

CAPITAL DILEMMA

Growth and Inequality in
Washington, DC

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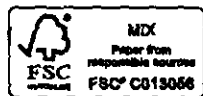
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**This volume is dedicated to all those working to
make the nation's capital a city where equitable
growth takes place.**

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HOME RULE FROM BELOW

The Cooperative Movement in Washington, DC

Johanna Bockman

In 1975, the District of Columbia formally began home rule. During the previous 100 years, the US Congress directly governed DC through the House and Senate Committees on the District of Columbia and through an appointed Board of Commissioners.¹ For many of those years, segregationist congressmen, like John L. McMillan of South Carolina, chair of the House Committee almost continuously from 1948 to 1972 (Fauntroy, 2003), dominated these committees. In addition, neighborhood associations composed mostly of White residents made local community decisions in the District (Travis, 2010). Rather than wait for society to change and offer equal participation in political and economic life, DC residents, in particular African Americans, excluded from these institutions built autonomous spheres to gain control over their lives and forged new resources in the District beyond formal government. When formal home rule did come to the District, it built on and expanded many of these already existing grassroots strategies to create areas of autonomy and local control in DC. Specifically, I argue that DC residents used the cooperative movement as a form of “home rule from below.”

Long before formal home rule began, DC residents established consumer, worker, financial, purchasing, and housing cooperatives. African Americans had long supported cooperatives as a means to create economic wealth, political power, and cultural freedom.² Cooperatives proliferated throughout the city under Mayor Marion Barry, whose tenure from 1979 to 1991 brought home rule from below into the formal government and created new structures to support citywide community development based on cooperatives. Cooperatives represented one way to forge a new society, a society in which all members might be equal.

Cooperatives are just one part of “the common,” resources held in common, such as nature, but also collective spaces, social activities involved in production and community building, and experiments in living that we create together. According to Hardt and Negri (2009), capitalists live off the common by privatizing it to make profits, thus destroying the common in the process. Private property is fundamentally different from the common. For Hardt and Negri, public property is also fundamentally different from the common because public property held by the government represents state domination and constituted power from above, “which not only guarantees capitalist exploitation and defends the rule of property but also maintains and polices all identity hierarchies” (2009, p. 355). In contrast to the constituted power of state sovereignty, the common expresses constitutive power, which can create autonomous spaces outside of private property and capital, and which can maintain equality and democracy through horizontal organizational structures. As a form of constitutive power, cooperatives in DC provided an avenue for residents to create a new social world of emergent home rule from below, at a time when Washington, DC lacked formal home rule. To realize home rule fully, even after formal home rule was implemented, DC residents needed to maintain and expand the common.

As Hardt and Negri predicted, however, the constituted powers of formal government over time undermined this home rule from below. This chapter explores the history of cooperatives in Washington, DC in the 20th century and how real estate agents, developers, and politicians were able to exploit these structures for their own benefit, fundamentally altering home rule from below into a more limited home rule from above.

Cooperatives Before Home Rule

Washington, DC has a long history of cooperatives. In 1880, the Rochdale Co-operative Society of the District of Columbia began, and by 1894 had 6,000 members. This consumer cooperative provided members access to low-priced goods through contracted dealers. Later, it ran a number of stores (Cooperative Society, 1894). The name came from the Rochdale Society of Equitable Pioneers founded in England in 1844 by a group of handloom weavers put out of work by machines (Conover, 1959). The Rochdale Society of Equitable Pioneers operated according to principles now called Rochdale Principles and practiced worldwide, including democratic control based on equality (“one member, one vote”), open membership, and equal rights for men and women in all membership affairs (Conover, 1959). Later principles included requirements that cooperatives provide assistance to already existing cooperatives and help to create new cooperatives. Cooperatives, it was hoped, might spread to create a new kind of society.³

Across the United States, from the 1870s to the 1890s, cooperatives were very popular. Cooperatives formed primarily among farmers, most famously assisted by the National Grange Association, which supported the use of the Rochdale Principles (Chaddad & Cook, 2012). In tandem, the Knights of Labor organized workers' cooperatives and the Sovereigns of Industry began organizing consumer cooperatives for urban workers. However, the District lacked cooperative laws that might allow cooperatives to incorporate as cooperatives, control who could use the name "cooperative," and encourage new cooperatives to form. As a result, any cooperatives functioning in DC had to incorporate in another state, most often in Virginia, or register as a corporation. If DC cooperatives incorporated in Virginia, they were required to hold their meetings there, and Virginia law recognized only farm cooperatives. Any nonfarm cooperatives were not allowed to use the word "cooperative" in their names (US Congress, 1940).⁴ The expansion of cooperatives would have to wait for further developments.

The DC cooperative movement gained support from people like Kansas senator Arthur Capper, who headed the Senate Committee on the District of Columbia. Before his arrival in DC in 1919, he was a national supporter of cooperatives.⁵ Capper successfully sponsored the 1922 Capper-Volstead Act and later laws allowing farmers to form cooperatives to process and market their products, rather than leaving farmers at the whim of larger corporate distributors.⁶ Capper also sought to encourage nonfarm cooperatives. Once he arrived in DC, he submitted a Senate bill (S. 3066) to allow the formation and incorporation of cooperatives in DC itself. In his report accompanying the bill, Capper wrote, "The organizations, cooperative in character, in the whole United States run up in number into the thousands, and 33 of the States of the Union have provided special laws facilitating their institution, the District of Columbia being one of the relatively few backward jurisdictions."⁷ He also voiced his hope that Congress would allow DC residents to create cooperatives functioning according to the Rochdale Principles. Unfortunately, while Capper successfully helped farming cooperatives across the country, Senate Bill S. 3066 did not pass until 1940.

In spite of these legal setbacks, cooperatives spread widely in DC because of the collapse of the economy during the Great Depression.⁸ The 1933 Federal Emergency Relief Act encouraged the formation of cooperative and self-help associations "for the barter of goods and services."⁹ The Federal Emergency Relief Agency also provided grants and surplus government buildings and materials to these associations. By 1935, the Division of Self-Help within the District of Columbia Emergency Relief Administration helped establish 13 self-help cooperatives with 722 members, predominately African Americans and women (Parker, 1935). The majority of the cooperatives sewed bed and bath linens, while some also provided other services, such as shoe repair, barbering, and building. The members could use labor credits to purchase items or services. Thus, the members produced for each other and exchanged their surpluses with other

cooperatives. In the words of one observer at the time, "It is the general practice among self-help associations not to sell their products for cash nor in such a way as to bring them onto the competitive market" (Parker, 1935, p. 606). Most famously, civil rights activist Nannie Helen Burroughs set up the Northeast Self-Help Cooperative, later renamed Cooperative Industries, Inc., in Lincoln Heights. This cooperative served approximately 6,000 people in far Northeast DC between 1934 and 1938.¹⁰ The government additionally supported the Greenbelt cities and their cooperatives (MacKean, 2013).

The cooperative movement developed a momentum of its own. In 1934, a group of DC residents formed the Washington Consumers' League, which two years later created two cooperative groups. The first was Rochdale Stores, Inc., a group of cooperative groceries located in Takoma Park, Bethesda, Georgetown, Cleveland Park, Mount Pleasant, and Falls Church (US Congress, 1940). It sold 400 Co-op branded foods and had 700 members. The second, Konsum, was a gasoline and oil cooperative that started as a single rented pump at a private gas station and became a cooperative gas station at 21st and Virginia Avenue, NW.¹¹ African Americans also pushed forward the cooperative movement during the 1930s. In 1934, African Americans formed the Capitol Cab Company, which, according to *Ebony* in 1962, was "the largest cooperatively owned taxi fleet in the world" with 1,500 taxicabs (p. 48). According to the author of *Negro Business and Business Education*, Joseph A. Pierce, African Americans in DC formed branches of the Rochdale Stores, which provided them jobs and brought them into large interracial groups: "To Negroes, who are usually excluded from business ventures of more than very small local value, the prospect of finding employment in the large and growing co-operative movement offers a definite hope for the future" (1947/1995, p. 178). In 1938, the Washington Bookshop, also called The Bookshop or the Bookshop Association, formed as a cooperative that sold books and phonograph records at a discount, and also functioned as an interracial social club, art gallery, and lecture hall (McReynolds & Robbins, 2009). During the 1930s, cooperatives flourished in DC as a means to cope with the massive unemployment and economic crisis caused by the Great Depression, and as a public space for interracial sociability.

In 1941, the Washington Bookshop could change its name to the Washington Cooperative Bookshop because, just a year earlier, Congress (with the help of Senator Capper) passed the DC Cooperative Association Act (S. 2013). The DC Cooperative Association Act provided cooperatives with a legal structure, including one vote for every member, and allowed cooperatives from across the country to register in DC. However, the Washington Cooperative Bookshop soon came under attack by the House Un-American Activities Committee, allegedly for being subversive (McReynolds & Robbins, 2009). In 1945, the House held hearings on whether cooperatives were un-American and a "threat to private enterprise in the United States."¹² Because of the increasingly

oppressive political environment of the 1950s, very few cooperatives formed in the District.

The 1960s brought an upswing in cooperative formation. At this time, many food cooperatives and buying clubs formed because inflation made food too expensive for many low-income people and many grocery stores had moved out of the city, leaving what we now call "food deserts." However, community organizers were motivated by much more than inflation. For example, in 1966, community organizers on Capitol Hill worked with Greenbelt Consumer Co-op, and later with the Anacostia Buyers Club, to create a food-buying club involving the poor.¹³ In 1970, community organizers at the Friendship House, with the help of Black Markets, Inc., turned the buying club into the nation's first food co-op in public housing, MLK Cooperative Store No. 1 (see Figure 4.1). While concerned about inflation, these organizers believed "in the co-operative idea" that would help "Black progress" in DC, especially among the poorest residents.¹⁴ Significantly, MLK Cooperative Store No. 1 was located in the Arthur Capper public housing project, named after the now deceased Kansas senator who had helped DC legally recognize cooperatives.

By 1975, this broad range of cooperatives provided DC residents spaces for autonomy and control, a form of home rule. This home rule from below did not merely recreate an individualistic consumer society, but rather imagined a new society based on the common. The civil rights movement supported a wide variety of cooperatives because people, especially those marginalized from mainstream White society, could take control of their economic lives and create an alternative to individualist consumer society (Gordon Nembhard, 2014; Ransby,



FIGURE 4.1 Martin Luther King Food Co-op. From: © 2015 Roland L. Freeman.

2003). The proliferation of different kinds of cooperatives in the District could forge a new kind of society based on broad civil, political, and economic equality. Home rule in District government would complement and build on this home rule from below.

Cooperative-Based Home Rule

Starting from his first days as mayor in 1979, Marion Barry brought home rule from below into the DC government.¹⁵ In the Mayor's Office, Barry established the Energy Office, which brought in people like Jack Werner from United Planning Organization (UPO) to set up energy cooperatives and support food cooperatives around urban gardening.¹⁶ He brought Jerome S. Paige, who worked on housing cooperatives, into the DC Department of Housing. Barry also appointed Cornelius "Cornbread" Givens, who moved to DC when Barry became mayor, to head the umbrella organization for cooperatives, the Mayor's Commission for Cooperative Economic Development.

Cornbread Givens was a civil rights leader and a national advocate for cooperatives. Givens was born in Newark, NJ. He worked in unions and owned his own construction company. In 1965, he was one of the first African Americans to run for mayor in a major city, Jersey City. In the late 1960s, he also became a leader in the Poor People's Campaign, which he helped transform into the Poor People's Development Foundation (PPDF).¹⁷ Incorporated in the District in October 1968, the PPDF sought to help poor communities develop cooperatives.¹⁸

The PPDF began working with farmer cooperatives of Southern tenant farmers in 1971. These cooperatives formed in response to the backlash against the Voting Rights Act of 1965. Southern tenant farmers who decided to register to vote were, in retaliation, evicted from their tenant farms. Cooperatives were seen as a means to help these tenant farmers survive and exercise their right to vote, as well as realize civil rights more generally. Cornbread Givens worked to connect Southern farmers' cooperatives with consumer food cooperatives, farmers' markets, health food stores, and collective warehouses, which he set up around Newark, NJ and New York City. Members of the PPDF trucked food up to Newark and New York City to be sold in farmers' markets and health food stores.¹⁹

During the 1970s, Cornbread Givens helped to put cooperatives on the national Democratic Party platform and on "The National Black Agenda for the '80s."²⁰ Givens envisioned an entire development plan in which each community would integrate:

- producer cooperatives (particularly important for job creation)
- consumer cooperatives
- credit unions
- low-income housing cooperatives

- a local charity (funded by profits from the other cooperatives to develop social action programs like schools, hospitals, and child development centers) all organized by a community-wide cooperative.²¹

Givens understood these cooperatives as necessarily working together, thus forming an integrated model of community development. In addition, institutions at the national level, such as the National Consumer Cooperative Bank, for which Givens successfully advocated in 1978, would assist in implementing these community plans.²²

Mayor Marion Barry supported Givens' vision as a model for DC. Barry made Givens the chairperson of the Commission for Cooperative Economic Development. According to the PPDF records, Barry "indicated that he will use his good offices to establish Washington, D.C. as [a] 'demonstration' city for cooperative development."²³ At a February 1980 conference, Barry said:

In Washington, as in every other major urban center in America, we have entire sections of our city which have been abandoned and neglected by the mainstream of economic activity. . . . Although private enterprise has neglected or abandoned some areas of our city, we must not give up the fight. It is time for the citizens of these areas themselves to become owners and providers of the basic services needed for daily life. The cooperative movement is just what is needed to provide this opportunity.²⁴

By May, Barry had established his Commission for Cooperative Economic Development and enlisted others in his program to use cooperatives to create jobs and solve the inner-city food crisis.²⁵ According to Givens, the Commission was "the very first Commission of this kind anywhere in the nation."²⁶ As chairperson of the Commission, Givens gained the opportunity to realize his community development model based on cooperatives throughout DC.

Givens interpreted his mandate as broadly as possible. Barry declared that the Commission should identify needs for cooperatives in different parts of the District, provide technical support, and develop legislation and support structures for cooperative economic development. Barry also established the Commission specifically to support the formation of cooperatives in housing, food, and home heating oil (Consumer Cooperatives, 1980). Givens sought to go far beyond this mandate. For example, at a public hearing in 1981, Givens suggested an enormous range of cooperatives:

1. Food stores, supermarkets, clothing and furniture stores, shopping centers, drugstores, gas stations, auto repair shops, home heating oil cooperatives, energy conservation materials cooperatives, construction rehabilitation cooperatives, insurance companies, etc.

2. Light industries: clothing factories, shoe and furniture factories, machine shops, industries to supply federal and District government needs, etc.
3. Services cooperatives: neighborhood health services, hospitals, child care centers, schools, all forms of recreation, including bowling, skating, cable TV, major league baseball, basketball and football teams, etc.²⁷

Givens thus imagined that the DC economy might be run entirely on cooperative principles. Reflecting his earlier commitment to PPDF, Givens continually emphasized that the Commission must assist low- and moderate-income residents in establishing cooperatives, especially cooperatives that created jobs.²⁸ Givens envisioned the proliferation of cooperatives as a way to forge economic and political power among low- and moderate-income residents.

The District government's support of cooperative development spurred the growth of new DC food cooperatives during the 1980s. In 1980, seven families began the Shepherd Street Collective, a food-buying club, which expanded and formed into the Community Based Buying Clubs (CBBC) to help similar groups form and improve their buying power (McCall, 1982). CBBC held People's Market Days, during which Agricultural Teams, Inc., an African American-owned agricultural cooperative in North Carolina, brought food directly from its farms to sell at different locations in DC. As can be seen in Table 4.1, many new food cooperatives formed.²⁹ By 1986, the Arthur Capper public housing project was no longer the only project with a food cooperative; at least five other projects had food cooperatives all run by their residents, most supported by PPDF. These included: Arthur Capper, Barry Farms,³⁰ Kenilworth Parkside (Sugarman, 1986), senior public housing buildings Horizon House (Eisen, 1982) and Judiciary House (NCHA, 1984), and Sursum Corda.³¹ Figure 4.2 shows the Judiciary Homes Senior Citizens Food Co-op.

TABLE 4.1 Home Rule-Era New Food Cooperatives

Name	Year Started	Location
City Garden	1975	Mount Pleasant
Fields of Plenty	1977	Adams Morgan
Shepherd Street	1980	NW, DC
Chakula	1981	Howard University
Fort Davis	1981	Fort Davis
Cornucopia	1981	Capitol Hill (Walter Street, SE)
Barry Farms	1982*	Anacostia
Horizon House	1982	12th and M Streets, NW
Takoma Park-Silver Spring	1982	Takoma Park, Silver Spring
Judiciary House	1984*	Judiciary Square
Kenilworth Parkside	1986*	Ward 7
<i>Earlier food co-ops</i>		
Glut	1969	Mt. Rainier
MLK No. 1	1970	Capitol Hill/Navy Yard

Note: The dates with an * are approximate years.

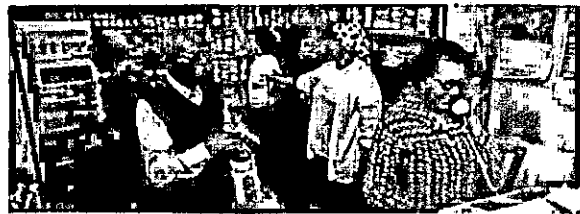


FIGURE 4.2 Judiciary Homes Senior Citizens Food Co-op. From: NCHA 1985 Annual Report, p. 18.

The Commission was also mandated to encourage the development of housing co-ops. DC had long experienced gentrification and displacement, from the 1930s and 1940s in Georgetown and the 1950s on Capitol Hill to the economic crisis of the 1970s that brought large-scale evictions and homelessness in DC. In response, the new District government passed some of its earliest laws to stop displacement (Huron, 2012; Wells, 2013). The Condominium Act of 1976 required that developers stop the conversion of affordable apartments into condominiums, which led to a complete moratorium on conversions in 1978. The Real Property Transfer Excise Tax of 1978 was the country's first urban tax on land speculation (Huron, 2012). The Rental Housing Sale and Conversion Act of 1980, more popularly called the Tenant Opportunity to Purchase Act or TOPA, gave tenants the right to purchase their buildings if they went on the market (Huron, 2012).

With home rule, housing activists put forth cooperatives as a means to end displacement. They specifically advocated limited-equity cooperatives (LEC). LECs set limits on the resale value of cooperative units, so that they remained affordable, and/or involved shares in the cooperative, rather than private ownership of units, and required tenant participation in management.³² In 1979, the Metropolitan Washington Planning and Housing Association (MWPHA) set up a Coop Housing Services Program to assist apartment tenants in the conversion process to cooperatives and set up a revolving loan fund for these conversions. Low-income residents soon began to use TOPA to buy their buildings and create long-term affordable cooperative housing. MWPHA also helped develop a network of tenant groups and housing cooperatives, such as the Columbia Heights Federation of Housing Cooperatives and the Sojourners Housing Ministry, both in the 14th Street area. Additionally, Ministries United to Support Community Life (MUSCLE) formed in 1977 and began to provide similar assistance to buildings where at least 50% of the tenants qualified for Section 8 housing (Paige & Reuss, 1983). Already by late 1980, DC tenants' associations had created 17 LECs with 1,000 units and 20 more tenants' associations were in the process of buying their buildings to turn into LECs. The numbers continued to increase. By the late 1990s, while New York City had more LECs

in absolute numbers, Washington, DC had more proportional to its population (Huron, 2012).

DC residents also started other kinds of cooperatives. In 1979, the Women's Community Bakery Collective moved from Hyattsville, MD, to Capitol Hill. The workers' cooperative made about 500 loaves of bread per day, as well as rolls, granola, cookies, muffins, and cakes, which resulted in a half million dollars in business each year (Landman, 1993). Three years later, the DC Urban Produce Cooperative registered as a cooperative on North Capitol Street near L Street. In 1984, the DC Federation of Cooperative Associations officially registered on 14th Street, NW, near R Street.³³ And credit unions continued to expand during home rule.

Home rule provided an environment open to expanding the social, political, and economic world of the common. DC residents created new cooperatives and other experiments in common property. However, at the same time, home rule remained limited for a variety of reasons. One, Congress continually intervened in DC government, which limited home rule. Two, during the 1970s and 1980s, the nature of city governance changed across the United States. The 1973 economic crisis and then the Reagan administration's federal budget cuts significantly reduced city budgets. Thus, cooperative economic development had to compete for a shrinking pot of money with many other programs and priorities. Then the cooperative movement also suffered from the problems of the Barry administration.

The Cooptation of Cooperatives and Home Rule from Above

In 1985, Ivanhoe Donaldson, a high-level District government official and close colleague of Barry, plead guilty to embezzling DC government funds. Some of these embezzled funds had moved through Cornbread Givens' PPDF and, while Givens did not go to jail, he did lose citywide support for cooperatives and the momentum of the PPDF (Jaffe & Sherwood, 1994). "It knocked us out. . . . It set back the whole effort. We were on a roll. It just winded down. . . . I'm still disappointed in Donaldson. He has never apologized," Givens later remembered (Cherkis, 1999). At the same time, elites worldwide implemented neoliberal policies, which increasingly relied on private business motivated by profits to provide—or not—public goods and services. In this environment shifting away from a political order-based cooperation and the common and toward one created by the privatization of the public and the common, cooperatives began to be used in isolation from Givens' broader community model to dismantle home rule from below and to support a new kind of political order, home rule from above.

The redevelopment of the Ellen Wilson public housing project, located on Capitol Hill at 7th and I Streets, SE, demonstrates this shifting environment. In 1988, the DC Department of Public and Assisted Housing closed Ellen Wilson

for major renovations and moved out all of the 129 families living there (Lang, 1999).³⁴ In 1992, homeless veterans occupied the vacated buildings and began renovating the languishing public housing project. Interestingly, 10 years earlier, one of the veterans occupying Ellen Wilson, Cecil Byrd, had proposed to Cornbread Givens' Commission on Cooperative Economic Development that it form a Housing Rehabilitation and Energy Training Cooperative for Vietnam Veterans.³⁵ Within six months, Mayor Sharon Pratt Kelly evicted the veterans from Ellen Wilson, which would allow for the privatization of this space (Naylor, 1992; Rosenbaum, 1992).³⁶

From all accounts, the Ellen Wilson redevelopment started out quite inclusively, although the veterans were not included. The main organizational groups—the Ellen Wilson Neighborhood Redevelopment Corporation (a Community Development Corporation [CDC]) and the Ellen Wilson Community Advisory Council—brought public housing residents from Ellen Wilson and from the neighboring Arthur Capper and Carrollsburg projects to the table with homeowners and business owners. Ellen Wilson residents enthusiastically supported the possibility of housing cooperatives because they might allow them to own their own housing, although they feared they would not be allowed to live in the new development. Church leaders and members understood the redevelopment of Ellen Wilson as a step toward social justice that would also improve the lives of individual Ellen Wilson residents (Blagburn, n.d.). These groups put together a plan to use federal HOPE VI funds for Ellen Wilson's redevelopment. While at least public housing residents had fears that the promises might not be realized, residents across Capitol Hill took part in the planning for a new Ellen Wilson housing development.

Once the plans were submitted to the US Department of Housing and Urban Development (HUD), however, the situation changed dramatically. As one newspaper article noted in 1995, "The size of the grant has increased as plans have changed. And the income levels are much, much higher than those of the people who used to live at Ellen Wilson or of D.C. public housing residents in general, which are generally below 12 percent of the median income" (Haggerty, 1995). Many homeowners and business owners rejected the redevelopment plan, sought to eradicate the cooperative housing plan, and pressed to reduce the number of units for low-income residents.³⁷ In the end, it is not clear that any former Ellen Wilson residents were allowed to return to the development.³⁸ According to Blagburn (n.d.), Ellen Wilson residents were displaced because, while they were organized, they were not connected to influential elites, who could make certain the plans were realized and the promises kept.

In this transitional period in DC, housing cooperatives were implemented in isolation from Givens' integrated community model and could be used to displace the poor. HUD had long supported limited-equity cooperatives. In 1985, a former HUD employee, Marilyn Melkonian, created the non-profit development firm

Telesis, which soon specialized in converting public housing to limited-equity cooperatives. In contrast to calls for cooperatives as a way to create real home rule, Telesis understood limited-equity cooperatives in a very specific sense. One journalist summarized the Telesis plan: "While there will be a 'homeowners' cooperative board' of residents, neighbors and public agency representatives, the on-site management company will dominate, choosing 'tenants' and enforcing so-called proper conduct."³⁹ A group calling themselves the "Coalition to Save Ellen Wilson," argued for a cooperative tenant council that would organize "housekeeping-type chores."⁴⁰ No one spoke about these cooperatives as part of the broader community model Cornbread Givens had envisioned. Cooperatives primarily functioned as a means to push through the demolition of Ellen Wilson and the displacement of its residents.

In contrast to public housing residents, the Capitol Hill business community could realize its neighborhood vision without public housing. The business community was organized and had connections to realize its interests. President George Bush's HUD secretary from 1989 to 1993, Jack Kemp, sought to realize his conservative libertarian views through his programs to sell public housing to its tenants and create so-called enterprise zones. In 1989, a neighbor of the Ellen Wilson project, Karl Zinsmeister, wrote a letter to Capitol Hill Restoration Society president:

I think a meeting with Kemp and assistants is probably the most important step for us (though I think we ought to meet with the DC people first). I've worked a lot in the Kemp wing of politics and I can tell you this project ought to ring all the right bells for him right now: private sector involvement in solving social problems, fostering tenant empowerment and demanding individual responsibility, using market-based solutions to minister to human needs, property privatization, etc. etc. This makes a lovely little test case on its merits, and being located so conveniently for presidential walk-throughs. We ought to start thinking about a strong meeting with Kemp soon. . . . We should also start thinking about economics soon. *My back-of-the-envelope tells me the Ellen Wilson site is worth maybe 15 million dollars.*⁴¹

A small group organized around the local National Capital Bank, the Capitol Hill Restoration Society, local real estate agents and businesses, as well as politically connected neighbors like Zinsmeister, to realize a neighborhood without the public housing residents. They used narrowly understood housing cooperatives to displace these residents.

Changes in city finances also helped this small group. With fiscal crises and reduced federal funds, cities even more desperately relied upon private investors to fund city projects. By the 1980s, unprecedented levels of foreign capital flowed into the US economy due to worldwide deregulation and removal of restraints on

the flow of credit, and due to high US interest rates, which lured these funds into the United States (Krippner, 2011). Then, the 1986 revision of the federal tax code introduced the Low-Income Housing Tax Credit (LIHTC). Soon, Wall Street investment houses invented tax-credit investment tools to draw thousands of affluent investors to finance low- and moderate-income housing, especially projects that would dismantle public housing and replace it with mixed-income housing (Gallagher, 1990; Komen, 1988). The availability of investment funds made the redevelopment of housing projects like Ellen Wilson imaginable to, and very lucrative for, organized local developers, real estate agents, banks, and investors.

In 1995, the Congress created the District of Columbia Financial Responsibility and Management Assistance Authority (the Control Board), which officially dismantled home rule from below. The Control Board was organized because "[a] combination of accumulated operating deficits, cash shortages, management inefficiencies, and deficit spending in the current fiscal year have created a fiscal emergency in the District of Columbia."⁴² The five-person Control Board could override decisions by the elected Mayor and the City Council and implement its own policies. The Control Board reorganized the District government and implemented significant budget cuts.

The Commission on Cooperative Economic Development had not regularly met since 1986. The Control Board abolished it in 1998 and thus officially ended the integration of Cornbread Givens' cooperative vision into the DC government. By this point, several cooperatives had already closed. In 1992, the Women's Community Bakery Collective on Capitol Hill shut its doors.⁴³ Many of the food cooperatives had closed. The DC Housing Authority went into a receivership, headed by David Gilmore. Gilmore had the sole right to transfer property and negotiate the terms without public hearings (Fehr, 1998). Gilmore closed the Arthur Capper public housing project, thus also shuttering the MLK food cooperative inside. Gilmore also removed the obstacles to the Ellen Wilson plan, maintaining the cooperatives in their limited form (Van Den Toorn, 1995). Through these and other strategies, DC political and economic elites turned democratic home rule from below into technocratic home rule from above.

Conclusions

Before formal home rule, DC residents sought to build autonomous spheres, gain control over life, and forge new resources in the District beyond formal government, what I call "home rule from below." As part of the common with its constitutive power, cooperatives were autonomous spaces outside private property and capital in which DC residents could realize and expand equality and democracy. According to Cornbread Givens' vision, adopted by the Barry administration, communities should develop integrated systems of different types

of cooperatives—producer cooperatives, consumer cooperatives, credit unions, low-income housing cooperatives, and so on—that might provide jobs, democratic control of life, equality, and community wealth. Givens understood the cooperative movement as particularly significant for African Americans and for poor residents of DC. DC residents struggled continually to maintain a broader sense of home rule than that imagined by many DC elites. With the economic and governmental crises of the 1970s and 1980s, however, home rule from below was undermined, replaced by limited forms of governmental rule, or limited home rule from above. In 1995, the DC Control Board removed vestiges of home rule from below within DC government, including using elements like housing cooperatives in isolation and in extremely limited form to realize this removal.

However, the cooperative movement continues today in Washington, DC. In 2012, a group of people interested in cooperatives put on a day-long conference on cooperatives with about 200 participants. The group maintains a Web site with a co-op directory, showing the wide range of cooperatives in DC today and announcing more cooperatives to come: <http://coopdc.org/>. It is not clear whether these cooperatives view themselves as part of a project of home rule from below, as part of broader community model like that of Cornbread Givens, or as part of the long history of cooperatives in DC. It is hoped that this chapter may provide a history to link today's cooperatives with a broader form of home rule from below.

Appendix I

Mayor's Commission on Cooperative Economic Development

Originating Agency: Office of the Mayor

- 1) These people will serve until June 1, 1983: Cornbread Givens, Emma C. Mimms, James D. Vitarello, Bruce Bryan, Ruth Jordan, Sylvia Correa, Caroline Cullen Ramsay, George Clarke.
- 2) These people will serve until June 1, 1982: G. Mujahid, A. Beyah, Stam Straughter, Hank Albarelli, George A. Didden, Carol Ann Phillips, Larry F. Weston, William Washburn III, Leo M. Bernstein.
- 3) These people will serve until June 1, 1981: Sterling Green, Gwendolyn King, Richard Tolliver, William J. Barrow III, Bettye J. Mobley-Washington, Toni D. Schmiegelow, Raymond H. Brown, Blenna A. Cunningham.
- 4) These people are government members and serve at the pleasure of the mayor: Julian C. Nicholas, Edward Meyers, Jack Werner, Herbert Simmons, Marie Nahikian.

Cornbread Givens is Chairperson and serves at the pleasure of the Mayor.
District of Columbia Register, Mayor's Order 80-260, October 22, 1980.

Notes

- 1 In 1973, Congress passed the Home Rule Act, which led to elections for mayor and city council in November 1974 and the swearing in of the new government in January 1975. The Home Rule Act also allowed for the election of advisory neighborhood commissioners. DC-based political scientist Michael Fauntroy has defined home rule as "a government status in which authority and responsibility for management of a unit of government (e.g., state, city, county, territorial) falls to that unit of government, subject to the parameters set by a superior unit of government" (2010, p. 23). Home rule thus assured DC some level of self-government. However, congressional intervention in DC government continues today, thus limiting home rule and leading Fauntroy (2003) to ask whether DC has home rule or house rule, rule by the US Congress.
- 2 As Jessica Gordon Nembhard has argued, "African Americans have used cooperative economic development as a strategy in the struggle for economic stability and independence" (2009, p. 186). For more extensive discussion of African American participation in the cooperative movement, see Gordon Nembhard (2014).
- 3 For the original 1844 Rochdale Principles, see *The Rochdale Principles*. The Rochdale Pioneers Museum. Accessed January 23, 2015, www.rochdalepioneersmuseum.coop/about-us/the-rochdale-principles/. For a more recent, official interpretation of these principles, see *Co-operative identity, values & principles*. International Cooperative Alliance. Accessed January 23, 2015, <http://ica.coop/en/whats-co-op/co-operative-identity-values-principles>.
- 4 Housing cooperatives often incorporated in Delaware. Michigan enacted the first cooperative law in 1886, followed by Wisconsin, Kansas, and Pennsylvania in 1887 (Chaddad & Cook, 2012, p. 177).
- 5 Arthur Capper differed significantly from the later, segregationist chairmen of the House and Senate DC committees. For example, Capper was the first president of the Topeka branch of the National Association for the Advancement of Colored People (NAACP) and on the national board of the NAACP for more than 30 years.
- 6 The Capper-Volstead Act of 1922 and of 1926 provided for cooperative marketing and producers' associations. These acts have been called "the Magna Carta of Cooperative Marketing" (Socolofsky, 1962, p. 151), which brings to mind Linebaugh's later view about the commons in his *The Magna Carta Manifesto: Liberties and Commons for All*.
- 7 Mr. Capper submitted the "Incorporation of Cooperative Associations in the District of Columbia," Senate Report No. 310, which accompanied S. 3066, on December 2, 1919 (US Congress, 1919).
- 8 The federal government's Emergency Relief Administration supported some cooperatives, which could exchange but not sell their goods (US Congress, 1940).
- 9 Library of Congress manuscripts, Nannie Helen Burroughs Papers, MSS57026, Box 52, Folder 2, "Administrative and Financial File, Cooperative Industries, Constitution, Articles of Incorporation, etc. . .," Division of Self-Help Cooperatives, Federal Emergency Relief Administration, "Manual of Rules and Policies Concerning Self-Help and Non-Profit Cooperatives Eligible to Federal Aid," Revised—Dec. 1934.
- 10 Nannie Helen Burroughs. 2001. *A Register of Her Papers in the Library of Congress*. Accessed January 23, 2015, http://lcweb2.loc.gov/service/mss/eadxmlmss/eadpd_fmss/2003/ms003010.pdf. For more details on these cooperatives, see Gordon Nembhard (2014).
- 11 Konsum had a second gas station in Mount Pleasant, but it soon went out of business.

- 12 The hearings began in April 1945 (US Congress, 1946).
- 13 Over several decades, Greenbelt, MD, had developed an extensive cooperative system that helped to form new cooperatives. For more information on Greenbelt cooperatives, see MacKean (2013).
- 14 "Food Co-Op" (1970) and GWU Special Collections, Friendship House Association Records, MS2142, Box 60, File 1, "Arthur Capper Consumers' Fed., 1969," "The Arthur Capper Consumer Federation: History and Developments," October 1969. Another MLK Food Cooperative existed on North Capitol Street, near the Central Post Office, maybe within Sursum Corda public housing (Green, 1972).
- 15 I have no information about any cooperative policies by the first mayor, Walter Washington.
- 16 Personal conversation with Jack Werner.
- 17 Library of Congress, Manuscript Room, Civil Rights during the Carter Administration, 1977–1981, Part: 1 Papers of the Special Assistant for Black Affairs, Section B, Microfilm: 23,401, Reel 17. Letter from Cornbread Givens of PPDF to Mr. Hamilton Jordan, White House Chief of Staff, August 17, 1979.
- 18 Ibid., Reel 11. "Statement of Capability," PPDF, February 12, 1980, p. 1.
- 19 PPDF worked with the Archer County Small Farmers Cooperative Association of Archer County, Florida; the New Communities Farm in Leesberg, Georgia, a land trust of more than 4,000 acres; the Eastern Georgia Small Farmers Cooperative Association in Waynesboro, Georgia; and the Sea Island Small Farmers Cooperative Association on John's Island, South Carolina. PPDF then helped set up a natural food store, The Urban Vegetable, in New York City. Ibid., "Statement of Capability," PPDF, February 12, 1980, p. 2.
- 20 Ibid., Reel 11. Workpaper on the National Task Force for Cooperative Economic Development, Prepared by Cornbread Givens, PPDF, 1328 NY Avenue, DC., March 5, 1980. The 1976 Democratic Party Platform stated, "We shall encourage consumer groups to establish and operate consumer cooperatives that will enable consumers to provide themselves marketplace alternatives and to provide a competitive spur to profit-oriented enterprises." "Democratic Party Platform of 1976," The American Presidency. Accessed January 23, 2015, www.presidency.ucsb.edu/ws/?pid=29606.
- 21 Library of Congress, Manuscript Room, Civil Rights during the Carter Administration, 1977–1981, Part: 1 Papers of the Special Assistant for Black Affairs, Section C, Microfilm: 23,472, Reel 17. File: Poor Peoples Development Foundation, Inc. [O/A 6493], Statement of Testimony by the Poor Peoples Development Foundation, Inc. and the Poor Peoples' Cooperative Bank Implementation Commission on the National Consumer Cooperative Bank before the Inter-Agency Task Force on the National Consumer Cooperative Bank Act, January 9, 10, 11. Presented by Mr. Cornbread Givens, Mr. Frank Shaffer Corona, Ms. Ennis Frances, Ms. Phyllis Brooks. February 9, 1979. Appendix.
- 22 In 1978, Congress passed a law to create the National Consumer Cooperative Bank, for which Givens had advocated and which exists today as the NCB.
- 23 Library of Congress, Manuscript Room, Civil Rights during the Carter Administration, 1977–1981, Part: 1 Papers of the Special Assistant for Black Affairs, Section B, Microfilm: 23,401, Reel 11. "Statement of Capability," PPDF, February 12, 1980, p. 3.
- 24 Ibid., Reel 11. PPDF newsletter, 1(1), March 1980.
- 25 An amended Mayor's Order (Appendix I) lists who was on the Commission, including Cornbread Givens.

- 26 DC Archives, DCA 08-010 [Committees], Box 2/7 Coops, File "Commission for Cooperative Econ Dev.," "Community Cooperative Economic Development, 'Blueprint for Action,'" 1981-1983.
- 27 DC Archives, DCA 08-010 [Committees], Box 2/7 Coops, File "Commission for Cooperative Econ Dev.," "Opening Statement of Cornbread Givens," Commission's Public Hearings, Establishing Community Owned Cooperatives in the District of Columbia, May 9, 1981.
- 28 DC Archives, DCA 08-010 [Committees], Box 2/7 Coops, File "Commission for Cooperative Econ Dev.," "Community Cooperative Economic Development, 'Blueprint for Action' 1981-1983," November 1981, pp. 8, 11, 17.
- 29 I have included two Maryland-based cooperatives because they were important participants in the broader DC cooperative movement.
- 30 The co-op accepted food stamps (Sugarman, 1986).
- 31 It is unclear whether a food cooperative existed within Sursum Corda. An MLK Food Cooperative was supposed to exist on North Capitol Street, near the Central Post Office (Green, 1972).
- 32 In 1983, the city passed an emergency bill to legalize housing cooperatives with non-Rochdale voting. The original DC Cooperative Association Act required one person, one vote, according to Rochdale Principles. The emergency act allowed proportional voting, rather than Rochdale voting. The 1983 DC Cooperative Housing Association Proportionate Voting Emergency Act permits proportional voting. November 1983, "Emergency action averts co-op housing voting crisis," p. 3.
- 33 For a list of DC cooperatives, see <http://coopdc.org/coop-directory/>.
- 34 In 1987, the National Capital Housing Authority (NCHA) was abolished. The DC Department of Public and Assisted Housing took over many of its activities and then was replaced by the DC Housing Authority (DCHA) in 1994.
- 35 DC Archives, Minutes of MCCED meeting, January 14, 1981 and March 19, 1981, as well as DC Archives, DCA 08-010 [Committees], Box 2/7 Coops, File "Commission for Cooperative Econ Dev.," "Community Cooperative Economic Development, 'Blueprint for Action' 1981-1983." In 1992, these veterans may have discussed creating a Cooperative Builders Yard, a cooperative that would train veterans in construction in Southeast DC. Personal conversation with Dominic Moulden.
- 36 In addition, personal conversation with Cecil Byrd.
- 37 For example, the Sousa Neighborhood Association and National Capital Bank's James Didden both rejected the proposals (Haggerty, 1995; Van Den Toorn, 1995).
- 38 "Although the original project planners intended to give priority to those who lived in the former Ellen Wilson dwellings, the Townhomes was not completed until more than a decade after Ellen Wilson was abandoned. By then, most former residents could not be located or had moved on. Invitations were then extended to people living in the nearby Arthur Capper project. However, Jones was one of the few Arthur Capper residents who was able to pass the Townhomes's screening process and save enough money for the initial down payment" (Schulberg, 2013).
- 39 Meeting with developer Marilyn Melkonian reported in Rice (1995).
- 40 "Statement of the Coalition to Save Ellen Wilson," probably attached to "Letter from Karl Zinsmeister to Jim, April 3, 1989" in footnote 41.
- 41 Emphasis inserted. GWU Special Collections, Capitol Hill Restoration Society, MS2009, Box 70, File 16, "Ellen Wilson Correspondence, 1989-1990," Pat Schauer. Letter from Karl Zinsmeister to Jim, April 3, 1989.

- 42 The Control Board's official name was the District of Columbia Financial Responsibility and Management Assistance Authority. For the entire text of the bill that created the Control Board: H.R. 1345, District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Enrolled as Agreed to or Passed by Both House and Senate), <http://thomas.loc.gov/cgi-bin/query/z?c104:h.r.1345.enr>.
- 43 According to Landman (1993), the main members closed it in 1992 because they wanted to try something else.

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