your area that are owned by their workers or give employees an active role in ownership and decision-making.

Choose one business whose industry or approach interests you. Investigate it using the same Research Questions and Research Process from Part 2.

You might also decide to conduct one or more interviews with this business's worker-owners, or with experts who study worker cooperatives. Check out our [Interview Toolkit](#) for tips on preparing for, conducting, and recording interviews.