Exploring Cooperatives:
Economic Democracy and Community Development in Pennsylvania and Wisconsin

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Exploring Cooperatives: Economic Democracy and Community Development in Pennsylvania and Wisconsin

On June 13, 2012, two hundred people participated in a successful one-day conference at Drexel University that explored what the urban areas of Philadelphia and Madison, and rural areas in Pennsylvania and Wisconsin, can learn from one another about building cooperatives and cooperative networks, and what cooperatives contribute to cities, regions, and states.

Case studies
The conference included breakout sessions and workshops that examined specific cooperatives in detail, comparing those in Pennsylvania (mostly from Philadelphia) and those in Wisconsin (mostly from Madison). This publication is a compilation of 20 case studies presented at the conference.
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introduction

Comparing Cooperatives in Wisconsin and Pennsylvania

Craig Borowiak, Richardson Dilworth, and Anne Reynolds

This publication examines cooperatives in Wisconsin and Pennsylvania, with a specific focus on Madison and Philadelphia. Although the cooperatives are in two very different cities in two very different states, the case studies demonstrate what they might learn from one another, specifically with regard to cooperative enterprise and development.

Our study was initiated by officials in the Philadelphia Commerce Department’s Office of Neighborhood Economic Development, who were interested in exploring the potential role of cooperatives as engines of economic development and growth, particularly in neighborhoods underserved by both employment and retail opportunities. Their interest stemmed from conversations between commerce officials and several new and longstanding leaders in the city’s cooperative movement—especially those who had played active roles in the governance of Weavers Way Co-op (see chapter 5)—to form a sort of local trade association, which has now taken the form of the Philadelphia Area Cooperative Alliance (PACA). These conversations were given additional impetus by the fact that the United Nations had declared 2012 the International Year of Cooperatives as a way “to raise public awareness of the invaluable contributions of cooperative enterprises to poverty reduction, employment generation, and social integration.” The commerce officials and cooperative movement leaders sought to build on the momentum and to use 2012 as an occasion to launch a series of public events around cooperative development.

In looking for academic partners, commerce officials and PACA members turned to Drexel University’s Center for Public Policy, which has a particular focus on urban economic development, and Craig Borowiak from Haverford College, a political scientist who had just begun a project of mapping cooperatives in the Philadelphia region (beginning on page 13). Recognizing the vibrancy of Madison’s cooperative culture, as well as the potential of partnering with the University of Wisconsin Center for Cooperatives, of which Anne Reynolds is Executive Director, we crafted a plan for a set of case studies of individual cooperatives in each city, an accompanying conference (held at Drexel on June 13, 2012), and this publication, which you are now reading.

Our ultimate goal was to develop more specific questions regarding the elements within cooperatives that enable them to succeed, the elements within cities that might make them fertile ground for cooperative development, and the elements of cooperatives that contribute to socioeconomic development.

An important part of the project was deciding on which types of cooperatives to examine, knowing that we did not have the time, space, or resources to examine every cooperative in either city. We chose to examine grocery, agricultural, worker, and energy cooperatives, as well as credit unions. In some instances we examined multiple cases of the same cooperative type in each city, such as we did with grocery cooperatives. In other instances we restricted our examination to one case per city, such as we did with credit unions and agricultural cooperatives.

Overall, we have included 20 case studies—nine from Wisconsin and eleven from Pennsylvania. The cooperatives we chose to examine are not meant to be representative of all cooperatives in either region. Our capacity to generalize from them is consequently inherently limited. The comparisons we have drawn, and which we discuss in this introductory chapter, are thus meant...
only to indicate some potential patterns of cooperative development and to suggest directions for further research. In order to make better comparisons between the case studies, we asked the case study authors to follow a standard template.

Left out of our collective study were, among other things, mutual organizations; housing cooperatives; artist cooperatives; volunteer collectives; and educational cooperatives, such as Project Learn, a K–8 school in Philadelphia. Although we were not able to include these types of cooperatives in this publication, we certainly find them worthy of future study.

Although this publication focuses primarily on urban cooperatives, we also thought it was important to include cooperatives from more rural and agricultural areas in Pennsylvania and Wisconsin as a basis for comparison. This is why we included Riverland Energy, a rural electricity cooperative in Wisconsin, for comparison to the urban The Energy Co-op in Philadelphia, and our inclusion of two agricultural cooperatives, Organic Valley and Lancaster Farm Fresh Cooperative (LFFC). Both Organic Valley and LFFC are farmer-owned cooperatives, selling dairy and other agricultural products to consumers.

This chapter is meant primarily to introduce each of the cooperatives for which we have provided case studies in this publication and to begin to speculate about what we can learn by comparing cooperatives across economic sectors and across cities and states. In those sectors for which we have more case studies, namely in food and worker cooperatives, we can provide relatively more insights. For producer and energy cooperatives and credit unions, the opportunities for comparisons are more limited. In both cases, the point is to begin a conversation rather than provide definitive answers. Prior to our comments regarding the comparison of cooperatives across cities and states, we provide a brief introduction to cooperatives in general and to our regions in order to provide some context for our case studies.

Conceiving cooperatives
As we will see, cooperatives come in many forms and sizes and they operate in many different industries. Nonetheless, what all cooperatives ostensibly have in common, and what sets them apart from other forms of enterprise, is that they are owned and democratically controlled by their members. According to the International Co-operative Alliance (ICA), a cooperative is “an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.” The ICA continues: “Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity.”2 Such characterizations define cooperatives both in terms of their organizational structure—member ownership and democratic control—and in terms of a set of values that cooperatives are thought to uphold.

For many, the values that undergird cooperative enterprises are best reflected in the seven Cooperative Principles (also known as the Rochdale Principles):

- Voluntary and open membership
- Democratic member control
- Member economic participation
- Autonomy and independence
- Education, training, and information
- Cooperation among cooperatives
- Concern for community

These principles are meant to guide cooperatives worldwide as they seek to put values into practice. Nevertheless, as essential as cooperative values and principles are to the very definition of cooperatives, in practice, there is great variance in the manner and extent that cooperatives reflect those values. It’s important to bear in mind that cooperatives are also businesses, and, as such, they face many of the same economic pressures that other businesses face. This includes financial pressures regarding access to capital and the company’s “bottom line,” as well as operations-related pressures regarding good management, good labor, and access to markets.

The case studies in this publication will reveal different ways that cooperatives reflect cooperative principles, whether it’s their embrace of openness and democratic participation or their service to the wider community. The cases will also reveal some of the ways that cooperatives negotiate tension between cooperative values and the needs of running a competitive business.

Philadelphia and Madison
Current U.S. Census estimates count Philadelphia and Madison as the 5th and 82nd most populous cities in the United States, respectively. Philadelphia covers almost twice the land area of Madison and has more than six times as many people and four times the population density. While Madison first entered the ranks of the country’s 100 largest cities (coming in at 97th) in 1960, Philadelphia has been counted by the census among the 10 largest American cities since
1790. In terms of population growth, the two cities have diverged significantly. Philadelphia has experienced a dramatic net population loss over the past five decades—from 2,071,605 people in 1950 to 1,526,006 in 2010—while Madison’s population has grown steadily during that same period (albeit with a very slight dip in 1970) (figure 1).

The two cities also have quite different racial and economic make-ups. In Madison, more than 75% of the population is white, while African Americans, Asians, and Latinos each constitute approximately 7% of the population. In Philadelphia, by contrast, the African American population is larger than the white population and the proportion of Latinos in the population is twice that of Madison. Economically, Madison has a median household income ($54,093) that is slightly more than the national average ($52,762), whereas Philadelphia’s is well below that level at $36,957. In Madison, 18% of residents live under the poverty line, compared to 25% in Philadelphia. The national average is 14.3% (tables 1 and 2).

As Craig Borowiak argues in his chapter on the geography of cooperatives, social demographic differences between the two cities are also manifest in the way the cities are configured spatially. Philadelphia is a far more divided city along race, ethnic, and class lines. This has bearing on the locations of cooperatives across the city. More than in Madison, in Philadelphia, cooperatives cluster in patterned ways that appear to reflect rather than challenge geographic divisions between racially, ethnically, and class-concentrated neighborhoods. In Madison, which is a less divided city in general, the geographic divisions between racial, ethnic, and class groups are neither as stark nor as visibly salient for the cooperative sector.

### TABLE 1. Madison demographic statistics (2010 U.S. Census)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land area:</td>
<td>76 sq. miles</td>
</tr>
<tr>
<td>Dane County population:</td>
<td>503,523</td>
</tr>
<tr>
<td>City population:</td>
<td>233,209</td>
</tr>
<tr>
<td>Population density:</td>
<td>3,037 people/sq. mile</td>
</tr>
<tr>
<td>Non-Hispanic white:</td>
<td>78.9%</td>
</tr>
<tr>
<td>Black/African American:</td>
<td>7.3%</td>
</tr>
<tr>
<td>Asian:</td>
<td>7.3%</td>
</tr>
<tr>
<td>Hispanic/Latino:</td>
<td>6.8%</td>
</tr>
<tr>
<td>Median household income:</td>
<td>$54,093</td>
</tr>
<tr>
<td>City residents below poverty line:</td>
<td>18%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, [http://quickfacts.census.gov/qfd/states/55/5548000.html](http://quickfacts.census.gov/qfd/states/55/5548000.html)

### TABLE 2. Philadelphia demographic statistics (2010 U.S. Census)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land area:</td>
<td>134 sq. miles</td>
</tr>
<tr>
<td>Combined population of Philadelphia, Delaware, Bucks, and Montgomery Counties:</td>
<td>3,512,018</td>
</tr>
<tr>
<td>City population:</td>
<td>1,526,006</td>
</tr>
<tr>
<td>Population density:</td>
<td>11,380 persons/sq. mile</td>
</tr>
<tr>
<td>Non-Hispanic white:</td>
<td>41%</td>
</tr>
<tr>
<td>Black/African American:</td>
<td>43.4%</td>
</tr>
<tr>
<td>Asian:</td>
<td>6.3%</td>
</tr>
<tr>
<td>Hispanic/Latino:</td>
<td>13%</td>
</tr>
<tr>
<td>Median household income:</td>
<td>$36,957</td>
</tr>
<tr>
<td>Residents below poverty line:</td>
<td>25.6%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, [http://quickfacts.census.gov/qfd/states/42/4260000.html](http://quickfacts.census.gov/qfd/states/42/4260000.html)
Madison is the capital of Wisconsin and home to the University of Wisconsin–Madison. It is also located in the center of Dane County, which includes 500,000 acres of farmland and over 3,000 farms. Madison is home to an estimated 63 distinct cooperatives (excluding mutual insurance companies and branch offices in the city limits) and an additional 30 in the county. These represent a variety of industries and cooperative types, ranging from grocery cooperatives and worker cooperatives to credit unions and healthcare cooperatives. Many agricultural cooperatives are also in the area and a strong purchasing cooperative sector exists (table 3). There is roughly one cooperative for approximately every 5,400 people in Dane County, and one cooperative for approximately every 3,700 people in Madison.

In Philadelphia, which is both a city and a county, there are approximately 111 cooperatives, and an additional 79 cooperatives in the three surrounding counties (Delaware, Montgomery, and Bucks)—or one cooperative for approximately every 19,300 people in the city and one cooperative for approximately every 18,500 people in the four-county region. As in Madison, cooperatives in Philadelphia span diverse industries and cooperative types. This includes, among other things, dynamic grocery, childcare, and artist cooperative sectors. It also includes an exceptionally high number of credit unions (table 4).

In both cities, one of the main anchor institutions is a major university. In Philadelphia there are actually several large universities: the University of Pennsylvania, Temple University, Drexel University, and Thomas Jefferson University are all among the 10 largest employers in the city. By contrast, the University of Wisconsin–Madison, which is larger than any single university in Philadelphia, has over 43,000 students and employs 21,624 people. In both cities, government is a significant employer as well, although in Madison it is the state government whereas in Philadelphia the federal government is the largest government employer followed by the city government.

As a relatively rare business form, cooperatives in the United States emerged within strong regional patterns. Both Wisconsin and Pennsylvania were home to historic clusters of cooperatives in a variety of industries, including insurance, dairy, and utilities. Private and public institutions arose to support cooperative development, and these institutions continue to play an important role in both regions. This is especially the case for Madison, which is home to several national credit union organizations and the largest state-based cooperative trade association in the United States. Wisconsin cooperatives supported the establishment of the UW Center for Cooperatives, which receives UW-Extension funding to support applied research and education on cooperatives. There is a small community of attorneys and accountants with cooperative expertise, and Wisconsin’s cooperative statute has long been a model for other states. Local and regional community financing institutions, like the Madison Development Corporation, Forward Community Investments, and the Northcountry Cooperative Development Fund, have played an important role in funding cooperative startups and expansions.

**TABLE 3. Cooperatives in the Madison region***

<table>
<thead>
<tr>
<th>Type of Cooperative</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural cooperatives</td>
<td>16</td>
</tr>
<tr>
<td>Credit unions</td>
<td>19</td>
</tr>
<tr>
<td>Consumer grocery cooperatives</td>
<td>5</td>
</tr>
<tr>
<td>Other consumer cooperatives</td>
<td>9</td>
</tr>
<tr>
<td>Housing cooperatives</td>
<td>14</td>
</tr>
<tr>
<td>Healthcare purchasing cooperatives</td>
<td>14</td>
</tr>
<tr>
<td>Other purchasing cooperatives</td>
<td>7</td>
</tr>
<tr>
<td>Worker cooperatives</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>93</strong></td>
</tr>
</tbody>
</table>

*Source: University of Wisconsin, Center for Cooperatives

*These are 2013 estimates

**TABLE 4. Cooperatives in the Philadelphia region***

<table>
<thead>
<tr>
<th>Type of Cooperative</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural cooperative</td>
<td>1</td>
</tr>
<tr>
<td>Artist cooperatives</td>
<td>8</td>
</tr>
<tr>
<td>Childcare cooperatives</td>
<td>13</td>
</tr>
<tr>
<td>Community development credit unions</td>
<td>7</td>
</tr>
<tr>
<td>Credit unions</td>
<td>117</td>
</tr>
<tr>
<td>Consumer grocery cooperatives</td>
<td>10</td>
</tr>
<tr>
<td>Housing cooperatives</td>
<td>23</td>
</tr>
<tr>
<td>Purchasing cooperatives</td>
<td>3</td>
</tr>
<tr>
<td>Utility cooperative</td>
<td>1</td>
</tr>
<tr>
<td>Worker cooperatives</td>
<td>4</td>
</tr>
<tr>
<td>Other types of cooperatives</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>190</strong></td>
</tr>
</tbody>
</table>

*Source: Solidarity Economy database, Craig Borowiak, Haverford College

*These are 2013 estimates. This includes data for Philadelphia, Bucks, Montgomery, and Delaware Counties.
Comparing cooperatives: The case studies

COOPERATIVE GROCERIES

Among the grocery cooperatives we examined (Weavers Way, Mariposa, Ecology, and the nascent South Philly and Kensington Food Cooperatives in Philadelphia; and Willy Street, Regent Market, and Mifflin Street in Madison), there were some clear parallels between the two cities. In both Philadelphia and Madison, there is one relatively large cooperative (Weavers Way in Philadelphia and Willy Street in Madison) that started as a small natural foods buying club in a diverse neighborhood in the 1970s. In both the Madison and Philadelphia cases, the home neighborhoods have subsequently gentrified and the cooperatives’ business and customer base has expanded beyond the neighborhood. Indeed, the authors of the Weavers Way and Willy Street case studies both refer to their respective cooperatives as having a national presence as leaders in the consumer cooperative movement.

Both Weavers Way and Willy Street raise some similar issues about the changing role of food cooperatives in the market, as organic and local foods have gone mainstream, and about the challenges of maintaining a cooperative identity as membership grows and neighborhoods gentrify. Although they were founded to fill a gap in the availability of “natural” foods, with strong neighborhood support, both stores now compete with national chains such as Whole Foods, Trader Joe’s, and local high-end grocers. To remain competitive, both groceries have expanded into second locations in wealthier neighborhoods (Chestnut Hill in the case of Philadelphia, and Middleton in the case of Willy Street). One recent attempt by Weavers Way to open up a smaller branch in a lower income neighborhood, and thus “move beyond the co-op’s demographic and geographical comfort zone” ultimately failed.

As both Weavers Way and Willy Street have grown, their relationship to members has changed. On one hand, they have asked members to invest in expansion. On the other hand, they have come to rely much less on members as volunteers. Like most food cooperatives in the United States, they have adopted hierarchical models that rely on a relatively small board of directors and vest most operational authority in management.

While the parallel development between Weavers Way and Willy Street suggests that some dynamics of cooperative development do not depend on any distinct features of a specific urban context, some of the differences between the two groceries suggest the potential significance of the fact that one is located in Philadelphia and the other in Madison. The case studies suggest that Weavers Way has throughout its history been more entrepreneurial and more willing to expand its operations beyond food than Willy Street. In addition to being a grocery, the Philadelphia cooperative operates two farms and has over the decades established a credit union (later absorbed into a municipal employees’ credit union), an energy cooperative (which became The Energy Co-op, discussed in chapter 18), and a healthcare cooperative (which was ultimately deemed financially unsustainable). Weavers Way may also serve a broader social function than Willy Street. The Weavers Way newsletter serves as a de facto community newspaper to a greater extent than does the Willy Street newsletter. In chapter 5, Andrew Zitcer also notes that Weavers Way offers several other general community support functions, including school programs and a homeless shelter through nonprofit Weavers Way Community Programs.

The focus on entrepreneurship suggested by the Weavers Way cooperative may simply be a reflection of the individual desires and goals of the membership, management, or board of directors. Yet it may also reflect the fact that Weavers Way exists in a very different city. Willy Street operates, and has always operated, in a city with a greater number and variety of cooperatives. There may have simply been less of a perceived need for Willy Street to expand into other cooperative sectors, perhaps because there was already significant cooperative development activity in Madison. Similarly, if Weavers Way has in fact been more entrepreneurial over its history, this may also be a function of different levels of demand for different services in Philadelphia, as compared to Madison. Philadelphia is a much poorer city than Madison, with a municipal government that has a much larger social services burden on a weaker tax base. There is thus potentially a greater demand for any organization that has any kind of a social mission to expand to provide services to compensate for a relative lack of city services.

The case studies of the two large grocery cooperatives are complemented by case studies of two smaller groceries that operate to a greater extent at the neighborhood level: Mariposa in Philadelphia and Regent Market in Madison. Similar to Weavers Way, Mariposa was founded in the 1970s in a diverse neighborhood (Cedar Park in West Philadelphia) similar in many respects to Mount Airy. Over the past 20 years it has experienced significant gentrification, due partially to a concerted effort on the part of neighboring anchor institutions,
most notably the University of Pennsylvania. Unlike Weavers Way, however, Mariposa did not follow a path of growth and expansion, but instead made a conscious decision to maintain its focus on democratic structure, governance, and management. And even though it has over the past several years experienced significant growth, with an increasing membership and a move to a new and larger location, it is still committed to a far more decentralized governance structure and to integrating political consciousness into its operations.

One particularly interesting contrast that Zitzer highlights between Mariposa and Weavers Way is the different relationship between membership and staff. At Weavers Way, staff members are under relatively traditional management, which is itself under the nine-member board of directors, with minimal direct contact with the relatively large membership. By contrast, Mariposa staff are organized into an “informal worker cooperative” that is active in management and governance decisions, with positions on the board of delegates. One result, reported by Zitzer, is that there is greater potential for conflicts between membership and staff simply because a more activist staff will be more likely to have meaningful contact with the membership.

While Mariposa began as a progressive social and political experiment that focused on selling food, Regent Market started as a traditional grocer that only out of necessity later became a cooperative. The business began in 1923 and went through several different phases of ownership, including being part of a national chain, and later returning to its roots as a single proprietor operation. Through the years, it had become an established neighborhood institution that was also recognized as an informal community center.

By the 1990s the Regent Market was in serious financial trouble and likely to close. Neighborhood residents recognized the important social role played by the grocery in the neighborhood, and, in conjunction with 15 employees who wanted to keep their jobs, they decided to reorganize the market as a cooperative. The business decision to save Regent Market by re-establishing it as a cooperative, had had a long experience with cooperatives, “having lived in a housing cooperative and served on the finance committee of the Madison Community Cooperatives, a federation of local housing cooperatives.” Thus a grocery employee had experience not only with being a cooperative member but also with a federation of cooperatives from which he could learn important information about how cooperatives were financed and created. It seems unlikely that many employees of failing businesses in Philadelphia would have had similar experiences, since the only federation of cooperatives in the city was established in 2012.

Mariposa and Regent Market also differ in their commitments to democratic self-governance and social inclusion. From its beginning, Mariposa has been a politically progressive institution located in an economically and racially diverse community. Its members, however, have always been concerned by the fact that its membership is actually racially homogeneous. By contrast, the authors of the Regent Market case study do not specifically address a concern about homogeneity at Regent Market, perhaps because the grocery was perceived as a very different kind of social experiment, and also because it is located in a relatively homogeneous neighborhood that is “home to highly educated professionals who earn above-average incomes and tend to have progressive views supportive of the co-op concept.”

Although both co-ops are relatively small markets, in the case of Mariposa the small size has been regarded as an asset. Its membership has deliberately retained the small size in order for the cooperative to remain true to its political ideals. By contrast, even though the small size and location of Regent Market helped make it a community institution, the size has also always been an Achilles’ heel in the co-op’s ability to compete with neighboring supermarkets.

Beyond the issue of size, different normative commitments are also reflected in the way the two co-ops are managed and run. The Mariposa staff members have carried cooperative values further by forming themselves into an informal worker cooperative within a consumer co-op. Regent Market employees, by contrast, have taken a more conventional route to improve their work conditions: They have joined a formal union, United Food and Commercial Workers Local 1473. This reflects a larger trend (shared with many other food cooperatives across the country) in Regent Market’s evolution away from core cooperative values and towards more conventional business models. As DeRemer and Collins describe, “The co-op has shifted from an initial emphasis on member involvement and democratic decision making to an emphasis on being a competitive grocery store that serves the food needs of its customers.” This has involved hiring an effective general manager in whom much of the decision-making power
has been concentrated. The new manager exercised this power in 2008 by cutting the number of employees from 25 to 15, ostensibly in order to make the store financially viable.

A final comparison with regard to food cooperatives is two groceries that ultimately failed, Ecology in Philadelphia and Mifflin Street in Madison. According to Daniel Flaumenhaft, Ecology, which was founded earlier than either Weavers Way or Mariposa as part of a wave of food cooperatives in Philadelphia, failed because it did not educate its members or staff about its cooperative mission, and thus when it faced greater competition from for-profit companies that entered the natural and whole foods markets (which had earlier distinguished Ecology as a grocery cooperative), it had no clear reason for its members to maintain any allegiance. In contrast to Regent Market, Ecology never established itself as a meaningful community institution; in fact, through a zoning dispute it managed to alienate many neighbors and former customers.

Another element in the failure of Ecology that seems significant from the standpoint of an intercity comparison is the fact that Ecology came out of a Quaker organization. As a result of this heritage, it was committed to decision making by consensus, effectively providing all participants a veto. Here is an example of how a specific cooperative was shaped by the specific culture of the city in which it was created. It is also interesting to note that the heritage of consensus-based decision making was very influential among cooperatives that were created during the 1970s. Such decision making was certainly also practiced at Mifflin Street Cooperative during its early years.

Like Regent Market, the Mifflin Street Cooperative came about when neighborhood residents and store owners decided to save a local grocery that served as a de facto community institution, and which was going out of business. Unlike Regent Market, but much like Mariposa, Mifflin Street was committed to maintaining its democratic, cooperative identity and to making its mission as a grocery part of a larger anti-capitalist political vision, part of which included staff organized into a worker cooperative in a more formal fashion than at Mariposa. In her case study, Molly Noble lauds the participatory, collectivist spirit of Mifflin Street as a crucial factor in the co-op’s early success. She also, however, recognizes that that participatory spirit was also a potentially important factor in the cooperative’s demise. Mifflin Street was a product of a specific social dynamic during the late 1960s and early 1970s, one that was maintained in part because the locus of power within the cooperative remained with the politically committed workers’ collective. Yet, as the neighborhood changed, and as healthy and organic foods became more mainstream and available at traditional groceries, Mifflin Street had difficulty adapting and lost its strong connection with the surrounding neighborhood.

Interestingly, however, though Noble suggests that Mifflin Street’s demise was in part a result of increasing disconnection from its changing neighborhood, she also recognizes the integral role it played in the neighborhood, in large part through its role in organizing the annual Mifflin Street block party—a celebration begun by an initial block party in 1969, during a period of widespread antiwar activism in Madison. That block party ended in a riotous confrontation with the police that lasted for several days. Mifflin Street’s identity was closely linked with progressive and radical issues, which resonated in the neighborhood. By contrast, the Ecology cooperative, as Flaumenhaft explains, suffered in large part because it had longstanding conflicts with the surrounding community.

Perhaps most important in the case of Mifflin Street is the fact that the cooperative sought to maintain itself as an informal community center. It did this in part by refusing to move to a larger location, thus hampering itself in a way similar to Ecology. Regent Market is currently facing a similar dilemma, but is actively attempting to occupy more space by expanding into neighboring stores. The second important element in Mifflin’s demise was poor management that resulted in the nonpayment of taxes and eventually put a financial strain on the cooperative that it could not withstand. Many food cooperatives have faced a financial crisis at some point in their existence and it seems important at which stage in their development they face this crisis. Some cooperatives survive this crucible and others do not.

The final two chapters covering food cooperatives shift the focus from established and failed cooperatives to emergent ones. The chapters examine two start-up cooperatives in Philadelphia: the South Philly and Kensington food cooperatives. These chapters have no Madison counterpart. Both cooperatives are being formed in ethnically and economically diverse neighborhoods that have experienced some significant gentrification over the past two decades. Regardless, the preceding case studies suggest some challenges that the Kensington and South Philadelphia cooperatives will face. If they are successful, they will most likely face space constraints as they outgrow their initial...
locations; perhaps an important strategy is to anticipate growth and move into an initial location too large for the present. If successful they will also face a decision at some point about whether to professionalize and vest more authority in their board and management or to attempt to maintain a decentralized structure to maintain a greater cooperative identity. They may at some point face financial crises arising from either poor management or outright criminal malfeasance, and such crises will serve as important junctures in their future development or potential demise. Like all small local grocery stores, cooperatives will struggle to maintain profitability while staying responsive to their community. They may choose to grow, in order to take advantage of economies of scale. They may end up serving a wealthier and more ethnically homogeneous customer base than is reflected in their immediate neighborhoods, and cooperatives will have to make a decision about how and whether they will engage the larger community, potentially serving a larger social role than simply selling food.

**PRODUCER COOPERATIVES**

As reflected in this publication, the relationship between cooperative business structures and food is a uniquely strong one. Beginning in the 1850s, U.S. farmers began organizing cooperatives to improve their access to markets and the prices they received. The first modern consumer cooperative, started by weavers in Rochdale, England, was a consumer-owned cooperative selling food. Through successive waves of cooperative organizing, food marketing and consumption has been an important component of cooperative activity. Farmers and consumers led efforts to create the statutory and policy environment that helped to support cooperative development and success. In extending our examination of food and cooperative structure from groceries to producers, we also expanded beyond the boundaries of Madison and Philadelphia to look at a couple of cooperatives that operate at a broader scale; located in Lancaster County, it links Amish and Mennonite farmers to urban markets throughout the state, in counties that are all counted as urban by the U.S. Census Bureau. This is where LFFC is located.

Organic Valley is by far the largest cooperative examined in this publication, with 1,411 members and dairy product sales of $639 million in 2011. Most of its members are dairy farmers, who market milk through the cooperative. Organic Valley has developed a successful consumer brand, selling milk and many value-added products to major retailers and food cooperatives. Although it has members in many states with a national market, Organic Valley was founded by a group of rural Wisconsin farmers. Like many of the grocery cooperatives in this publication, Organic Valley was formed with explicit values, to support family farming and organic farming practices. They did this by developing a market for organic dairy products which is based on paying farmers stable and sustainable prices.

As Organic Valley has evolved into a national cooperative, the farmer-owners and management have faced challenges in maintaining their values-based commitment within a very competitive supply chain. They have developed close relationships within their supply chain, allowing them to avoid capital expenditures and broaden their expertise. They control their milk supply from members to meet market demands and have several initiatives to improve operational efficiency. Communication plays a key role in their strategies, demanding creative responses to the challenges of educating all stakeholders: members, employees, partners, and customers.

The other agricultural cooperative examined here, Lancaster Farm Fresh Cooperative (LFFC) in Pennsylvania, is much smaller than Organic Valley, with only $2 million in gross annual sales and a regional rather than national market. LFFC is also located in a much less rural area than Organic Valley. The primary agricultural region in Pennsylvania stretches between Philadelphia and Harrisburg in the eastern part of the state, in counties that are all counted as urban by the U.S. Census Bureau. This is where LFFC is located.

LFFC serves the urban region of which it is an intimate part; located in Lancaster County, it links Amish and Mennonite farmers to urban markets throughout the nearby megalopolis that stretches from Washington, D.C. to New York City. LFFC was founded by Amish and Mennonite farmers and its cooperative’s identity has been forged around meeting those farmers’ needs. The growth of Amish and Mennonite farming communities, composed of traditionally large families, has resulted over the generations in increasingly smaller farms that can stay viable only by coordinating together. LFFC was formed as a cooperative in order to establish coordi-
nating mechanisms for smaller farms to sell in nearby urban markets and, Hunold and Jeske speculate, so that members could limit their interactions with their non-Amish and Mennonite customers.

WORKER COOPERATIVES

In contrast to the comparisons among food producer and consumer-owned grocery cooperatives, the worker-owned cooperatives we examined in Philadelphia and Madison stretch across a broad array of industries: in Madison, an engineering and manufacturing firm (Isthmus), a taxi and transportation company (Union Cab), and a coffee roaster (Just Coffee); and in Philadelphia, an architectural salvage and renovation company (Greensaw), elderly and disabled homecare (Home Care Associates or HCA), and a childcare provider (Childspace).

Though the selection of worker cooperatives was not intended as a representative sample in either city, it is interesting to note that worker cooperatives occur in a wide range of industries, whereas consumer cooperatives in the United States are largely limited to three major sectors: groceries, credit unions, and utilities. Each of these sectors has experienced significant waves of replication. Worker cooperatives, however, have only recently organized to systematically expand the model nationwide. In Philadelphia, most of the worker cooperatives are replications of successful worker cooperatives that have been developed elsewhere. This is the case with Greensaw, Childspace, and HCA. In Madison, many of the worker cooperatives, including Union Cab and Isthmus, are pioneers.

The worker cooperatives vary widely by size and structure. For instance, at the time the case study was written, Greensaw had transitioned from a single proprietor-owned business to a worker cooperative within the previous two years. Besides the original proprietor, only one of the three eligible workers had decided to become a member, by purchasing a $3,500 equity share. By contrast, Union Cab was founded as a worker cooperative in 1980, and it currently has over 200 employees, all of whom are required after a brief probationary period to become cooperative members, at the cost of $25. HCA and Childspace also have relatively low buy-in costs. A low buy-in cost reduces the burden of membership in a low-wage, high-turnover industry. It also forces the cooperative to grow solely through profits and borrowing, since the owners are investing very little upfront. Greensaw, Isthmus Engineering, and Just Coffee all started with substantial personal investment by the original owners and later converted to cooperative status. The relatively high buy-in requirement at each of these cooperatives may be related to these early investments. For example, Isthmus Engineering’s long-standing policy is to link the cost of joining the cooperative to the price of a new economy car. This policy creates a transparent formula for equalizing new member investment.

Union Cab is the only case where membership in the cooperative is required for employment. For the other cooperatives, where members can choose to join, membership ranges from 18% (HCA) to 64% (Just Coffee) of overall employees. Greensaw is not included in the comparison, since it was still transitioning from a sole proprietorship at the time the case was written. Probationary periods also vary among cooperatives. At Greensaw, employees must be employed for at least three years before they become eligible to apply for membership. When one contrasts this requirement with Union Cab’s three-month probationary period before membership is granted, it’s clear that these cases demonstrate a wide range of membership models and practices.

Although it is difficult to identify specific membership practices as causal factors in firm behavior or organization, the narratives certainly highlight the impact of cooperative employee ownership. In each case, worker ownership is described as a vehicle for achieving an alignment between firm practices and specific values. HCA and Childspace were formed to provide better jobs and high-quality service in traditionally low-wage industries. Just Coffee’s founders believed that a cooperative model aligned well with the values of their coffee cooperative partners in Mexico and Central America. The early members of Union Cab believed in workers’ rights and union democracy, and Greensaw’s founder believed that a participatory workplace would result in higher quality results. Isthmus Engineering & Manufacturing (IEM) was influenced by Mondragon, a Spanish cooperative involved in similar industries. The engineers who began IEM as a partnership had already brought non-engineers into the group, and Mondragon offered a model that offered an ownership stake to all classes of employees.

ENERGY COOPERATIVES

The two energy cooperatives for which we have case studies represent the sharpest distinction between rural (Riverland Energy, headquartered in Arcadia, Wisconsin) and urban (The Energy Co-op, headquartered in Philadelphia) organizations. Yet, this is not the only...
significant difference between Riverland Energy and The Energy Co-op. For instance, Riverland is half of a century older and operates in a different regulatory environment. It was created by the merger of two electricity cooperatives, both of which were formed in the 1930s as a result of federal rural electrification policy. The Energy Co-op, by contrast, was originally established in 1979 by Weavers Way as a heating oil cooperative. Only in the 1990s did it begin providing electricity, once the market was opened up as a result of state deregulation. In Wisconsin, electricity is still highly regulated by the state, although Riverland does compete for new customers with at least one investor-owned utility.

Operating in a competitive market, The Energy Cooperative distinguishes itself as an electricity supplier by virtue of the fact that it provides its customers with energy from renewable sources at competitive prices. By contrast, Riverland does not emphasize renewable energy and, due to state regulation, does not compete on the basis of price. It instead emphasizes service to members. As Brady Williams describes in his case study, “Without the need to put outside investors first, the cooperative structure allows Riverland to more quickly and easily respond to member needs and interests.”

The main distinction between urban and rural cooperatives that suggests itself in a comparison of Riverland Energy and the Energy Co-op is that the cooperative structure was used in a rural setting to overcome a uniquely rural market failure: investor-owned utilities not seeing enough profit to provide electricity in sparsely settled areas. Decades after its founding, when Riverland faced at least some competition, it used its cooperative structure to attempt to define its competitive advantage in terms of responsiveness. By contrast, The Energy Co-op faced a competitive market from its very beginnings. It conceived of its cooperative organizational structure in terms of providing a niche market with a commodity to which it could attach a social mission that eventually included environmental stewardship through renewable energy. The Energy Co-op was an organization with a social mission that eventually came to sell electricity; Riverland was an electricity provider that eventually conceived of its cooperative structure as providing added value, if not a larger social mission.

**CREDIT UNIONS**

There is an interesting complementarity to the respective stories of credit unions in Philadelphia and Madison. As previously noted, Philadelphia has an exceptionally high number of credit unions overall, though both cities have several large credit unions, with over 100,000 members. Our two cases (Trumark and Summit) are among the larger ones in the two cities. As the case study of Summit Credit Union suggests, Madison was a uniquely significant site for the formation of the credit union industry in the United States, as it was the birthplace of the main national trade association for credit unions, the Credit Union National Association (CUNA). CUNA’s own credit union became, though a series of mergers that began with the industry’s deregulation in the 1980s, one of the components of what became Summit Credit Union, which is now the largest credit union in Wisconsin.

The origins of credit unions in Philadelphia are intimately bound up in the city’s industrial history, as most of the original credit unions in the city were employer-based. Of the 38 credit unions operating in Philadelphia in 1936, 31 were employer-based, five were based on the membership of ethnic or civic associations, one was religiously based (B’nai Israel), and one was neighborhood-based (in Bridesburg, in the northeastern section of the city). To these were added Catholic parish credit unions, of which there were 20 in the city by 1959. In the 1970s, following the lead of Bridesburg, more community groups and associations established credit unions—including, as previously noted, Weavers Way, in 1978.

As described by Daniel Dougherty in his case study, the origins of TruMark Financial Credit Union lie in the first wave of employer-based credit unions, with the establishment of the Philadelphia Telco Credit Union in 1939 to service the Philadelphia employees of Bell Telephone of Pennsylvania. For 52 years Philadelphia Telco was located in the city, until it moved to the suburban community of Trevose in 1991. The credit union changed its name to TruMark in 2003, and in 2005 it was granted a community charter, meaning that it could open its membership up to “anyone who lives, works, worships, volunteers, or attends school in the southeastern Pennsylvania counties of Bucks, Chester, Delaware, Montgomery, and Philadelphia.” With this more expansive charter TruMark opened up twelve branch locations throughout its five-county region between 1991 and 2010.
Both TruMark and Summit were originally established as relatively localized organizations designed to serve a very specific clientele. They both subsequently evolved into much larger, general-purpose financial institutions. It is not clear from the case studies how the credit unions operated when they were small, but their growth seems to have minimized the extent to which members participate directly or indirectly in governance. As Amy Gannon and Denis Collins relate, of Summit’s more than 120,000 members, only approximately 2% cast ballots in the annual board elections. Similarly, even though Dougherty does not provide specific figures for participation rates in TruMark board elections among the credit union’s more than 95,000 members, he does note that, of the principles that define the cooperative movement, TruMark ranks “weakest in the principle of democratic member control.”

In short, there is little suggestion in the case studies of Summit and TruMark that it makes much difference whether a credit union operates in a small or large city. The vast majority of credit unions are subject to national financial regulation and controls, which creates significant standardization. Part of the success of both credit unions is that they have moved beyond their local roots. As Gannon and Collins note, Summit Credit Union, the product of several mergers, chose its relatively generic-sounding name “to position it for future growth beyond Wisconsin.” Similarly, TruMark’s name-change occurred roughly contemporaneously to its geographic expansion.

And as Summit and TruMark have expanded and removed any markings of geographic specificity, they have also shown no marked inclination to encourage a sense of democratic ownership among their members; the case studies suggest that both credit unions identify service, favorable interest rates, and competitive products as their strengths. To the extent that either credit union encourages member participation, it seems to be in ways other than governance, such as Summit’s redesign of its website into a member-specific social networking site.

The extent to which we can conclude from our case studies whether or not credit unions such as Summit and TruMark fulfill the democratic ideals of cooperatives is of course highly limited by our small number of cases. Ideally, we would have case studies of smaller credit unions that serve more specialized or localized customers. In such cases, we would expect the particular neighborhood contexts to be much more influential. The case studies that we do have lead us only to make speculations, of which we offer some more by way of conclusion.

**Conclusion**

The cooperatives in this publication represent a diverse group of small businesses, operating in highly competitive markets in both urban and rural environments. Although we’ve documented two failures, most of these enterprises have succeeded (and often thrived) for decades. As member-owned businesses, they have provided services and/or goods to their owners, offered stable local jobs, and invested in the continued growth and development of their businesses.

In both Pennsylvania and Wisconsin, these cooperative businesses developed without significant governmental assistance, especially at the local level. Although there is evidence of a more supportive environment for cooperatives in Madison, much of this support came from informal assistance from other cooperatives, the presence of knowledgeable professionals, and a relatively high ratio of cooperative membership among the Madison population. Philadelphia cooperatives have benefitted from many of the same informal networks and local expertise.

All of the cooperatives were formed to fill unmet need in the market. The dairy and energy cooperatives were formed to offer better prices and services to members who lacked power in the market as individuals. The food cooperatives were formed as small neighborhood-based grocery stores, often offering a unique product mix, during a period of continued concentration within the grocery industry. When the predecessors of Summit and Trumark credit unions were founded, they were uniquely focused on providing savings and credit products for working people who were unable to obtain services from banks. The worker-owned cooperatives were all focused on building businesses that offered employment for their owners.

Cooperatives share the important cooperative principles of member ownership and democratic decision making, and successful cooperatives must balance a continual interplay between their economic and social elements.
elements. This group of case studies gives us valuable insights into the internal mechanisms and external environments that help to sustain cooperatives and enable them to contribute to the socioeconomic health of their communities.

**Works cited**

Some hyperlinks may no longer be current.

Dane County Agricultural Statistics, 2010, Dane County UW-Extension.


**Endnotes**

Some hyperlinks may no longer be current.


3 Dane County Agricultural Statistics, 2010, Dane County UW-Extension.


6 Greensaw Design & Build closed in late 2013, after this case study was completed.
Mapping the Social Demographics of Cooperatives in Philadelphia and Madison

Craig Borowiak

Earlier in the introduction we outlined several points of contrast between Madison and Philadelphia. As discussed, the cities differ in land area, population size, median income, and general demographic composition. Their cooperative sectors also differ. Madison, for example, was shown to have a relatively large number of purchasing cooperatives and agricultural cooperatives while Philadelphia was shown to have a disproportionately high number of credit unions.

Although these sorts of aggregate data are useful for establishing general comparisons, they nonetheless paint only a partial picture of the differences between these two cities and their cooperative sectors. Among other limitations, the aggregate data tell us nothing about how cooperatives relate to demographic patterns within the cities. We know, for example, that both cities have a relatively high percentage of people living in poverty. The statistics do not tell us, however, if poor populations are concentrated in particular areas of the city or if cooperatives are located near those populations. Similarly, aggregate statistics reveal Philadelphia as a more ethnically and racially diverse city than Madison. Taken alone, those data do not illuminate anything about patterns of integration among different demographic groups within the cities' geographies or about how cooperative sectors relate to racial and ethnic divisions.

I will explore in detail some of the different spatial demographic patterns within these cities and how those patterns structure cooperative development. More specifically, I use geographic information systems (GIS) software and modeling techniques to map the locations of cooperatives against U.S. Census block group data on income, race, and ethnicity. The resultant maps enable us to visualize and analyze how cooperative sectors reflect geographic context and how they do (and do not) fall along existing racial, ethnic, and class divisions in the spatial organization of these cities.1 This has particular use for policymakers and others who are interested in exploring cooperatives' potential as a source of economic development and social integration, including in relatively underserved communities. Efforts to map the locations of cooperatives within socio-demographics of cities can help to illuminate both areas of particular need and areas where cooperatives seem to gravitate. Although such mapping initiatives do not themselves offer insights into the particular histories, practices, and membership patterns of individual cooperatives—for these, maps need to be complemented with more detailed case studies, such as those found later in this volume—they do help paint a more nuanced picture of the cities and the place of cooperatives therein.

Two cities, two social geographies

When it comes to demographic groupings, the two cities have very different spatial configurations, as the following maps reveal. The separations between different demographic groups are, in general, far more pronounced in Philadelphia than in Madison. This should come as no surprise. Philadelphia is a large, post-industrial city with greater diversity, deeper poverty, and a longer history of racial conflict and segregation. It is a city of contrasts where stark racial, ethnic, and class divisions coincide with stark geographic divisions between neighborhoods. Madison, by contrast, is both a university town and a capital city with a larger middle class and income levels that are more evenly distributed across the city. Racial and ethnic minorities constitute a much smaller percentage of Madison’s overall population, and they are less concentrated in discrete neighborhoods. The contrasts between different racial and ethnic neighborhoods are consequently not as prominent at the census block group level.

The demographic contrasts between the two cities yield different expectations regarding the development of cooperative sectors. In a sharply divided city like Philadelphia, where socio-economic, racial, and ethnic divides strongly shape the economy, we can expect the cooperative sector to reflect those divides as well.
We can also expect that demographic divisions play a considerably less significant role in the geography of cooperatives in a smaller, more homogenous, and more middle-class city like Madison.

The following maps generally bear these predictions out. As expected, the relevance of spatial demographic patterns for the geography of cooperatives is far more evident in the case of Philadelphia. More specifically, highly concentrated black, Asian, and Latino neighborhoods in Philadelphia tend to have fewer cooperatives than in white and mixed neighborhoods. This is especially the case if we separate out small credit unions. Cooperatives are also virtually absent from neighborhoods with the deepest poverty, most of which are predominantly black or Latino. These observations should not, however, be taken to imply that cooperatives thereby cluster only in predominantly white neighborhoods with high incomes. On the contrary, the maps reveal patterns of cooperatives clustering within buffer zones between rich and poor, and between white, black, and Latino neighborhoods.

In Madison, cooperatives are spatially organized differently. Given the relatively muted role of demographic factors in the spatial organization of the city generally, it is much more difficult to discern any significant demographic patterns in the way cooperatives cluster within Madison’s urban geography. Unlike in Philadelphia, cooperatives can be found in the poorest neighborhoods as well as in neighborhoods where racial and ethnic minorities are most concentrated. More noticeable than the demographic patterns underlying cooperative location is the way cooperatives cluster heavily in the downtown area where commercial activity is especially concentrated, and along the few major transportation routes into and out of the city.

PHILADELPHIA

Economic hardship is not new to Philadelphia. Decades of deindustrialization and urban flight have left their marks on the city’s social and economic geography. The city has nevertheless also experienced economic revival in certain industries and districts. Some of the resulting contrasts of poverty and prosperity are evident in maps of income in the city. In map 1, the location of cooperatives and credit unions are plotted against census data on per capita income within the city limits. As can be seen, many, if not most, of the city’s neighborhoods have per capita income less than $20,000. Large swaths of the city have per capita income less than $12,000, which is consistent with census estimates that more than 25% of the city is under the poverty line. The neighborhoods with relatively high income levels are heavily concentrated in the northwest and in the city center, which is visible in the lower middle portion of the map. Income levels drop precipitously just north of the city center, where much of Philadelphia’s poor population and most of its deep poverty can be found. With regard to cooperatives, what stands out about this map is how few of the cooperatives can be found in the city’s poorest regions.
Excluding credit unions, those cooperatives that can be found in the poorest communities tend to be exceptions for other reasons as well. For instance, the only cooperative in our database located deep in poverty-stricken North Philadelphia is a religiously inspired and mission-driven intentional community that formed itself into a housing cooperative. Additionally, several of the cooperatives in West Philadelphia are located in or near the University of Pennsylvania campus, where low-income levels reflect the large student population rather than the sort of persistent urban poverty found elsewhere in the city.

There are far more credit unions than other types of cooperatives in the city. It is consequently not surprising that they are dispersed across a wider expanse of the city. Credit union branches can be found across much of West, North and Northeast Philadelphia, well outside of the city’s most prosperous neighborhoods. But it is also the case that credit unions, like other cooperatives, are relatively absent from some of the most poverty-stricken areas in North Philadelphia (compare map 1). This is even true of community development credit unions (CDCUs), despite their explicit mission to support disadvantaged communities.

If we shift the focus from income to racial demographics, the findings become even starker. Map 2 displays the location of cooperatives and the spatial distribution of Philadelphia’s black population.

Philadelphia’s black population is heavily concentrated in West Philadelphia and in a thick vertical band in North Philadelphia extending from Germantown Avenue on the west and Broad Street on the east. An additional concentration can be found in a small portion of South Philadelphia. These concentrations are noticeably distanced from the concentrated wealth found in center city and along the Delaware River waterfront (on the east side of the map). With the exception of a daycare cooperative and a couple of housing cooperatives—all in West Philadelphia—none of the cooperatives are found in the neighborhoods where the black population is most highly concentrated. Cooperatives are often found along the edges of predominantly black neighborhoods but rarely in them. This is the case along Germantown Avenue in Northwest Philadelphia, in the areas west of the University of Pennsylvania in West Philadelphia, and in the lower portion of North Philadelphia.
In map 3, credit unions (including branch offices) are plotted against the same racial data. Here the picture is only slightly different. Credit unions do reach into predominantly black neighborhoods in ways that other cooperatives do not. But it’s also the case that over a third of the credit unions in the predominantly black neighborhoods of West and North Philadelphia are small, single-branch, church-based credit unions or community development credit unions with very few assets. This contrasts with the concentrated white neighborhoods in the city, where larger, multi-branch credit unions predominate.

Patterns of racial separation are further evidenced in the following map of cooperatives and Philadelphia’s non-Hispanic white population. In this map, sharp divides separate neighborhoods that are more than 75% white from neighborhoods that are less than 25% white. In the western half of the city especially, the racial patterns visible in map 4 are practically mirror images of those found in map 2; it is almost literally black and white with few shades of gray. The city’s white population is most heavily concentrated in the city center and in the northwest. This northwestern region spans scenic Wissahickon Park on the western side of Germantown Avenue as well as portions of Mount Airy, a trendy neighborhood that also happens to be a hotspot for cooperatives. When the previous maps are looked at together, it becomes apparent that economic divisions in the city coincide extensively with racial divides. Not all census block groups with a majority white population have high incomes, but scarcely any high-income block groups have a non-white majority. Clusters of cooperatives are found in the heavily white downtown area. Interestingly, it is not the case that all, or even most, cooperatives are found in heavily concentrated white neighborhoods. In fact, a significant number of cooperatives outside of the city center are located within relatively thin border zones separating predominantly white and non-white neighborhoods.
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