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Worker co-op bill being heard in Senate, could this model work for Benny's?

By Peter Nightingale on September 18, 2017

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The Rhode Island Senate calendar for Tuesday features legislation that makes it easier to create and run worker-owned cooperatives. The bill is "a statutory vehicle for the creation and functioning of workers' cooperatives which are corporations that are owned and democratically governed by their members."



In June, the House passed an amended version of the bill, H6155. The legislation reached an impasse when Speaker Nick Mattiello sent the House packing at the end of that month. The need is growing for distributed, post-carbon food and energy production systems. At the same time, Amazon just took over Wholefoods. The Internet is abuzz with Amazon's role in the "retail apocalypse" of which Benny's demise is an example.

The resurrection of the legislation could not be more timely

But there is more. Amazon is close to killing its host, Seattle, and the company is looking for secondary headquarters. And yet, some want more concentration of wealth and less democracy, as witnessed by an on-line petition asking Amazon to take over Benny's.

As WPRI reports, RI leaders hope to lure new \$5B Amazon HQ. The report makes clear that the thought of not participating this bidding war never even entered the Raimondo administration's thinking. Clearly, this administration takes Margaret Thatcher's "There is no alternative" as its economic article of faith.





New Comments

salgal: Hasn't Invenergy reached their tipping point yet? How much more dinero are they willing to shell out. I...

mgd: D'you suppose Delorenzo puts his arm around men's waists and kisses them on the cheek, too? I don't think he...

Kcinri: Doesn't matter who signed the agreement from the NIT. They will be paid a 1 time lump sum of money...

leftyrite: you know what? It's a beautiful sec October afternoon. New England. Rhode Island. Providence....

Lauren Niedel: The new comments that have surfaced today regarding DeLorenzo certainly highlight the fact that...

cailin rua: My question is what do natural monopolies, gambling casinos, and rescheduling cannabis into a...

cailin rua: I'm curious. What does Delorenzo have to say about "death taxes"? Is it any

Worker co-op bill being heard in Senate, could this model work for Benny's?

Contrast this with Aaron Regunberg's rhetorical question on Facebook:

Instead of bribing companies like Amazon to come here, should we instead invest in our community businesses and workers and stronger schools and reliable transportation so companies (local, Amazon, and otherwise) want to create jobs here?



Thinking outside the box or boxing in the thinking in big-box shops?

Bribes and blackmail for corporate tax

breaks are nothing new in Rhode Island, as people in North Kingstown and Woonsocket know only too well. There are other problems, as the Seattle experience with Amazon demonstrates. Richard Silverstein, a blogger at Tikkun Olam, lives in Seattle. He has this to add:

[T]here are many drawbacks to having Amazon as a neighbor. They include a decline in affordability in your town, an astronomical rise in the cost of real estate, both commercial and residential. Traffic will be a huge snafu.

Besides the "dictatorship of the proletariat" there always has been alternatives and answers to the question *Capitalism is Bust; What's next?* Indeed, there are voices calling for saving Benny's by turning it into a worker-owned cooperative. Ric McIntyre, professor and chair of the economics department at URI, responded to this possibility stating:

The main push would have to come from self-organization by people at Benny's. Were that to happen, then there could be a role for solidarity groups to play. It's difficult to do, but successful examples tend to involve worker self-organization, interest and support of trade unions and key political leaders (even if there are just one or two), technical expertise in cooperative formation and management, and mass public support.

Raul Figueroa is a community organizer at Fuerza Laboral, a workers' rights center in Central Falls, RI, with the mission to shift the balance of power in our economy towards labor with a strong focus on immigrants and people of color. Raul responded to the "Benny's Cooperative" question by saying:

This is an exciting and important time for the workers' cooperative model here in Rhode Island. Putting people over profits is a humane way of doing business. It is a way to lift our families out of poverty and to counteract the decline of permanent and dignifying jobs.

Raul, together with Michael Araujo, executive director of Rhode Island Jobs with Justice, and Jennifer L. Wood, executive director of the Rhode Island Center for Justice, issued a joint statement about Benny's announcement to close its 31 stores:

The headlines read as though this were inevitable, that Amazon, the gargantua of the new economy, will necessarily destroy local businesses as it consumes market share. Yet, does this hypothesis withstand scrutiny? After all, when we are on our way to Salty Brine State beach and we remember that we need another cooler, we go to the warmth of Benny's, nowhere else.

There is a problem that transcends headlines: a growing disconnect between people and leadership. This problem haunts many of the more-traditional unions. Despite sympathy for the co-op concept at the individual level, AFL-CIO for example declined to comment,

different.

David Cicilline donald trump Providence
Rhode Island State House General
Assembly ed deform necap jorge elorza
Invenergy Education Gina Raimondo
Gina Raimondo Congress EFSB marriage equality
Sheldon Whitehouse national grid Rhode
Island ACLU Bernie Sanders

making it clear that they are not prepared to be out there on this subject. (Tension between leadership and rank-and-file has been on display during the last elections and in the continuing war between the Clinton and Sanders factions of the Democratic Party. (See (1) here; (2) here; and here.)

Also the Libertarian Party of Rhode Island, which never skips an opportunity to take on corporate welfare, failed to respond to a request to comment on the desirability of a "Benny's Cooperative."

The Green Party of Rhode Island said:

Benny's, like Ann and Hope or Almacs before it, is another landmark of the Rhode Island economic landscape that sadly has been felled by the forces of globalization combined with local fiscal policies that show favoritism to mega-corporations such as Wal-Mart or Home Depot.

The Green Party of Rhode Island supports current efforts in the Rhode Island legislature to foster the growth of worker-owned cooperatives. We emphasize the need for a just transition away from a grey, pollution-based economy towards a Green New Deal. We would encourage, applaud, and support efforts to convert the stores into worker-owned cooperatives that would serve as a model for the wider community.

So much for organizational responses. Cooperatives consist of people. What motivates them?

Karina Lutz is a long-time Rhode Island activist with an interest in co-ops dating back to her days in college. She has been a member of food co-ops and of REI, which few realize is a co-op, probably the largest retail co-op in the country. Her kids went to a pre-school co-op, which, as she said, "kept parental engagement up and costs down."

Currently, Karina is a member f the Listening Tree Cooperative in Chepachet, RI. The homestead produces food and is an electrical co-op, operating solar panels. It also is an experiment with self-organizing social systems. Decentralized energy production is absolutely vital to avoid total climate chaos, and indeed other post-carbon co-ops, such as Sol Power and the Sol Chariots Pedicabs Cooperative in Providence are driven by similar concerns.

Listening Tree has an interest in simple living, and egalitarian and inclusive governance. But cooperatives are not necessarily about simple living. An example of an upscale co-op is Laurelmead, a retirement community on the on the East Side of Providence.

Last Thursday, the Urban Greens Food Co-op in Providence had a ground breaking, BYOS (Bring Your Own Shovel) event for its food and groceries store front on the South Side of Providence. With an architectural design by Peter Gill Case of Truth Box Inc. it includes affordable, workforce housing on site. As Karina mentioned, when she brought up Urban Greens and her involvement with the project, the food co-op will be located on a brownfield site:



DIY pesticides: vinegar, salt and soap

It's very much restorative economy: you take an abandoned brownfield, clean it up, green it up, and have the consumers be the owners of the cooperative so that the

profits will stay in the community for the community. The prices will be kept down to provide fresh and local food to a community that does not even have access to a grocery store within walking distance.

Unfortunately, just recently, the Alternative Food Co-op in Wakefield closed after being in business for almost half a century.

Asked about a possible take-over of Benny's by Amazon, Karina said:

The fact that they took over Wholefoods means that they think that people are not even going to bother to go out to buy their food, and that a sort of



Bring your own shovel (BYOS)

Peapod-like shopping is going to be more common.

Referring to Bill McKibben's book, *Deep Economy*, which mentions co-operatives and farmers' markets, she continued:

Research show how people interact much more with their neighbors when they have a farmers' market. Part of that is seeing your friends, seeing your community, talking to people, and talking to people who grow your food. In that way, you are able to trust them the food is grown in a healthy way that is not affecting their neighbors by spraying poison. You'd hear about it, if that was happening.

As to Benny's, it's the friendliness of the people; everyone—from the managers to the cashiers—is always very approachable. That's why it's a pleasant place to shop, which makes it so hard to see it go. With a consumer or a worker cooperative you'll have a much stronger sense of community with people who are not just engaged in commerce, but in relationships.

Karina wraps up with:

If the economics could work, the workers could buy... If the family is closing it, it doesn't even have a value... If the company could be transferred to the workers to own, then they could maybe even figure a way to compete with Amazon. It would be because there is an efficiency to a cooperative that has to do with the happiness of the workers and their willingness to go the extra mile. That is going to come back to the workers as a whole.

This is exactly the point CEO of REI, Jerry Stritzke, made in an Atlantic Magazine interview addressing *How REI's Co-op Retail Model Helps Its Bottom Line,* Stritzke goes further and mentions cooperatives' ability to take the long-term view, something almost completely missing our financialized, end-of-the-quarter driven, casino economy.

A world with people for the economy rather than the reverse is unsustainable. As Pope Francis wrote in *Laudato Si'*, over two years ago:

As a result, "whatever is fragile, like the environment, is defenceless before the interests of a deified market, which become the only rule."

The result is consumerism, pervasive lack of empathy for life on Earth, and perpetual war, which may drive humanity off the climate cliff or towards nuclear holocaust. Worker-owed cooperatives are an essential component of the alternative, a sustainable, post-carbon way of life.

10/19/2017

Where do you start when you want to create a cooperative? Karina mentions getting help from the Cooperative Development Institute, based in Greenfield, MA, and funded in part by the United States Department of Agriculture (USDA).

Rating: 10.0/10 (2 votes cast)

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Peter Nightingale

Peter Nightingale is a theoretical physicist and teaches at the University of Rhode Island. He strives to leave behind a more just and peaceful, sustainable post-capitalist world for future generations, and his children and grandchildren

in particular.

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2 responses to "Worker co-op bill being heard in Senate, could this model work for Benny's?"



salgal September 19, 2017 at 12:37 am | Permalink | Log in to reply.

Great piece, Peter! I've been hearing a lot about related organizing going on in Jackson, MS.

http://www.cooperationjackson.org/intro/.

Rating: +2 (from 2 votes)



Peter Nightingale September 19, 2017 at 7:47 am | Permalink | Log in to reply.

Thanks, salgal, and also for that link.

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... emerging federation of local worker cooperatives, a developing cooperative incubator, a cooperative education and training center (the Lumumba Center for Economic Democracy and Development), and a cooperative bank or financial institution.

<< This is a marvelous example of prefiguratism, the attempt to create a new, better world inside the shell of the old, dying one.

Rating: +1 (from 1 vote)

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