Alleged Barriers to Cooperative Operation/Development
By Tim Huet

Tim Huet compiled this list as a basis for discussion/debate; it should be understood that he does not personally endorse the alleged barriers listed below.

BARRIERS TO START-UP

1) Individual entrepreneurs can get going faster
2) Individual entrepreneurs are not, as a matter of personality type, cooperators
3) Individual entrepreneurs are motivated by profit and wish to maximize their own gain rather than share
4) Existing institutions of entrepreneurship (business schools, chambers of commerce, Entrepreneur magazine, etc.) are geared towards capitalist businesses
5) Laws are geared toward capitalist businesses
6) Financial institutions favor capitalist businesses

BARRIERS TO CONTINUATION OR COOPS IN GENERAL

1) Aging of and departure of founder generation
2) Increased market/stock value restricts entrance of new members, causes business to devolve into a “cooperative” owned only by a few of the earliest members
3) Racism, sexism and multiple oppressions play themselves out in particular ways that inhibit democratic operation
4) Slowness/expense of cooperative decision-making
5) Cooperatives less flexible/adaptable because of time required for decision-making
6) Cooperative decision-making leads to worse decisions
7) Democratic operation promotes, and fails due to, lack of worker discipline (lack of accountability)
8) Workers will bleed company financially rather than reinvest (won't invest in research, etc.)
9) Workers as a group tend to be conservative/risk adverse as opposed to entrepreneurial and opportunistic
10) Costly need to invest in the overall business education of cooperative members
11) Lack of experts (accounts, lawyers, etc) versed in cooperative principles
12) Lack of educational institutions (business schools) for cooperative management and development
13) Competition/selfishness, not cooperation, is human nature
14) U.S., and developed capitalist countries, are too individualistic for cooperatives to thrive
15) Costly need to re-educate workers brought up in competitive, individualistic culture (and perhaps against human nature)
16) Democratic organizations tend towards factionalization/fiefdoms
17) Less aggressive in meeting customer needs
18) Lack of knowledge/research regarding democratic management
19) Difficulty in recruiting/retaining good managers
20) Cooperatives operate below optimally efficient scale

**BARRIERS TO GROWTH**

1) Growth leads to occupational diversification and class divisions
2) Growth diminishes work-reward feedback loop
3) Potential growth opposed by workers as threatens feeling of community
4) Potential growth opposed by workers as threatening diminishment/dilution of democracy
5) Clannishness, unwillingness to compromise group autonomy for sake of cooperation among cooperatives
6) Potential growth opposed by some workers and customers due to antipathy against organizations that are large and/or “corporate”
7) Lack of cooperative financial incentive to grow, particularly relative to capitalist businesses
8) Growth creates alienation, animosity between line workers and management
9) Lack of access to investment capital
10) Difficulty of training/acculturating members during rapid growth
11) Worker cooperatives don’t let workers go when market discipline dictates; in consequence, cooperatives are also hesitant to hire as soon as they should