

## Jail Breaking the Cooperative

**Ross** Welcome to Renegade Inc. We always hear that the business world is dog eat dog. But when did you last see a dog eating a dog? Dogs, like humans, are pack animals who seek cooperation and loyalty. So now that we can't afford the corporate dog fight anymore, should we look to the cooperative movement to create the brave new workplace?

**Ross** The old joke about the co-operative movement is that it's not very co-operative and it doesn't move very much. Is that fair?

**Jessica Gordon Nembhard** No. I think the old joke is partly because people, you know, especially in modern Western world, people really were not taught, trained, to accept cooperation, to do it well and to respect it. I actually blame kindergarten, partly, because to me, kindergarten is like the epitome of how we beat cooperation out of children and expect and that's part of like - if you think about what you need to graduate from kindergarten - it's all the stuff that stops kids from being human and cooperating in that sense.

**Ross** And what are those things?

**Jessica Gordon Nembhard** I mean, they want to cooperate while you play nicely, but if you talk to somebody else during school, that's cheating, right? You're not supposed to ask anyone else's opinion or find out anything else from somebody. So you're cheating if you collaborate or cooperate or talk to somebody, right? If you say something different from what the teacher taught you or told you, then you're being insubordinate, right? - either behavioural wise or intellectually, because you're supposed to regurgitate what you learned. And these are all skills that you're learning in kindergarten, right? That's why they pass you to first grade, because you've learnt how to do this. You learn to be an individual to just regurgitate what the teacher told you, to not talk or collaborate with your friends or partners. And so from early on, we're taught it's not good to cooperate. And then when we try to do it economically later, we're also laughed at and told we're foolish because who would act that way? And so that's why we make jokes about it. But actually, the people who cooperate, they spend time learning how to make decisions together. They actually make better decisions that two heads are better than one actually works in cooperatives. And we find we're more productive, both economically and socially.

**Ross** But that depiction of kindergarten, is that true today? Because, for instance, when I look at kindergartens in the UK, the idea of collaboration is way more embraced than it was. Are you depicting a kindergarten, for instance, you know, 20, 30 years ago?

**Jessica Gordon Nembhard** Well, yes and no. I mean, I think you're right that there's a little bit more respect, especially in radical pedagogy, for collaborative learning. People are starting to understand it in some ways. They're trying to get you back to it in high school because they know you're going to have to do some collaboration to work in the work force. But I don't think there's a real reverence for real consensus building cooperation. I still think that even in education, there's like a box for it, like it's OK to do it here and here, but it's not really okay to do it in your whole life or to be it, to exist for that.

**Ross** And what's the ideology behind it? Because it's very easy to reach for neo liberalism and neoclassical economics to say that we are self-serving, profit maximising, rational individuals. And actually that's how human beings work. But we know that that simply isn't the case because we have watched various people around the globe blow up and we see it on a regular basis when they dedicate themselves to themselves and we see what the effects that has on society. What's driving this?

**Jessica Gordon Nembhard** I think there's a couple things. I think it's easier to control people if you make them think it's me against the world and I've got to do it myself. You can control people in two ways. One, collective action is so much stronger than individual action. So you stop people from actually making change to collective action because they don't believe in it or they don't see that it could work because they've been taught or trained. But also, there's this weird tension in economics, right? Because on the one hand, technically, we're supposed to be these individualistic, grasping for ourselves, and you know, they rationalize that makes a good economy. But yet the worlds of business and production is actually moving more toward teamwork and collaboration, but within boundaries. So I think the tension is also the other problem, right?. You sort of want to teach them that it's going to be OK when a supervisor tells you to collaborate, but you're not supposed to do it on your own, right? And then if you work with other people on your own, then you're being subversive, right? And so there's that tension. So I think that's what's happening. So in some ways, we're seeing that we have to get people working together, but we're trying to contain it .

**Ross** And a different way of going about this idea is it - and I'll paraphrase it - the African proverb of, if you want to go quickly, go on your own. If you want to go far, go together. Is that broadly it?

**Jessica Gordon Nembhard** Yeah. And I think that's what we're starting to all learn or some of us are learning, especially since the Great Recession, at least that the US had, I guess the world had it, too. People really, I think, are a little bit more critical now of maybe the way we've been trying to do stuff. You know, the Horatio Alger myth is really a myth and not something we can aspire to. We've got to figure out our own way. Figuring out our own way means we need to actually collaborate. Sometimes when I start my workshops on cooperatives and stuff, I really talk to people about you're already living a collaborative, solidarity life in some ways because we're human beings. So think about it. I mean, you're already bartering, right? Don't you drive your friend's kid to school and then they do it the next day or somebody babysits while you go to the hairdresser. And then you take everybody to soccer. And sometimes we do collective meals. I mean, there's lots of stuff that we do already. So it's not really that we have to learn it. We have to learn that it's OK and it's smart to do it.

**Ross** So it's a shift in our mentality more than anything else?.

**Jessica Gordon Nembhard** It's a shift in mentality, right?

**Ross** Because we've had 40 years of a diet of extreme capitalism.

**Jessica Gordon Nembhard** Right.

**Ross** And just looking around New York and looking at the infrastructure and looking at your country, you can clearly see that the last 40 years have been really detrimental.

**Jessica Gordon Nembhard** Right. Yeah. It's not working for the everyday person, right?

**Ross** Especially to those who can least afford it.

**Jessica Gordon Nembhard** Right. And so the winners are taking all the spoils and leaving everybody else out. And there's really no place. And we've got to create our own. And we've got to create our own as a collective because we can't afford to be fighting with each other over a little stuff because that's how they keep winning. Sometimes I talk about, well, let's get your children, get the youth involved in the co-op first, even if the parents can't do it because the young people can do a bunch of stuff as co-operators. One, they can bring a little income to themselves and their families, especially by the time they're in high school. Two, often the co-ops that they start are solving community problems that they noticed as kids, as young people. And so they're addressing a community problem. And three, once they start getting involved in co-ops, of course, their parents, or most parents, are going to get interested or involved or try to take some time to understand. So one of my strategies is to actually say, well, let's let's help the young people.

**Ross** So it's an oblique sell. You're used solving the problem indirectly. Right. And therefore, heading off the sort of clashing of heads saying we can't do this because there is a lot of inertia and there's also a lot of fear.

**Jessica Gordon Nembhard** Well, there's a lot of fear and a lot of frustration and stress. People are stressed and traumatised. This whole society is stressing and traumatising all of us, but especially people who are really trying to make ends meet. And so, again, trying to figure out how do we talk about the positives? How do we show people that they already have assets, even though they're not the traditional financial assets that they think of the assets of their human power, their friendships, their relationships, their children? Might that those assets help them to do something better and to change slowly. And also, the thing about slow is really important.

**Ross** Why?

**Jessica Gordon Nembhard** They don't have to wake up one morning and suddenly be a co-operator and suddenly start a co-op. They need to first recognise, as I said, what they're already doing and who they already are, that they can do more and better. They can start to see small, little things, even if it's not actually a co-op. Just a little solidarity, little acts of solidarity that they and their children are involved in and slowly see examples of different ways they can do things, different things they can get involved in.

**Ross** The slow point is really interesting because what you're actually saying implicit in that is that the most precious resource in the world isn't capital. It's time and therefore labour. So bringing the slow aspect back to it, if you think about the diametrically opposed idea there, it's private equity where we get as much capital as we can together, we go and own labour. And then look at the state of the planet, because ultimately the destruction to the people and

the environment is massive. But share prices look alright. And that's been the last 40 years. That's been very much the narrative over the last 40 years?.

**Jessica Gordon Nembhard** Right, and it's not sustainable. I mean, maybe 40 years is a long time, but it's not sustainable. We can't keep going like this. The planetary destruction, but also the human stress and trauma. I don't think as a society we can keep treating people like this.

**Ross** So you're not surprised that over that period of time that the use of anti-depressants and all these drugs to keep people on that treadmill, you're not surprised that all those graphs have gone in one direction?

**Jessica Gordon Nembhard** Right. Not at all. I don't know how else we can survive this, but that to me is another imperative for why I keep pushing this model and why I keep saying we can do it, because we have to believe that there's another way, right? I try to find the examples so that people can see there's another way. And I try to find examples that aren't like the most shiny, this foundation gave two million dollars that these people could do. I try to sell the stuff where people, you know, pooled a hundred dollars here or there, put in ten dollars a week, that kind of thing. And then we're able to leverage that to something else where they, you know, did some little small thing, a buying club in their neighbourhood and then did something beyond that. They just met and study groups first. And, you know, because to show people that we can. You've just got to do one thing first.

**Ross** But people forget. I mean, you know, they point to places like Mondragón, which is a very famous co-op in the Basque country in northern Spain. And actually the Catholic priest in post-Franco walked around with a hessian bag getting a few dollars together from locals who all had shared interest.

**Jessica Gordon Nembhard** Right.

**Ross** And now, many, many decades or a fair few decades later, you have Mondragon which is vast. That's the definition of entrepreneurship isn't it?

**Jessica Gordon Nembhard** Yes, just the beginning and starting small. And again, Father Arizmendarreta in Mondragón it was actually a school he started.

**Ross** So it's how education process. And by the way, I'm delighted you pronounced his name because I was going to try to. But he started that as an educational establishment.

**Jessica Gordon Nembhard** Right.

**Ross** And every Sunday morning, talked to everybody about the principles, not rules, the principles of how to create value.

**Jessica Gordon Nembhard** And then created a school owned and controlled by the parents and the students to do that. And then his first graduates actually created the first co-op that becomes a Mondragon co-op. So, again, as this connection, as you said, the connection with people, the connection, talking, education. The research I've done on African-American

cooperatives, after I got about five years into the research, I started trying to look at trends and I was like, oh, my gosh, every one of these started with a study group. People just came together and said, we've got problems. What should we do? Somebody in the group had heard about a co-op or knew about somebody else's co-op and said, oh, maybe we should think about a co-op. They started learning and teaching themselves about co-ops and moved from there. And so, again, that's why I keep saying you just have to take one step, one step at a time. It's not like you have to wake up the next morning and have a whole co-op or a whole set of co-ops and have a million dollars. In fact, those, I don't think work as well, because I think the process people going through the process, right?. Learning by doing, making the road as we travel, right? That's where the longevity is. That's where the sustainability is, is because we're all doing this. We're learning together. We're creating together. We're building step by step. It's not something just dropped down from above that we're supposed to participate in.

**Ross** The irony is that capitalism can't afford competition anymore.

**Jessica Gordon Nembhard** Right. And not even anymore. The research I did on black co-ops from the eighteen hundreds. White capitalists and white supremacists, we're trying to stop them because they were doing alternatives to using their store, their bank etc. And they couldn't stand it, even though these are just little poor, formerly enslaved sharecroppers and stuff. But they couldn't stand the fact that they would mask their own stuff and not need them or not use their store and not work their land or that kind of thing. And so they did everything they could to stop it. It's I mean, a really sad story in that sense. But it's a wonderful story in terms of the persistence and resilience that people continued to cooperate, even though they could get lynched, their crops could be burned, their store could be burned down. But they kept doing it.

**Ross** We're sitting here in America, which, as you know, your homeland.

**Jessica Gordon Nembhard** Belly of the beast.

**Ross** Belly of the beast. But also land of the free. But the obvious contradiction is that per capita, you have the greatest prison population on the planet.

**Jessica Gordon Nembhard** Right. And we were called the land of the free, even though we enslaved millions of people for two hundred years or something.

**Ross** One of the focuses of your work is to use cooperatives within the prison system to educate and to give freedom and meaning to people who have been incarcerated. Why do you think that that model fits perfectly, or fits at all, to the American prison complex?

**Jessica Gordon Nembhard** The prison system is actually the only place in the U.S Constitution where you can still have slavery, enslavement. So we already have the most marginal, unfree people in a country, as you say, that considers itself land of the free. So there's already a huge contradiction there. We also have the highest prison population. We also have a high amount of people of colour in prison, a high amount of people who are really in prison only because of mental illness and addiction, not because of violent crimes. I think that's only, what, 10 or five percent, something small for violent crimes. So we've got a

population who's the most depressed, the most marginalised, basically enslaved. And again, going back to the history I did of African-American cooperatives, that's how they started - with people who were the most marginalised, using cooperation to survive both to feed their families, to gain some dignity, to mitigate discrimination and oppression. And so when I was thinking of sort of where's the next frontier for the U.S, it really is prison. And then I found out that other countries actually already had much more enlightened policies, especially even allowing in prison people to own their own businesses and co-ops. And actually, the very first place I learned a lot about this was Puerto Rico, which is a colony of the U.S. But Puerto Rican state law has allowed imprisoned people to own their own worker co-ops. They actually had to petition to get the law changed so that they could because originally Puerto Rican co-op law did not allow incarcerated people to own a co-op.

**Ross** And what's the effect of that been when you look to them as a case study, if you like?

**Jessica Gordon Nembhard** So, one, it shows that we can do it in the U.S. because technically it's US federal jurisdiction. So it's more about the will rather than the way or whatever. But also, what I love about that example is how empowering it is for the worker-owners, the incarcerated people who own their own worker co-ops. One, the fact that they were able to petition the government to change the law so they could. Two, that they even knew that co-op economics was how they wanted to do something while they were in prison. And three, the fact of being co-op owners has enabled them to help support their families, to pay back the restitution, to give them dignity and humanity while they're still in prison, etcetera.

**Ross** So this has created a virtuous circle as opposed to the vicious circle.

**Jessica Gordon Nembhard** Exactly.

**Ross** Because what you see in the U.S at the moment are a great percentage of the prison industrial complex, if you like, are for-profit prisons.

**Jessica Gordon Nembhard** Right.

**Ross** And they know - those shareholders and those managers, those executives - know that a coalbed is losing money, you know. So guards often say when an inmate is released, they refer to the inmates as customers and they say, see you again soon.

**Jessica Gordon Nembhard** Right.

**Ross** Because they know, ultimately, from the guards point of view...

**Jessica Gordon Nembhard** That model will have them back, will need them back. So they're not doing anything. They're just punishing. They're not doing anything to really rehabilitate them or to equip them to go back out. And so, of course, if they go back out the recidivism rates are high everywhere.

**Ross** How do you land your message when there's such cynicism around people's behaviour? The economics are stacked against prison cooperatives. How do you land that message and

start to say, actually, this is a better alternative because you're going to come in for an awful lot of flack?

**Jessica Gordon Nembhard** Well, it's very hard and slow. And I'm just starting in the U.S.. So the first thing was to actually amass the research, right? Who is doing it well? That's where I started to look at the Italian model. The Italians are doing it well, the Swedish, Ethiopians, Uruguayan's. And so I'm trying to get the facts because I'm also a researcher. That's how I operate.

**Ross** What and the Americans are last to the party on this?

**Jessica Gordon Nembhard** No, Canada's even doing it.

**Ross** I thought you were leading the world?

**Jessica Gordon Nembhard** No, we don't lead in anything, not in any of the good stuff. Sorry. So I do the research, right? The second thing I've been doing is trying to find audiences who will be receptive. So one of the things I started to do in my university, actually, we have a prison to college pipeline where we do teach inside a couple of the prisons in New York State. And so I joined that programme and started teaching incarcerated men because I also want to see would they be receptive to learning about co-operatives and thinking about co-op ownership? And it turned out they were really interested and excited. I also started partnering with the Black Prisoners Caucus out in Washington State and with a colleague of mine who's a lawyer reparations law in Washington state. They've been looking at what are the laws in Washington state, in the state prisons that might allow incarcerated people to at least own their own businesses. And if they allow them to own their own businesses, could they be co-ops? And then what's the co-op law? So they they're doing some legal research. I've connected with them and also been talking to the Black Business Caucus there about would co-ops be a good option for them. So that's the next thing. I think that's the easier part.

**Ross** What's the wicked problem?

**Jessica Gordon Nembhard** Well, the wicked problem is changing the minds of corrections departments, corrections offices, changing the laws if we need to actually change federal and state laws to allow this. I'm not so worried about the general public because I think they'll be happy with the lower recidivism rate and better functioning returning citizens.

**Ross** That's an easy sell.

**Jessica Gordon Nembhard** Right. I think eventually that's an easy sell. At first they're wary because they don't want to put any money into it. But I think, especially since Obama, there's lots more people are getting out. And so I think I'd rather see people getting out in good shape and prepared to be, do, and participate in society rather than people getting out who are just being prepared to go back in. So I think that part. I think it's really the corrections system or whatever the people who have trained themselves, that this is, you know, that we should think about these inmates as animals. I think they're going to be the hardest. So I've been trying to work all around them, get incarcerated people themselves, get the people that

support incarcerated people, get people who are looking at previously incarcerated people and how to support them because you can do a seamless worker co-ops in and out with that group. And then legislators would be the next thing to try to get law changed. The thing that's also interesting in the Puerto Rican model, which is the one I know the best, is they actually were able to convince the corrections department because they actually bring money in to the system. The largest worker co-op and the oldest one they've got actually pays fifteen percent of its profits every year to the corrections office. And they pay them rent. They pay them all kinds of stuff. They pay them for extra security when they go out to sell their wares because it's an arts co-op. So anyway, so the prison is actually making money off of them and it keeps actually some of the incarcerated people have actually become more less of a behavioural problem in the prison since joining the co-op.

**Ross** It's interesting that you talk about money because it's such a one dimensional metric. You know, money brings in money. But the other point, which is a little more subtle and nuanced, which is behaviour starts to get better when you give meaning and purpose.

**Jessica Gordon Nembhard** Right.

**Ross** So suddenly what you're doing is you are, again obliquely, saying we're going to create value. And when you start to create value every day, you're going to start feeling better about yourself. Because you get up in the morning, something doesn't exist, you make it. You get to bed at night. You feel good.

**Jessica Gordon Nembhard** Right?

**Ross** If you then hop over to the private equity capitalist system, you're a cog in a wheel for a billionaire class. And you never see the start, the middle or the end of a process. You just go in, just clock in.

**Jessica Gordon Nembhard** And you're barely making ends meet but you're watching them get more and more wealthy.

**Ross** And the inequality grows and all the rest of it. So no wonder the co-op movement as it stands today, is sneered at. Because what we as a society - and I can see this acutely in the U.S - is we haven't redefined success. So Jeff Bezos is apparently successful.

**Jessica Gordon Nembhard** Yeah. And, you know, I was at a meeting of some wealthy blacks. This is probably almost 18 years ago. And the guy that I was sitting next to is a banker. And he was asking me about my work. And I was just getting into the co-op stuff and he was sneering and laughing at me. And then he was like an I would never share my financial decisions with a group of people, you know? So I told him, actually, he wasn't one of the people I was worried about, that he really didn't need a co-op if he didn't want one. I was more worried about the people who can't feed their children and who, if they put in a dollar with everybody else's dollar, could get some fresh vegetables that week and could move up into something more.

**Ross** And what did this Ayn Rand-ian type guy, what did he say to that?



**Jessica Gordon Nembhard** He just laughed. It was like, oh, fine. Because, again, it was seen as pettily small pettily thing. And if you want to worry about the poorest of the poor and waste your time, fine. That's why I said I think when it gets bigger and bolder that maybe they'll be more obvious ways to stop it. Right now, I see them as sort of seeing it as throwing some crumbs to the very poor and as long as it doesn't really rock the larger boat they don't really care. But I also want to turn it around. I really would rather talk about why ordinary people and people of colour would actually want to do the co-ops. I'm not so much worried about whether the big capitalists, what they care about. I know eventually we have to deal with them. But I also learned from my research with black co-ops that if you have a strong enough movement with resilient people whose community understands them, that people will rally to protect the co-op and the fledgling solidarity activities. And so that's what I really focus more on. How do we make sure that the communities that I'm working in understand this model, even if they don't want to be part of it, they understand it and want to help protect it. And the people who want to be part of it learn enough to start moving forward, even in whatever small ways, as we talked about earlier. And to me, that's the power. And I do see it. I see more and more every year in the United States. More and more people asked me to come speak about this. I see more and more co-op starting, especially in communities of colour. I see more and more talk about how can we do this in a good way? What are the kinds of structures, what are the things we need to know so we can do it better? And that's the part that keeps me going and that I get excited about, because it's really wonderful to see more and more people say, yeah, maybe we should do this, this is worth a try. We should at least learn enough about it to think about how to transform into those kind of models.

**Ross** Jessica Gordon Nembhard, thank you very much for your time.