

# **Promoting worker-owned cooperatives and employee ownership to create and save jobs**

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## **I. Learning, teaching and writing about worker cooperatives and employee ownership**

### **Why my interest in worker-owned cooperatives?**

While a Ph.D. student at Cornell University, spring semester 1964, I took a course in sociology and was required to write a term paper. I was aware that Dr. Joseph A. Geddes, a professor of sociology at USU and the father of my brother-in-law Ezra W. Geddes, had been very involved in the cooperative movement in the 1930s and 1940s in Utah and was one of the organizers of the Utah Cooperative Association and a staunch supporter of cooperatives. I also knew that cooperatives had played an important economic role in 19<sup>th</sup> century pioneer Utah, but I knew little else about the subject. (It was not until 1976 that Leonard J. Arrington, then LDS Church Historian, and Dean L May, a research associate on his staff, wrote a book about Mormon cooperatives. They started with an unpublished manuscript written some 40 years earlier by Feramorz Y. Fox, did additional research and published *Building the City of God: Community and Cooperation Among the Mormons.*)

Based on my modicum of information about cooperatives, I decided to write my term paper about Agway, a large farmer's cooperative then headquartered in Ithaca. The title of my paper was, "The effects of centralization and bureaucratization on mutual benefit societies: The case of the cooperatives." I submitted my paper at the end of spring semester in May 1964. As I recall, I received an "A" for my work. Upon completing that sociology course, I took no further notice of cooperatives for ten or more years after I came to USU as a young faculty member in September 1967.

In the late 1970s, the last head of the Utah Cooperative Association, W. B. Robins, gave USU's Economics Department a donation of \$47,000 after the UCA was disbanded. The money was to be used to start a cooperative program or teach some courses about cooperatives in the department. In addition to the money given to the Economics Department Robins gave the USU Library Department of Special Collections and Archives \$2,000 to process the UCA collection. Although the department had little interest in starting a cooperative program, a few years later I remember discussing the matter with the department head and several other faculty members. It was decided that I could use some of the funds to start a course on worker-owned cooperatives. A year or two later DeeVon Bailey, an Agricultural Economics colleague hired in 1983, was asked to start a course on agricultural cooperatives.

While preparing the course syllabus for my course I found very little information about worker cooperatives. Most of the literature focused on other forms of cooperatives, especially agricultural and consumer cooperatives. Consequently, I had to improvise to provide suitable reading materials for my students. In 1982 or 1983 I began teaching the new course on worker cooperatives and other types of employee ownership (Econ 524) at USU.

At that time, one of the worker-owned cooperatives I became aware of was the Mondragon worker cooperative complex in the Basque region of Northern Spain. Because the Basques had been on the losing side in the 1930s Spanish civil war, Francisco Franco punished them for their opposition to his takeover, and the region became economically depressed. Father Jose Arizmendi, a young Catholic priest living and working in the region, had started a technical school to help educate the young people in Mondragon. Later some of the technical school graduates asked Father Arizmendi to help them create some new business enterprises to provide employment and economic opportunities for them and others in their community. He helped them develop their ideas and organize some worker-owned industrial cooperatives.

What started on a small scale in the mid-1950s, grew and prospered over the coming years. By the early 1980's, the Mondragon system of cooperatives had grown to include some 18,000 worker members and had more than 80 successful worker-owned industrial cooperatives, plus other types of cooperatives and a cooperative bank, and an organization to incubate new worker-owned cooperative businesses. Unfortunately, little had been written about the innovative and very successful Mondragon system; virtually nothing was available in English to use for my class.<sup>1</sup>

## **Meeting Frank Adams and Writing *Putting Democracy to Work***

In 1984, an opportunity arose to go on a three-week study tour to Europe with a group of educators from throughout the U.S to visit and study the Mondragon worker cooperative complex in Spain and also visit worker cooperatives in France and Britain. At that time, Europe was a much more fertile ground for creating and running worker cooperatives and had far more of these cooperatives than the United States. The prime movers behind that European study tour were Joyce Kornbluth, a professor of Labor Studies at the University of Michigan, and Frank Adams, an educator/activist working with the Cooperative Research and Development Group in Elizabeth City, North Carolina.

I signed up for that June 22 – July 13, 1984 study tour and used some of the UCA money the Economics Department had received to help finance my trip. June 22, 1984, I flew to New York City where the tour group of about 25 people had assembled. After an overnight stay at the Vanderbilt YMCA near the United Nations, we attended some orientation sessions in the morning. By late afternoon we departed for Madrid, Spain, where we spent the following day resting at our hotel and sightseeing in Madrid. Unfortunately, the Prado Art Museum was closed that day. The following day we boarded a chartered bus and traveled northwest toward Vitoria in the Basque region in Northern Spain.

Near Madrid, on our way to Vitoria, we passed the huge mausoleum carved out of a mountain that Franco had built to house his remains. We did some sightseeing in the historic

city of Segovia and stopped in Guernica, the city memorialized in one of Salvador Dali's famous painting of the Spanish Civil War. June 26, upon arriving in Vitoria and checking in at our hotel, we had dinner and went to bed.

I ended up sharing a room with Frank Adams, an educator and activist from Elizabeth City, North Carolina, and co-director of the tour. That night I was awakened by Frank Adam's loud snoring followed by complete silence for about 1 minute and then a loud whoosh as he resumed breathing. That continued for the rest of the night. At first I thought Frank was having a heart attack. Needless to say, I did not get much sleep that night. The next morning, upon my query, Frank told me that he had sleep apnea. He was the first person I knew with that malady. After learning of his problem, I was able to stay in the same room and not worry about him dying on me.

Shortly after breakfast the next morning, we boarded our bus and traveled for about 40 minutes on a winding mountain road to the town of Mondragon. June 26-29 we made the rounds and visited with the leaders of the cooperatives and toured their facilities. After each full day of activity, we returned to our hotel in Vitoria. There had been some reports of violence and hostile actions by Basque Separatists in the region that made our daily round trips over the mountain potentially dangerous. Fortunately, nothing unpleasant happened, and we had an interesting and stimulating time learning about all aspects of the Mondragon system of generating employment-creating worker-owned cooperatives.

Needless to say, I was very impressed at all that Father Arizmendi and his Basque colleagues accomplished, especially the scale, success and level of technology used by their cooperative enterprises. They not only created the largest appliance manufacturing firm in Spain, but also an organization to systematically incubate new enterprises and jobs. Equally important, they established a cooperative bank to provide the capital to start enterprises and the legal framework to provide ownership to those who worked in the enterprises.

Prior to completing our visits to Mondragon, we enjoyed a traditional meal arranged by our Basque hosts. On June 30 we left Vitoria and drove through the countryside of Northern Spain on our way to San Sebastian. I was sitting next to Frank on the bus that day, and we began discussing what we had learned during our visits to the Mondragon cooperatives. We agreed that there was a dearth of information about the Mondragon system available in America, and, more importantly, there were no handbooks or guides designed to help anyone or any group that might be interested in starting worker-owned cooperatives. Clearly, someone needed to write a pamphlet or guide to help people understand how worker cooperatives work, and more importantly, how to start that type of cooperative in the U.S. context.

At the end of our discussion I turned to Frank and said, "Why don't you write something?" A few kilometers down the highway, he turned to me and said, "Why don't we write something?" We proceeded to jot down an outline of what we thought such a 20 to 30 page pamphlet should contain. Several months after returning home, we corresponded and asked each other whether we really wanted to write the proposed pamphlet. Our mutual answer was yes, and so we began working on the first edition of what eventually became *Putting Democracy to Work*.

What started out to be a short pamphlet soon grew into a book length manuscript of several hundred pages. The manuscript, typed by my daughter Janet, was completed and published in 1987 by Hulogos'I, a worker-owned publishing cooperative in Oregon. Subsequently, we revised and expanded the book. In 1992 our revised edition was published by Berrett-Kohler Publishers of San Francisco. (Interestingly, the book is still in print in 2010 and can be purchased at Amazon.com and other websites.)

We stayed in San Sebastian June 30 - July 1 for R&R. July 2 we stayed overnight in Bordeaux, France. July 3- 5 we visited a number of worker cooperatives in Paris and met with Yves Regis, the head of the French worker cooperative movement and CICOPA, an international organization of producer cooperatives. We stayed at the Sofitel Hotel. All I remember about our stay in Paris was enjoying the ambience while eating at a sidewalk café with Frank Adams and thinking that France wasn't such a bad place after all. During my first visit to Paris in September 1961, I had not been favorably impressed because of the indifferent attitude of the French and the fact that they would not (or did not) speak any English.

From Paris we traveled by coach to Calais and took a ferry across the English Channel to Dover. There another coach took us to Northern England. July 6 we arrived in Leeds, England, where I had served as a missionary for the LDS church in 1959 and 1960. During our stay in England, we visited several worker cooperatives and cooperative organizations, plus some of the historical cooperative sights. We were in Leeds (July 6-7), Manchester (July 8-9), and London (July 10-11). I remember visiting Rochdale, the birthplace of the British Cooperative Movement in 1844 and also taking a ride on a cooperative-run canal boat that brought back the historical flavor of an earlier 19<sup>th</sup> Century period of time in Great Britain. I felt that some of the worker cooperatives we visited were rather small, had poor facilities and equipment, were marginal in their impact, and were too dominated by people with strong ideological considerations. I dubbed them the thong-and-sandals crowd compared to the Mondragon cooperatives that were much larger, better financed, and whose leaders were more pragmatic, professional and forward looking. I visited Ithaca, NY, for two days before returning home on July 13.

My trip to Mondragon and the subsequent writing and publication of *Putting Democracy to Work* provided me with considerably more knowledge and much better resources for my USU class on worker cooperatives. It also stimulated my interest in the subject of worker ownership generally, including Employee Stock Ownership Plans (ESOPs), a form of employee ownership that had been designed and promoted in the United States in the 1970s and 1980s by a man named Louis Kelso.

During the next six or seven years, I made a number of presentations and speeches, and co-authored or wrote upwards of 30 papers, articles, and chapters in books on the subject of worker cooperatives, cooperative entrepreneurship for job creation, and Employee Stock Ownership Plans. I also had several opportunities to go abroad and visit or discuss worker cooperatives with a number of other groups at international conferences and meetings.

The first international opportunity came in March 1986 when USIA and the State Department asked me to give lectures on a variety of topics to various groups in Austria, Turkey,

Italy, and Portugal. In June 1986, USIA asked me to travel to Eastern Canada to give lectures and meet with a several different groups in that country. During my trip to Canada, in addition to speaking with a number of government officials and labor leader in Ottawa, Montreal and Toronto, I met with several groups that were involved in organizing and promoting worker cooperatives. That proved very helpful in expanding my knowledge of worker cooperative developments in North America.

## **Speaking about ESOPs to the AFL-CIO Industrial Union Department leaders**

Among the most noteworthy events that occurred was a speech I was invited to give to the leaders of the Coordinating Bargaining Committee of the AFL-CIO Industrial Union Department in Palm Springs, California, on January 8, 1988. Howard Samuel, the IUD President, had asked me to talk to their group of union leaders about ESOPs. I used the opportunity to tell them that they needed to become more involved in making use of these forms of organization to facilitate worker ownership and save jobs. My speech was entitled “Some Thoughts about Unions and Employee Ownership.”

January 7, my wife and I flew to Ontario, CA, and rented a car to drive to Palm Springs. The weather was cold and snowy when we left Logan, but the weather in Palm Springs was wonderful—warm, sunny days. After my speech, one of the attendees told me that I really had guts, to come and tell them (the presidents of some of America’s largest industrial unions) what I had talked about. He was quite pleased at what I had done. We drove out to Palm Desert and had a delicious “date shake.” Then we drove to Los Angeles for me to give a presentation about preventing layoffs, at a conference on Plant Closings & Dislocated Workers. January 12, we returned the rental car and flew back to wintry Logan. It made me want to spend my winters in warmer places.

The reception to *Putting Democracy to Work* was gratifying. It presents worker cooperative concepts to anyone in North America who might be looking for a better economic alternative to unbridled capitalism or state socialism and also for those who might want to facilitate job-creation through cooperative entrepreneurship. It may also have had an impact in Central and Eastern Europe and elsewhere in the world on a few people seeking a better alternative to the wholesale adoption of our system of capitalism.

After the fall of the Berlin Wall in 1989 and the breakup of the former Soviet Union, many Americans and others were going abroad to provide technical assistance to the people and communities in Central and Eastern Europe who were looking for help to restructure their economies and create new employment opportunities for the workers losing their jobs through the privatization of moribund state-owned enterprises. Among the people called to that region was Professor Jaroslav Vanek of Cornell University. Prof. Vanek, an economist, had escaped from Czechoslovakia in the 1960s and was a pioneer scholar in the field of worker cooperatives, economic democracy, and self-management.

Because of his interest in worker ownership, and the need for materials to use in teaching others about that subject, in 1988 Prof. Vanek had actually written the first few chapters of a

handbook on starting worker cooperatives. But, as he was preparing to go to Russia to conduct some workshops on the subject, he came across our newly published book *Putting Democracy to Work*. He called me up one day and said, “You have just written the book I would like to have written. Now, I don’t need to write it.” He then went on to ask where he could obtain multiple copies of our book. He wanted to obtain 25 or 30 copies to take with him on his next trip to Russia to use in his workshops and to circulate throughout the region. I thanked him for his positive comments about our book and told him where he could obtain copies of our book. Subsequently, chapters from *Putting Democracy to Work* were translated and published in the Polish and Czech languages. It was used as a text in the new Cooperative College in Warsaw. We invited Prof. Vanek to write an Afterword to the Revised Edition of PD2W when it was published in 1992.

Our book, *Putting Democracy to Work*, also found its way to Africa. In the mid-1990s, Gordon Wagner, an economist and friend from our Cornell days, was in Southern Sudan trying to help the rebels develop some economic ideas to provide more jobs and income for the people in that region who were being severely persecuted and oppressed by the government in Khartoum. Gordon had heard about our book, and requested that I send him some copies so that he could give them to John Garang, the rebel leader, and others to read. I responded to his request and sent six copies of our book to Gordon in Africa along with some articles I had written on worker cooperatives and cooperative entrepreneurship to create jobs and a short annotated bibliography I had compiled for him to circulate as well.

Several years later, after John Garang became vice-president of the Sudan, he was killed in an airplane accident and was no longer able to promote or use the ideas in our book. Fortunately, Gordon Wagner was still working with other groups in the region, including some women’s groups, promoting cooperative entrepreneurship ideas as he traveled from his base in Nairobi, Kenya, to other countries in the region.

Postscript: On September 2, 2009, I received a telephone call from Gordon Wagner. He was still living and working in Africa, and currently residing in Nairobi, Kenya. In the course of our conversation Gordon told me that he and several others were still working with the women’s groups in the Southern Sudan to develop and operate their “shea butter” enterprises that produced the main ingredient used in a line of cosmetics. Twenty of these enterprises were now operating, some 10 years after his initial efforts to help them. He was still providing some technical assistance on a voluntary basis and was looking for information and ideas to help them become more viable and profitable worker-owned cooperative enterprises.<sup>2</sup>

## **Writing *ESOPs for the Rank and File***

Subsequent to writing *Putting Democracy to Work*, Frank Adams and I also co-authored and published a number of pamphlets and articles on the subject of worker cooperatives, Employee Stock Ownership Plans (ESOPs), and other related topics. In 1989, we wrote a “shirt-pocket book” entitled *ESOPs, Unions & the Rank and File* -- a short pamphlet intended for union members in businesses with Employee Stock Ownership Plans. Our objective was to help workers understand what ESOPs are and how they could facilitate the creation of democratic ESOPs in their workplaces. The ESOPs pamphlet was well received by the audience for whom

it was intended. During the first seven years after its publication, thousands of copies were circulated by trade unions to their members, and it was used widely by the United Steel Workers Union to assist their members to purchase enterprises in order to preserve jobs and introduce and promote the concepts of economic democracy. Frank and I were very pleased that it went through a number of editions over the years since its publication. Several years later, we wrote a second pamphlet for non-union workers in businesses with ESOPs titled, *ESOPs & You: The SACCO Guide for Women & Men in Businesses with ESOPs*.

Frank Adams and I also collaborated to write a case study of the Seymour Specialty Wire Company workers' and managers' efforts to save their jobs by organizing an ESOP to take over the ownership of the enterprise when the company was shut down. Our case study describing their efforts was published by the USDOL's Labor-Management Relations and Cooperative Programs Office in November 1987 as part of their publication series. Our contribution was entitled " *Saving Jobs and Putting Democracy to Work: Labor-Management Cooperation at Seymour Specialty Wire*."

In 1990 we were gratified to learn that a group of people in Prague had translated selected chapters from *Putting Democracy to Work* into Czech and were circulating it throughout their country. In 1991, that same group also translated a version of our pamphlet, *ESOPs, Unions and the Rank and File: An ICA Shirt-pocket Book for Union Members in Businesses with ESOPs*, into Czech.

## **Becoming acquainted with Helen Foster Snow**

Sometime in 1988, my friend Frank Adams informed me that he had heard about or met a woman with whom he thought I should become acquainted. He said her name was Helen Foster Snow and that she was originally from Salt Lake City, Utah, but was now living in Madison, CT. As a young woman, Helen Foster had gone to Shanghai in 1931 hoping to become a journalist. She lived in China from 1931 to 1938 where she met and married Edgar Snow, a journalist, and became immersed in all things Chinese. Helen was the first wife of Edgar Snow, who authored the famous book *Red Star Over China*, and served as a war correspondent during World War II..

The reason Frank thought I ought to get to know her was that she had been the initiator of the "Indusco" or "Gung Ho" system of worker-owned cooperatives in China in 1938. She and her husband Edgar, along with Rewi Alley, a New Zealander then living and working in China, and several other Chinese friends, were instrumental in organizing the unique Indusco cooperative movement to help provide employment and income for China's war refugees suffering from the ravages of the Japanese invasion. Rewi Alley soon became the key to organizing and shaping the future direction of the Indusco cooperative movement during its formative years. Helen Foster Snow continued to be its most ardent advocate and supporter, first in China and later when she returned to America.

After the Indusco system of cooperatives was organized, Helen Foster Snow left war-torn China and went to the Philippines to recover from her wartime experiences. The next year, while living in the mountain retreat of Baguio, she wrote a book about the worker-owned industrial cooperative system that she had helped to create. Her objective was to win support and

sympathy for the Indusco movement, and to promote the concept of worker cooperatives for job creation and economic development. Her book was first published abroad, and then published in the U.S. in 1941. Eventually, a copy was given to Jawaharlal Nehru, who read it while he was being imprisoned by the British in India. Helen's book helped provide Nehru with ideas and a framework for the introduction of cooperatives into India when he became Prime Minister after India gained its independence from Britain in 1947.

Returning to America prior to the outbreak of World War II on December 7, 1941, Helen Foster Snow settled down in a "historic" little home she and Edgar had purchased in Madison, CT. Edgar left to become a war correspondent and write about World War II, and Helen remained in Madison and continued to write about and promote worker cooperatives, and sought to obtain U.S. support for the Indusco cooperative movement in China. Although she turned to other activities (writing reviews for literary magazines, composing poems, writing a manuscript for a historical novel, and doing genealogy research for others) in order to earn a living, she spent the rest of her life promoting worker cooperatives as a means to create jobs and improve the conditions of poor people in developing countries.

In the fall of 1989 I wrote a letter to Helen Foster Snow and soon made her acquaintance. That started a correspondence and friendship that lasted until her death. I learned that Helen had a niece, Sheril Bishoff, who was Helen Foster Snow's literary trustee. Sheril then lived in Southern California with her husband Garth and their family. I learned that both Sheril and her husband were former students at USU when I was a student there. In my correspondence with Helen Foster Snow, I informed her about my interest in worker cooperatives and said that I wanted to learn more about the Indusco system she had helped organize in China in 1938. She was very gracious and told me that she had donated most of her China materials to the Hoover Institution at Stanford University and that I might want to go there and see if there was anything about the Indusco movement. She also began sending me some materials, including copies of manuscripts that she had written and self published, copies of some of her books published in China and the U.S., and a copy of her memoir that had been published in 1984. She also gave me several pictures of herself, and a painting that she had acquired while living in Baguio, Philippines, in 1939.

During the ensuing months, I talked to her about the possibility of establishing a center in her name at Utah State University to conduct research and to study and promote the development of worker-owned cooperatives.<sup>3</sup> We also talked about the possibility of her sending the remainder of her collection of materials to be housed at USU in the Special Collections and Archives. She eventually agreed to do that.

August 18-23, 1990, I made a trip to Madison, CT, to visit Helen Foster Snow. I rented a car and stayed at the Cromwell Super 8 Motel in a nearby town. Helen lived in a little but very old house in a scenic wooded area. A corncrib in the back yard had been converted into a writing studio for her husband Edgar. In her house she was literally surrounded by her "stuff." The clutter was incredible. Every room was piled with boxes -- boxes of her belongings, self-published books and materials. She literally had to navigate a narrow path through the rooms to locate anything. An IBM electric typewriter sat on a small table by a chair.



While in Madison, I learned more about her seminal work on the establishment of a system of worker cooperatives, known as “Indusco” or “Gung ho” cooperatives in China in 1938. I discussed with Helen the various possibilities being explored to create a center in her name to study worker cooperatives, and how we might obtain funds to help finance its operations. In the course of our conversation, Helen talked about having published a small pamphlet that she or Edgar had written to promote the Indusco movement in China back in 1937 or 1938, and said that I needed to write a new one for circulation today. She gave me several copies of the original Indusco pamphlet and charged me with the task of writing a new one, a task that I subsequently completed several times over.

In addition to co-authoring *Putting Democracy to Work* with Frank Adams, I fulfilled Helen Foster Snow’s charge to me by writing two more guides before retiring from USU in 1998. The first one was written with Ejvind Mogensen for the ILO Regional Office for Asia and the Pacific in December 1994 and entitled, *Working Together to Create Jobs: A Guide to Worker-owned Cooperative Development*.<sup>4</sup> The second pamphlet was written with E. Kim Coontz and Audrey Malan for The Center for Cooperatives at UC Davis and the Northwest Cooperative Federation in 1997, and entitled, *Steps to Starting a Worker Co-op*.<sup>5</sup>

After returning home from my trip to Madison, CT, to visit Helen, I wrote a 15-page proposal to establish the Helen Foster Snow Institute for Cooperative Studies at Utah State University, dated September 4, 1990. The purposes of the proposed Institute were as follows:

The Helen Foster Snow Institute aims to improve the well-being of people throughout the world by fostering the study and practice of cooperatives, employee ownership, economic development and economic democracy. The Snow Institute will become one of only three academic centers in the U.S. devoted to the study of cooperatives, and the only one which will focus on industrial cooperatives, employee ownership and economic democracy, areas of cooperative development which are so important at this critical time in the nation's and world history. The Institute will have the following purposes:

1. Sponsor scholarly programs
  - a) Research programs in industrial cooperatives, employee stock ownership plans (ESOPs) and other forms of worker ownership, job creation and economic development
  - b) Publications, including monograph series
  - c) Lectures, seminars, and symposia
2. Foster the teaching and practice of cooperative principles and economic democracy in the university and community
3. Promote international understanding and the exchange of ideas by developing linkages with foreign educational institutions and successful industrial cooperatives and employee-owned enterprises
4. Acquire and assemble a collection of books and other materials on the subject of industrial cooperatives, employee ownership and related topics which support the research and educational work of the Institute
5. Continue to promote all forms of cooperatives, employee ownership and economic democracy by working closely with other organizations to bring research findings,

new information and ideas to the attention of the national administration, Congress and others on a regular basis

6. Improve and enrich the economic development profession by infusing it with the knowledge, expertise and interest of industrial cooperatives, worker participation and employee ownership

Subsequently, I wrote a letter to the Henry Luce Foundation and several others seeking money to fund the Helen Foster Snow Institute for Cooperative Studies at USU. I also explored other possibilities for obtaining money for a Center. All of my efforts were unsuccessful. However, Helen Foster Snow went ahead and donated her remaining collection to USU. As I recall, she shipped some 300 boxes of materials to the USU Special Collections and Archives.

The USU Special Collections staff had a graduate student go through the 300 boxes of materials over the next few months. The graduate student concluded that there was a lot of “stuff,” but not much of value. At that point, Max Peterson, the University Librarian, the USU Director of Special Collections, USU Vice President for Development Paul Norton and other USU administrators decided the collection was not suitable to become part of the university’s Special Collections. Most of the “good stuff” about her life in China must have already gone to the Hoover Institution. Consequently, after some discussions by university administrators with Sheril Bishoff and her husband Garth, it was mutually agreed to transfer the Helen Foster Snow collection from USU to BYU. When USU officials transferred the Helen Foster Snow Collection to BYU, I abandoned my idea of having a Helen Foster Snow Institute for the study of worker cooperatives at USU

BYU had a very active Asian Studies program, and BYU officials felt that by housing the Helen Foster Snow collection at their institution they could capitalize on her name and considerable reputation in China to enhance and build their own relationship (and that of the LDS Church) with the Chinese Government. For a number of years the David Kennedy International Center at BYU had been sending a cadre of teachers to China to teach English in Chinese institutions of higher education. This cadre had included my sister Lenore H. King and her husband Gerald King, retired educators from Dallas, TX. They taught for a year at Jinan University. Having fielded a substantial number of such professional educators to teach in China over the years, BYU had established a good relationship with the Chinese Ministry of Education, and with the Chinese Government.

At the time Helen Foster Snow’s papers were transferred to BYU, USU officials did not have a significant interest in promoting a relationship with China or its leaders. It is rather ironic that beginning in 2007 the USU Department of Economics has subsequently developed a substantial educational program at three institutions of higher education in China. The Economics Department is currently sending a cadre of professors to teach economics courses in an academic degree program at three Chinese universities. In 2009 this program included some 600 students.<sup>6</sup>

Helen Foster Snow died in 1997 at the age of 90, in Madison, CT. Her important place in history was emphasized by the fact that she was nominated twice for the Nobel Prize, and her

obituary was published in the *New York Times* and *The Economist*, magazine in London. She would have been very pleased at that recognition.

October 26-28, 2000, BYU faculty members Paul and Eric Hyer organized and held a Helen Foster Snow Symposium on the BYU campus. A number of scholars, including yours truly (me), were invited to present papers discussing various aspects of Helen's experiences while living in China and her involvement in the establishment of the Indusco system of worker cooperatives. A large delegation of Chinese representatives and government officials came to the BYU Seminar.

My BYU invitation to that symposium gave me an incentive to write and present a paper about Helen Foster Snow and her work in starting Indusco, "*The contribution of Helen Foster Snow to the promotion and use of group entrepreneurship and worker cooperatives for job creation, income generation and economic renewal.*" I had intended to do that task for some years after making her acquaintance. My wife Helen accompanied me. (Immediately after the symposium ended, my wife and I drove us through a rainstorm to St. George so she could take care of some things for her father after the death of her mother

As far as I know, the October 2000 Snow symposium was the only major event held in Helen Foster Snow's name at BYU. The Symposium organizers planned to publish the proceedings of the two-day affair, but nothing ever came of it. It is too bad, since many of the papers that were presented about Helen Foster Snow and her work would have received wider circulation if they had been included in a scholarly publication.

When I donated my professional papers to Utah State University Special Collections and Archives, they included several boxes of materials, manuscripts and other documents on the creation of the Gung Ho movement and worker cooperatives in China that Helen Foster Snow mailed directly to me, plus our correspondence until she died in 1997.

Helen Foster Snow is still revered in China. On March 27, 2007, I received an email from Sheril Bishoff, the niece and literary trustee of Helen Foster Snow, with an invitation to attend an International Symposium on Helen Foster Snow to be held in Beijing on Sept 3, 2007. The invitation said:

This year marks the 100th anniversary of the birth of the American journalist Helen Foster Snow (1907-1997) who helped Edgar Snow to complete the famous book "The Red Star Over China". In China she is also regarded as one of the pioneers of bridge builders between the Chinese people and people all over the world. Her heritage as a courageous journalist as well as a prominent writer should be cherished and carried on today to promote world peace and development.

In order to commemorate the 100th anniversary of the birth of Helen Foster Snow, review her journalistic ideas and practice in the context of the 21st century and discuss issues on international and cross-cultural communications, the Edgar Snow Research Center of China in Peking University (PUSC) and China Society for People's Friendship Studies (PFS) will jointly host an international Symposium on September 3, 2007, in Beijing.

Because of my health, I had to decline Sheril's invitation to attend that conference in Beijing, China. However, I have a further note to add about Helen Foster Snow and cooperatives

that was relayed to me through a fortuitous meeting with Sheril Bishoff on December 8, 2008. My wife Helen and I were in Logan to have our car serviced at Ensign Imports. When we entered the waiting room, Sheril Bishoff was sitting there. She had come from Bear Lake, where she had continued to live after the death of her husband, and had stopped at Ensign Motors to have her vehicle serviced. In the course of our conversation, while waiting for our vehicles to be serviced, she told me that emeritus Prof. Paul Hyer from BYU had attended the September 7, 2007, centennial conference in Beijing, and had presented a paper. She said that in the course of his research for his paper he had learned that Helen Foster Snow's grandfather had been extensively involved with the cooperative movement while living in Malad, Idaho, in the late 19<sup>th</sup> Century. He had been the leader of the local LDS church-organized cooperative in that community. Consequently, according to Prof. Hyer's research, Helen Foster Snow had a significant, direct link to cooperatives through the work of her grandfather.

The most recent development demonstrating the reputation and importance of Helen Foster Snow to the Chinese occurred on November 11, 2009, when Cedar City, Utah, the birthplace of Helen Foster Snow celebrated her life with a day in her honor. The events included a Symposium, showing of a documentary film of her life, a photographic exhibition of her years in China and Cedar City. Highlighting the celebration in the evening was a concert with Chinese and American performers, and the unveiling of a seven foot tall bronze statue of Helen sculpted and cast in China and donated to Cedar City for placement in a public park. A delegation of 25-30 Chinese dignitaries traveled to Utah to participate in the event.<sup>7</sup>

My last writing project on worker cooperatives for a domestic (American) audience came about in 1997 in the form of a request from E. Kim Coontz, a staff member of the Center for Cooperatives at the University of California, Davis, and Audrey Malan, director of the Northwest Cooperatives Federation. The writing was to be financed by the Northwest Cooperatives Federation and published by the Cooperatives Center at UC Davis. They were planning to have several different cooperative guides as part of their project, and wanted me to write one on worker cooperatives that could be used to start worker cooperatives. I essentially wrote it, with their suggestions, and the result was: *Steps to Starting a Worker Co-op*.<sup>8</sup> The guide was widely circulated by the two organizations that had engaged my services, but I do not know what became of it after the Cooperative Center at UC Davis was disbanded during a financial crisis experienced by the UC system several years ago.

I had not thought much about the worker cooperative guide I had written for the UC Davis Cooperative Center until I received an email forwarded to me by Frank Adams on May 16, 2008. It was from the cheese buyer for the Rainbow Grocery Cooperative in San Francisco enquiring about the availability of that guide. The letter follows:

Hi Folks,  
Does anyone know if "Steps to Starting a Worker Cooperative" by Hansen, Coontz, and Malan is available for sale anywhere? We get approached for co-op advice all the time and I often give out that guide as a starting point. At some point we acquired multiple copies but those are now gone.

Honestly, I'd be happy to just copy our remaining copy for people since I doubt if any of those folks are getting royalties. ;) But if someone is using it to raise funds or something, I don't want to stomp on any feet. A web search reveals nothing current. Obviously we

would be copying it at our expense and not charging for it.

Gary? Kim? Audrey? are you folks on this list?

Gordon Edgar  
Cheese Buyer, Rainbow Grocery Cooperative

Apparently, that guide is still being used, and is more readily available than either Gordon Edgar or I is knowledgeable about. On October 20, 2008, I was surfing the web on Google.com, under my name and came across a website that had made available a digitized copy of the *Steps to Starting a Worker Co-op*. It can be downloaded as a PDF file or printed from this site. A Spanish version of this monograph is also available on the web.

At the end of 2007, some 15 years after the publication of the Revised Edition of *Putting Democracy to Work* by Berrett-Koehler Publishers, Inc. in 1992, the company informed me that it had sold 4800 copies of the book, which is a pretty good record for this type of book. Furthermore, it is still in print, and is widely available on the Internet through Amazon.com and a number of other websites.<sup>9</sup>

The continuing value of our book *Putting Democracy to Work* in the present day was emphasized by David Ellerman, one of the founders of the Industrial Cooperative Association and an early advocate of worker cooperatives. A well known academic today, David has also served as advisor to the chief economist for the World Bank and is currently a visiting scholar at the UC Riverside. In an email he sent to Frank Adams on August 31, 2009, David said: “your book with Gary [Hansen] is still the best treatment on the topic.”<sup>10</sup>

In addition to the activities described in this section, I also became involved in researching and writing about worker cooperatives through my extensive work for the International Labor Office (ILO) in Geneva, Switzerland, beginning in 1990.

## **2. Promoting Worker Cooperatives Internationally**

### **Why promote worker cooperatives abroad?**

In October 1989, as a result of the increasingly negative experiences that I and some of my colleagues in the Economics Department were having as a result of some leadership changes in our department, I began looking for other opportunities on and off campus that would make life more pleasant and productive for me. I even began to explore employment opportunities that might make it possible for me to leave the university, temporarily, or perhaps even permanently. The best option seemed for me to take a sabbatical leave.

### **My path from Logan to Geneva**

June 24, 1990, I wrote a letter to M. A. Hel Bongo, Chief of the ILO Cooperative Branch (COOP) in Geneva, expressing interest in visiting him in September to discuss the work of the Cooperative Branch, among other things. In response, I received a letter dated August 14, 1990

apologizing for the delay due to taking a month of home leave and inviting me to come for a visit. August 19, 1990, I received a second letter from him further discussing the work of the COOP Branch, and the possibility of my visiting. September 3, 1990, I sent Mr. Hel-Bongo a letter accepting his invitation to visit the ILO in September.

Sometime earlier, I had enquired of Stephen Schlossberg, one of my old friends at the U.S. Department of Labor where he had served as Undersecretary of Labor in the Carter Administration before moving on to become the Director of the Washington Branch of the Geneva-based International Labor Organization, whether it would be possible to find employment with the ILO, either as a consultant, or perhaps even to join their staff. Stephen was very helpful and encouraging. He said that I should fill out a personnel form for employment and send it in to his office to be forwarded to the ILO headquarters in Geneva, and that he would write a letter of introduction for me to take with me when I made a trip to Geneva to talk with some of the key people face to face. His advice started me on the path of productive and enjoyable 10-year professional association with the ILO.

Apparently things had moved quickly at the ILO after receiving my Vita and Personnel Forms. On August 24, 1990, I received a letter from Jean Decker at the ILO inviting me to participate in a 5-week ILO “identification mission” to Nepal. As it turned out, the process of obtaining all the country clearances, a UN Passport, etc., etc., meant that the mission would not be launched until February 15, 1991.

On September 7, 1990, the day before I left for Geneva, Stephen Schlossberg, faxed me a memo plus a letter of introduction to the Director of the department of Industrial Relations and Labor Administration at the ILO. Stephen Schlossberg wrote:

Dear Gary,

I hope you have a terrific trip to Geneva. I think you should make a point to see Alan Gladstone and Edward Yemin when you are in ILO, as well as P. Gopinath. I believe that these folks would be interested in your work on plant closings, ESOPS and other labor-management matters, so please call them if you have time and say that I asked you to call.

Best regards.

cc: A. Gladstone, REL/PROF  
E. Yemin, LEG/REL  
P. Gopinath, INST

Stephen Schlossberg’s Letter of Introduction:



# INTERNATIONAL LABOR OFFICE

WASHINGTON BRANCH

1828 L STREET, N.W.  
WASHINGTON, D.C. 20036

TELEPHONE: (202) 693-7652  
FACSIMILE: (202) 693-7687  
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TELEX: 248513

STEPHEN I. SCHLOSSBERG  
DIRECTOR  
DAVID A. WAUGH  
DEPUTY DIRECTOR

TO: Whom it may concern

FROM: Stephen Schlossberg, Director, Washington

Professor Gary Hansen, Director of Business and Economic Development Services  
- Utah State University - will be on official International Labor Office (BIT)  
business with the Department of Industrial Relations and Labor Administration  
from the 9-18 of September 1990.

September 8, 1990, I traveled to Geneva, Switzerland, for a 10-day visit. While there, I visited the libraries at the ILO and nearby International Cooperative Alliance (ICA) and collected some data on the use of worker cooperatives for employment creation in developing countries, and met with several officials of both organizations. Using Stephen Schlossberg's letter of introduction, I met with Dionysos Mavroginnis, Director of Research in the ILO Cooperative Branch (COOP), Lajos Varadi, Secretary of CICOPA, the worker cooperative unit at the International Cooperative Alliance (ICA), Ed Yemin, and Alan Gladstone in the ILO Department of Industrial Relations, P. Gopinath at the ILO's International Labor Institute, and M. A. Hel-Bongo, Chief of the COOP Branch, and Joe Fazzio, his soon-to-be successor, among others. I also met and visited with Jurgen von Muralt, who would eventually become Director of a newly created technical assistance "Enterprise" Department, and with Jean Decker and others to discuss the offer of my first "mission" for the ILO, which would be to Katmandu, Nepal.

My visit to Geneva was very productive and provided me with an opportunity to leave my "CV" with several people and departments. After my visit I felt that I could make a professional contribution through that organization and perhaps even spend a sabbatical year in Geneva. My discussions with Lajos Varadi and Dr. Dionysos Mavrogiannis were especially fruitful. Dr. Mavrogiannis was quite optimistic about finding some work for me to do if I chose to spend a sabbatical at the ILO. Several weeks after I returned home, I wrote a letter to each of them.

In my letter to Lajos Varadi I referred to a proposal that I was writing:

You might be interested in a major proposal which we are writing entitled: "A proposal for a grant to foster collective self-employment and new enterprise creation in third world countries using cooperative entrepreneurship as an organizing strategy." The primary objective of the proposal is to field test, through a demonstration project, a replicable, small-scale enterprise development model capable of perpetually generating employment and ownership opportunities in Third World countries through industrial cooperatives. We

think it has great potential. When the proposal is completed, we hope to obtain funding from the World Bank or some other international agency. We also think this concept may have application in the newly emerging democracies of Eastern Europe.<sup>11</sup>

In my letter to Dionysos Mavroginnias I commented about the directions my own work on cooperatives was taking:

I read the report of Malcolm Harper and found it informative, but not too useful. The last section, "Lessons in Summary," seemed rather impressionistic and lacked any helpful policy conclusions or recommendations. The studies by Peter Abell were more analytical and thus had more useful findings and recommendations. However, the [Harper] report did provide sufficient material and cases to show that our INDUSCO proposal (a draft copy of which I left with you) is on the right track and addresses many of the weaknesses and deficiencies identified by Harper and Abell. I am now more than ever convinced that it will take an INDUSCO MODEL type of approach to really make industrial cooperatives a meaningful and viable part of a successful job creation and economic development strategy.

<sup>12</sup>

In the fall of 1990, I began working on some ideas for a sabbatical project that I might undertake at the ILO in Geneva. Subsequently, I expanded, refined, and worked them into a formal paper that I presented at a conference held at Cambridge University in the summer of 1991. I also explored those ideas in a document that I later completed during my sabbatical at the ILO. Eventually I summarized them in a journal article published some years later in Great Britain.

On January 15, 1991, I completed a document entitled, "A proposal to use cooperative entrepreneurship as a development strategy to create jobs and enterprises in the Third World and Eastern Europe," as a 57-page "Indusco proposal." Copies of the proposal were sent to acquaintances at the ILO, World Bank and several other agencies to see if there might be any interest in such a project.

## **Seeking opportunities for a sabbatical**

In a March 18, 1991 letter I received from Joe Fazio, the new head of the ILO COOP Branch, I learned about two important developments: first, that the ILO had created a new technical cooperation department with Jurgen von Muralt as Director; and second, they had responded favorably to me and had added my name to the roster of experts in the field of cooperative research, with the prospect of doing some work for them.

Thank you very much for your letter dated 1st February last and the attached document on Using Cooperative Entrepreneurship as a Development Strategy to Create Jobs and Enterprises in its final version. We read the paper with great interest and we refer to that in the reviewed text of our study on industrial cooperatives under publication.

You may be interested in knowing that a new technical department was created in the ILO including development of small-scale enterprises and cooperative societies. (Enterprise Development and Cooperatives Department). Mr. J. von Muralt, you met during your visit to ILO, last year, will be the Director of this Department.

As already mentioned in my previous letter, your name has been added to the roster of experts in the field of cooperative research and we will call on you as soon as the case



arises.<sup>13</sup>

I had also been exploring several other sabbatical opportunities, one being the possibility of spending my time in India at the Shri Ram Industrial Relations Center, or at the World Bank, depending on where I could obtain some work, a fellowship or other financial arrangements. I was selected as the first alternate for the Indo-American fellowship at Shri Ram Center, but did not get it.

On March 19, 1991, I received a letter from Gary Benson at the University of Wisconsin at Whitewater, confirming an invitation to participate in a Conference on Internationalizing Entrepreneurial Research, Education and Training to be held at Pembroke College, Cambridge University, July 1-5, 1991. I received that invitation cordially since the timing was good and it would be a pleasure to return to England for a visit. I decided that I would take my wife to the Cambridge conference as the first activity of my sabbatical. Afterwards, I would visit several cooperative development agencies and cooperative organizations in the north of England and Scotland while we vacationed in the United Kingdom. In September we would go to Geneva where I would conduct research and/or work at the ILO.

April 18, 1991, I wrote to Lajos Varadi at ICA outlining my intentions for the upcoming sabbatical in Geneva.

I am currently in the process of planning my sabbatical which is scheduled to start in July 1991. As I mentioned to you, it is my intention to work on a book dealing with "cooperative entrepreneurship," the subject of the paper I sent to you some time ago. As part of my project I plan to come to Geneva to spend time at the ILO Cooperatives Branch and Library and in your library at the ICA. If you feel comfortable doing so, I would appreciate your writing a letter extending to me an invitation to use your library and facilities during my sabbatical. This, of course does not imply any financial or other commitments to me, but it would be helpful in getting the formal approval from my superiors for my sabbatical. Perhaps we can work together on some project of mutual interest during my stay.<sup>14</sup>

April 18, 1991, I wrote a letter to Jurgen von Muralt at the ILO to see if I could spend my sabbatical in his new department, and to determine if he had any work that I might do to supplement my sabbatical income from USU. I received a letter from Jurgen von Muralt, dated May 18, 1991, stating that he would be able to find some paid work for me to do in Geneva during my sabbatical, and looked forward to my coming. His response was most welcome, since my sabbatical had been formally approved on May 14, 1991, and was scheduled to start on October 1, 1991. Since I was not teaching during the summer months, I would be able to start my sabbatical on July 1, 1991.

On June 29, 1991, I and my wife flew to London Gatwick Airport and rented a car. We then drove to Cambridge to attend the conference and sightsee in the area. On July 2, 1991, I presented my paper "Using Cooperative Entrepreneurship for Job and Enterprise Creation in Developing Countries and Eastern Europe" at the Conference of Internationalizing Entrepreneurship Education, Training and Research, Pembroke College, Cambridge University. While I was giving my paper, my wife went to the Cambridge City Library and read books in between going to the car park to keep buying parking permits so our car didn't get ticketed. We

walked around Cambridge to see the local sights, and then drove to the small towns nearby where some of my English ancestors had lived before immigrating to America in the early 19th century.

After the conference ended, we drove to Northern England and Scotland for a week, before returning to Gatwick Airport and flying home on July 14. Along the way we saw Hadrian's Wall, Edinburgh, Glasgow, and the Lake District. We also stopped at several worker cooperatives and local cooperative development agencies so I could obtain additional information about their work.

## **Taking a sabbatical at the ILO in Geneva**

August 1, 1991, I and my wife flew to Frankfurt, Germany, arriving on the morning of August 2. There we rented a car at the airport to drive the 200 miles to Basel. We were both very tired after our overnight flight, the weather was warmer than we had expected, and the vehicles were traveling very fast so driving down the autobahn from Frankfurt to the Swiss border was very tiring. We stopped several times at rest areas to take a break. When we reached the Swiss border, we found we had to buy an expensive permit for our rental car to enter the country. Finally, we found a hotel in Basel, Hotel Du Commerce, where we spent the remainder of the day and night to recover from our jet lag. Because it was very warm, we opened our hotel window and heard the noise of people and a streetcar on the street outside our window. The next day we drove to Geneva and then across the French border to rent a studio apartment at The Citadines, a modest residence hotel in Ferney-Voltaire, France, not far from the Geneva Airport. Prices at The Citadines were much more affordable than in Geneva. After checking into our studio apartment, we went grocery shopping and drove around the area. August 4, we returned the rental car. Thereafter, we walked and used the excellent bus service.

## **The role of “associate experts” at the ILO**

One thing I quickly learned in the course of my work at the ILO COOP Branch and the Enterprise Department in the fall of 1991, was how effectively several countries used the ILO system to enhance the employment opportunities for their young professionals by providing grants for various kinds of projects to be carried out through the ILO's auspices. That was especially true in the COOP Branch for the Scandinavian countries and Germany. When a country provided funds for an ILO project, part of the agreement was that college graduates or “young professionals,” called “Associate Experts,” from the donor country were hired by the ILO to help carry out the project. After several years of work and experience on such projects, the young professionals could work their way into the ILO system as either experts—excol consultants—or regular employees. I still have my notes about that process; and how, in my view, the USA failed to take advantage of that opportunity.

During the next few years, I tried to get several officials at the USDOL in Washington to adopt that approach to help young Americans have the same opportunities. I even raised the issue when the USDOL Deputy Undersecretary and ILAB director came to Geneva to meet with the Americans who were working there at that time. He didn't have a clue as to what I was talking about and demonstrated little interest in learning more. Sadly, nothing was ever done to

provide more employment opportunities for young Americans. August 27, 1992, I wrote a short paper entitled "Notes from the Field," about the failure of the U.S. to take advantage of the ILO associate experts program to infuse the ILO with young American professionals like other countries did so well.

I spent my days at the ILO making the rounds and talking to people trying to find some opportunities, especially in the COOP Branch. August 21 -22, 1991, I was invited to attend a COOP Branch retreat at the Chalet-Hotel du Feug in Megeve, Mount Blanc, for two days. On August 23, 1991, I wrote a memo to the COOP Branch outlining the Terms of Reference for some things I might do for them. One of the people I met in the COOP Branch was Huseyin Polat, a Turkish national who was working under a contract for the ILO. I had first met Huseyin in March 1986 in Istanbul when I was in Turkey giving some lectures for the U. S. State Department and USIA, and he was one of my hosts and tour guide and worked for the Turkish Trade Union Movement. I had not seen nor heard from him since then. It was a pleasure to see him again. We renewed our friendship and began a decade long period of collaboration and mutual support. He soon began writing memos to Joe Fazzio and others, trying to find some work for me to do.

My first job for the ILO was an "excol" (external collaborator) contract, dated September. 23 - October. 4, 1991, to prepare a paper on "co-operative policy and legislation in Eastern and Central Europe" for the department head, Jurgen von Muralt, to give at the October 16-19, 1991 ICA Central Committee meeting in Berlin. It was also my very first job of ghost writing a paper. The paper I wrote for Jurgen was good enough to be published so I felt good about my work. In the published version, Jurgen acknowledged my assistance. Jurgen also arranged for me to present my paper on October 16, "ESOPs in the U.S.A." to the Plenary Meeting of CICOPA at the Central Committee Meeting of the International Co-operative Alliance in Berlin as well.

October 15, the same day I flew to Berlin to attend the ICA meetings, Helen flew to New York and on to Salt Lake City. (The agent in Geneva messed up her flight arrangements so she had to buy a full-fare ticket in New York to fly to Salt Lake City.) After living in a studio apartment for almost 15 weeks, washing our laundry by hand, putting up with the cleaning staff who changed our sheets and towels once a week and went through her things in the process, and problems at home, including her father's recent colon cancer surgery, Helen knew she had to return to North Logan. But she had really enjoyed playing the piano for Primary on Sundays in our Geneva LDS Ward and getting to know people. Her return home proved to be a wise decision for many reasons, including some health problems.

I was very happy going to the ILO and working on a variety of interesting projects. My next ILO contract was for Oct. 5 – Nov. 3, 1991 to "read and research the documentation of the study, "Impact of Cooperatives on Employment," in order to update and complete all necessary editing in preparation for publication." It was a good thing I brought my notebook computer and portable printer with me.

Upon returning to Geneva from the ICA Central Committee meeting in Berlin, I received an ILO contract that paid me for my "participation in the ICA Central Committee Meeting in

Berlin (16-19.10.91): follow-up on the draft ILO presentation paper prepared by the collaborator, and technical consultations with COOP colleagues on the agenda for the panel of Consultants.” I had been asked to sit in on that Oct. 19, 1991 preparatory meeting with a selected group of people attending the ICA Central Committee Meeting to plan for the forthcoming ILO “Meeting of Experts” to be held in Geneva in 1993 and took notes about what transpired.

Nov. 4, 1991, I received an ILO contract “to expand and revise completely the study on the impact of cooperatives on employment in compliance with the discussions/conclusions of the ILO Meeting held in Berlin (19.10,1991), in which the external collaborator participated.” I wrote, “Employment through cooperatives: an integrated cooperative entrepreneurship development strategy,” for the ILO COOP Branch.

Nov. 11, 1991, I received an ILO contract “to revise and edit a study on ‘Agrarian Reform Co-operatives in the Philippines – An assessment of Present Status and Future Prospects with reference to the Ongoing Comprehensive Agrarian Reform Program (CARP)’, by Alfred Bretschneider.” Bretschneider, an ILO consultant, had written the paper as part of an assignment in the Philippines. Jurgen von Muralt, head of the Enterprise Department, wanted to publish it, but first it needed to be edited. Helen did much of the editing work on that project at our home in North Logan.

Dec. 12, 1991, I received an ILO contract “to prepare the main working documents on the theme ‘Employment promotion through industrial co-operatives’ for discussion at the Asian workshop with the same title to be held in Bangkok in mid-1992. The work should comprise circa 40 pages along the lines of the attached outline.”

Because I was an external collaborator, the ILO was not obligated to provide me with a room or computer to do my work. Although one of their rules required me to do my work elsewhere, it was not enforced. Usually, they would let me use the offices of others who were away “on missions” for an extended period of time. So I wrote several of my papers on my notebook computer and portable printer in my studio apartment at The Citadines. Some of the papers I wrote in Geneva during my sabbatical in the fall of 1991 and early 1992 were:

*A Concept Paper Outlining Some Ways to Promote Cooperatives for Job and Enterprise Creation. Working Paper.* Geneva: Cooperative Branch, International Labour Office, September 1991. 14 pp.

*Cooperative Policy and Legislation in Central and Eastern Europe. Working Paper.* Geneva: Cooperative Branch, International Labour Office, October 1991. 18 pp.

*ESOPs in the U.S.A. Working Paper.* Geneva: Cooperative Branch, International Labour Office, October 1991. 12 pp.

*An ILO Strategy for Promoting Employment Through Cooperatives. Study carried out for the Co-operative Branch of the International Labour Office, Geneva.* (Geneva: ILO, January 1992.) 147 pp.

On December 15, 1991, I flew home to spend Christmas with my wife Helen and our family and worked on the various projects I was preparing for the ILO COOP Branch. January

26, 1992, I flew to Washington, D.C., to participate in a Federal Committee on Apprenticeship meeting.

Six weeks later, on March 3, 1992, I returned to Geneva to work for another month at the ILO headquarters,. Again I stayed at The Citadines. On March 18, 1992, I received an ILO contract to prepare the final project report for IRQ/87/015, an ILO project that had been launched several years earlier to study all of the cooperative programs in Iraq. The project ended abruptly when the ILO pulled out of Iraq as a result of the first Gulf War and no final report was written. I was given all of the documents and notes of the project, including several folders and a handful of files, and asked to make sense out of them and write a final report so the contract could be officially closed out. This project took about a week to complete.

About March 31, 1992, I met with COOP Branch Chief Joe Fazzio to discuss my writing of a 50-60 page background paper for the "Meeting of Experts on Cooperatives" scheduled to be held in Geneva in March 1993--the meeting that had been discussed in the Berlin planning session I had attended in October 1991. Three papers were to be prepared, one on each of the three topics to be the focus of discussion by the Experts during their meeting. The paper he wanted me to write would be called "Report 3," and covered the topic of worker cooperatives. Joe Fazzio wanted the final version of my paper finished by the end of September 1992. The ILO planned to hold this Panel of Experts meeting in the spring of 1993, but needed to have the Reports (basically background papers of the specified topic) prepared well in advance so they could be translated into French and Spanish, then printed and circulated to the attendees well before the scheduled meeting date. My ILO excol contract assigned me to write that document, and it included one round-trip airfare to and from Geneva. I flew home on April 2, 1992 to continue working on my various ILO projects.

I was delighted with the Report 3 writing project, because it provided me with an opportunity to make a strong case for the ILO and COOP Branch to become more directly involved in local economic development by promoting worker-owned cooperatives and cooperative entrepreneurship as vehicles for creating enterprises and jobs.

By early June 1992 I had prepared a detailed draft of my assigned paper and had begun working on the various sections. In my June 10, 1992 letter to Huseyin Polat, my Turkish friend and colleague working in the COOP Branch at the ILO, I said: "At the moment, I am working on the background paper for the Panel of Experts meeting in 1993. I am also working on a basic primer on how to organize industrial cooperatives which could be used in the ILO Bangkok workshop if it ever materializes."<sup>15</sup> On June 29, 1992, Huseyin wrote me a letter in response to the questions I had asked in my previous letter. He said: "As for [Ejvind] Mogensen's preparations on the regional workshop, it is now postponed again due to short[age] of money. In the meantime he is now conducting a survey to collect information about existing worker co-ops in the region. This will also help us to identify our collaborators at the national level when we organize the workshop."<sup>16</sup>

July 10, 1992, I completed the first draft of my background paper for the planned ILO Meeting of Experts on Cooperatives. It was 51-pages in length. July 13, 1992, I sent the draft to

Joe Fazzio in Geneva and indicated that I would be coming to Geneva on July 25 for two and a half weeks to discuss the draft and receive their (the COOP Branch's) suggestions for changes.

July 24 I flew to Geneva to confer with my colleagues in the ILO COOP Branch. While there, I prepared an outline for a 2<sup>nd</sup> draft of Report 3 that I was working on. Aug. 7, 1992, while in Geneva, I received a memo from Huseyin Polat with an outline of a background paper that I could write for an ILO Workshop in India that might be held in the future (the fall of 1992 or early 1993?). August 12, 1992, I flew home to continue my work for the ILO. August 28, 1992, I completed the second draft of Report 3 at my home.)

In my October 6, 1992 letter to Huseyin Polat, I commented on my return to teaching after my sabbatical and about the projects that we had been jointly working on:

School started at the university on September 30, so I am back in the classroom teaching three classes this quarter. While it is good to get back into the teaching routine, I really miss the association with you and the other Co-operative Branch staff; and the opportunity to work on the many projects we were involved in. There is so much need and opportunity for the kind of things we were working on. Has there been any progress on the proposed Indian technical meeting on labor cooperatives in December? Also, has there been any movement on the workshop being planned for the Ukraine? Let me know if there have been any positive developments on either of these projects so I will have enough lead time to prepare a paper (or papers).

I completed the second draft of my paper for the International Meeting of Experts and sent it to Joe on 28 August. Did you get a chance to read the new version? I understand that Roland and Ashish were going to make the necessary changes which Gabriele and Jurgen wanted, and that the final version was to be completed for submission to the translators this week. I have not yet received a copy of the final version so I do not know how many changes they made in the draft I sent.<sup>17</sup>

On October 15, 1992, I received a fax from Joe Fazzio indicating that the latest version of my Report 3 had been sent to the translators for translation into French and Spanish, and would then be printed.

As you know from your telephone conversation with Mr. Lindenthal, we have completed the revision of the second draft of your resource paper for the International Meeting of Experts on Co-operatives. We send you a copy of the final version under separate cover. It has been submitted to the Translation Branch within the ILO to be translated into French and Spanish.

As the translation Branch is also doing the necessary editing clearance, they asked COOP to provide them with copies of the books and articles listed in the bibliography as well as an information note which states - according to the rules of the Translation Branch - the elements of a reference. Could you please send us a copy of the front pages (or the pages which contain all the relevant data) of the sources we marked with a cross? Mr. Lindenthal will call you on Monday to discuss this matter in more detail.

Thank you very much for the excellent work you have done.

In an October 19, 1992 letter from Huseyin Polat, I got a little different take on the revisions made to my final version of Report 3. Those changes reflected the "German influence"

(especially that of Roland Lindenthal and Gabriele Ulrich) in the COOP Branch at that time, both of whom were less supportive of worker cooperatives.

As for your paper, yes, I read the revised version, and frankly speaking, found not as good as the first one. But, I don't want to speak on this issue since I don't like the method COOP selected for editing these papers. Although Jurgen seems quite supportive for our project ideas and I get opportunities to freely discuss many things with him, I don't want to touch this issue since it is under Gabriele's responsibility. I fully support you that we should concentrate our development efforts on these alternative employment creation fields, and I will not give up the idea. My present status does not permit me to fight against many inconsistencies, but I am confident that we will together create a more favourable climate here. All we need I think is a little bit more time and support from ILO's constituents. (Oct. 19, 1992 letter from Huseyin Polat to GBH)

The published version of my paper was: *The Role of cooperatives in the promotion of employment and income in the rural and informal sectors. Report 3 for the Meeting of Experts on Cooperatives to be convened by the ILO 29 March-2 April 1993.* (Geneva: ILO, October 1992.) 28 pages.

On March 19, 1993, I flew to Geneva, Switzerland, at the request of the ILO to serve as a resource person and present a summary of my published paper *Report 3*, at the Meeting of Experts on Cooperatives convened by the International Labor Organization in Geneva, Switzerland. It was fascinating to interact with the 20 or more members of the Panel of Experts, plus 12 to 15 observers) in attendance. The Trade Union member from Denmark was the most supportive of worker cooperatives, and elicited my warm appreciation when he wanted to discuss the issue at length. Some of the other panelists were less interested, including a German professor (from the University of Marberg) who was present. The American representative had very little to say. It was clear that most panelists were more interested in other types of cooperatives, e.g., consumer, agricultural, housing, etc., rather than worker cooperatives and job creation. Nevertheless, I was pleased to be able to make some important points in my presentation, and even to elicit some supportive comments in the final report of the Panel. April 3, 1993, I flew home.

## **Participating in 1993 ILO/Ukraine Ministry of Labor Seminar on cooperatives in Kiev**

While I was in Geneva in March 1993 to attend the Panel of Experts meeting I also met with Joe Fazio and others in the COOP Branch to discuss the Ukraine Ministry of Labor- ILO Seminar scheduled to be held in Kiev, Ukraine, on May 10-14, 1993. The COOP Branch wanted me to participate as a member of the ILO faculty being fielded for the Seminar. I was asked to write two papers "Impact of the social and cooperative economy on employment in countries with a market economy," and "ESOPs in the USA," to be presented at the Seminar. I was also asked by Christian Jacquier, a COOP Branch member who was organizing the Seminar, to write another short paper on "Coops in the USA" for circulation as well. On April 19, 1993, I faxed the papers I was going to give or circulate at the Kiev workshop on cooperatives to Joe Fazio, head of the ILO COOP Branch in Geneva.

May 7, 1993 I flew to Geneva. After two days in Geneva, Jurgen von Muralt and I flew together on Swissair to Kiev. May 10-14, we stayed at a local hotel booked by the Ukraine Ministry of Labor. Jurgen and I, along with Christian Jacquier, and some other local people participated as faculty members at the ILO/Ukraine Ministry of Labor seminar in Kiev entitled, "The economies in transition and the employment problem: The role of cooperatives and associations." Invited countries, in addition to Ukraine, included Russia and Belarus. Participants were representatives from government, local administrations and from associations and cooperative movements in their respective countries. The Seminar Objectives were: (1) Analysis of the role of cooperatives and the social economy associations in employment creation and privatization, namely in agriculture, handicraft and small industries. (2) Analysis of experiences of countries with a market economy and within the participating countries. (3) Discussion and formulation of recommendations regarding the setting up of a policy aiming to increase the role of cooperatives and the social economy in the process of privatization and employment creation.

My role in the seminar included presenting three lectures and papers at different sessions of the Seminar: "Impact of the Social Economy and Cooperative Sector on Employment in Countries with Market Economies," "The economies in transition and the employment problem: the role of cooperatives and associations," "ESOPs in the U.S.A." I also participated in discussions with the work groups. My experience in participating at that seminar was very much like my USIA experience back in 1986 while lecturing in Italy, Austria, Portugal and Turkey and in Canada. It was downright hard work. Furthermore, the living accommodations and social activities were equally draining.

Jurgen von Muralt, Enterprise Dept. Head from the ILO, led our team. After our arrival in Kiev on Swiss Air, we were herded into a dilapidated building called a terminal. For a city of over 1 million population, the terminal was about the size of the one in Logan, my home town, and 50 years out of date. The first stop in a process that took nearly an hour was a window with two people sitting behind a counter to collect our landing fee or whatever it was called. It was \$50 or \$100 per person and had to be paid with dollars. Clearly, that was the most important stop in the arrival process—collecting money from us. After paying our money, we stood in line to go through passport control. There were two lines with 40 or 50 people standing in each line awaiting their turn. A person sat at a table behind a glass partition on a counter that was about chin height. You handed him your passport through a window, but could see only his head. Then you waited 10 - 15 minutes while he did whatever he did. After that process was completed, we went through a door into another room where we had to wait for our baggage to be brought in. After collecting our luggage, we went through another door into still another room where we had to fight our way to several kiosks to obtain forms that had to be filled out with how much money we were bringing into the country and then turn them in at another window, keeping one copy in our passport to fill out when we departed the country. The kiosk shelves were empty of forms so we had to scrounge around until we could find someone to get us more forms. Finally, we were able to walk out the front door into a parking lot where someone from the Ministry of Labor met us and drove us in a van into the city to the hotel where we would be staying.



The Ministry housed us in a horrible old-style communist hotel not too far from the building where our seminar was held. The hotel had changed very little since the good old days. Upon our arrival, instead of being taken to the ornate front desk that looked like most hotels, we were taken down a dingy corridor to a room where we were required to pay our bills in advance and in cash, U.S. dollars of course. The only furniture in the room were an old worn out couch, a table and chair, and a gadget on the table designed to check our \$100 dollar bills and make sure they were not counterfeit. Clearly, that was the most important item in the room. They recorded our payments by hand in a receipt book.

After taking an ancient elevator to my floor, there was a babuska manning a key desk where we obtained our room key and returned it when we left our room. The hotel also had one-way doors to get in or out of the hotel, and one-way checkpoints to go from the lobby to the elevator. Every aspect reeked of the old system of control. Our first experience with the hotel restaurant was a minimal amount of lousy food. We retired to our rooms to experience worse living conditions. The bathroom shower had no curtain so the water ran all over the floor to get to the one floor drain. The rickety bed and threadbare carpet were not appealing. The duct tape on my suitcase captured half a dozen cockroaches in the night. When I turned on the light, more of them scurried in every direction.

When we went to the hotel restaurant in the morning for breakfast, Jurgen tried his best to teach the staff that they needed to put bread, butter, and jam on the table, and what it means to provide a modicum of service and decent meals. Unfortunately, he did not have much luck in that regard.

One evening the MOL hosts took us by bus to an old Young Pioneers camp in the woods outside of Kiev for a cookout. It looked more like an abandoned CCC camp from the 1930s America. The food was good (it had been catered), but all the locals got drunk after repeatedly giving toasts and drinking vodka, round after round. I made do with canned Coca Cola and bottled water. I hoped that our driver had not been drinking the vodka before driving us back to Kiev.

Getting out of the Kiev Airport when we left to return to Geneva was another eventful experience. The terminal had only one departure gate and one person to take tickets, allowing only one person to pass through at a time. Consequently, the process of going through the gate as the passengers for several flights were called at the same time was incredibly slow, cumbersome, and inefficient. It was a great relief to walk to the Swissair plane on the tarmac and depart for Geneva.

The two publications (in Russian) that resulted from my participation in the ILO-Ukraine MOL Seminar in Kiev were:

“Impact of the Social Economy and Cooperative Sector on Employment in Countries with Market Economies.” Paper presented at the ILO/Ukraine Ministry of Labor seminar on “The economies in transition and the employment problem: the role of cooperatives and associations,” Kiev, Ukraine, 11-14 May 1993. Published in *Proceedings*. [in Russian] (Kiev: Ukraine Ministry of Labor, 1993)

“ESOPs in the U.S.A.” Paper presented at the ILO/Ukraine Ministry of Labor seminar on “The economies in transition and the employment problem: the role of cooperatives and associations,” Kiev, Ukraine, 11-14 May 1993. *Proceedings*. [in Russian] <sup>18</sup>

## **Speaking and writing about the ILO’s role in promoting worker cooperatives**

June 4, 1993, I flew to New York and then traveled by train to Brookville, NY, to participate in and present a paper at the Conference of the International Institute for Self-Management that was holding one of its first meetings in the United States. The June 5-9, 1993 conference was held at Long Island University, Brookville, New York. My paper was entitled: “The ILO’s role in the promotion of employment through worker cooperatives.”

Late in the summer of 1993, I wrote a rather critical and provocative think piece entitled, “A Modern Tragedy,” directed at the ILO, and especially the COOP Branch, based on my experience of working for the ILO during the previous two years. The thrust of my paper was how the ILO had strayed from its early position, set out by its first Director-General in 1924, of strongly supporting and promoting worker cooperatives. As a result, the ILO was missing an opportunity to promote and facilitate the creation of jobs and enterprises for people in developing countries who were in desperate need of help. During the next few years I revised and expanded the paper several times. I completed the final version in February 1997. It was entitled, *A Modern Tragedy: The failure to enlist group entrepreneurship and workers’ cooperatives in the battle against unemployment and poverty*.<sup>19</sup>

The genesis and events surrounding my “Modern Tragedy” paper are of some interest. After two years of working with and for the ILO on a number of projects, and especially because of the tepid response toward promoting worker cooperatives shown by most of those present at the Panel of Experts Meeting in March 1993, and the failure of the COOP Branch to actively promote Worker Cooperatives despite all of Huseyin Polat and my efforts, I decided to put down on paper my thoughts on the subject. Instead of putting worker cooperatives in the forefront, the COOP Branch had followed the lead of the neighboring International Cooperative Alliance (ICA) in most of their work.

In 1993, the ILO COOP Branch staff decided to be creative and initiate some “Inter-Regional programs” directed at promoting the existing areas of emphasis, sans worker cooperatives. Needless to say, I was not impressed with their new approach because it made no move towards placing emphasis on promoting worker cooperatives to create jobs and enterprises to generate employment and income for poor people in developing countries.

I completed the first draft of my “Modern Tragedy” paper in August 1993. Rather than try to publish it, I decided to circulate it internally at the ILO to see what kind of a reaction it would elicit. Thus, I sent copies of my paper to Joe Fazzio and the COOP Branch. The reaction to my think piece by Joe and other traditionalists who saw it was not enthusiastic, to say the least. I got my first feedback in a letter from Huseyin Polat dated September 5, 1993.

Dear Gary,  
Your letter of 18 August, with its annex, is now widely known in COOP

and ENTREPRISE. Since you sent it to "Cooperative Branch", it went directly to Joe as Chief of the Branch. The following day, he came with your letter, asking me what I think about it. He was a bit skeptical that we were planning something without informing him. I told him that I would read it and tell him what I think about the article. He also asked me to make copies and distribute to our colleagues, including Jurgen. As I knew the original version, I read the revised text quickly and went to discuss it with him. I told him that there was some criticism about the outcome of the meeting of experts, but if it is read carefully, it defends our mandate, because of its strong justification within the historical context. I added that the article would contribute to the discussions on giving more weight to worker co-ops in [the] fight against unemployment. Although he did not mention openly, I got the impression that he was not happy with this sort of criticism, and if it is publicised, especially in these days, I am afraid it will not serve our future cooperation.

Jurgen's attitude towards it was not like Joe's. We were, at the same time, discussing how we could take you to India for that famous labour co-op workshop. Now the date is more or less definite. It will be held between 15-17 December. We are now negotiating with Mogensen to hold the two workshops at the same time, and possibly in New Delhi. In the coming days, I hope it will be finalised and you will be informed about the definite dates and place. If we cannot combine them, then you will go to Bangkok first and come to Delhi to attend ours. I will send you necessary background information officially later on.

Maybe this unexpected situation would help us in the long run. As you know, Joe has been, in recent months, not quite comfortable because of the known reasons. Now, the relations between Joe and Christian are getting worse, due to Christian's opposition to these newly started inter-regional programmes. Therefore, even if he didn't like some parts of the article, I know that he is on our side. Maybe, it would be better to think printing of the article a bit later, not now. I have already discussed it with Ashish and Roland, and despite their close linkage with Marburg [University and its emphasis on other forms of cooperatives], they both said they found the article quite interesting and also said it defends ILO's mandate. I have not yet discussed it with Gabrielle and Pekka. Ashish is now back on a one-year fixed term contract, and Roland will continue working with COOP on external contract until the end of the year. /s/ Huseyin

It is rather ironic that the head of the COOP Branch, Joe Fazzio, gave a presentation at the ICA-CICOPA meeting in Geneva on September 6, 1993 on the topic "The ILO & The Role of Industrial Cooperatives in the World." Unfortunately, his paper was weak and discussed cooperatives in general, but contained little of substance or support for worker cooperatives. In rereading his speech some 14 years later, it appears that Roland Lindenthal or Gabrielle Ulrich (who later became Joe's wife) probably wrote it for him, and that likelihood helps explain why he said so little of substance about promoting worker cooperatives in his speech.

My recollection is that little else was done in response to my think piece, except, perhaps, generate a willingness to allow Ejvind Mogensen, the ILO Regional Cooperative Advisor located at ROAP in Bangkok, to launch a modest project to promote worker cooperatives in that region. I do remember circulating copies of the "Modern Tragedy" paper at a Geneva ILO Enterprise Forum 96, held on November 8-9, 1996, but I did not have an opportunity to discuss it further with any of the attendees.

My "Modern Tragedy" paper remains one of my most passionately written think pieces. It accurately captures my thinking and feelings about the ILO's failure to promote and facilitate the implementation of worker cooperatives for employment and enterprise creation. It was my

equivalent of a Zion-building statement on the subject and the fulfillment of my commitment to Helen Foster Snow all rolled into one paper. (See Chapter 3 of my memoir for more on this subject.)

## **Promoting Worker Cooperatives at an ILO Regional Workshop in Bangkok, Nov. 30-December 4, 1993**

Another opportunity to promote worker cooperatives presented itself while I was on sabbatical in 1991-92 (I think it was in December 1991) when Ejvind Mogensen, the ILO Cooperative Specialist at the ROAP Office in Bangkok, proposed that ILO should hold a “sub-regional seminar on employment creation through worker cooperatives,” sometime in 1992 to generate interest in this topic. I met Ejvind in Bangkok before going on my ILO Nepal assignment and had talked with him in Geneva. We both wanted to see whether we could generate any interest in using worker cooperative entrepreneurship as a vehicle to create jobs and enterprises systematically in developing countries. Consequently, I was asked by Ejvind and Joe Fazio to prepare the background papers for the workshop that Ejvind was planning.

My recollection is that the date for the seminar “Employment promotion through industrial co-operatives” for discussion at the Asian workshop with the same title was moved back two years for financial or scheduling reasons. As discussed below, it was finally held in late November-early December 1993.

In late summer 1993, the worker cooperative workshop that Ejvind Mogensen and I had been talking about holding in Asia for over a year was finally going to come to fruition. On September 1, 1993, I received a fax from Ejvind Mogensen at ILO ROAP in Bangkok inviting me to be the international consultant for a project he was launching to collect information on worker cooperatives and participate in a workshop on the subject that would now be held in late November 1993. This is something that we had discussed and I had pushed the ILO to become involved with earlier when I was on sabbatical during 1991-92 in Geneva.

September 1, 1993, I sent a letter to Ejvind Mogensen in response to his fax, thanking him for his kind invitation to me. “I am delighted to accept your invitation to participate in the project, and to undertake a 7-10 day trip to Bangkok on or about 29 November 1993. I am also prepared to be available for consultations by correspondence both before and after the workshop.”<sup>20</sup>

I prepared two papers for the Bangkok workshop:

*Lessons from the past: Selected readings on the systematic development of workers' cooperatives to generate employment and income.* Prepared for the ILO Workshop on Workers' Cooperatives, Bangkok, Thailand, 30 November-2 December 1993. Bangkok: Regional Office for Asia and Pacific, International Labour Organisation. November 1993. 32 pp.

*Cooperative Entrepreneurship for Enterprise Development: An integrated strategy for Organizing Workers' Cooperatives to Generate Employment and Income.* Prepared for ILO Workshop on Workers' Cooperatives, Bangkok, Thailand, November 30-2 December

1993. Bangkok: Regional Office for Asia and Pacific, International Labour Organization, November 1993. 20 pp.

September 23, 1993, I received a fax from Joe Fazzio, thanking me for being willing to participate in the Bangkok workshop, and also asking me to participate in the New Delhi workshop on labor cooperatives scheduled to be held December 15-17, 1993. I accepted this new request and notified both Joe Fazzio and Ejvind Mogensen of the changes in my itinerary for the two workshops.

During the next two months prior to the Bangkok and New Delhi workshops, the flood of faxes traveling between North Logan, Bangkok, Geneva and New Delhi, was voluminous and continuous. We were trying to make travel arrangements, make final adjustments in the agendas, and make sure that we were all speaking from the same page.

November 26, 1993, I left home for a three and a half week trip to Bangkok, New Delhi, and Geneva. November 29, 1993, I gave some opening remarks at the ILO ROAP Workshop on Worker Cooperatives in Bangkok, and later presented a summary of my paper "Cooperative Entrepreneurship for Enterprise Development: An integrated strategy for Organizing Workers' Cooperatives to Generate Employment and Income." After other presentations, the group got down to the business of discussing the issues on the agenda. The participants at the workshop were:

**WORKSHOP ON EMPLOYMENT CREATION THROUGH WORKER COOPERATIVES**  
30 November - 2 December 1993  
Bangkok, Thailand

**List of Participants**

**Bangladesh:** Mr. Mustafizur RAHMAN  
(Dhaka)

**China:** Ms. TAO Yuling  
Mr. TANG Zongkun  
(Beijing)

**India:** Mr. Krishan K. TAIMNI  
(Pune)  
Dr. T.K. MOULIK  
(New Delhi)

**Indonesia:** Mr. Saleh SYAFRAJDI  
INKOPKAR, Research and Development  
(Jakarta)

**Philippines:** Mr. Myron A. GAWIGAWEN  
Administrator  
Cooperative Development Authority  
5th Floor, Ben-Lor Building  
Quezon Avenue  
Quezon City

**Thailand:** Mrs. Manit KAMOLVEJ  
Deputy Director General  
Cooperative Promotion Department  
Krung Kasem Road  
Theves  
Bangkok.10200

**RESOURCE PERSONS:**

**U.S.A.:** Mr. Gary B. HANSEN  
Director  
Business and Economic Development Services  
Utah State University  
Logan, Utah 84322-3530

**ROAP:** Mr. Ejvind MOGENSEN  
Regional Adviser on Cooperatives

**ADMIN/SECRETARY:** Mrs. Prayoonsri Likhitdechakdi

November 29, 1993, several days after my arrival in Bangkok, I received an ILO ex col contract from ROAP for November 29-December 31, 1993 for planning, preparing papers and attending the workshop on “Employment Creation Through worker Cooperatives,” in Bangkok, and preparing a final draft document subsequent to the workshop, in collaboration with E. Mogensen, Regional Cooperative Advisor, a document (guideline) on the subject. We spent much of the workshop discussing the various chapters that would be included in the guide. After the workshop ended, I stayed in Bangkok for a week to work on the first draft of that document. This draft was completed on Dec. 8, 1993, prior to my departure for New Delhi. It was entitled “A Practical Guide to Worker Cooperative Development.” My recollection is that we had a difficult time trying to come up with a meaningful guide. There were too many different ideas about what it should contain. As a result, the final document was quite different from the original draft.

From Bangkok, I flew to New Delhi and arrived in New Delhi late in the evening on December 13. I caught a taxi into the city and checked into the hotel that ILO had booked for me. It was clearly a one or two star hotel, not an international quality hotel. The next day I began to realize just how many people there were in India. The view from my hotel window was of a theatre complex nearby. I was amazed at the huge numbers of people who arrived to attend a movie and then poured out of the theatre and were soon replaced by a new group. The traffic on the streets was incredible, and the noise a cacophony of sounds. While traveling in a taxi on a divided ring road there was a serious accident on the lanes traveling in the opposite direction. It looked more like a free for all.

I found that a Swede was the only other person attending the ILO workshop who was staying in the same hotel. The food in the restaurant was one step above that in Kathmandu, but not much more. Each day we caught a taxi to the location for the workshop, where we met up with Jurgen von Muralt and Huseyin Polat. I never did find out what kind of a hotel they were staying in, but learned that it was located near the ILO Country Office.

One evening Jurgen, Huseyin and I were taken to dinner by some of the local officials. I remember going to the restaurant and eating in a nearly dark room. It was probably a good thing, since I could hardly see what I was eating. Fortunately, I did not get sick during my stay in New Delhi, although given the places and food we were eating, I fully expected that I would.

I received a December 12 – 18, 1993 ILO contract that said: “1. Attend the Labour Cooperative workshop in New Delhi jointly organized by the ILO, Ministry of Labour and the National Cooperative Union of Indian between 15-17 December 1993. 2. Before and during the workshop, establish contacts with the representatives of the Indian labour movement to discuss major operational problems, project ideas and case studies to be prepared and presented at the workshop. 3. Prepare and present a technical paper at the workshop on the worker-owned cooperatives and cooperative entrepreneurship. 4. Take part in group discussions and give advice when required on the role of worker cooperatives in the economy and especially in privatization processes. 5. Prepare and submit to the ILO a brief report on the workshop, including his recommendations for possible follow up action.”

At the workshop I presented a summary of my paper: “Using ‘Cooperative Entrepreneurship’ and Workers’ Cooperatives to Generate Employment and Income.” I also served as animator and facilitator for the work group that addressed the problems faced by worker cooperatives in India, and helped develop recommendations for improvement.

After the conference ended, I remember going to the Delhi airport late at night on December 18 to fly to Geneva. In the airport, while waiting for my plane, I stopped in one of the shops and saw some Cadbury chocolate bars. Since Cadbury is a reputable British firm, I bought one to take with me. When I arrived in Geneva and went to my hotel, I took out the chocolate bar and opened it. The smell was so overpowering and unpleasant that I could not eat it. Clearly, it was not the Cadbury’s that I had known when living in Britain. December 21, 1993, I flew home from Geneva.

On February 7, 1994, I received a fax from Ejvind Mogensen with a draft proposal to have a follow-up regional workshop on worker cooperatives to be held in Bangkok sometime in November 1994. He requested some ideas and input to help him refine the proposal before submitting it to the ILO regular budget for technical cooperation (RBTC) for funding. He also provided some feedback on the first 2 chapters of the worker cooperative “guide” that we were working on.

During the ensuing months, I continued the ILO project of writing a guide on how to start employment-creating worker cooperatives for use in the Asia-Pacific region of the ILO. On <sup>21</sup>April 7, 1994, I completed another draft of the guide, and noted in my letter to Ejvind that I was drained dry and needed some inspiration.

I am sending today, under separate cover by airmail, a copy of the draft Chapters 5 and 6 of our guide, plus Appendix A. This should complete the first draft of the document. As I said in my last letter, I am in need of some additional inspiration. Today, I am about drained dry, so I look forward to receiving your additions, changes, and improvements.

May 6, 1994, I received a fax from Ejvind Mogensen indicating that I should proceed to prepare the final draft of our guide and send it to him before he took his home leave for the summer. That would complete my contractual assignment, and they would make the final payment to me for my work.

In a letter to Ejvind Mogensen on May 30, 1994, I told him that I had talked to Huseyin Polat the previous week, and that he was now on a one-year contract with ILO to be the coordinator of the INDISCO project, an ILO program that was designed to help indigenous people improve their economic conditions. The INDISCO project was now being carried out at sites in India and the Philippines. Huseyin wanted to use a simplified version of our worker cooperative guide in his projects, and wanted to see a copy of the latest draft of our Guide as soon as it was ready. (May 30, 1994 letter from GBH to Ejvind Mogensen)

I received an August 8 – September 30, 1994 ILO contract: “The consultant will produce a working manual (in English and of 50 – 100 pages) for decision makers in CEECs in industrial planning and implementation to be published by the two above-mentioned PAs. .... The working manual will be finalized by the end of September 1994.”

August 17, 1994, I sent Ejvind Mogensen a fax indicating that after being diverted from working on the worker cooperative guide by an urgent request from USDOL to have me go to Bulgaria and Poland June 18 – July 7, I was now back working on the second draft of our guide.

During the past two weeks I have returned to the task of revising the guide full time, and have completed revisions on four chapters. I expect to complete the remaining two chapters by the end of this week. If all goes well, I should have another (final?) draft ready to send to you by the first part of next week. Although I am still not sure the product is in final form, and ready for circulation, at least it should be closer. Your comments on the first draft were most helpful, and this second draft should be somewhat better than the first one as a result.<sup>22</sup>

August 25, 1994, I sent Ejvind Mogensen a fax indicating that I had completed the next draft of the guide, and was sending him a copy.

This fax is to inform you that a copy of the latest (final?) version of the guide is on its way to you in Bangkok via express mail. A letter of explanation is enclosed with the copy. I finished the revisions on Saturday, but it took a couple of extra days this week to change the headings, format, and table of contents, and to print it out. I put a new title on it as well. I am still having trouble on the question of what to call these cooperatives. This version is still not perfect, but it should do the job according to your request.

August 31, 1994, I received a fax from Ejvind Mogensen informing me that he had received my latest draft of the guide, and was going to have our Bangkok workshop group review it, as well as COOP Branch in Geneva. He also said that since the follow-up worker cooperative workshop originally scheduled for 1994 would not be held until 1995, there would be sufficient time for these next steps. (August 31, 1994 fax from Ejvind Mogensen to GBH)

September 9, 1994, I received a fax from Ejvind Mogensen with several pages of suggestions that he had for me to make in the guide. I incorporated them into the draft.

October 5, 1994, I received a fax from Jurgen von Muralt. He had been invited to be the keynote speaker at a cooperative forum organized by the Workers' Participation Development Centre of the University of Malta. The hosts were very interested in workers' cooperatives and the seminar was completely devoted to that subject. He said that "I had your two recent papers with me but had to leave them there since they were so interested. Perhaps you could mail me replacement copies when you have time." (October 5, 1994 fax from Jurgen von Muralt to GBH). It was good to hear that some people seemed to be interested in what I was saying. Unfortunately, nothing ever came of it, notwithstanding Jurgen's best efforts.

October 31, 1994, I received a fax from Ejvind Mogensen indicating that he had received all of the comments on the draft of our guide from the work group and suggested that I go ahead and finalize it. He also mentioned that the regional workshop had been postponed again, would be rescheduled in 1995, and that there might also be scheduling problems in getting approval from the ILO Governing Body for that time period. Ejvind now wanted the finished guide to take with him to another meeting. He was going to speak about worker cooperatives at an INDISCO meeting to be held at Chiang Mai, Thailand, from 13-16 December 1994, and he



wanted to circulate our Guide at that time. This turned out to be fortuitous, since the Regional Meeting to discuss worker cooperatives was never funded, and that turned out to be the last and only distribution of our Guide at a formal ILO-sponsored meeting.

We did not receive the comments of those at COOP Branch of ILO in Geneva who had been asked to review the draft guide until November 17. That made it very difficult for me to incorporate them because I was on assignment for USDOL in Lodz, Poland, November 11-19, 1994. After returning home, I completed the remaining revisions. December 2, 1994, I sent a fax to Mogensen informing him that the copies of the finished guide were in the mail to him.

This fax (a copy of which is enclosed in the package) is to inform you that I have Express Mailed to you this afternoon two copies of the guide. One copy, which is printed on two sides, is bound and stapled. The second copy, which is printed on one side so you can make copies from it, is unbound. I have also included a diskette with the files for the guide. However, they are all in Word for Windows 6.0, so they may not be of use.

You will be pleased to know that the guide is 30 pages shorter than the last (August 1993) version. It is now 45 pages in length. I reorganized it somewhat and tried to make it more focused. If I had another week I could have cut it some more, plus make some improvements in the format. But, that's life! In any event, I think this version is considerably improved over the previous version.

I received a fax from Mogensen saying that he had received the guide in time to have it reproduced and take it with him to Chiang Mai for the INDISCO workshop. He was pleased with the result and would let me know how it was received at the Chiang Mai meeting.

January 19, 1995 I received an email from Mogensen telling me that he had not been able to obtain any money for the regional worker cooperative workshop, and that he was trying to decide whether to distribute the guide around the region in its present form, make a few more changes and have a glossy version made and then distributed, or try to introduce it at one or more national workshops, and based on the reaction have it printed and distributed. He said that he preferred the regional workshop as a basis for review and printing, but the money was not available and may not be available until 1996. In his fax Mogensen also reported on his mission to China where he received some positive feedback in developing a project to introduce worker cooperatives in rural areas of China.<sup>23</sup>

After I sent the completed guide to Mogensen in December 1994, and received his January 19, 1995 fax, I received one more fax from him on January 25, 1995 in which he stated that the Chaing Mai workshop had not been as useful as he had hoped.

The Chaing Mai workshop did not give much exposure to the guide and no feed back was received at the whole session had to be limited to about 30 minutes due to programme changes. However, each participant got a copy and perhaps some of them will read it and make use of the ideas.<sup>24</sup>

May 4, 1995, I sent Mogensen a fax enquiring about where he was and what he was doing, and reporting on my activities since our last communication. In the interim I had heard from friends at the ILO headquarters in Geneva that the ILO was restructuring and creating "multidisciplinary teams" and reassigning people to these teams. Scuttlebutt had it that

Mogensen would be reassigned to New Delhi under the new system. I also informed him that I would be traveling to Dhaka, Bangladesh between May 30 and June 15, 1995, as part of a team fielded by USU and the Asian Development Bank to help the Bangladeshi government write a proposal to restructure and modernize the nation's vocational training system. I asked Mogensen if he would be in Dhaka during that time period so that we might see each other. (May 4, 1995 fax from GBH to Ejvind Mogensen)

May 22, 1995 I received a fax from Mogensen saying that he would be in Dhaka about the time I was there and looked forward to visiting at that time. There was no information about other happenings in his life. (May 22, 1995 fax from Ejvind Mogensen to GBH) May 24, 1995, I responded with another fax in which I commented on the fact that he was still in Bangkok and said that I looked forward to seeing him in Dhaka in June.

August 9, 1995, I sent Mogensen a fax and commented on how good it was to see him in Dhaka, and bring each other up to date on what was happening in our lives. I also thanked him for his helpful suggestion that I should add a section in the draft report to the Asian Development Bank recommending the establishment of an "Enterprise Development Technical Training Center" that included some innovative ideas—including promoting group entrepreneurship and worker cooperatives.

Unfortunately, my fax to Mogensen did not discuss Ejvind's professional and personal life, so there is no record of what the situation might have been. My recollection is that during the intervening time since January 1995, a number of events drastically impacted on Mogensen's life. First, his teenage daughter was killed in a freak accident in Bangkok. The family had lived in a high rise apartment complex that had an outdoor pool. One day while his daughter was lying by the edge of the pool sunbathing someone either jumped or fell from a balcony on one of the upper floors and struck his daughter killing her. Following that tragic event, in 1996 a decision was made by the ILO to transfer him to New Delhi to be a part of a new multidisciplinary team. I remember hearing in Geneva that he had filed a grievance and appealed it to the highest level of the grievance system in the ILO, but lost. I cannot remember whether this was related to the transfer or some other issue. Unfortunately, that series of events had a negative impact on him. Although he remained in New Delhi for two and a half years longer, he seemed to lose enthusiasm for his work (or was no longer able to work on the cooperative projects that we had been working on together) and put in his time until he retired and moved to Ireland or Denmark.

August 20, 1996, I sent Mogensen a fax enquiring about this life since we had last communicated. I had learned that he had been transferred to New Delhi on August 8, 1996. An excerpt from my email and his response mentions a little of the situation, but does not fully explain what had happened during the previous year.

I have been meaning to write or call you for some time to find out what is happening in your part of the world. I called Joe Fazzio this morning to find out where you were and he told me that you had moved to New Delhi, taking up your post on August 8.

Since we last talked in Dhaka in June 1995, I have been quite busy working for the U.S. Dept. of Labor on several projects in Poland and Hungary. The two volume publication: *A Guide to Entrepreneurial Initiatives for Local Economic Development* which I wrote for

Angel Vidal and Dorthe Nielsen is being used for the DOL-funded training for LED in Hungary. The Guide has several chapters on cooperatives, including some material from our Working Together booklet for ROAP on how to start worker cooperatives. We conducted our first workshop in Budapest in June, and have now started several pilot projects to help local communities and counties undertake the planning process. The next workshops will be held beginning in mid-September.

Also, you might be interested in the latest booklet which I have written for the UC Davis Center for Cooperatives. It is entitled: *Steps in Starting a Worker Co-op*. It is being edited for publication at the present time. A version of this booklet might be of use in your part of the world.

How is your work going in New Delhi? What kind of projects are you working on? It must be quite a change to move from Bangkok to New Delhi. Did you ever have any follow up on our work or has anyone expressed any interest in doing something about promoting worker cooperatives?

I would like to see some of the ideas I included in our ADB proposal for Bangladesh implemented. I think I sent you a copy of the concept paper which outlined the idea of combining a vocational training center with a production wing and other components for enterprise and employment creation. Recently, we received an RFP for a project on job creation for the poor from USAID in Bangladesh which triggered my thinking on some of these ideas. Maybe I will have to write up these ideas in a concept paper for you to use in your work.<sup>25</sup>

August 29, 1996 Mogensen emailed a response to my fax.

Thanks for your fax of 20/8/96 which arrived just a few days after my arrival here in India. I am too busy these days to give you more news, so this is just to let you know I am well and that I look forward to further chats later. As you can see, we have now got e-mail in the office. I should be most interested in the booklet on cooperatives and hopefully we can arrange some follow up on the labour cooperative idea before I retire in two years and half years time. All the best.

It appears that our promising efforts to promote worker cooperatives in Asia fell by the wayside without Ejvind Mogensen to promote them any longer. I have no idea whether the Guide that we had worked on was ever used by any individuals or groups in the region.

It is rather ironic that Frank Adams, my good friend and writing colleague, later told me that the first chapter in the guide I wrote for ILO ROAP, that included a scenario describing how the process of group entrepreneurship might be started in a mythical country, was the best part of the guide. Sad to say, few people ever had a chance to read it and be inspired to implement it. I'm sorry Helen (Foster Snow), but I really did try to do what you charged me to do.

## **Using group entrepreneurship to create jobs systematically.**

March 1996, I had an article published in Volume 7 (No. 1) issue of the *Small Enterprise Development: An International Journal*, published in London. The article entitled, "Using group entrepreneurship to create new enterprises systematically," contained the essential elements of my thinking about using a cooperative approach called "group entrepreneurship" or "cooperative entrepreneurship for enterprise development" (CEED) to generate worker

cooperative enterprises and jobs for poor people in developing countries. It combined my own thinking, the experience of the Indusco cooperatives in China, the work of Father Arizmendi and the Mondragon worker cooperative complex in Spain, and the group entrepreneurship approach developed by Father M.V. d. Bogaert at the Xavier Institute in Jabalpur, India. The article is essentially the capstone of my efforts to devise a methodology to promote and use worker cooperatives to create employment.

In July 1996, I received a letter from Father Bogaert after he had seen a copy of my article. In his letter he said, "I saw the outcome of our interaction, in the latest issues of *Small Enterprise Development*, March 96. ... Congratulations, I read it with interest. A good effort to link CEED with GEP, as a further step."<sup>26</sup>

### **3. My last cooperative project: Writing the JUMP Program Document for the ILO**

May 5-12 2001, I was in Geneva to confer with Jim Windell, a staff member in the ILO InFocus Program on Skills, Knowledge and Employability unit, about writing a "A Guide to Worker Displacement" discussed in Chapter 10 of my memoir, I also visited with several of my old friends in the COOP Branch. I was surprised and pleased to run into Jurgen von Muralt who was back from doing some cooperative work in Africa after retiring as Director of the Management Department at the ILO back in the early 1990s. He had stopped in to see his former colleagues. When Jurgen was head of the department, he provided me with work in the COOP Branch and other units in his department during my sabbatical at the ILO in 1991-92.

May 7, I met with Jurgen Swettmann, a German who was now head of the COOP Branch having replaced American Joe Fazzio, and Huseyin Polat a member of that branch, about writing a program document proposal (pro doc) for them. As a result, during the remainder of my week's stay, I wrote a six-page outline with the basics of what such a document might include for their feedback. After further discussions the following day with Jurgen S. and Huseyin Polat, they asked me if I could spend two weeks at home writing a program document for the COOP Branch. I agreed to do so.

The work consisted of writing a document that would "serve as a framework in the design and implementation of country-level job creation projects which will come under the program—which is a new ILO COOP Branch campaign aimed at contributing more substantially and systematically to the job creation efforts worldwide, through people's direct participation in the process, i.e., through an approach to be summarized as helping people to help themselves in creating jobs."<sup>27</sup>

They liked what I proposed, so before leaving Geneva the COOP Branch prepared an excel contract for me to write the project formulation for a program entitled, "Job Creation Through Self Help." The terms of reference for my work were as follows:

The Cooperative Branch of the ILO is now launching a new campaign aimed at contributing more substantially and systematically to the job creation efforts worldwide,

through people's direct participation in the process, i. e., through an approach to be summarized as "helping people to help themselves in creating jobs". The first attempt in this campaign is to formulate a programme document which will serve as a framework in the design and implementation of country-level job creation projects which will come under this programme. The major difference between this new initiative of the Cooperative Branch and other job creation initiatives is that this initiative will specifically take self-help and workers' cooperative approaches.

### **Job description**

The Consultant will work two weeks in his/her home country to prepare the first draft. The last and third week he/she will be working in Geneva with the Cooperative Branch to present the first draft and formalize it taking into account the comments and recommendations made by the staff of Cooperative Branch.

The contents of the project document were to conform to the ILO format for this type of document, including British English:

Using the ILO format, I was to: (1) draw a general picture explaining the unemployment situation in developing countries, and existing policies for coping with such issues; (2) describe who the beneficiaries will be; (3) identify the long-term objective of the program; (4) describe clearly what the program's development objectives will be; (5) identify what kind of external factors will likely influence the program's implementation and projects there under; (6) include the ILO's standard reporting, evaluating and monitoring procedures; and (7) provide an estimated budget and indicative plan of work. All the above was supposed to be included in a 20-page draft document to be completed within two weeks. A pretty tall order, I might add. .

On May 11, 2001 I wrote an email to my family indicating how things were going.

I just came back from lunch with Jurgen S. and Huseyin. We discussed the 7 page paper that I had written during the past three days to give some possible approaches that could be taken with the project proposal. I wrote it basically as a think piece to get their reaction, and emphasized the Indusco approach to organize worker cooperatives. Huseyin wants to have an approach that will take a group of unemployed people and help them think up something constructive to do, including creating their own work or service activities. It will be interesting to see if we can reconcile these two approaches. My new title is "Creating jobs through group initiative. This answers Huseyin's dislike for the words "group entrepreneurship."

June 25, 2001, Huseyin Polat sent me an email indicating that I had completed a draft of the pro doc and sent it to Jurgen and Huseyin for their input.<sup>28</sup>

Hello Gary,

Finally I had time to read and digest the first draft of the JUMP Programme proposal. I also discussed it with Jurgen briefly this morning.

The draft is good in general. We suggest to shorten some parts and sharpen its justification and approach, plus improve indicators, outputs and activities, particularly those under Immediate Objective 2.

Jurgen suggests that we have to finalise it by the end of this week. Following in-COOP review of the final text in July, Jurgen will take it to the Executive Director of our Sector to

convince him about this initiative for inclusion in the ILO package for donor funding. He therefore suggests that a good summary of programme approach and its expected end result would be useful on the cover page (one parag in box).

Enclosed I am sending you my comments, shared also by Jurgen in general.

The deadline to finalize the first draft is end of this month. Could you therefore send us your second (final) draft, after incorporation of the attached comments, before end of this week?

Many thanks once again for your cooperation with us and for this valuable work.

Warm regards,

Huseyin.

Over the next three days we exchanged emails and drafts of the document. Huseyin suggested several minor changes that I incorporated into the draft, reformatted it and sent him copies of the revised draft. On June 28, 2001, he emailed to say, "I think it now looks very good and I am optimistic that we will be able to get approval. As soon as I receive final electronic copy from you tomorrow, I will look at it and give it to Jurgen. Thank you, once more, Gary, for the excellent job."<sup>29</sup>

My June 28, 2001 email to Huseyin after making the final revisions follows:

Attached is the file containing the revised draft (H4) of the prodoc for the JUMP Programme. I completed the revisions this afternoon, and went through it again this evening to see how it reads and looks. The incorporation of your comments has made it a much better document. I am sure that there are still a few weeds remaining or changes needed, but I think it is looking pretty good at this point. (June 28, 2001 email from GBH to Huseyin Polat)

June 29, 2001, I sent Huseyin the final draft of the JUMP prodoc (Jobs for Unemployed and Marginalized People) with the remaining changes that he had suggested. His reply, sent the same day, indicated that they were now ready to circulate it internally at the ILO and then take it to the next level for consideration and approval. (June 29, 2001 email from Huseyin Polat to GBH)

Good morning Gary,

I received the final version and checked it. It looks very good. I deleted the word "partial." I am now forwarding it to Jurgen and he will distribute it among COOP colleagues, and ask them to read and send their comments to me in two weeks time. When I come back from mission (15.July) I will check these comments and make a final round of revision, if required. The very final version will be ready before the end of the month for Jurgen to discuss it with the Executive Director of Employment Sector. I will keep you informed about the progress...

Once again, many thanks, Gary, for this wonderful cooperation, and we will stay in touch to make this initiative keep moving and creating jobs.

Warm regards.

Huseyin.

The cover page for the 37-page \$2.5 million JUMP proposal, dated June 29, 2001, spelled out the purpose of the project:

The JUMP Programme is intended to create significant number of jobs for unemployed and marginalized workers in developing and transition countries. The JUMP approach in creating jobs is to make local communities own and manage job creation schemes and projects through their cooperatives and self-help organizations. JUMP will do this by (1) using participative assessment and planning techniques to help semi-urban and urban communities develop a strategic economic renewal plan, evaluate, select and implement suitable projects to create 20,000 decent jobs for the unemployed; (2) introducing and implementing innovative group-based job-creating tools and approaches in a systematic and integrative way; (3) field testing the assessment, planning and job-creating tools and techniques through pilot projects in 27 local areas or communities located in 9 target countries and 3 ILO regions; and (4) promoting the adoption and use of the JUMP Programme approach on job creation to influence national policies and programmes.

## **Outcome of the JUMP program proposal**

My completion of writing the JUMP program document for the COOP Branch enabled me to address another question that had been posed to me by Jurgen Swettmann several days earlier. He had received an email from Tim Dyce in Australia on June 26, 2001. Dyce was the manager of the Asia-Pacific Training Center in Australia. He had signed a memorandum of understanding (MOU) with the Vietnamese Cooperative and SME (small and medium enterprise) Alliance, and was looking for a number of ways to help them develop programs and funding since the Australian Government was planning to put up \$10 million to help out. He had heard from the Viet Nam government that they were interested in starting a Start and Improve Your Own Business (SIYB) program for cooperatives.<sup>30</sup>

Tim Dyce thought the JUMP document might fit in well with an SIYC (start and improve your cooperative) program should ILO start one. In fact, he had heard that COOP Branch had hired a consultant preparing project designs for eventual funding of “an enhanced SIYC programme,” (as part of the JUMP prodoc) and wanted to have his organization involved if one was developed. Dyce’s email mentioned the designing of a set of training materials to support the JUMP program development of worker cooperatives, much like the “Start and Improve Your Own Business” (SIYB) materials that ILO had developed and promoted for a number of years. Would it be feasible or desirable to do something similar to facilitate and encourage the development of job-creating worker cooperatives? My answer to Jurgen Swettmann’s email was a resounding Yes!.

July 5, 2001, I emailed a lengthy response to Jurgen’s request . My response should be read in the context of my 1993 “Modern Tragedy” paper decrying the failure of the ILO to promote worker cooperatives and in the prodoc I had just written to start the JUMP program. My answer about the feasibility of having an SIYC program was “an unqualified yes.” My answers about other questions that he raised, such as whether a separate program should be created, or a cooperative module should be added to the SIYB program, were clearly in support of creating one specifically designed for worker-owned cooperatives. Below are several paragraphs from my email to Jurgen about creating a “Start and Improve Your Own Cooperative” (SIYC) program with its own set of materials. My view was:

...I have mixed feelings in answer to the question about whether the existing SIYB materials should be modified to include cooperatives or whether a separate module should be developed for an SIYC program. The SIYB name has achieved considerable credibility and visibility over the years, and could serve as a good point of entry for an SIYC program. However, SIYB has already established a place for itself in the world—promoting micro entrepreneurship—and is recognized as such. If a cooperative element was grafted on, it would probably not get the visibility and focus it needs to establish its own place in the grand scheme of things. Furthermore, there are a number of significant differences between cooperatives and other forms of business. These need to be included in any SIYC modules and program. Consequently, I believe that it would be more appropriate and desirable to keep SIYB as it is. I would use some of the material and experience contained in the SIYB program handbooks and workbooks in shaping the proposed SIYC handbooks and workbooks so they will have a stronger business orientation, but the latter (SIYC) material should be written as a separate module—and treated as a separate program focusing specifically on cooperatives.

Quite frankly, I would go even further, and create a separate module or program specifically for worker cooperatives—which is what JUMP is all about. Then, I would create a separate SIYC module for client-owned cooperatives. From my perspective, there is almost as much difference between worker cooperatives and client-owned cooperatives as between cooperatives and the SIYB entrepreneurship materials. In fact, the SIYB materials have more relevance and relationship to worker-owned cooperative businesses than to client-owned cooperatives. I would like to see much of the SIYB material (and INDISCO experience) used when writing a specific SIYC module or set of materials for the JUMP Programme and for promoting worker-owned cooperatives generally. Only in this way will JUMP have a realistic chance of achieving its potential. (July 5, 2001 email from GBH to Jurgen Swettmann,)

Jurgen Swettmann's July 6, 2001 email response to my lengthy email was supportive.

[T]hank you very much for this detailed and extremely useful reply. I would like to discuss this with my colleagues, in particular Mark Levin, Martin Clemensson and Huseyin, and of course with Tim Dyce (but most of them are now on leave or on mission). I did not really establish the link between SIYC and JUMP but now that you mention it that link has become very clear. In fact, the JUMP project could be an excellent testing ground for any SIYC module.

Unfortunately, the JUMP proposal never received approval or financial support at the higher levels in the ILO bureaucracy. Consequently, all our work and the expenditure of the resources used to write that program document proved to be in vain. The SIYC proposal also fell by the wayside, and as far as I know it was never acted upon. As I recall, other than Jurgen Swettmann and Huseyin Polat and a few other individuals, the vested interests and biases of some of the staff in the COOP and MAN/DEV branches at the ILO, especially those who were wedded to traditional forms of cooperatives and small businesses, combined with the shortage of funds for new programs, resulted in the demise of what Jurgen, Huseyin and I thought were innovative ideas and proposals.

My February 2, 2002 email to Huseyin Polat, which was my last email about JUMP, asked about the status of the JUMP proposal. "Has there been any development on the JUMP proposal in the last four months? Did you make the changes suggested? Have you submitted the proposal to any potential funders?" Huseyin's reply the same day was not encouraging:



Unfortunately there was no reaction from potential donors. It was not also selected by the ILO's internal technical committee to be funded by the Dutch money given to the ILO. Therefore I had to rewrite the proposal in a different way, taking into account the ILO's Decent Work concept in the DFLD's Sustainable Livelihoods approach and combining these with the Cooperative Group Entrepreneurship. It is now being reviewed by DFLD and initial reaction seems to be positive because they sent the document to their field offices for comments.

It is impossible to know whether the two decades that I spent promoting worker cooperatives domestically and internationally had any lasting impact in the U.S. or in the countries where I worked or through the guides, publications and other materials that I helped write and circulate. Hopefully, the lives of some people may have been touched and their economic circumstances may have been improved by my efforts.

#### **4. Postscript: Creating a Digital Exhibit about USU's involvement with cooperatives**

In the Spring of 2008, the USU Library Special Collections and Archives Department began a project to develop a digital exhibit based on the extensive collection of co-operative materials at the university. Earlier, in 2007, upon hearing about the proposed project I discussed the objectives of the project with DeeVon Bailey, then acting head of the Economics Department, to see if any of the UCA funds remained, and if so, whether some of the money could be used to help finance the digital exhibit. The project was to be carried out by Emily Gurr-Thompson, a graduate student in history, working as an intern. Prof. Bailey agreed to contribute \$2,000 from the remaining UCA funds.

The planned digital exhibit was to include selections from the papers and reports of W. Preston Thomas, the first County Extension Agent in Weber County, Utah (from 1915 to 1921), and later while serving as head of the USU Agricultural Economics Department until he retired in 1952,. The work of five additional USU collections would also be included: (1) the records and papers of the Utah Cooperative Association (UCA); (2) the files of W.B. Robins, the last head of the UCA; (3) the Joseph A. Geddes papers; (4) materials in the Leonard J. Arrington collection that he had used to write a book and other publications on co-operatives and cooperation in pioneer Utah; and (5) the articles, papers and documents on worker-owned cooperatives, cooperative entrepreneurship, and other forms of economic democracy—such as Employee Stock Ownership Plans (ESOPs)—in the Gary B. Hansen collection.

The USU digital exhibit would also highlight some of the work carried out by the USU Co-operative Extension Service, even though the word "co-operative" in its name had less to do with the types of organizations traditionally associated with the word co-operative.<sup>31</sup> However, as the extension work of W. Preston Thomas demonstrated, he sought to promote and start various forms of agricultural and other types of co-operatives while he was a county extension agent in Weber County, and subsequently as head of agricultural economics department.

On April 21, 2010, after two years of work on the digital exhibit project, the USU Special Collections and Archives "Co-operatives" digital exhibit was formally completed and opened with a presentation to the public by Emily Gurr-Thompson at the USU Library. This exhibit is now accessible on the Internet at <http://digital.lib.usu.edu/> The exhibit showcases the

roles played by the above named people and organizations and others in the promotion and development of various types of cooperation and co-operatives -- consumer, agricultural, housing, worker-owned, etc. (whether locally, nationally and internationally) -- during the 19<sup>th</sup> and 20<sup>th</sup> Centuries, and highlights USU faculty member's involvement in the study and promotion of co-operatives in Utah and beyond.

## Endnotes

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<sup>1</sup> "The Mondragon worker cooperatives: An example of successful community economic development," by Gary B/Hansen and Andres Hidalgo, July 1987, p. 2.

<sup>2</sup> Telecon with Gordon Wagner, Sept. 2, 2009

<sup>3</sup> April 28, 1990, letter from GBH to Helen Foster Snow

<sup>4</sup> Bangkok: ILO Regional Office for Asia and the Pacific. December 1994. 47 pp.

<sup>5</sup> Davis: CA: Northwest Cooperative Federation and Center for Cooperatives, University of California, 1997.

<sup>6</sup> Information provided by Tyler Bowles

<sup>7</sup> Letter from Mayor Gerald Sherratt included in email from Sheril Bishoff to GBH, Nov. 11, 2009

<sup>8</sup> By Gary B. Hansen with E. Kim Coontz and Audrey Malan. Davis: CA: Northwest Cooperative Federation and Center for Cooperatives, University of California, 1997.

<sup>9</sup> June 2008, letter from Berrett-Koehler Publishers, Inc. to GBH Hansen

<sup>10</sup> Email from David Ellerman to Frank Adams, August 31, 2009, copy in my possession

<sup>11</sup> October 25, 1990 letter from GBH to Lajos Varadi

<sup>12</sup> (October 29, 1990, letter from GBH to D. Mavrogiannis)

<sup>13</sup> March 18, 1991 letter from Joe Fazzio to Gary B. Hansen

<sup>14</sup> April 18, 1991, letter from GBH to Lajos Varadi at ICA

<sup>15</sup> June 10, 1992 letter from GBH to Huseyin Polat

<sup>16</sup> June 29, 1992 letter from Huseyin Polat to GBH

<sup>17</sup> October 6, 1992 letter from GBH to Huseyin Polat

<sup>18</sup> Kiev: Ukraine Ministry of Labor, 1993.

<sup>19</sup> Logan: Utah Center for Productivity, Utah State University, February 1997.

<sup>20</sup> September 1, 1993 letter from GBH to Ejvind Mogensen

<sup>21</sup> April 7, 1994 letter from GBH to Ejvind Mogensen.

<sup>22</sup> August 17, 1994 fax from GBH to Ejvind Mogensen

<sup>23</sup> January 19, 1995 fax from Ejvind Mogensen to GBH

<sup>24</sup> January 25, 1995 letter from Ejvind Mogensen to GBH,

<sup>25</sup> August 20, 1996 fax from GBH to Ejvind Mogensen

<sup>26</sup> July, 18, 1996 letter to GBH from Dr. M.V. d. Bogaert, SJ, Coordinator Xavier Institute

<sup>27</sup> May 7, 2001 language set out in my ILO Excol Contract

<sup>28</sup> Email from Huseyin Polat to GBH, June 25, 2001

<sup>29</sup> June 28, 2001 email from Huseyin Polat to GBH

<sup>30</sup> June 26, 2001 email from Jurgen Swettmann to GBH

<sup>31</sup> The term co-operative in the name "Co-operative Extension Service" means the Extension Service is operated as partnership between the land grant university and the local county governments, with each providing a share of the financial and other resources used to finance and house the county extension agent and other extension personnel in the country.