

ske (kreditne) institucije. Početak seže u 1943. godinu kada je osnovana mala tehnička škola i u 1956. godinu kada je prva radionica počela da proizvodi peći i grejalice. Otada, rast mondragonskih kooperativa bio je zaista upečatljiv, a i njihova efikasnost pokazala je izuzetno visok stepen u poređenju sa kapitalističkim preduzećima.

U ovom članku, autor podrobno analizira raspodelu zarada i kapitala u mondragonskim zadrugama. Najpre se razmatraju osnovna pravila koja regulišu nivo i razlike u zaradama. Zatim sledi istorijska analiza koja pruža uvid u mnoge probleme raspodele kao i različite opcije o kojima treba odlučivati tokom vremena. Što se pokret više širio to se javljala veća potreba za politikom zarada i dohodaka, tako da je ova politika na kraju poprimila regionalni ako ne čak i nacionalni karakter. Pokazalo se da politika dohotka ima ključni značaj budući da se njome odlučuje koliko će od čistog viška biti raspoloživo za nove investicije. Prihvaćena politika dohotka dosad je bila primenjena na sve kooperativne bez obzira da li su one angažovane u industrijskim aktivnostima, ili se bave kreditiranjem, istraživanjem i razvojem, obradovanjem, itd. Ovo pokazuje jasno odstupanje od obrasca razlika u zaradama koji vlada na tržištu rada posmatranom u celini. Jednako važi i za uže raspon između ekstrema — najviših i najnižih zarada: u kooperativima se održava raspon od jedan prema tri, dok je u nekooperativnim organizacijama raspon znatno veći. Na taj način, glavne razlike koje postoje u zaradama za slična radna mesta (poslove) u istom regionu zavise od toga da li neko radi u kooperativi ili kapitalističkoj tvornici.

Podaci ubedljivo pokazuju da je jednakost u Mondragonu čak mnogo veća nego u nekim drugim samoupravnim slučajevima, npr., u jugoslovenskim tvornicama. Razlog za ovo između ostalog leži, i u potrebi kooperativa da razvijaju sopstveni sistem socijalnog osiguranja. U Mondragonu se ovom pitanju daje prioritet; osnovana je posebna kooperativa sa ciljem pružanja usluga socijalnog osiguranja zadrugarima i njihovim rođacima.

Autor na kraju istražuje raspodelu svojine, tj. strukturu kapitala. Mondragon u tom pogledu karakteriše kombinacija individualne i kolektivne svojine: svaki zadrugar ima sopstveni račun na kome se postepeno akumuliraju kapitalna potraživanja, ali postoji i kolektivni sistem rezervi, koje se ni u kom slučaju (izuzev ako tvornica ne istupi iz združene grupe) ne mogu monetizovati. Posle penzionisanja, zadrugar može zahtevati svoje vremenom kumulirano učešće (akcije), koje se tada pridaje penzionim pravima. Ovo, na dugi rok, predstavlja jedan od najslabijih aspekata mondragonske ekonomske "formule" s obzirom da može da vodi, u izvesnoj meri, do dekapitalizacije. Opstajući već više od četvrt veka kao sistem proizvođačkih kooperativa, zadrugari su bili u stanju da reše probleme sa kojima su bili suočeni i da veoma brzo ekspandiraju. Vremenom oni će se morati suočiti sa značajnijim ekonomskim problemima, tako da će u narednoj dekadi biti veoma zanimljivo i korisno pratiti kako se rešavaju pitanja politike dohotka i svojine nad kapitalom.

PLYWOOD CO-OPERATIVES OF THE PACIFIC NORTHWEST: LESSONS FOR WORKERS' SELF-MANAGEMENT IN THE UNITED STATES

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The plywood co-operatives of the Pacific Northwest are the largest group of workers' co-ops in the U. S. Their role in producing a significant portion of the nation's softwood plywood and their continued existence in varying numbers for almost 60 years make them an important source of information on this form of production. This case study will investigate their very real contribution to our present-day understanding of workers' co-ops, and it will also seek to clarify why they should not be considered a complete model for other co-ops to follow.

Sizeable literature exists on the plywood co-ops.¹ This case study will briefly summarize their history and overall performance in order to concentrate on critical aspects of their organizational, decision-making, and financial structures. It will then evaluate these co-ops in light of fundamental conditions for workers' self-management adapted from Vanek (1975) and Bernstein (1976).

The plywood co-ops are distinguished from the conventional, outside investor-owned counterparts in their industry by the fact that their owners also work in them. Co-op owner-members adhere to cooperative principles such as equality of vote in decision-making and equality of pay based on hours of work.

Co-op owner-members own a share, or a block of shares, in their firm. Members are generally required to work in the co-op, and their remuneration is based on work; their business done with the co-op.² Dividends are rarely paid so that there is little incentive for ownership by non-working owners, even when co-op by-laws allow it.

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¹ See Bellas, 1972; Berman, 1967, 1975, 1979; Bernstein, 1974, 1976; Greenberg, 1978, 1979; Rhodes, 1978; Zwerdling, 1978.

² In legal terms, the owners of a co-operative must be its patrons in the U.S. Co-operative ownership is defined in terms of participation in the business, which in workers' (producers') co-ops means participation in the work (production). A workers' co-op is jointly owned by a group of workers who patronize the business and who are classified as its members (Alvarado-Greenwood et al., 1978, pp. 78-79).

Owner-members elect their board of directors, and the firm's general manager is usually then appointed by that board. In most of the co-ops, the entire board comes up for election every year. The board and the manager administer the routine operations of the co-op, but major decisions are made democratically by all owner-members at semi-annual or quarterly general meetings. Major decisions are discussed extensively by owner-members, who have access to all information concerning the co-op's operation. Owner-members essentially hire and fire their manager through their board of directors. The plywood co-ops are, then, a significant example of democracy at work in U. S. manufacturing firms.

The first of the plywood co-ops was Olympia Veneer Company, which was formed in 1921 by 125 workers. Each of them contributed \$1,000, they secured a bank loan, and they built the plant and installed its equipment themselves (Benman, 1975, p. 3). Their first year of building and then operation brought them minimal incomes, but within a short time they were earning one-and-a-half times the pay of employees in conventional plants (Ibid.). Olympia Veneer was one of the first eight plywood plants in the U.S. It both helped to develop the manufacturing technology of the industry and it served as a prototype which other plywood co-ops followed (Ibid., p. 1).

The plywood co-op's history is of course, intertwined with the development of the industry and with historical events during that development. Demand for plywood during World War II found a total of six co-ops producing 20 per cent to 25 per cent of the industry's output. As the industry grew into the 1950s, greater number of co-ops maintained that share. In the past two decades, the share of industry output supplied by the co-ops has diminished to approximately 10 per cent (Benman, 1979, p. 1). No new co-ops have been formed since the early 1950s.

It can be argued that an almost unique combination of factors account for this U.S. co-op experience. First, the need to create employment in the States of Washington and Oregon was met by people who were used to hard work and self-reliance; people who could also count on long-term work based on the area's timber resources. Second, the Pacific Northwest has a heavy concentration of people of Scandinavian origin;³ people who may have been culturally more inclined to seek co-operative solutions to common problems than some other ethnic groups have traditionally been.⁴ And third is the fact that the co-ops were formed in the growth period of a major new industry. Benman (Ibid., pp. 2-3) has pointed out that a number of factors, among them relatively simple technology, a moderate capital-labour ratio, economies of scale that could be achieved with relatively small plant size, and

³ While traveling in the Northwest in the Summer of 1979, this writer was, by coincidence, in Astoria, Oregon for that town's annual Scandinavia Festival, which featured a visit by the Governor of the State, relatives visiting from Norway, Sweden and Denmark, etc. Astoria is the home of Astoria Plywood Corporation, one of the plywood co-ops.

⁴ For an indication of the extensive role co-operatives play in the Swedish economy, see Schaaf 1977, Ch. 4.

quickly-established and diverse marketing channels, made the plywood industry a favourable one for co-op formation. Cyclical fluctuations, raising capital costs, resource scarcity and the development of a diverse array of work opportunities in the Northwest have made the industry a less favourable one for new co-op formation in the past 20 years.

An unusual feature of several co-ops in the 1950s involved the role of promoters in their development (Ibid., p. 5). Promoters established themselves as brokers of co-op stock shares and also occasionally as sales agents for their products. Speculation and eventual fraud developed in the sale of co-op shares, and criminal charges were brought against them. The publicity of their trials, according to Benman, cast suspicion on worker-ownership proposals of any kind and worked against the formation of additional co-ops in the industry.

The plywood co-ops have ranged in size from 60 to 500 workers (Benman, 1979, p. 1), and their average size is close to that of the industry (Benman 1975, p. 5). Within the co-ops, the workforce is made up of both owner-members and employees of the co-op. Non-owning employees have made up between 10 per cent and 50 per cent, of the total workforce of these mills (Ibid., p. 2). Although non-member workers reportedly receive pay and fringe benefits the equal of or slightly better than those received by workers in traditionally-owned mills (Ibid., p. 4; Bernstein, 1976, p. 22), this "dual citizenship" is a serious deficiency in the co-ops' structure, and one that will be discussed in more detail below.

The managers of most of the plywood co-ops are not owner-members. Reasons for this include the fact that managers can command a higher salary than owner-members receive, and that some co-ops are more comfortable with a non-member in this position of authority. The manager is, of course, ultimately subordinate to members, and turnover among co-op managers is reportedly higher than it is for managers of conventional firms (Benman, 1979, p. 4).

Co-op own-members are almost universally male,⁵ and there are few members from minority groups in the general population. In one sample of approximately 250 members from four co-ops, males accounted for 97.1 per cent of membership, and whites were the same percentage. Median age of respondents in that sample was 43.5 years (Greenberg, 1979, p. 20).

The plywood co-ops have proven themselves to be a viable form of business organization since the first was founded in 1921. Estimates are that 34 of the co-ops were formed between 1921 and the early 1950s, when the last was formed. Sixteen of them continue as co-ops today, and another four were sold by their members to conglomerates

⁵ When this writer asked a co-op manager if women had attempted to join the co-op by purchasing a share, the manager could remember only two such cases, and he implied that in both cases the women had been quickly discouraged from that attempt. When asked if any women had taken over their husbands' shares upon their death or disability, his response was, "No, thank God." The only women working at that co-op were hired employees who worked in the office.

(including a division of ITT) and private investors. Those four can be considered business successes in traditional terms as their sales resulted in significant capital gains for owner-members. From a co-op perspective, these sales are perhaps best labelled "failure by success". The remaining 14 co-ops that are no longer in business failed for a variety of reasons, including losses due to fire, unscrupulous activity by business promoters, lack of timber supply in an oligopsonistic industry, and bankruptcy during cyclical downturns (Berman, 1975, p. 5). Comparable estimates of the number of failures of conventional plywood manufacturers are difficult to arrive at for the long period of time involved. The co-ops' failure rate of 14/34 or 41 per cent after operating periods of 8—37 years (Berman, 1979, p. 1), and over a historical period that spans close to 60 years, compares favourably with national business failure rates.⁶

The co-ops have demonstrated the ability to survive the severe downturns periodically experienced by their industry (Berman, 1975, pp. 9—10). This ability is attributed to two factors. The first is that in bad times the entire membership takes a cut in income in order to keep the mill in production. The second survival technique of the co-ops is the same as that of their conventional counterparts in the industry: the laying-off or fining of their non-member workers.

The ability to survive is only one possible measure of how the co-ops have performed. Other measures of the plywood co-ops' performance include the following:

a) The hourly return to co-op members has generally been above the union average for plywood workers. In some of the co-ops, it has been consistently 50 per cent or more above union averages (Berman, 1979, p. 3).

b) The ability to provide continuous employment to owner-members, along with frequent work in excess of 40 hours per week, has meant that annual incomes of members have been higher than for plywood workers in general. In one firm visited by this writer, members' annual incomes were approximately \$40,000.

c) Several of the plywood co-ops have been created when their original, privately-owned mills were about to close. Some of those co-ops eventually closed, but others have been successfully operated as co-ops and have provided jobs in their communities for periods of 15 to 25 years (Ibid.).

⁶ Well-defined estimates on national business failure rate are not readily available. Figures most frequently quoted are those compiled by Dun & Bradstreet's *Monthly Failure Record*. Their sample is only those firms listed in the *Dun & Bradstreet Reference Book*, which excludes many small businesses. Their definition of failure counts involuntary and voluntary discontinuances that involve losses to creditors. During five-year periods between 1946 and 1975, they reported annual industrial and commercial failure rates ranging between 21 and 57 firms per 10,000 in their total sample (Dun & Bradstreet figures are also reported in the *U.S. Statistical Abstract*; see 1978 ed., pp. 581—582). At the other extreme of estimates of failure are studies such as that for the Congressional Joint Economic Committee, which indicated that "90 per cent of our (U.S.) firms are small businesses... (and) under good economic conditions, ... half of these firms fail and go out of business during their first two years (of operation)" (U.S. Congress, 1977, p. 30).

d) The co-ops have repeatedly demonstrated higher labour productivity than comparable traditional mills. Measures employed have been physical volume of output per hour, quality (value) of product, and economy of material input use (Ibid.). Measures of 30 per cent to 50 per cent higher co-op productivity have withstood the test of tax court challenges (Berman, 1979, p. 3).

The co-ops have been efficient users of raw materials, and they have tended to require less capital per worker than traditional plywood mills (Ibid., p. 4). In sum, they have provided their members with secure and well-paid employment over an extended period of time, and they have used natural and capital resources efficiently in doing so.

The plywood firms have been members and supporters of the American Plywood Association (APA), the industry-wide trade association that they share with independent, privately-owned mills as well as with the industry giants such as Weyerhaeuser and Georgia-Pacific. This association has not only served as a promotional organization but it has undertaken research and development and quality grading tasks that have provided the smaller independent producers, including the plywood co-ops, with services that they may not have been able to duplicate individually (Bernstein, 1976, p. 26). In recent years, five of the plywood co-ops have formed the Plywood Marketing Association (PMA), set up to lease railroad cars in order to insure that the member-firms could deliver their product to customers. The PMA ventured into railroad car ownership by establishing a Plywood Marketing Transportation Corporation (PMTTC), which is owned by the five co-ops. This corporation purchases railroad cars that are used to ship PMA plywood. By the summer of 1979, it owned or held purchase agreements for 900 cars that were used solely for the shipment of PMA plywood. PMTTC was described to me by one co-op manager as both a means of assuring that the co-ops involved could deliver their high quality product with a minimum of transit damage, and as a good tax write-off as well.

Researchers and advocates of workers' self-management have experienced difficulty in understanding why the plywood co-ops have not formed linkages in addition to those mentioned above. The plywood co-ops seem to have possibilities for sharing some administrative services, possible financing linkages, and certainly a common organizational form that could be sustained through joint educational and advocacy efforts. In fact, there is little evidence that these forms of linkage hold any appeal for the co-ops. Investigation of the reason for this among both co-op members and other researchers of the co-ops points to two fundamental explanations:

a) The co-ops do not see themselves as advocates of their form of organization. They seem to view themselves as almost accidents of history; firms that generally adhered to a co-op model, but that did so out of necessity rather than out of any ideological or preconceived theoretical commitment (Berman, 1979).

b) The co-ops feel that they have been the target of unusual attention from, historically, the U.S. Internal Revenue Service (IRS), and more

recently the Anti-Trust Division of the U.S. Justice Department. Individual co-ops have contested several court cases with the IRS over treatment of members' earnings as patronage, and thus taxable income to members, but not to the corporation;⁷ and also over the right of members to pay themselves at a rate of 30 per cent to 50 per cent above industry norms due to their greater productivity.⁸ The co-ops won both cases, yet they feel that the regional IRS office is always seeking evidence that might get those rulings reversed. Recent Justice Department investigations have centred on charges of price fixing in the industry. Given that all of the co-ops together currently account for approximately 10 per cent of the industry's output, it is unlikely that they are a major target of this investigation, but none of them want to invite the expense of any legal action. At least one attorney that regularly represents the co-ops advises them to keep a low profile, avoid academic researchers, and to be very cautious about joint undertakings.

These influences, in addition to the realities of competition market conditions under which the firms operate, combine to preclude linkages between the co-ops. Taken together, they help explain why the plywood co-op members tend to think of their individual co-ops as "one big family" united against a hostile outside world (Greenberg, 1978, p. 31), and why they seem unable to imagine linkages of an extended family of workers' co-ops.

The long-term survival potential of these co-ops is most severely threatened by a problem that is common to workers' co-ops. It involves the difficulty with which ownership shares are transferred from departing to incoming members. The high price of a share tends to bias any new members toward those motivated by the investment potential of the co-op, rather than shared work experience, etc. In addition, the sale of shares becomes a very serious problem if, as has been the case with many of the plywood co-ops, there are large numbers of members who near retirement in a short period of time. Not only does that phenomenon raise potential problems in terms of finding enough new owner-members to purchase their shares, but it also increases the possibility that sale of the co-op to an outside investor would be appealing to members. Several of the co-ops have helped insure against this outcome by actively seeking younger new members. But others of the co-ops still face potential crises of this nature. This problem will be discussed further in the section of the case study dealing with financial structure.

The following discussion of organizational, decision-making and financial characteristics of the plywood co-ops is drawn both from the extensive literature on these firms and from this researcher's interview

⁷ The ruling stems from *Linnnton Plywood Association v. U.S.*, 236 F. Supp. (D. Oregon 1964) and *Puget Sound Plywood, Inc. v. Commissioner*, 44 T.C. 305 (1965).

⁸ The ruling stems from *Linnnton Plywood Association v. U.S. and Multnomah Plywood Corporation v. U.S.*, 410 F. Supp. 1100 (D. Oregon 1976).

⁹ From an interview with Robert M. Kerr, Attorney and Senior Partner of Tooze, Kerr, Peterson, Marshall & Shenker; Portland, Oregon, June 19, 1979. The law firm of Tooze, Kerr, Peterson, Marshall & Shenker frequently represents the plywood co-ops.

with the general manager of one of the most successful and most democratic of the co-ops. The by-laws of that firm provide the specific information on structure used here. The name "Oregon Plywood" (OP) will be used for this co-op due to its requested anonymity in any research or writing.

ORGANIZATIONAL AND DECISION-MAKING STRUCTURE

A combination of adherence to the original organizational form of Olympia Veneer, and the later need to fit a legal definition of a co-operative corporation, has meant that the plywood co-ops share remarkably similar organizational structures (Greenberg, 1978, p. 17). In all of them, the general membership of the co-op has final authority over and responsibility for all co-op matters. Members of the co-op are those who own a working share in it. Shares are transferable, although most co-ops specify that before a share is sold it must be offered to the co-op for purchase, and if the co-op does not purchase the share, it must approve the new individual purchaser. Thus, members do have control over who is to become a member of their co-op. A share carries with it the right to work in the plant and to share in its proceeds.

General membership meetings occur at least annually, and in most cases semi-annually or quarterly. Members have universally agreed to delegate the day-to-day responsibility for running the firm to a board of directors and a manager.

"Oregon Plywood" (OP) elects all nine of its directors at its annual meeting. Candidates for the nine-member board must be nominated at the quarterly meeting that proceeds the annual meeting, and the nominees' statements of qualification are distributed to all co-op members in advance of the election. Incumbent board members must be renominated each year if they are to be re-elected. OP's by-laws specifically exclude co-op members who are already in positions of some power (e.g., superintendent, foreman, log buyer, etc.) from serving on the board. Board members can be removed by majority vote of the membership.

Directors generally meet bi-weekly. The minutes of all board meetings must be posted within three days of the meetings. Those minutes include detailed information on motions made, how directors voted on motions, etc. The board has authority to make any capital expenditures up to a maximum of \$20,000. Beyond that figure, a majority of the general membership must approve the expenditure. Directors elect officers of the co-op from among themselves for one-year terms. The board appoints the manager, superintendent and president subject to ratification by the co-op's stockholders.

Owner-members elect a five-member plant committee annually. That committee acts as the co-op's judiciary. It receives complaints, conducts hearings to determine their nature and seriousness, and can either impose penalties or recommend action by the board of directors. Appeals of plant committee decisions are heard and acted upon by the board of directors.

Based on the specific characteristics of "Oregon Plywood", its organizational structure can be represented by Figure 1. It represents autho-

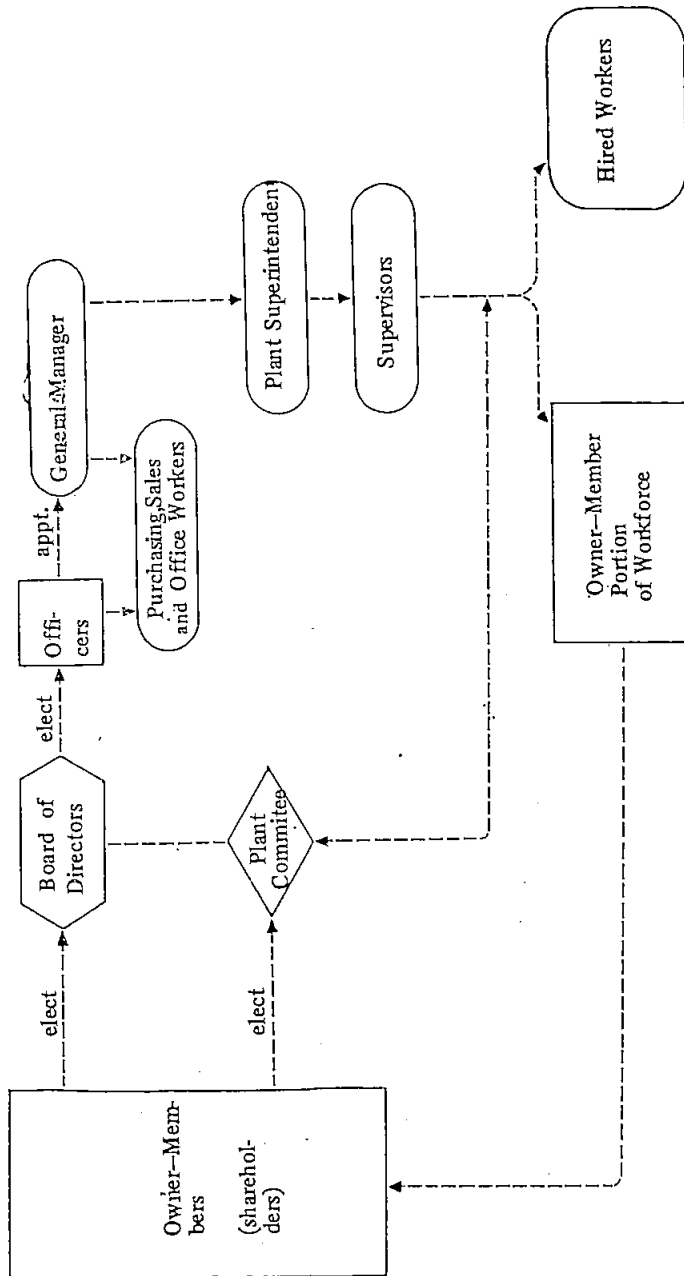


Figure 1
Plywood co-operatives: typical organization

rity flowing from the co-op's owner-members, with a board and management structure in place to administer the co-op on a routine basis. This organizational chart differs from previous representations (Bernstein, 1976, p. 16; Greenberg, 1977, p. 18) in that it attempts to convey the duality in the workforce; the fact that owner-members control the co-op but that another, sometimes sizeable, portion of the workforce exists outside of the organization's structure.

Organizational charts do not convey the actual human interaction of the process of decision-making within the co-op. Direct participation of owner-members in policy decisions takes place primarily at general membership meetings. There, discussions and decisions involving everything from the manager's performance to capital investment take place. All major decisions are put to a vote. Information that forms a basis for policy decisions is widely available to members (Greenberg, 1977, pp. 49-51; Bernstein, 1976, p. 17). Monthly reports on performance are mailed to members, and minutes of all meetings are posted in the mills. Members have (and practice) the right to ask to see any documents or data that might interest them (Greenberg, 1977, p. 50). More importantly, board members continue to hold their regular jobs in the mill so they are constantly available to discuss policy matters with owner-members. Greenberg found that approximately two-thirds of a sample of 280 co-op owner-members answered "always" or "very often" when asked if there was much discussion in the plant concerning production, investment and other policies (Ibid., p. 51). Levels of participation vary, but policy issues are widely debated, information is available, and none of the writings on these co-ops points to a situation in which a small group of owner-members actually controls a firm.

Decision-making on the shop floor offers some contrast to the level of participation and involvement evident in policy decision-making. In comparing the co-ops with conventional plywood firms, Greenberg (1977) found considerable similarity between the two in the shop-floor organization of work and the work process itself. The production technology of both types of firms is the same, and according to Greenberg's findings, co-op members have uniformly acted as if the technical aspects of production and work processes were fixed (Ibid., p. 36). Co-ops do stand in contrast to the traditional firms in that they practice significantly more job rotation, and they allow more individual freedom to perform specific tasks in one's own way. But the pace of work and other determinants of actual shop-floor conditions are assumed to be given by the production technology itself; one that has developed identically over the almost 60-year history of the two different work organizations.

Supervision on the shop floor differs markedly between the two types of firms. Greenberg reports that one or two supervisors per shift are the norm in the co-ops, whereas the conventional firms he surveyed used six to seven per shift. Supervisors in the co-ops are reported to act as co-ordinators of actual production, concentrating on the flow of materials through the plant rather than watching or directing workers. The freedom (within the confines of the technology) of individual workers in the co-ops to carry out work as they see fit carries with it both

individual responsibility and peer pressure to perform a task well (Bernstein, 1976, p. 19; Greenberg, 1978, p. 37).

The by-laws of the co-ops usually specify in detail how job assignment is to be carried out. At OP, the jobs of manager, superintendent, foreman, master mechanic, sales manager, log buyer, head electrician, and office personnel are open for bid, and they are awarded by bid on the basis of seniority. Duties and responsibilities of each job are determined by the board of directors, and a hierarchy of supervision for normal operations is clearly spelled out in the by-laws. Disciplinary action, including provisions for suspension and discharge, are also enumerated. Appeals are allowed in disciplinary action, and a 2/3 membership vote is required for discharge.

Many of the co-ops have had or now have subsidiary operations. These have been primarily veneer plants that operate near forest sites. Subsidiary operations of the co-ops are not themselves co-operatives. They operate with a hired workforce and one or several co-op owner-members as supervisors (Bernstein, 1976, p. 21). Likewise, the Plywood Marketing Association and its Plywood Marketing Transportation Corporation are structured as traditional firms, not co-ops.

The owner-members of the plywood co-ops have joined these unusual firms motivated primarily by a quest for high incomes and job security (Benman, 1975, p. 14). Greenberg provided recent evidence for this assertion with a survey question that asked owner-members why they had joined the co-ops. Issues of financial investment, good pay and job security ranked as the most important factors, by a wide margin, in the responses (Greenberg, 1978, p. 24). In his personal interviews with owner-members, Greenberg did not encounter one respondent who, without prompting, indicated even vague political or ideological factors as influential in the decision to join the co-ops (*Ibid.*). More recent findings by the same author cite evidence that owner-members enter the plywood co-ops with individualistic, small property-holding motivations, and that their experience with co-operative social relations of work does not alter those motivations (Greenberg, 1979, pp. 38—57).

Plywood co-op members control their co-op with a combination of representative democracy in the election and operation of the board of directors, and direct democracy practiced at periodic general meetings. The organizational form and decision-making process that is common to the co-ops reflect the pragmatic, income-oriented motivation of members. Members seem satisfied that they have adequate opportunity to direct their organizations through participation in major decisions and policy formulation. In day-to-day operations, they seem willing to allow their manager to administer the co-op. They take their work process as given, and they explicitly affirm a need for hierarchy in shop-floor relations of production. The organizational and decision-making structures of these firms contain a combination of both traditional and non-traditional structures and methods. This same mixing of the familiar with the unusual is apparent in their financial structures and methods, which are discussed below.

FINANCIAL STRUCTURE

The plywood co-ops were originally financed by workers contributing equal amounts of capital and acquiring a "working share" in the firm. The working share entitled the member to employment and to one vote in general membership meetings. It also carried with it the right to share in the income of the co-op, and to share whatever risk was associated with that income.

Members in all the co-ops own their shares individually. When they want to sell their shares they have to locate a buyer, a person who can pay their asking price and be approved for membership by the co-op. Information about shares for sale is made available either through word of mouth, or by newspaper classified advertisements which are generally listed under "business opportunities" (Benman, 1975, p. 7). Shares in the most successful of the co-ops sell for as much as \$100,000. During the Summer of 1979, OP shares of that value generally required \$20,000—\$25,000 down payment to the selling member, and then payments of \$500—\$600 per month until the balance was paid off. Interest on the unpaid balance varied between 7 per cent and 10 per cent at a time when the prime rate was 11 per cent. In many cases, a percentage of the share's patronage dividend (earnings distributed semi-annually from accumulated earnings above the payment of monthly advances) is also paid to the seller for several years.¹⁰

The co-ops do not generally create new shares, primarily out of fear of diminishing each owner-member's annual income (Bernstein, 1976, p. 21). They have in some cases retired shares by exercising their option when a share comes up for sale. Through that process, some co-ops have gradually shifted their mix of workers to fewer owner-members employing more non-members.

Figure 2 summarizes the flow of income received by a co-op's members. All of the net proceeds remaining from operations after all co-op expenses are paid are considered members' earnings. From these earnings, board members determine the size of two reserve funds: contingency reserves and capital reserves. Contingency reserves are withheld from income distribution and credited to the accounts of working members. They represent the equivalent of short-term working capital to the co-op. A charge is also made each year to members for the capital reserve fund. This fund is the primary source of new investment capital for the co-op. Members' accounts are credited their share of this fund. No interest is paid on this capital contribution, and it is not considered a debt of the co-op to any of its members, and members' claims on this patronage contribution are subordinate to all debts and liabilities of the co-op. If at any time the board determines that it has an excess of retained capital, it is paid out against members' capital credits in the order that they were retained. Members are responsible for reporting any portion of their income retained by the co-op as their taxable income.

¹⁰ Information from a personal interview with a manager of a co-op, June 1979.

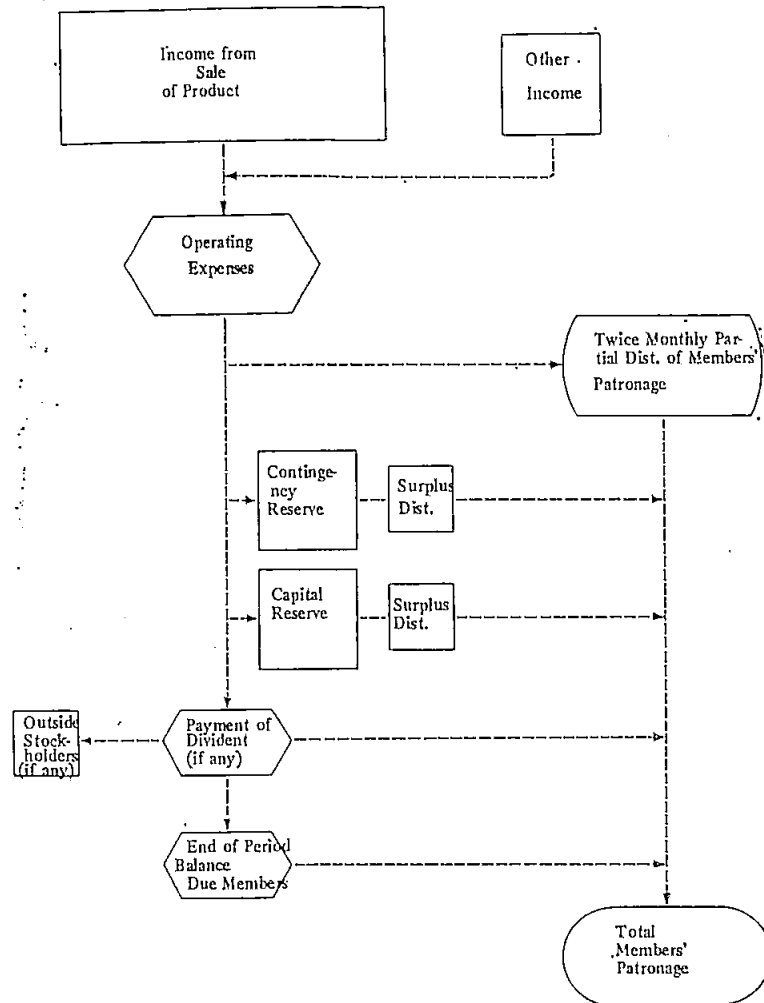


Figure-2
Plywood co-operatives: flow of income

The plywood co-ops rely heavily on member-financing of new capital investment. They venture into capital markets for occasional short- and medium-term debt, but they usually do not issue bonds, preferred stock, or non-working equity shares. Their use of debt has been limited (Benman, 1979, p. 3). Reasons commonly cited for this are, first, that they are an unconventional organizational form, one in which lenders cannot easily identify "the person in charge". Secondly, the lending officer in a commercial bank cannot point to a balance sheet total of owners' equity to provide security for major loans. When the co-ops

borrow short-term funds, they are frequently secured by inventory or timber holdings.

Co-op income is distributed to members on the basis of their hours of work during an accounting period. Stock shareholders are rarely paid a dividend. Opportunity for capital appreciation is not likely to attract outside ownership since stock prices in part reflect the relatively high earnings to be realized through work by owner-members.

All owner-members punch a time clock, and a strict accounting of work time is maintained. Owner-members are co-op patrons under worker co-operative statutes, and their work time determines their patronage credit. Tax rulings allow co-ops to treat their hourly payment to owner-members as deductible business costs rather than as profit distributions that would be subject to tax. OP co-op's by-laws specify that it will operate on a cooperative basis for the mutual benefit of its members and without profit to itself. Work performed by OP's owner-members is paid equally, no matter what the skill involved or the seniority of the owner-member. Overtime is generally paid 1½ times the going rate. Most of the co-ops not only pay their members equally on an hourly basis, but they also seek to equalize members' annual incomes by equalizing the hours worked during the year. Many of the co-ops hire skilled workers for a few special positions, such as that of plant electrician, and those workers are paid salaries that sometimes exceed members' incomes. Managers, when not owner-members, are paid more than owner-members' normal incomes. The only case known to this researcher in which the manager is also an owner-member exists in a co-op in which annual incomes are among the highest of the co-ops.

The plywood co-ops vary their labour input in two ways. The first involves members' decisions to work more or fewer hours, according to market conditions. Many of the co-ops have operated for long periods of time with extended work weeks (Benman, 1975, p. 10). With time-and-a-half rules in effect, these are periods when members contribute heavily to their high annual incomes. If market and cost considerations dictate, members can also cut back their hours. Some owner-members have found that in these period they can make higher incomes in other jobs. Benman (1979, p. 2, 6) reports that members of some of the less prosperous co-ops do work outside the co-op during these periods and return to their co-op jobs with full rights when the market (and incomes) improves. The second and more traditional way that the labour force is adjusted involves hiring and firing non-member workers. One mill that I visited employed relatively few non-member workers, and many of them were relatives or close friends of owner-members. Other non-member workers were prospective owner-members who were saving money to buy a share. In this co-op, these employees' interests and thinking tended to parallel that of owner-members, and they were not unionized. Larger non-member workforces in other co-ops are, in many cases, represented by either the International Woodworkers of America or Sawmill Workers Union (Bernstein, 1976, p. 22). In the opinion of a

local labour activist and educator, the co-ops are more formidable opponents in collective bargaining than are traditional private plywood firms.¹¹

The long-term adjustment of membership levels is ultimately based on estimates of the number of members who can reasonably be employed during low demand periods. Manpower needs for higher periods of demand and seasonal periods when members desire vacation time are met with hired labour. Berman (1979, p. 6) reports that some downward adjustment of membership has taken place over time in order to adjust for labour-saving technology. But in general, it appears that members have protected themselves against unemployment, in an industry noted for its cyclical fluctuations, by assuring that there is a "second class" group of workers who are expendable.

Members' right to participate in the management of the plywood co-op results from their act of capital contribution. As indicated earlier, the thought that share purchase is a "good investment" is a strong factor in motivating new members to join the co-op. The need to maintain capital equipment through a continual investment programme is of course linked to maintaining the value of shares in members' minds, and it also helps avoid a tendency to diminish membership by using retained capital to retire shares. No recent data exists on determinants of stock share value, but general observations would link their value closely to the incremental difference in annual income over other work options that face prospective buyers. How much of that incremental difference is attributable to members' high productivity and low supervisory costs (Berman, 1979, p. 3), and how much of it involves collective exploitation of the non-member workforce, are questions that remain to be resolved. Since one co-op that has a consistently low (approximately 10 per cent) hired workforce also has one of the consistently highest annual incomes per owner-member, the answers to these questions are not immediately apparent. This example would also indicate that workers' co-ops could choose to include all workers as full worker-owners and accept some fluctuation in their high incomes over cyclical fluctuations while still remaining commercially viable.

Financial pressures of the plywood industry have accelerated in recent years, taking their toll on the co-ops. These pressures include the need for substantial new capital investment to meet environmental requirements, and most of all a spectacular rise in the price of the co-ops' raw material: timber. One estimate of the magnitude of the price increase points to a 400 per cent rise in the past 7 years, and a 90 per cent rise in the worst of those seven years (Berman, 1979, p. 7). Firms have experienced severe difficulty in maintaining the supply of logs to their mills at any price. None of them have had the capital to invest in timberland at a level that would assure their own source of supply, as the industry giants have done. Federal Government small business set-aside programmes for timber from National Forests have proven inadequate (Nagle, 1979).

¹¹ From a discussion with a staffmember of the Pacific Northwest Labor College.

With the co-ops heavily dependent on capital reserves built from members' withholdings from earnings, and many of them starting from failing traditional firms that were in bad need of recapitalization, their history has been one of capital shortage. Some have managed to sell non-voting equity shares in their communities (Berman, 1979, p. 8), but those shares have limited appeal both in that they involve no control and because their risk-reward characteristics are not favourable. Recent changes in industry technology and shortages in timber supply have left the co-ops with an increased need for capital, but that need, as has traditionally been true of co-ops, comes at a time when incomes are under pressure and members are least able or willing to invest. Several researchers have recorded the tendency of co-op owner-members to seek to maximize their take-home income at the expense of future investment and income (Berman, 1979, p. 8; 1975, p. 10). One manager interviewed by this researcher confirmed that a major (his estimate was 50 per cent) portion of his time as spent in identifying potential areas for, and especially in *encouraging*, capital re-investment. He was both manager and an owner-member, and his predecessor had been as well. Berman points to the willingness, or lack of it, on the part of the plywood co-op members to undertake long-run capital investment as possibly "the crucial difference between successful and unsuccessful co-operatives" (1979, p. 8). Given that private sale of shares should take place at a price that reflects the present value of a future stream of income, and that one of the principal determinants of the magnitude of that stream is the level of capital investment, capitalist logic would have worker-owners willingly investing. Berman suggests that if members would think more like owners and less like workers, then investment would take place at higher levels (*Ibid.*). Unfortunately, more investment by constant levels of shareholders implies raising the value of already-expensive shares.

With some co-op shares now selling at \$100,000, additional member investment may not be the ideal way of providing additional capital to the co-ops. Rather, expanding the co-ops' access to debt capital would provide a mechanism whereby capital renewal could take place without creating a barrier to entry of new members. Debt service would diminish members' annual income, but presumably not to the levels of workers in conventional mills, and it would diminish the amount of their capital invested as well. The co-ops would be able to renew capital regularly and keep their plants competitive. Membership might then be attracted for reasons stemming from the rewards of co-operative work rather than as an investment venture. Potential members who valued the special attribute of work in the co-ops, but who did not have \$20,000—\$25,000 to invest in a share down-payment, would have greater access to the co-op. It could be assumed that the impact of members who had motivations to join the co-op other than those of high incomes and capital appreciation would have significant long-term implications for the character of the co-ops themselves.

Some co-ops have experimented with internal debt offerings in the form of "Finance Fund Certificates" which are offered to owner-members in years when annual distributions are especially high. These certi-

ificates have been 3-to 10-year debt instruments, paying 4 per cent to 8 per cent interest (Bernstein, 1976, p. 20). There is no evidence that these certificates have been offered outside the working community. Another potential source of debt capital for these co-ops is already in place. The National Co-op Bank was put in place with only a minimal commitment to workers' co-ops,¹² but it is a start. Loan guarantees through the Small Business Administration are another way that debt capital might be made more available to the co-ops. Oregon Co-operative Corporations are not barred from offering long-term debt instruments and they would provide another potential source. Lastly, the co-ops could create a joint financing agency, not unlike the Plywood Marketing Association that five of them have established, to broker debt financing for themselves.

Co-operatives have traditionally not used debt effectively. Debt financing offers relatively low-cost capital, up to some limit, with no impingement on the control rights of co-op members. The creation of channels to provide expanded access to debt financing would appear to be a worthwhile undertaking for the plywood co-ops.

EVALUATION WITH RESPECT TO FUNDAMENTAL CONDITIONS FOR WORKERS' SELF-MANAGEMENT

The following fundamental conditions for the practice of workers' self-management have been adapted¹³ from the work of Jaroslav Vanek (1975, pp. 33—36) and Paul Bernstein (1976, pp. 45—100). Given the fact that these firms operate within a capitalist economy in the U.S., conditions that pertain to the macro economy have been excluded in an attempt to focus (albeit somewhat artificially) on the internal workings of these firms.

Table 1

Fundamental Conditions for Workers' Self-Management

- 1) Control and management of the enterprise is the right of all people who work in it, and this right is based on their work role, not on any stipulation of capital ownership. Management is based on direct and/or representative democracy and equality of voting power among all who work in the enterprise.
- 2) Income earned by the enterprise, after payment of all costs and taxes, belongs to those who work in it.
- 3) Funding of capital assets for the enterprise can be obtained from a

¹² The National Consumer Co-operative Bank is authorized to loan up to 10 per cent of its funds to producer co-operatives. Workers' co-ops that do not pay dividends or share earnings with non-workers are expected to be eligible for loans from this source (Sachs, 1979).

¹³ The method for selection of these fundamental conditions and their theoretical and empirical justification is explained in Gunn, 1980, Ch. 2.

number of potential sources: members' contributions, debt financing, or some source of social or national funding. Collective retained earnings are not an efficient form of financing, and any members' contributions of capital should retain individual claims on them.

4) Capital and institutional sources of finance capital do not command any right of control, but capital should be paid a scarcity reflecting remuneration or interest payment.

5) Conditions 1—4 are equally applicable to the productive land used by agricultural producers' co-operatives.

6) For growth and development of self-managed firms, returns on capital and land should be earmarked for accumulation (creation of new capital assets within the enterprise) and not for individual consumption.

7) A participatory/democratic consciousness within the enterprise is essential, and educational emphasis on the philosophy and practice of workers' self-management should reinforce this set of attitudes and values.

8) All information must be available to all enterprise members, and managerial expertise must be shared and disseminated as fully as possible.

9) The enterprise must assure individual rights corresponding to basic political liberties to members within the firm.

10) An internal but independent judiciary must be capable of action to settle disputes over infractions of rules, enforce basic rights, and protect the by-laws of the enterprise.

11) Shelter or support organizations with the task of funding and promoting self-managed firms are vital to their long-term development. These organizations might be national (with appropriate decentralization), regional or local in scope of operation.

Whenever possible, the following evaluation of the plywood co-ops in the light of these fundamental conditions treats the co-ops as a group. When differences do exist between the co-ops, the specific characteristics of "Oregon Plywood" will be used. Given its relatively small non-member workforce, its commitment to many co-operative principles, and its record of prosperity, it can be considered one of the best of these co-ops.

The following characteristics typify the plywood co-operatives of the Pacific Northwest:

1) None of the plywood co-ops are controlled and managed by all who work in them. The plywood co-ops have a "dual citizenship" structure in which a majority of owner-members have control and share income, and in which a minority accept a traditional job with, at best, paternalistic employers. Owner-members do share income in a remarkably egalitarian way; only in unusual cases is income paid, in the form of a dividend, to non-working shareholders of the firm.

2) The co-ops strictly observe equality of vote among owner-members. Non-owner workers have no vote in the operation of the firm. Among members, democratic rule takes both a representative form through the elected board of directors and a periodic direct form through quarterly or semi-annual general meetings. Shop-floor work groups,

such as departments, tend to operate hierarchically. The right to equal vote for members stems from their ownership of capital; their purchase of a working share.

3) Funding for the co-ops comes primarily from retained earnings, which are individually recorded. Members recover their invested capital through sale of their working shares when they leave the co-op. Debt financing is not heavily used.

4) Capital investment provides the owner-member with one vote in managing the co-ops, and workers in the co-ops who do not own shares have no voting power. Members' earnings retained by the co-ops do not receive a scarcity reflecting rent. Owner-members benefit from any working share appreciation in the value, and they stand to lose individually if the share value declines.

5) Some of the plywood co-ops have invested in productive land, both to help assure their supply of timber and to soften the blow of cost increases in that factor of production. Land is treated as a conventional capital asset by the co-ops.

6) Some returns to the co-ops are earmarked for accumulation. The level of funding for capital investment is determined by the board of directors and, ultimately, by the general membership.

7) A participatory and democratic consciousness is only evident in limited ways within the co-ops. Only owner-members participate in management. Shop-floor participatory decision-making is restricted through relatively traditional acceptance of hierarchical authority at that level of the organization. Participation of owner-members in general meetings is relatively high, and board membership is open to all members. There is little or no educational emphasis on cooperation or workers' self-management, and the general consciousness that prevails seems best described as that of democratic partnership among equal owner-members.

8) Information is readily available to owner-members. Managerial expertise is shared in the limited sense that all owner-members have access to the management staff. Managerial experience is available through board membership.

9) Plywood co-ops guarantee certain individual rights to their owner-members. OP's by-laws specify voting by secret ballot on important issues, they spell out procedures for redress of grievances, and due process is enumerated in cases of disciplinary action. Other rights, such as that of free speech, are practiced but not formally guaranteed.

10) An independent judiciary operates in the plywood co-ops in the form of the plant committee. At OP, that committee is made up of elected members and it generally formulates the rules for its handling and disposition of its own cases. Appeals of decisions made by the plant committee are directed to the board of directors.

11) No shelter or support organization exists for the plywood co-operatives. The American Plywood Association and the Plywood Marketing Association have performed some tasks that such an organization might perform. There has been no common spirit of involvement in co-operative production among the various co-ops.

SIGNIFICANCE

At least two authors imply that the plywood co-operatives come close to, or actually might be a model for, workers' co-operatives or workers' self-management. Berman states that "worker-managed plywood enterprises conform to the principles of co-operative organization" (1979, p. 1) and the "plywood co-operatives also conform in important respect to the model of labour management outlined by K. V. Berman and M. D. Berman" (*Ibid.*, p. 2). Greenberg states in a recent draft that "the producer co-operatives in plywood are genuinely self-managed enterprises being institutions in which all policies are subject to the control of the workforce" (1979, p. 30). Given the criteria of evaluation employed in this research, the plywood co-ops demonstrate shortcomings that lead to different conclusions than those implied in these statements.

The plywood co-ops' shortcomings detailed in the preceding section flow heavily from two of their related structural characteristics. The first of these is the fact that they employ non-member workers. Democratic control of these firms is only realized by owner-members; the entitlement to a voice in the control of the workplace must be bought. To point to this deficiency is not to claim that members of a workers' co-op should not have some financial investment in it. That is a separate and complex issue. What does constitute a deficiency in terms of the democratic management of the plywood co-ops is that a form of dual citizenship, a two-class structure, is a feature common to all of them. That feature operates for the benefit of owner-members. Owner-members share control and a material incentive system that give the plywood co-ops the characteristics of a conventional partnership among equals. Like a conventional partnership, the owner-members employ second-class citizens who, even if they were paid for all that they produce, still work only when their employment serves the material interest of the controlling partners.

It has been argued that the non-member portion of the co-ops' workforce allows co-ops to adjust their production to seasonal and cyclical fluctuations in demand. The same objective could be served even if all people working in the co-ops were fully enfranchised members. Some members would certainly desire seasonal or part-time work, and their share of the co-op's income would be adjusted by the current system of income-sharing according to hours worked. Their participation in decision-making could also be variable through some matching process between quarterly or annual hours of work and the percentage of a vote each was entitled to. Cyclical fluctuations could then be met by democratic processes that allocated work and distributed income throughout the entire working collective.

These issue of employment of non-member workers is closely linked to the second fundamental shortcoming of these co-ops in light of the fundamental conditions. The plywood co-ops base the rights of members on the fact of ownership, not on co-operative production and work in common. These co-ops are controlled by capital. The capital is internally rather than externally held, so again the analogy of a capi-

talist partnership seems most appropriate in clarifying this issue. An extended partnership of equals provides capital for the co-op, and that group is thereby entitled to control the firm. From the perspective of non-member workers, there can only be marginal differences between working for a co-op and its many owner-members and working for a conventional plywood firm owned by an individual or multinational corporate owner.

It surprises some observers of the plywood co-ops that organizations which are very democratic and egalitarian at their management levels do not demonstrate those same characteristics at the shop floor. Observers do note the need for less supervision on the shop floor, in part because all owner-members serve as supervisors. They also note the relatively greater autonomy of shop-floor workers in the co-ops. But the pace of work, the technical relations of production, and the actual technology itself observed in the co-ops are very similar to those in the traditional mills. This is also largely true in the retention of a clear shop-floor hierarchy described above. Greenberg has observed that

"...the actual day-to-day governance of the work process does not demonstrate a great degree of variation between the plywood co-operatives and the conventional firms. This is especially the case with respect to the pace and manner by which raw logs are transformed into finished plywood panels. The similarities can be traced to the simple fact that the technical processes, the composition of the machinery, the optimal level of operation of the machinery, and the division of labour are virtually identical in all of the plywood plants, co-operative and conventional. That is to say, unless one were especially knowledgeable and blessed with a discerning eye, one could not easily tell the difference in the actual production process between co-operative and conventional firms (Greenberg, 1979, p. 25, emphasis in original).

That this degree of similarity exists in the production technology between these two types of firms is remarkable. Most co-ops have had decades to modify a frequently moisy, dirty and sometimes dangerous production process to suit the interests of the owner-members who work with and control it. But possibly in this instance the owner-members do act more like owners than workers. It appears that their interests are well served by allowing technology and traditional hierarchy to largely determine work relationships.

The shop floor is the arena where the co-ops' organizational contradiction is most apparent. There two classes of workers come together, and an attempt to carry the egalitarian processes of co-op management to this setting would surely serve to raise traditional tensions between employer and employee; between capital and labour. Members have made a decision, consciously or sub-consciously, to leave the technology and work process unchanged in their co-ops, and to let it then provide a rationale for how work is carried out. In capitalist firms, that same technology and process has been derived from specific organizatio-

nal objectives that are closely related to the efficient accumulation of capital (Braverman, 1974; Marglin, 1974). The labour process in conventional firms expresses a specific work relationship: that between decision-maker and subordinate. The same relationship exists in the plywood co-ops, where the potential of the workers' co-operative structure has not been fully realized because of adherence to capitalist concepts and the prerogatives of ownership.

Despite their shortcomings, the plywood co-operatives are an important source of experience and information on workplace democratization in the U.S. They are unique among workers' co-ops in their numbers, their presence in their industry, and their longevity. In the best of cases, they do offer further evidence that workers can operate their own firms, and in doing so achieve results in terms of income, output, efficient use of resources and quality of product that are at least on a par with traditional firms, and in some cases superior to them. That they achieve this performance in an economy that is less than supportive of their form of organization is remarkable.

Perhaps the most important conclusion reached in this study is that the plywood co-ops do not provide a model for other worker self-managed firms. They offer lessons in organizational and decision-making structure, and they help identify some of the special financial problems in the U.S. for which workers' co-ops must seek solutions. They most certainly provide lessons for the further development and refinement of production that is fully controlled by all of its workers.

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ZADRUGE ZA PROIZVODNJU ŠPERPLOČA NA PACIFIČKOM SEVEROZAPADU:

POUKE RADNICKOG SAMOUPRAVLJANJA U SJEDINJENIM DRŽAVAMA

Christopher E. GUNN

Re z i m e

Zadruge koje se bave proizvodnjom šperploča na Pacifičkom Severozapadu predstavljaju najveći i najdugovečniji primer radničkih kooperativa u Sjedinjenim Državama. Prva od njih, Olympia Plywood, osnovana je 1921. godine. To je jedna od najstarijih američkih firmi koje proizvode šperploče. Za njom su usledile druge zadruge: podaci pokazuju da ih je bilo ukupno preko 30, i da su u kasnim četrdesetim i ranim pedesetim godinama proizvodile oko 30% godišnje proizvodnje šperploča. 1976. godine radilo je 16 kooperativa koje su davale oko 10% ukupne američke proizvodnje šperploča. One su zapošljavale od 60 do 500 radnika, a njihova prosečna veličina, istorijski posmatrano, bila je veoma blizu prosečne veličine preduzeća u tom sektoru. Kooperativne su pokazale da mogu ostvariti veoma visok dohodak za svoje članove, njihova produktivnost rada bila je veća nego u tradicionalnim jedinicama iste vrste, a kvalitet njihovih proizvoda bio je redovno znatno iznad proseka. Razlozi propasti izvesnog broja zadruga bili su raznovrsni, počev od neredovnog snabdevanja sirovinama, preko požara, pa sve do neuspeha u prilagođavanju konjunkturnim zaokretima u ovoj izrazito cikličkoj industriji. Četiri kooperative kupili su privatni investitori ili velike korporacije i one rade i danas ali više u formi klasičnih firmi nego u obliku zadruge. Proizvodnjom u sektoru šperploča sve više dominiraju firme čiji su vlasnici velike korporacije ili konglomerati iz oblasti drvoprerađivačke industrije, koje u pretežnom broju slučajeva poseduju i najveće resurse drvene mase u regionu Pacifičkog Severozapada.

Autor izlaže istorijat i analizira sadašnje stanje kooperativa za proizvodnju šperploča u svetlu uslova neophodnih za radničko samoupravljanje. Ovi uslovi su izvedeni iz radova Jaroslava Vaneka i Paula Bernsteina, a odnose se prvenstveno na mikro nivo, tj. na preduzeća u Sjedinjenim Državama. Oni pružaju okvir za analizu zadržne organizacione strukture, strukture odlučivanja, finansijske strukture i poslovanja. Autor nalazi da zadruge za proizvodnju šperploča zadovoljavaju mnoge od tih potrebnih uslova. Uočeno je da zadruge striktno poštuju pravo jednakosti glasa u odlučivanju i raspodeli dohotka na članove — vlasnike. Informacije o upravljanju pravovremeno se dostavljaju zadržarima, nivoi učestvovanja u odlučivanju su visoki, postoje efikasni postupci pravne zaštite i rešavanja konflikata. Najozbiljniji nedostatak ovih zadruga predstavlja činjenica da one zapošljavaju i radnike — nečlanove, tako da njih ne kontrolišu i njima ne upravljaju svi koji u zadržama rade. U stvari, autor tvrdi, u njima postoji struktura dvostru-

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ZADRUGE ZA PROIZVODNJU ŠPERPLOČA NA PACIFIČKOM SEVEROZAPADU:
POUKE RADNIČKOG SAMOUPRAVLJANJA U SJEDINJENIM DRŽAVAMA

Christopher E. GUNN

Rezime

Zadruga koje se bave proizvodnjom šperploča na Pacifičkom Severozapadu predstavljaju najveći i najdugovečniji primer radničkih kooperativa u Sjedinjenim Državama. Prva od njih, Olympia Plywood, osnovana je 1921. godine. To je jedna od najstarijih američkih firmi koje proizvode šperploče. Za njom su usledile druge zadruga: podaci pokazuju da ih je bilo ukupno preko 30, i da su u kasnim četrdesetim i ranim pedesetim godinama proizvodile oko 30% godišnje proizvodnje šperploča. 1976. godine radilo je 16 kooperativa koje su davale oko 10% ukupne američke proizvodnje šperploča. One su zapošljavale od 60 do 500 radnika, a njihova prosečna veličina, istorijski posmatrano, bila je veoma blizu prosečne veličine preduzeća u tom sektoru. Kooperativne su pokazale da mogu ostvariti veoma visok dohodak za svoje članove, njihova produktivnost rada bila je veća nego u tradicionalnim jedinicama iste vrste, a kvalitet njihovih proizvoda bio je redovno znatno iznad proseka. Razlozi propasti izvesnog broja zadruga bili su raznovrsni, počev od neredovnog snabdevanja sirovinama, preko požara, pa sve do neuspeha u prilagodavanju konjunkturnim zaokretima u ovoj izrazito cikličkoj industriji. Četiri kooperativne kupili su privatni investitori ili velike korporacije i one rade i danas ali više u formi klasičnih firmi nego u obliku zadruga. Proizvodnjom u sektoru šperploča sve više dominiraju firme čiji su vlasnici velike korporacije ili konglomerati iz oblasti drvoprerađivačke industrije, koje u pretežnom broju slučajeva poseduju i najveće resurse drvene mase u regionu Pacifičkog Severozapada.

Autor izlaže istorijat i analizira sadašnje stanje kooperativa za proizvodnju šperploča u svetlu uslova neophodnih za radničko samoupravljanje. Ovi uslovi su izvedeni iz radova Jaroslava Vaneka i Paula Bernsteina, a odnose se prvenstveno na mikro nivo, tj. na preduzeća u Sjedinjenim Državama. Oni pružaju okvir za analizu zadružne organizacione strukture, strukture odlučivanja, finansijske strukture i poslovanja. Autor nalazi da zadruga za proizvodnju šperploča zadovoljavaju mnoge od tih potrebnih uslova. Uočeno je da zadruga striktno poštuju pravo jednakosti glasa u odlučivanju i raspodeli dohotka na članove — vlasnike. Informacije o upravljanju pravovremeno se dostavljaju zadržarima, nivoi učestvovanja u odlučivanju su visoki, postoje efikasni postupci pravne zaštite i rešavanja konflikata. Najozbiljniji nedostatak ovih zadruga predstavlja činjenica da one zapošljavaju i radnike — članove, tako da njih ne kontrolišu i njima ne upravljaju svi koji u zadržugama rade. U stvari, autor tvrdi, u njima postoji struktura dvostru-

kog građanstva, zbog čega one imaju više karakter egalitarnog kapitalističkog ortačkog društva koje unajmljuje radnike, nego potpuno samoupravne firme.

Autor zaključuje članak tvrdnjom da iako se struktura zadruga za proizvodnju šperploča ne može smatrati »modelom« za druge samoupravne firme, njihova analiza ipak pruža određen uvid u potencijale radničkog samoupravljanja u Sjedinjenim Državama. One su kao grupa uspele da prežive u periodu dužem od pola veka; one su uspele da zadrže izrazito egalitarnog oblike organizacije u jednom okruženju za koje se ne može reći da podržava takve forme; i, na kraju, one su pokazale, još jednom, da radnici mogu uspešno upravljati svojim preduzećima.

Milton and Rose Friedman

FREE TO CHOOSE. A PERSONAL STATEMENT

Harcourt Brace Jovanovich, New York, 1980. 338 p.

How did the economic miracle in the New World come about? And why is it that during recent years this miracle has apparently come to an end? These are crucial questions asked and answered in Milton Friedman's latest book "Free to Choose". An even more important point is made: we have not yet reached the point of no return, we are still free to choose our future wisely.

In fact, the book has two parents. One is an earlier book, "Capitalism and Freedom" 1961, also written with the assistance of his wife Rose. The other is a TV series, to be shown in ten instalments during 1980, a sort of counterbalancing of J. K. Galbraith's book and the TV show "The Age of Uncertainty".¹ But unlike Galbraith, who is more concerned with the defects of the market system, the authors expose the virtues of the laissez-faire market mechanism.

It is all in all a very readable book, more for the man on the street than for the professional, more to promote debate than to induce theoretical diversifications. Not that the book is completely deprived of theory. Indeed, the very introduction mentions two basic theoreticians, founders of the philosophy embodied in the New World: Adam Smith and his "Wealth of Nations" and the Declaration of Independence drafted by Jefferson, both documents curiously formulated during the same year, 1776. It is not very difficult to see the common base of these two thinkers as regards one theme: the role of government in society. A citation from either will suffice. Adam Smith: "By pursuing his (the individual's) own interest he frequently promotes that of the society more effectually than when he really intends to promote it. I have never known much good done by those who affected to trade for the public good". And Jefferson: "a wise and frugal government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvement". What Friedman does is to criticize the different governmental agencies that have been set up precisely to "regulate" the "pursuits of industry and improvement" instead of letting the individual do it for himself.

¹ Reviewed in *Finansije* 1979 (Jan./Feb.) "J. K. Galbraith, Vreme nezvesnosti" by Milan M. Petrović.