Jaime Becker
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Committee – Fred Block (chair), Ming-cheng Lo, and Thomas Beamish

Introduction for SCHA Readers:

Hi Y'all,

I've finally concluded this research toward my Ph.D. in Sociology and wanted to tell those of you I don't know a little about what follows.

A few years back, after living at Sunwise for 9 months, I set out (by being a community Board Member and by doing this research) to help SCHA figure out what the best solutions were to organizational problems, particularly financial and social problems that seemed to arise mostly from Homestead. I was not particularly successful at that goal, and now of course, the organization is selling HS.

I still think my findings could be useful if and when SCHA fulfills part of its mission to grow and spread low-income cooperative housing. In a nutshell, the organization cannot assume that residents share the same cultures or access to material resources. Rather the organization has to be able to be flexible in the face of evidence that its structure has culture (middle class) built into it that may not work for everyone. There has to be openness and flexibility built into the processes we use unless we want to restrict organizational housing to a homogeneous pool of Davis residents.

Anyway, if you have comments on the paper, please feel free to contact me at **jsbecker@ucdavis.edu****.**

Thanks,
Jaime

Solara: Hidden Class Assumptions in a Low-income Housing Cooperative

This paper explores causes for the partial organizational failure of a provider of low-income housing in Northern California, Solara[1]. Solara is a non-profit organization that is structured as a cooperative and oversees three low-income housing sites that also function cooperatively. The three housing coops have experienced varying levels of success both financially and socially. Coops 1 and 2 remain solvent financially and socially while the

organization's board of directors understands Coop 3 to have failed in both these areas to such an extent that it is currently negotiating Coop 3's sale with a local Community Development Corporation.

Given that Solara is a cooperative[2] organization, intended not only to house but also to educate, empower, and involve its low-income members, one would expect to find high levels of community participation and commitment. After all, Solara's members live in below market rate rental housing equipped with innovative environmental technologies and overseen by a non-hierarchical organization that encourages, indeed relies upon, member participation in its government. However, through 15 months of participant observation and in-depth interviews, I find instead that many residents of Coop 3 feel a strong sense of disempowerment and mistrust for the organization, and, on the other hand, that current and former board members as well as other residents of Coops 1 and 2 express high levels of frustration with Coop 3's ongoing problems. This research seeks to explain this paradox.

Scholars of cooperative housing cite macro-structural constraints as the most likely causes for the failure of coops to reach their potential. These constraints include a complex bureaucratic system of funding and administration, a lack of education for low-income cooperators and board members, and a lack of networks among cooperatives (see Gray 2000, Lang 2001, Lawson 1998, Sullivan 1969). While insufficient funding, training, and networking are evident in the case of Solara, I argue that a more pressing organizational problem is unexamined class-based diversity. Despite the fact that each of Solara's three constituent coops provides low-income housing, class-based diversity is evident among its residents and board members. Coops 1 and 2 generally attract residents who are temporarily low-income but show evidence of middle class culture and resources while Coop 3 residents are more likely to be in

poverty. An assumption of middle class cultural norms, values, rules, and resources of members are built into the structure of Solara itself.

Recent research on organizational diversity helps provide a framework for studying the micro-interactional and meso-level processes at work in organizations where the culture of members is not homogeneous. The processes of mediation and contradiction which occur when organizational members and organizational design draw on different sets of rules and resources have not been adequately studied. Culturally non-homogenous organizational forms provide a unique opportunity to examine organizational culture. In a diverse organization there is a clash in rules and resources, whereas in a homogeneous organization, culture is normative and thus remains hidden.

This research shows how class-based rules are different among the residents of Solara and are imbued within the organization's structure. Nicotera et al's (2003) theory of the diverse organization helps shed light on the importance of organizational culture-based structure and how it interacts, often negatively, with the culture of organizational members. Finally, Beamish's (2001) and Douglas' (2003) work on the importance of context in risk perception elucidates how persistent problems with Coop 3's physical structures and administration are perceived differently among organizational actors based on their class culture. This case of differing perceptions of risk illustrates Nicotera et al's (2003) concept of the communicative downward spiral[3] that results when organizations have unexamined interpenetrating contradictory structures.[4]

Understanding and solving Solara's organizational problems is important for both practical and theoretical reasons. The amount and quality of low income housing in the United States is currently in decline, even as demand increases. Direct federal subsidies to build low-

income units decreased significantly in the 1980s and has been replaced by a complex patchwork of funding that has not kept up with increasing demand (The Agora Group 1992, Eitzen and Eitzen Smith 2003, Pickman et al. 1986). Of those low-income units that are being built, fewer of them target those deepest in poverty (Pickman et al. 1986). As the number of jobs providing a living wage and funding for social welfare programs continue to decline, more Americans join the ranks of the unemployed, underemployed, and working poor, and demand for such housing will continue to increase. Community-led efforts like Solara will bear the burden of this increased demand and as such, it is increasingly important for them to be able to understand and resolve the issues explored in this research.

In terms of theory, this study illustrates that scholars advancing purely cultural arguments, while drawing attention to the important problem of unexamined organizational diversity and perceptions of risk, are not paying enough attention to the material resource disparities between the middle class and people in poverty. In contrast, this paper illustrates how diverse sets of rules *and resources*, when left unexamined, can result in persistent organizational problems or even failure.

I begin by describing Solara, its three constituent coops, and its trajectory of organizational growth. I then discuss the qualitative methodological approach that allowed me to discern both cultural and resource-based differences among members and embedded within the organization's structure. Following that are culturally based theoretical frameworks that help to elucidate causes for Solara's partial organizational failure but proved limited in their abilities to integrate the resource-based differences I find among Solara's members. I provide a synthesis of these frameworks that includes both culture and resources. The discussion portion of the paper uses empirical evidence to demonstrate the diversity in culture and material resources present

among low-income members. Finally, I make recommendations for Solara's future growth and for current and future providers of low-income housing.

The Case: Solara and its Three Coops

Solara is a 501(c)3 non-profit organization that both functions cooperatively and owns and manages low income cooperative housing in a fast growing university town in northern California. Solara runs cooperatively in that it is structured non-hierarchically and depends almost solely on the voluntary labor of residents, including proportional representation of residents from each coop on its board of directors. There are an additional two to four directors from the community and a part-time, paid administrative coordinator. All organizational decisions by the board are made using consensus process. Each housing site also functions as a cooperative using non-hierarchical, voluntary labor by residents to run their households. Households meet about twice per month and also use consensus process in decision-making.

The organization is currently managing three low-income housing sites. Residents of these houses are people whose income is low or very low according to federal and state government calculations based on area mean income. Residents elect the majority of directors who "guide the organization socially, physically, and financially. Duties of the [board of directors] include fulfilling necessary organizational business requirements, providing long-term organizational vision, preparation of the annual operating budget, and other activities as specified in the [Solara] Bylaws" (Management Plan 2004). According to Solara's bylaws (Appendix 1) the objectives and purposes of the organization are primarily to provide housing for low-income people and to promote and educate the community about environmental sustainability and cooperation. The primary way in which the organization fulfills its bylaws commitments is to operate and expand low-income housing cooperatives (Management Plan 2004).

Coop 1

Coop 1 was built by students, many of whom were leaders in student government, at the local university in the late 1970s. Solara was able to build Coop 1 in one of the country's first intentional communities because of a local government policy requiring developers to provide some low income housing in all new developments. Construction was completed and eight people in residence by 1979. The building is utilitarian in design: its 2,800 square feet spread over two stories and include eight bedrooms and a communal living room and kitchen. Residents share home cooked meals four nights per week as well as responsibility for cleaning and basic maintenance chores. Rents at Coop 1 are currently about $250 per month, not including utilities or board. Rents are adjusted each year by the residents, reflecting changes in the Consumer Price Index for residential rents as well as budgeted expenditures for the year.

The house is equipped with passive solar architectural design elements for heating and cooling and has two large garden plots and many fruit and nut bearing trees, all of which help make it nearly self-sufficient. One former resident, Maya, a young international student from India, feels the house could serve as a model for self-sufficient, environmentally sound, communal living. Indeed, the house is often visited by travelers hoping to replicate its architectural and social design.

Coop 1 tends to attract slightly older residents, graduate students, teachers, workers in non-profit organizations, and single parents whose children do not live with them. They strive for a balance among students and non-students, women and men, younger and older, and residents express interest in achieving more ethnic and racial diversity. While resident turnover certainly occurs, Coop 1 does not have a problem filling empty rooms. Additionally, problems with the physical plant have been minimal.

Coop 2

Because Coop 1 was built with volunteer labor on donated land, it was accomplished very cheaply. Within seven years the bank financing had been paid down sufficiently to get another loan for expansion, in line with the organization's mission. In 1985, Solara purchased the town's former Art Center and borrowed money to rehabilitate it, raising the back roof, and adding bedrooms. Solara members took residence in Coop 2 in the summer of 1986.

The former Art Center is a beautiful Victorian with a large welcoming front porch. This 1920s building has about 2,400 square feet of living space plus a basement. It houses between eight and ten residents. Rents vary based on room size and number of occupants within a range of about $250 to $350 per month. It operates very similarly to Coop 1 with shared resident-cooked meals four nights per week, shared household chores, and consensus based decision making at bi-monthly house meetings. Coop 2 tends to attract somewhat younger residents than Coop 1, many of them undergraduates, and has a reputation as a party house. Because of the age of the house, Coop 2 does not incorporate many innovative technologies and has had some problems with its roof, foundation, and hot water heater. Solara has been able to budget and pay for necessary repairs through its operating reserve funds. Resident turnover is slightly higher than for Coop 1 but has not meant a loss of rental income for the organization.

Coop 3

Although Solara started Coop 2 first, John, a former resident of both Coops 1 and 2 and one of the developers of Coop 3, recalls that when he lived in Coop 1 in the early 1980s, they were already talking about doing low-income housing that would accommodate people with children. Steve, a ten year community member of Solara's board of directors and Manager of the

local food coop, remembers the corresponding priority shift for Solara that resulted in the formation of Coop 3 when the board:

> came to the conclusion that it was a right time for [Solara] to pursue expansion and that targeting single parent households was a really unmet need in the affordable housing category and you know, that it should be an organizational priority.

Solara secured a loan for $700,000 through HOME (Home Investment Partnership Program) which operates through funds allocated to State and local governments by HUD (U.S. Department of Housing and Urban Development). A developer donated one square acre of land for Coop 3. Solara found an architect who Steve recalls "offered to do it below cheap." Two houses (one built in the 1920s and the other in the '30s) slated for demolition were reclaimed and moved to the site. The organization recycled the houses, according to Steve and John, to save building materials from the landfill and to include architectural details like a fireplace and inlaid wood flooring that are not often included in affordable housing.

When asked about planning and design for the Coop 3 site, Steve clearly felt pride in the process the organization went through and in the final product, what he calls "a passel of farm buildings." What was also clear was the fact that he thought the organization was in somewhat over its head. As the board president, Steve recalls:

> I had a certain amount of input in terms of site design and house design, but it's not what I do. I never particularly wanted to be an architect, I never particularly wanted to be an affordable housing specialist, never particularly had an interest in doing any of these things…

The planning process included talking to local single parents in order to design a site that would be practical for parents and children as well as including low environmental impact and community building elements. Steve was again quick to point out that such elements are rarely built into low income housing.

Solara members occupied Coop 3 in 1996. Residents share kitchen and common areas, suites have sleeping areas and their own bathrooms. Rents vary from $329 a month for a one bedroom suite up to $462 for a three bedroom. They remodeled the two reclaimed houses and built three in addition. The new buildings are of rammed earth materials and incorporate passive solar elements and one includes an active solar heating and cooling roof pond system. There have been a number of problems with the physical plant of Coop 3. Tiles in one of the reclaimed houses contain low levels of lead. In the rammed earth buildings structural problems have caused cracking and crumbling. The roof pond system has leaked repeatedly since it was installed and the organization has had ongoing problems having it repaired by the innovative technology group that designed and built it. Persistent leaks have likely caused the mold problem reported by residents of that house.

Because Coop 3 comprises more than a single household and because of government funding stipulations, there are a lot of differences in the way the community functions compared to Coops 1 and 2. There are many more people in residence, quite a few of them small children. This can make it difficult to coordinate meetings and have successful consensus process. Coop 3 members are responsible for chores to maintain both their individual houses as well as the community. The same doubling of work occurs when creating and amending policies both for individual houses and for the community. Finally, there is the imposition of HOME program guidelines which constrains the community's ability to choose residents, budget and spend money, and make policy. Many of the residents that I interviewed reported sporadic or no house meetings, problems getting residents to do their house and/or community chores, low turnout at Coop 3 community meetings, and sporadic and poorly attended community dinners.

Perhaps because of these differences and the resulting difficulty in forming an ongoing cohesive community; and because of the precarious nature of living in poverty, turnover at Coop 3 is much higher than for the other two. Coop 3 has rarely been fully occupied, Solara administrators have experienced ongoing difficulties in collecting rent in a timely fashion, Solara has had trouble keeping administrative personnel, and the Coop 3 community has continually borrowed money from the operating reserves of Coops 1 and 2 in order to make emergency repairs or simply to cover operating expenses. At present, Solara no longer has funds to lend to Coop 3 and the board has decided it cannot solve the financial and social problems it sees as ongoing since Coop 3 was formed. Solara is now in negotiation with another local organization to sell Coop 3's houses and land.

Methodology

I first became aware of Solara's problems as a nine month resident of Coop 1. After moving out, I wanted to help address the problems I had been hearing about by becoming a community board member. I undertook 15 months of participant observation at board and household meetings, conducted 12 interviews with former and current residents and board members, analyzed organizational documents, and documents from the HOME program (the major funder and government administrator for Coop 3). In addition, I spent some time volunteering in the administrative office filing paperwork and observing daily operations.

I took a qualitative approach to this research because both class and culture are complex concepts which are difficult to define, let alone measure. They permeate people's lives and the organizations they are part of and cannot be reduced to quantitative variables. Successful analysis of this diverse organization was dependent on being able to assess the differing norms and values, the rules and resources available to residents and others affiliated with the

organization. I was able to make these assessments because of my close and long term involvement with the organization.

I conducted a total of twelve semi-structured interviews with a sample of residents of each coop as well as one founding member and one ten year community board member. Six of the residents were also current or past members of the board of directors. Interviews lasted between one and two hours. Questions are intended to reveal both personal and community-wide culture and values; understandings of what a housing cooperative is, could, or should be; levels of awareness of each coop's place in the larger organization; changes perceived in the coops while in residence; important differences perceived among the three coops; and goals for each coop and for Solara. On a more practical level, I also try to uncover the processes each coop employs to attract and choose new residents, orient them to house requirements and culture, encourage and ensure active resident participation, and handle both routine administration and conflicts that arise.

Participant observation at board, house (Coops 1 and 2), and community (Coop 3) meetings provided invaluable insights into communication problems within and among the coops. These meetings revealed a downward spiral of communication leading to feelings of frustration, disempowerment, and despair, particularly board meetings and Coop 3's community meetings. I was introduced to the problems that I would later observe at the meetings through informal conversations with housemates at Coop 1. Analysis of past meeting minutes confirmed that the problems I was now seeing and talking about with residents and board members had been ongoing. Analyzing organizational documents, including their bylaws, Mission Statement, budget documents, and meeting minutes help me discern the middle class cultural and resource expectations built into the structure of Solara. HOME program documents reveal the

bureaucratic requirements that constrain Coop 3 and its residents. I argue that these administrative constraints coupled with (and a partial cause of) the class-based differences among Solara members and the organization itself produced a downward spiral of communication resulting in partial organizational failure.

Toward a Comprehensive Theory of Class and Culture

There is a significant body of research about the kind of impact cooperative living can have on both residents and the societies in which they live (see Birchall 1988, Chekki 1982, Cohen and Arkin, 1993, Lawson 1998, Saegert 1999). These possibilities run the gamut from simply providing stable housing for those who otherwise could not afford it; to quieting civil unrest; to empowering low-income people; to building democracy and community; to socialist revolution. The reality of cooperative housing in the United States often falls short of these expectations.

In the current political, fiscal, and bureaucratic environment, it is difficult for coops in the United States to start up and survive, let alone foment revolution. Empirical research from the 1960s, when cooperative housing began in the United States, and more current works identify a complex bureaucratic system of funding and administration, lack of education for low-income cooperators and board members, and a lack of networks among cooperatives as the most likely causes for the failure of coops to reach their potential (see Gray 2000, Lang 2001, Lawson 1998, Sullivan 1969). These macrostructural problems present real barriers to the success of cooperative housing projects in the United States and are important stumbling blocks for Solara. However, with the exception of Heskin and Leavitt's (1995) research on mixed income cooperative housing in Canada, research on coops has failed to examine the issues that arise from class-based diversity. Heskin and Leavitt (1995) find "that homogenous communities are

preferable because shared backgrounds and lifestyles minimize conflict among residents. Low-income people in this view may have difficulties being socially integrated into mixed-income projects" (188). In the current research, I find Solara's most pressing problem to be unexamined class-based diversity.

Sociological research on class and culture must tread a thin line between rigorously analyzing class-based differences and reproducing Daniel Moynihan's (1965) culture of poverty thesis. This thesis detailed a "tangle of pathology" affecting Black communities and attributed it to women-headed, single parent families. Moynihan's report for the U.S. Department of Labor blamed poor people's supposedly matriarchal culture for perpetuating poverty. Criticism of Moynihan's thesis has meant that more recent sociological research on poverty tends to avoid discussions of culture. Research on class and culture is taking place in other academic disciplines, such as Education and Communications. Payne's (2003) research in schools and (less so) the workplace attempts to avoid blaming people in poverty for their culture by describing cultural differences based on class and then promoting organizational policy and classroom practice that simultaneously affirms the culture of those in poverty while teaching the rules and skills necessary for them to succeed in middle class institutions. The current research uses Payne's model to identify cultural differences based in class among Solara's members and embedded in the organizational structure.

There is a clear connection between Payne's (2003) conception of the hidden rules of class and Nicotera et al's (2003) understanding of culture as rules and resources commonly available to a group. However, Nicotera et al (2003) extend Payne's understanding of culture to include "resources" in their theory of the diverse organization. This theory calls attention to understudied organizational problems and processes occurring in culturally heterogeneous

organizations. Their research identifies the importance of differences between the culture of an organization and the culture of the individuals who make up the organization.

Nicotera et al (2003) assert that most organizations (and those who study them) in the United States assume a Eurocentric cultural model, virtually ignoring other possible models and the fact that this dominant model may clash with the culture of organizational members. The power of organizational culture functions invisibly much like race does for most of the white population, gender does for most men, and positivism does for the scientific paradigm. The culture of organizations remains normative and therefore hidden. In pointing out that organizational structure itself is imbued with culture, the theory of the diverse organization takes the first step in solving the problems that unexamined diversity causes.

Empirical research by Nicotera et al (2003) focuses on two diverse organizations, one a human services organization and the other an elementary school, with predominantly African-Americans working in organizations with Eurocentric structures. Eurocentric structures are based on particular cultural rules and resources and result in particular kinds of social practice within organizations. One example Nicotera et al (2003) use to illustrate Eurocentric structure is the rule/resource of *competition* which provides rewards for individual high achievers (12). Alternatively, a rule/resource of African-American structure is *shared responsibility* which in practice promotes group tasks and cohesive teamwork (Nicotera et al 2003: 70). When the members' cultural structure and the organizations' cultural structure differ, they call the organization "diverse" and persuasively argue that it is only when such a cultural mismatch exists that the interplay between individuals' culture and the culture of the organizations to which they belong become visible. This visibility makes it possible to study the implications of both individual and organizational culture for organizational communication and function.

However, as the above example of *competition* versus *cohesion* illustrates, the theory of the diverse organization is much more concerned with rules than resources. The authors address a host of values and norms which they call rules, but never address the concrete differences in material resources brought to the table in the diverse organization. This research applies Nicotera et al's (2003) important contribution to a diverse organization, but also extends the analysis to include material resource diversity.

Unexamined organizational diversity causes a host of problems, most related to communication. Nicotera et al (2003) call the resulting problems the communicative downward spiral[5]. Communication problems are likely to occur in the diverse organization because of the lack of shared rules and resources and, once they do occur, mundane conflicts fold into a cycle to create intractable organizational downward communicative spirals (Nicotera et al 2003: 165). Significantly, this spiral often happens despite organizational actors' deep commitment to the organization (Nicotera et al 2003: 173).

A prime example of the downward spiral at Solara relates to differing perceptions of risk which arise most often in relation to problems with the physical plant, but also in the process of choosing new residents at Coop 3, and the work of the administrative coordinator. Using theories of risk perception advanced by Beamish (2001) and Douglas (2003) I understand residents of Coop 3 to "overestimate" risks for a number of reasons including their lower incomes; the involuntary nature of their risk taking; feelings of exploitation, vulnerability, and helplessness; and a lack of institutional trust. They feel a marked inability to control the state of their living space. Other Solara members, coming from a more privileged class position, "underestimate" the risks involved with these physical plant and other problems because they feel in control of the situation and have trust in the organization and other authorities involved in remedying problems

that arise. This disparity in risk perception, stemming from the diverse class cultures of the organization, results in the downward spiral of communication predicted by Nicotera et al (2003).

Douglas (2003) reports that “the threshold of risk acceptability in the workplace is lowered when the workers consider themselves exploited, and that awareness of medical risks is heightened if the medical profession is suspected of malpractice” (5-6). That is to say, attitudes about risk are political, very much related to perceptions of power, control, and intent. However, what is missing in risk perception analysis is people’s actual or perceived capabilities to solve the problems that they face. Coop 3 residents report that they often lack the skills necessary to solve the ongoing problems in their homes and community. They also do not have a clear understanding of where or how to get organizational help to solve them.

I find Payne’s (2003) conception of the hidden rules of class to be very useful in discerning class-based cultural differences among the three housing coops and others involved with Solara. Nicotera et al’s (2003) theory of the diverse organization goes beyond identifying class-based cultural differences to predict and describe the organizational problems that arise from this example of unexamined class-based diversity. Finally, theories of risk perception help to elucidate a primary site for the downward communication spiral Solara’s members experience. I synthesize these varied theoretical frameworks as well as bring material resources into the framework shown in Table 1.

Payne (2003) identifies fourteen “hidden rules among classes” and distributes characteristics across three classes; poverty, middle class, and wealth. I adapt this approach, reducing the class comparisons to poverty and middle class. I retain the class characteristics that

I find most salient and that I am able to “measure” qualitatively as well as add salient features from my data, the theory of the diverse organization, and theories of risk perception.

Table 1: The Hidden Rules and Resources of Class:

Hidden Rules/Resources	Poverty	Middle Class
Move-in Reason	Low rent	Political, social, lifestyle choice
Social emphasis	Human relational orientation	Self-governance and self-sufficiency
Time	Present most important. Decisions based on survival	Future most important. Decisions based on future ramifications
Language	Casual register. About survival	Formal register. About negotiation
Discourse	Indirect, non-linear	Direct, linear
Driving Force	Survival, relationships, entertainment	Work, achievement
Feelings of power and control	Absent	Present
Attitude toward institutions	Mistrust	Trust
Perceptions of risk	Overestimate	Underestimate

Source: (Adapted from Payne 2003: 59)

data
Payne (2003) and data
Beamish (2003), Douglas (2001), Payne (2003), and data
Beamish (2003), Douglas (2001), and data

While Payne (2003), Nicotera et al (2003), Douglas (2001), and Beamish (2003) provide important insights into the differences in norms, values, rules, and perceptions among different groups, none adequately explores important differences in the material resources available to them. The following discussion shows both how cultural and resources aspects of class prove to be important in Solara's partial organizational failure, as well as demonstrating the process through which failure occurs.

Discussion

Research shows that people of different classes evidence a different orientation toward time, language, worldview, social emphases, their human destiny, and the driving forces in their lives, among other things (Brooks-Gunn et al 1997, MacLeod 1987, Payne 2003). Income is an

important, but not the only, component in determining class. While all three sites comprising the Solara cooperative are low-income housing, residents of Coop 3 are required by federal regulation (because of HOME program funding) to have significantly lower incomes and pay higher rents than those of the other two, where residents set income requirements and rents. Income disparities are compounded by the fact that a varying but always large proportion of residents of Coop 3 are single parents, whose limited incomes must also support their children. Finally, the vast majority of these single parents are women who, along with their children, make up the largest proportion of people in poverty (Eitzen and Eitzen Smith 2003, Wasylishyn and Johnson 1998). It is not possible to neatly draw divisions in residents' class cultures, especially because the concept of class itself is not absolute but comprises a continuum. However, I make the case that there is class-based diversity in this organization. The first example of how important resource differences among organizational members is clear in their responses to interview questions about why they chose to move into Solara cooperative housing.

Low Rent or Lifestyle Choice?

Residents of Coop 3 repeatedly told me that they had moved there primarily because of the below market rate rent. Most of them did not specifically seek out cooperative housing but were simply happy to find housing they could afford in this increasingly expensive region of Northern California. One resident of Coop 3, Esperanza, a young, part-time student, was hoping to live in a one-bedroom apartment but soon realized that the market rate for a one-bedroom (about $700 at the time) was far beyond her means, so she applied to live in Solara's Coop 3. Another resident, Carrie, a young mother of two with another on the way, was attracted not only by the affordable rent but also by the fact that Coop 3 was intended for single parents:

> [W]hen I was in Indiana, my son was a year and a half at the time when I was looking into moving out here, and I found out it's incredibly expensive to live in

> [town], and I learned that there was this thing called a coop that was designed for single parents…the idea was to help low-income single parents, and I thought, that's just about perfect - I'm a low-income single parent!

The residents I interviewed from Coop 3 ultimately became interested, albeit to differing degrees, in learning about and participating in their own coop and in Solara. But they also report a marked disinterest in household and organizational participation from many *other* Coop 3 residents. What initially drew these Coop 3 residents was not an interest in cooperative living but rather the need for low-income housing for themselves and, in the case of parents, for their children. Research on mixed income cooperative housing in Canada yielded similar findings, with researchers reporting that "some subsidized people had 'Welfare-attitude.' [Meaning] they contributed little to the coop and expected little in return, including little influence, except affordable housing." (Heskin and Leavitt 1995: 201)

Strikingly, not one resident of the other two coops cite affordable rent as the reason that they moved into Solara. They characterize their choice to live in a coop in social and political, rather than economic, ways. They talk about their ability to build alternative community in a culture that values individualism and the nuclear family. They speak of the "do-it-yourself" ethic that pervades Solara as a counter to profit-driven consumer culture. Many of them are invested in the environmentalist mission of the organization. On the whole, they seem to value cooperative living as a lifestyle choice, well summarized by Phineas, a (now former) graduate student in Community Development and resident of Coop 1:

> I think [Coop 1] is making a political statement in the way the rules that are set up around the house and the way that we live our lives, to live a more environmentally conscious lifestyle. [I]n the US, it seems like the coop movement has been tied into politics, you know, a feminist household or a gay household or a vegetarian household, you know? You're looking for other people in a certain community who you want to live with because you can feel comfortable to express yourself in a way that you might not be able to outside of that community. And it's easier to deal with certain day to day issues.

Phineas speaks not only to the political mission of the "cooperative movement" but to the cultural congruence within the house that allows him to feel comfortable and have the ability to communicate well with socially and politically like-minded people.

In my interview with John, a founding resident of both Coops 1 and 2 and one of the organizational architects of Coop 3, he indicated some understanding of the divergence among residents of the three coops and the possible ramifications, especially for Coop 3:

> The other complication is that people come [to Coop 3] and they're desperate for affordable housing and they'll say "oh, yea, I can get along with that" because they need somewhere that costs $350 a month to live and there's a shortage of it. And so they'll get in and then they'll start…you'll realize that they're not really into it but then you can't kick them out because - they're gonna be homeless with a kid? Whereas if you kick someone out here [Coop 1], they'll solve their problem somehow.

While John recognizes the economic differences between residents of Coop 3 and those in Coops 1 and 2, he admits that there are no organizational remedies in place to deal with the problems that arise when people in need of affordable housing move into Coop 3 and are then unable or unwilling to fully participate in the "cooperative lifestyle." Looking at the organizational archives and learning about two of Solara's founders made me realize that the differences between the class cultures (and material resources available to members) of Coops 1 and 2 versus Coop 3 extends to the culture of the organization itself.

John, a confident man approaching middle age, was part of the second wave of Coop 1 residents and lived there until his son's mother (also a former resident of Coop 1) "got, you know, the nesting instinct to go live in her own apartment," so they moved to a market rate apartment. A few years later, John helped found Coop 2 and lived there with his son until the "fall of '87 when [he] had an opportunity to buy a house so [he] did." For John, it seems as if cooperative living is much more a lifestyle rather than an economic choice. When personal needs

superseded that of living in community, John was able to move into a market rate apartment and later to buy his own home. Similarly, John reports that another founder of Solara, someone who also continues to develop low-income housing cooperatives in town, lives in a privately owned home:

> [It's] kind of an ironic thing that he and his wife don't live in a coop. And I don't either. You get used to your house and start doing things to it and before you know it, you can't move. You know, we both should be living in a co-housing project somewhere.

The fact that these two founders have always had a choice about where and how to live is an indicator of the middle-class culture embedded in the structure of the Solara organization. Making the lifestyle choice to live in a cooperative housing situation, a choice echoed by all of the interviewees from Coops 1 and 2, stands in contradiction to the resource-based choices made by the residents of Coop 3.

There seems to be a tacit understanding among those involved with the Solara organization that there is an underlying difference between residents of Coops 1 and 2 and residents of Coop 3. It is alluded to but is rarely, if ever, directly addressed as class difference. One (now former) resident of Coop 3, Lena, came closest during an interview:

> Well, I think, I think us being geared towards low income, single parents really like, kind of… it just … it allows like a different, not class, but a different sub-, sub-group of people to be attracted to this place, and they're not caring about the community, they're, need a place for them and their kid to live, and that's their goal. That's their primary, their primary…priority.

Lena, a young bespectacled non-parent, not only points to a class cultural difference but recognizes that having a place to live, a primary resource for survival is a top priority for residents of Coop 3. Being in poverty and therefore having a survival-based orientation has

serious ramifications for residents of Coop 3 as they negotiate their relationships within the divergent culture of the Solara organization.

Hidden Class Assumptions in Solara's Organizational Structure

Class-based cultural differences (Table 1) hinge on the fact that people in poverty are, of necessity, primarily oriented toward survival. People from middle class culture, for whom securing immediate requirements is less pressing, tend to be oriented more toward the future, choice, and achievement (beyond survival). The Roles and Responsibilities (see appendix) of Solara demonstrate that middle class rules and resources structure this organization, like most others. The organization relies on certain characteristics for residents and especially board members including: a future orientation and broad worldview; self-governance and complex negotiation through consensus; and requires the availability of time and skills, as well as recognition of the value of organizational work and achievement.

Payne's (2003) research focuses on diverse organizations operating from middle class norms and using the hidden rules of that class. Based on that research, Payne (2003) asserts that individuals bring with them the "hidden rules" of class in which they were raised. These hidden rules include patterns of thought, social interaction, and cognitive strategies. Divergent rules and resources mean that children and adults who do not come from a middle class background are not able to participate within these institutions on equal footing with those who do, nor do they achieve the same levels of success.

In the current research there is evidence of very similar processes and problems occurring among Solara's three coops. Given that the cooperative housing movement in the United States grew out of middle-class counterculture ideology, and that the founders of Solara were students of the local university, it is not surprising that the organizational culture would be middle class.

The culture of the organization remained hidden as long as it was unproblematic. But it became problematic when Solara set out to provide low income housing for a new population, compounded by their use of funding from a state agency with its own requirements and bureaucratic culture. Launching Coop 3 meant the end of relative cultural congruence. The next section will demonstrate how class-based cultural and resource divergence between Coop 3 and Solara produces friction within the organization.

Social Emphasis

The primary way in which the characteristic of social emphasis on relationships rather than self-governance and self-sufficiency plays out in Coop 3 is the evident tension between residents' ability to spend time and energy on family versus on the community. Rei, a (now former) resident of Coop 3 who is not a parent spoke directly to this issue:

> …you have a majority of single parents who are kind of caught in the space between the life they have to be living, to make sure they make their ends meet and that their kids get where they need to be, and then community. And they kind of have to do a balancing act between their family and the community. And it doesn't always work.

While Rei's comments indicate Coop 3's social emphasis on people, it is obvious that resources are a central issue as well. When asked to describe the interview process at Coop 3, Carrie, the pregnant young parent of two, makes it clear that children are the number one community priority rather than participating in workdays and community meetings, or growing their own food:

> I make sure that in every interview I mention this and kind of grill it in that this is a family atmosphere here…that this is where I raise my children. It is truly a family atmosphere and how does the applicant feel about that? And so we get a good feel about how kid friendly they are and how willing they are to kind of adapt to that lifestyle, especially if they are a non-parent and aren't used to that. And um, we also touch on the environmental aspects, how we strive to compost and recycle and all that stuff.

Carrie's primary responsibility is to her children and she relates that she often felt that her and other parents' priorities were not in line with what the organization expects of its members. Carrie's brief mention of the "environmental aspects" of the community is an afterthought, reinforcing the disconnect between the human relational orientation of Coop 3 residents and the organizational culture of Solara which values self-sufficiency and self-governance.

Later in the interview Carrie discloses how difficult it can be for parents in Coop 3 to live up to the requirements of living there, citing time as an important resource single parents lack:

> …parents have priorities and their number one priority *should be* their children. You find a lot of things [community and board meetings] happen at 8 o'clock, 8:30, 9 o'clock at night, and you're trying to bed your kids down and trying to feed them, and I think it's hard. It's hard for parents to put in what this place needs.

When asked about the most important differences among the three coops, Carrie returns to the topic of the difficulties involved in trying to live up to organizational expectations:

> I hear [Coop 1] is pretty close to being self-sufficient with their garden and their chickens and energy-wise and all that stuff and we are not even close to that. We've got working parents here who can't put in the time they would like. I remember a comment somebody made here, something like "the other two coops sit around discussing the color of the Pope's poop while we'd be having to go 'okay don't be eating that paint, and put the chalk down, and quit drawing on your brother.'" We're here trying to function with children and the other two coops don't have to deal with that.

Carrie's perception of the diversity between her and others' situations in Coop 3 and the other two coops is strongly supported by Maya's (Coop 1) response to my questions about what she values most about Solara:

> I really like the fact that there is this feeling of self-sufficiency. There's self-sufficiency in terms of things like the gardens but there's also self-governance in place. There's this feeling that we're responsible for the coop, for its survival. And it's part of consensus process too, discussing stuff that's going to be good for

> us. And so I think that's one of the best things is the fact that it's so very autonomous.

Looking at the organizations "Roles and Responsibilities for [Solara] members," it becomes clear that self-governance and self-sufficiency are indeed of utmost importance. Self-governance for each coop is directly addressed as a valued goal, "work towards self governance in each co-op" and also indirectly by indicating that members must "attend all community meetings (minimum of two per month), or send a proxy vote for missed meetings." Self-sufficiency is similarly promoted directly in terms of "maintaining the grounds and buildings by members and supporters of the community whenever possible," and indirectly through exhortations to "reuse, repair, and share" tools and materials, "contributing a minimum of 5 hours of chore time per month," and "keep living spaces and yard clean and maintained." These "do-it-ourselves" values and expectations are taken very seriously by the organization both because of financial necessity and the middle class norms and values of many members and founders.

The fact that organizational values and expectations are not necessarily appropriate for many Coop 3 residents is acknowledged by Steve, a friendly middle aged former Solara community board member for ten years:

> I want to be very, very careful about not slandering single parents, not stereotyping [Coop 3] residents, although not all of them are single parents, but the match hasn't worked out as well as it could have, and as we hoped. These are people who do have significant other responsibilities: work, family. That doesn't mean that they can't be part of the community, that doesn't mean they can't run a community, but I think that to expect them to run a community that is as self-managed as [Coop 1 or 2] is a fundamental error.

When I asked if Steve whether, during his tenure on the board, there had been any attempt to adjust the structure of Coop 3 to better match the resources and culture of its residents he says:

> No, there really wasn't an attempt to… I think that… people were too busy umm… patching and bailing… you know bailing the water out of the boat and

> trying to fix the hole to see that this was the wrong kind of vessel that's pulling up on shore and adding a taller mast or some pontoons or something like that… I think that it's almost impossible for the people who are involved to do a radical reconceptualizing.

Although Steve clearly has some understanding of the structural mismatch between the organization and many residents of Coop 3, neither he nor others in the organization were able to make adjustments that could have allowed Coop 3 members to meet organizational expectations.

Time

Payne (2003) finds that people in poverty have a different relationship to time than those in the middle class. Being in poverty means putting basic survival needs first which leads to a greater emphasis on the present. For people in the middle class, the future is the most important and decisions made in the present are based on their future ramifications (Payne 2003). The present-based orientation of many Coop 3 residents becomes problematic as it interacts with the future-based orientation of the organization. Solara's existence is based, at least in part, on a dedication to future organizational growth. It is an important part of Solara's mission to spread environmentally sound, low-income housing through organizational expansion. As a primarily volunteer run organization, Solara also depends on the consistent, long-term commitment of the time, energy, and skills of its members to keep it running.

Paradoxically, while the organization is oriented toward the future, residence at Solara is limited to six years. While this is more than the average length of occupancy for college students, people in poverty have few options with so little low-income housing available in the area. Rei, a passionate young man who used live at Coop 3, perceives the mismatch between the needs of people in poverty and Solara's guidelines:

> There's a lot more young, progressive students in [Coop 1 and 2] and a lot more struggling poor families in [Coop 3]. People who are struggling to pay rent in

> low-income housing. You know, struggling and then expected to leave in six years, when they haven't saved up any money. If you're pushing people out you're not giving time for them to lay down roots and get themselves together. Like I know that some of these people come from battered homes and they need time to sit and heal before they try to venture out. On the other hand, you have a lot of people who are passing through, and don't really feel like they need to commit to community.

The problem of organizational diversity is clear in this instance. While the six year cap is a Solara guideline, it may in fact not be legally applied to Coop 3 because of HOME program guidelines. When I asked Solara's administrative coordinator whether the six year guideline was enforced, there was no clear answer. What is clear from Rei's comments, however, is that the specter of having to leave in six years feels threatening to Coop 3 residents. Rei also raises the point that some residents of Coop 3 cannot seem to make a long-term commitment to the organization. Payne's (2003) framework would suggest that this is because of their present time orientation, but I argue that it is also important to recognize the material constraints on people's ability to make time commitments.

Language and Discourse

Payne (2003) uses the notion of "registers of language," (Joos 1967), to demonstrate how people of different classes use language differently and for different ends. She finds that class determines people's use of formal (standard syntax and word choice used in institutions), consultative (formal register used in conversation), or casual register. The formal and consultative registers are used by people in the middle class whereas casual register is most often used by people in poverty and facilitates survival rather than negotiation. Patterns of language are also deeply connected to patterns of discourse, the way information is created, organized and presented. Diversity of language register causes problems for individuals trying to communicate

with one another across class lines and especially for people in poverty in culturally middle-class organizations.

> In the formal register of English, the pattern is to get straight to the point. In casual register, the pattern is to go around and around and finally get to the point. For [people in poverty] who have no access to formal register, [members of the middle-class] become frustrated with the tendency of these [people in poverty] to meander almost endlessly through a topic (Payne 2003: 43).

Similarly, Payne (2003) points out that when middle class people cut conversation short, getting right to the point, people in poverty view that as rude and uncaring (45). These communication problems resulting from diversity of language register and discourse, as well as other class-based divergent characteristics, are often evident at Solara meetings where community members come together to try to solve problems that are often pressing and contentious.

In attending community meetings at Coop 3, I noticed quite a few differences from my experience at house meetings at Coop 1. Attendance was proportionally lower, people floated in and out, there were often outbursts or other interruptions from both children and adults. I felt frustrated with the length of the meetings and with what I now understand as a less linear way of discussing problems and solutions. Lena, a (now former) resident of Coop 3, gives her impression of community meetings:

> People are open to discussing things, and bringing up what's bothering them. There's been times when it's just kind of been like a yelling match between a couple, two or three people, you know who, even if they're not yelling, they're like very angry with each other, and it's very clear that they don't care about anyone else. They're just like, this is their issue, and they're trying to work it out with each other which I think should probably not be done in a meeting setting.

What Lena is describing seems to be a result of a clash between the Coop 3 social emphasis on relationships and an organizational emphasis on self-governance. In these instances Coop 3 members find problems in their personal relationships to be more pressing than organizational

issues of governance. The middle-class organizational culture of Solara, and Lena herself, don't recognize these meetings as an appropriate place to air these interpersonal problems. Other interviewees from Coop 3 relay that personal conflict arose fairly regularly within the community and that they didn't know of any institutional measures in place to deal with it, such as formal facilitation, counseling, or meetings intended for that purpose. Here is a prime instance of Solara's middle-class organizational culture proving inadequate in providing solutions for its diverse members.

Even when Coop 3 residents are "on task," discussing organizational issues, Lena points out that negotiation can be difficult:

> Personal feelings get involved a lot of times and a lot of people take the meetings as a chance to just gab. Meetings here definitely have a tendency for people to go into stories, and people's emotions get involved and personal grudges they have, and that's something that definitely makes it more difficult. And I feel like a lot of times that, I'm hearing the same things over and over and over. I feel like the same issues get brought up…

Difficulties seem to arise because Coop 3 residents are more personally invested due to an emphasis on relationships, and because of the use of casual language register and the resulting non-linear discourse.

Rei's experience with community meetings at Coop 3 are similar to Lena's in that he is frustrated with the patterns of discourse. However, he also recognizes that at least part of the problems that arise are a result of the lack of skills related to meeting process, especially consensus process:

> I think that meetings are set up really disjointedly and that no one has a really good idea of what consensus means. And you have two or three people who are very well versed in consensus but that doesn't really help everyone. I see in meetings, a lot of pointless, not really pointless, but it's almost like discussing things to death…

Both Lena and Rei express frustration with the non-linearity of meeting discourse and the resulting lack of successful negotiation but neither felt empowered to change the situation. Having tried to streamline meeting process in the past, they engendered hurt feelings from other residents who, as Payne (2003) predicts, felt they were being rude and uncaring. The dynamic of Coop 3's community meetings can be explained by Nicotera et al's (2003) process of the interpenetrating contradictory structures in this diverse organization.

Interpenetrating Contradictory Structures

The mixture of people in poverty, coupled with others with middle class characteristics and an organizational culture that is middle class has ramifications both at the organizational and the individual level. Both resource-based and cultural asymmetries persist as residents interact with one another and with organizational structure, resulting in communication, function, and eventually existence-threatening financial problems for the organization. On an individual level, diversity has caused frustration over continuing failed attempts at problem solving for the board of directors and deep feelings of disempowerment and insecurity for residents of Coop 3. Solara's unexamined middle class assumptions clash with the rules and resources of some of its members, making this a diverse organization, and resulting in a spectrum of negative outcomes for the organization and its members.

The benefits of cultural congruence are made clear when Nicotera et al (2003) draw on Giddens' (1984) theory of structuration:

> In a functional system, rules and resources for communication are drawn upon from structures to interact within and produce the social practice of communication. [T]hese social practices produce and reproduce those structures, so that structures are the *outcomes* of the interaction. When multiple interpenetrating structures are congruent, communication systems support and reinforce the structures because the outcomes of these systems is reproduction of the structures (10).

In a culturally congruent organization, when problems arise, mediation will be fairly smooth and few communication problems will result. In the divergent organization, interpenetrating contradictory structures result in the opposite situation where mediation and communication are problematic. Without cultural congruence, organizational problems are likely to devolve into a negative spiral of communication and ultimately organizational failure.

The Communicative Downward Spiral

Nicotera et al (2003) assert that difficulties in communication processes occur in both congruent and diverse organizations and arise from a complex set of forces including structural contradictions, variations in choices about how to enact structures, competition over resources, incompatible goals among stakeholders and cultural change (160). Such difficulties are normal and resolvable, but in the diverse organization resolution is much more difficult. Nicotera et al (2003) report that the process works in the following way:

Normal difficulties → unresolved conflicts → immobilization → erosion of organizational system and human development (170)

Individual and organizational immobilization result when problems remain unresolved. For Solara, this means that the few Coop 3 residents who were very involved with the organization quickly experienced burnout and either quit the board and stopped doing their chores, or moved out altogether. For the rest of the organization, immobilization resulted in high board member turnover from all three coops and, some residents of Coops 1 and 2 refusing to be on the board because of the tangle of seemingly unsolvable problems they'd heard about stemming from Coop 3. Immobilization causes the erosion of both the organizational system and the human development of its members and, in this case, partial organizational failure.

A key aspect of the downward spiral identified by Nicotera et al (2003) is that the most damaging conflicts arise over issues of power, authority and control. Organizational members':

> Perceptions (whether accurate or inaccurate) that their voices or rights have been disregarded often lead to unresolved conflict and thus become a significant trigger for a decline in the function of organizational processes. Difficulty and strife within a system are…not the obstacles or barriers that produce the most organizational difficulty. Rather, it is the experience or perception of *not being included, of not being heard, respected, or recognized* for how one functions and performs in the organizational context that becomes disruptive to organizational functioning (Nicotera et al 2003: 162).

Coop 3 residents repeatedly identify such feelings in their dealings with Solara at community meetings and during interviews. Their perceptions of having a lack of power and control over their living situation and a concomitant mistrust of organizational authority is surprisingly evident for members of an organization that values participation and consensus.

One of the most important arenas in which Coop 3 members report not being heard, respected, or recognized by Solara is in relation to problems with the physical plant, the process of choosing new members, and with problems with the administrative coordinator. In trying to understand why Solara seemed unresponsive to the needs of Coop 3 members, I began to see that organizational members perceive the risks involved in these situations differently based on their class. Because of class-based differences in risk perception, these issues remain unresolved and result in ongoing communication problems.

Diversity in Perceptions of Risk

In undertaking this research I quickly realized that the physical state of their homes and communal space was an important and contentious issue for residents of Coop 3. At every community meeting I attended, Coop 3 residents spent the majority of time discussing the problems they were experiencing with their homes and the difficulties they were encountering in

getting these problems solved. Multiple additional "emergency meeting" were called by the community to focus on these issues. Coop 3 residents took up much of each meeting expressing anger and frustration at the organization's and the board's inability or unwillingness to solve physical plant problems.

Similarly, Solara's board meetings entailed a disproportionate amount of time spent discussing physical plant and other Coop 3 issues. Board members from Coops 1 and 2 and the two founding members that I interviewed took a much more casual attitude toward problems with the physical plant and indicated repeatedly that they felt that Coop 3 residents were overestimating the risks associated with leaking roofs, moldy walls, ant and rodent infestations, and lead infused tiles. There were similar misunderstandings around choosing new residents and dealing with hiring and firing administrative management. The board seemed genuinely confused by Coop 3 residents' distress, and they tended to focus more on their own frustration with Coop 3's apparent inability or unwillingness to pitch in and find solutions to these problems than on either solving them or determining why they arose in the first place.

Thomas Beamish's (2001) and Mary Douglas' (2003) theories on risk perception can help explain this disparity in perception. Residents of Coop 3 "overestimate" risk because of their lower incomes; the involuntary nature of their risk taking; feelings of exploitation, vulnerability, and helplessness; and a lack of institutional trust. Coop 3 members feel a marked inability to control the state of their living space. Other Solara members, coming from a more privileged class position, "underestimate" the risks involved with these physical plant problems because they feel in control of the situation and have trust in the organization and other authorities to remedy physical plant problems. This disparity in risk perception, stemming from the diverse class cultures of the organization, causes communication problems.

Douglas (2003) and Beamish (2001) assert the importance of human perception in assessment of risk and take a social, rather than individualistic approach to attitudes about risk. They contend that the most useful way to conceptualize risk perception is to recognize the critical importance of context in risk research. Attention to context should include social and historical events, community attitudes toward institutions, and community impressions of control and/or vulnerability engendered by their attitudes toward institutions. In the case of Solara, class-based cultural differences provide different contexts from which organizational members perceive risk.

Coop 3 residents complain of poor architectural planning, ongoing problems with leaks and mold, and shoddy repairs. As predicted by the theories of risk perception, these problems inspire feelings of hopelessness and victimization and result in a lack of trust in the organization. When I asked Rei, a former resident of Coop 3, about his experience with the physical plant he focused on the roof pond and grey water systems:

> There's a lot of problems with the alternative heating and cooling systems. Which are a great idea, just not thought through. You know, the tenants here are suffering because of it. And then, we have a gray water system that was supposed to be working, but wasn't done correctly. So you have all these projects that were kind of started and then just finished up real quick to get tenants in here so we could start paying for it. So, I think that lends itself to the future generations of [Coop 3], they just feel like, well there is so much to do here, how can I even help this if every step I take it puts me back five?

Rei's response reveals the hopelessness that pervades the Coop 3 community. They feel saddled with multiple structural problems for which the organization has provided no long term solutions. Rei posits that the organization did a poor job executing these systems in order to "quickly get tenants in to start paying for it," evidence of feelings of victimization and a lack of trust in Solara.

Through interviews and Coop 3 community meetings I learned of a laundry list of problems that cause residents to feel overwhelmed. Rei went so far as to call Coop 3 "half a ghetto" and believes that three of the five buildings should be torn down:

> C and D houses, I think are fine, but I think there's too much structurally wrong with the rest of these houses to even consider keeping them up and keeping people coming through there, because it's going to end up being this like, funnel of money. We have this problem, ok well we're just going to fix as much as we can, as much as we have resources to do right now, not really too much foresight, you know? You get the problem fixed, but then all of a sudden there's another one over here, and they're kind of related but it's over here now. And, leaks in A house roof, they've been fixed six or seven times now. There's just something structurally wrong, and I don't really see how people can invest in it.

Rei's laments are directed not just toward the physical structures but the organization's lack of foresight and inability to implement long-term solutions to these problems.

While many of the risk-related issues brought up by residents of Coop 3 residents were based on structural issues with the buildings, Carrie, the pregnant single mom, also discussed concerns about a former Solara administrator. Apparently, a majority of Coop 3 residents wanted the administrator fired. When I asked if residents brought these concerns to the board of directors she said:

> Oh it was incredible because a lot of things went to the board for review and we felt like we were basically being told "oh well, it doesn't matter, your feelings don't matter." Then, instead of being known as "the board" (said neutrally) they were known as "the board" (said with dislike and disdain). It was like, oh no, what are they going to decide now? We wanted to bring them here and be like do you know what it feels like to feel unsafe in your own home? To feel like your financial documents aren't being protected like they should, that your children aren't being protected like they should? A lot of people moved out.

Carrie's response indicates that this wasn't the first time the board was perceived by Coop 3 residents as being unresponsive and uncaring. When I subsequently asked Carrie why she stayed, she said that she couldn't afford to move but definitely would have if she's been able. Carrie felt

a lack of control on multiple levels; she couldn't control who worked in the community, she didn't feel the community was being heard by the board, and she couldn't move out although she wanted to. Unresolved problems coupled with unsatisfactory organizational response repeatedly resulted in Coop 3 members feeling a lack of control, heightened perceptions of risk, and ultimately, institutional mistrust.

Perceived organizational neglect is compounded by the facts of poverty and divergence at Solara. Payne (2003) reports that people in poverty require a high level of integrity from management because they actively distrust organizations and the people who represent the organizations because they see organizations as basically dishonest (76). In addition, organizational members whose culture diverges from that of the organization itself are *a priori* likely to perceive others, especially those in positions of authority (i.e. the board of directors), in the organization as abusing their power (Nicotera et al 2003: 123-4). Finally, Solara's style of crisis-management rather than long term solutions further spurs the downward spiral of communication (Nicotera et al: 172).

Beamish's (2001) research on risk perception argues that community members do react to the immediate event but what may be more important in their sense of the risks involved are a perceived breach of trust on the part of the involved institutions. Impressions of institutional neglect and/or misconduct result in a sense of institutional betrayal and ultimately anger on the part of community members (Beamish 2001:5). Attitudes about risk are political, very much related to perceptions of power, control, and intent. This perceived breach of trust is evident when Rei talks about Solara's institutional neglect of Coop 3:

> I wish you [Solara] could have finished one, ONE of your many ideas at [Coop 3].You got bunk architects, bunk energy systems… It's getting to the point now where we're going to have to sue them because they're just saying, "No, it's not our problem. We installed this but it's not our problem." And nothing's getting

> done, and we've got black mold growing in most of these houses, people are getting sick, the roofs are falling in, and they won't stop leaking. You're going to say this is our problem?

Rei points out multiple stages of institutional neglect that goes beyond Solara's planners to the organization that set up the energy systems.

The difference between Rei's and other Coop 3 residents' perceptions of the risks they face, and who is at fault, and those of John, the organizational architect, and Steve, the ten year community board member are striking. John feels the problems stem from Coop 3 residents being inflexible and not doing a good job of interviewing potential residents:

> …but people who are suspicious of each other and don't tend to want to be flexible are not gonna be happy because there are so many challenges to them in living that way. So I think [Coop 3] is a success but…um it needs probably a lot of education and a lot of up front, you know "okay, you know what you're getting into and if this isn't for you…" and that's the kind of screening that I think is the best way to weed people out. To be real clear to them, "you know, you've got to be real flexible and you've got to be tolerant of these kinds of situations." And that there's either gonna be conflict that they can deal with or they better go somewhere else.

John's comments are problematic in that he knows that Coop 3 members are constrained in their abilities to "weed people out" by government regulations stipulated by the HOME program. Yet he seems to be blaming Coop 3 residents for being inflexible. Steve is even more direct in his condemnation of Coop 3's faulty perceptions of the risks they face in choosing new residents:

> Sometimes when people who didn't have kids wanted to move in there was some resistance about you know, (higher pitch, a bit mincing) "I just, I have to think of my children" which, of course you do. But **there's a perceived risk and an actual risk** (emphasis added) and there was something of an imbalance there. And obviously, part of forming community is when to say no as well as when to say yes. You've gotta give people that power or there's no power in the community but umm… I have the impression that there are times when it's really gotten to be quite a, quite a thing and has resulted in decisions that didn't make sense certainly from the perspective of getting the place rented.

Steve is unequivocal in his understandings of the risks presented in the choice of new community members. His underlying message is that Coop 3 is responsible for vacancies because they misperceive the risks involved. But Steve's understanding of risk is very different from Carrie's whose top priority is her children's safety rather than filling vacancies. These differing perceptions of risk are due, in part, to class-based perceptions about the in/voluntary nature of being at risk, whether the risks are seen as under their control or not, and whether or not they feel exploited and/or mistrustful of the authorities involved in causing or mitigating the risky event. However, apart from these cultural class-based differences, there is another layer of contextual difference among Solara's members.

Residents of Coop 3 indicated that they often lacked the skills and resources to solve both the physical plant and administrative problems that kept recurring. They repeatedly expressed the need for clarification on who has the power, responsibility, and authority to resolve these issues. They also asked for support in consensus-building and facilitation skills at their community meetings. But Coop 3 members were frustrated in these attempts and report that the organization continued to assume that residents had the skills and resources to solve these problems despite evidence to the contrary. Such is the nature of the downward spiral that erodes the organizational system and human development to such an extent that partial organizational failure is the result in this case.

Conclusions: The Future of Low-income Cooperative Housing

If organizations like Solara are to continue to provide housing for a mix of low-income people they must learn how to avoid negative downward communication spirals, the result of unexamined class based diversity. Nicotera et al (2003) provide guidance in that direction with

their model of the convergent organization. Seeking convergence depends on conceptualizing cultural features as continua rather than polar opposites. Contradictions that arise are therefore not essential opposition but rather a process of divergence that can be examined and mitigated.

The first step in this process is to make organizational members fully aware of class-based (and other) diversity that exists. Special attention must be paid to the class-based assumptions that are built into the organization's structure because divergence is driven, in large part, by the assumption of cultural neutrality in organizational form and design. This assumption means that the dominant culture, middle class in Solara's case, is implicitly privileged and the non-dominant, people in poverty, is marginalized. In practice, this means that organizational planners will need to take differing access to resources like time, money, and skills into consideration when determining the amount and type of participation to expect from members.

Beyond recognizing that diversity exists in relation to culture and material resources, organizational members must identify what these differences are, much as I have done in this research, and how they interact with one another through multiple processes, especially communication. Nicotera et al (2003) suggest that we have to move beyond accommodation and assimilation to a true multicultural approach. A multicultural approach requires that members are trained to be competent in intercultural communication. More deeply, however, multiculturalism has to be based in mutual respect, sensitivity to cultural differences, and a commitment to the process of creating relationships that embrace difference as a core value and resource for problem solving. Diversity, therefore, must be accepted as a core organizational value (Nicotera et al 2003: 245)

In practice, divergent rules and material resources have to be understood as a part of the mutually constitutive processes of organizational structure, function, and communication, rather

than as static opposition. In this view social structure can be understood as a dynamic product of interactive processes. Organizational structure must be amenable to accepting input from non-culturally dominant members in order to alter organizational form toward a model of convergence, a series of positive interaction cycles, rather than divergence. However this kind of organizational consciousness-raising is only the first step in creating convergence.

Successful negotiation of diverse interests and difficult interactions also requires proactive structural changes to the organization that take not only cultural diversity but diverse material resources and skills into account. A very recent study (Meyers forthcoming) of a worker-owned natural foods store details the steps taken by this organization which allowed it to grow from a small, culturally homogenous organization to one that is large, diverse, and very successful. This study therefore not only provides concrete examples of proactive structural shifts designed to accommodate diversity, but also shows that growth is compatible with, indeed facilitates, democratic processes and organizational diversity.

One striking yet simple measure taken by Meyers' organization is to pay members for time spent at meetings. In doing so, the organization both recognizes that not all members have time and money to spare and that it cannot rely on an implicit social contract based in cultural homogeneity. Large meetings are also professionally, simultaneously interpreted in Spanish and monthly member meetings are limited to a three hour maximum. Aside from being pragmatic, Meyers points out that these and other organizational practices are designed to equalize the amounts of cultural capital members bring to the organization. Some of these other practices include paying members to read past meeting minutes; including historical context, objectives, projected implementation and outcomes for each agenda item; requiring prospective members to observe meetings to promote acculturation; and providing a committee that encourages

participation by working with members to write and research organizational proposals. Through these processes new members not only gain important skills but also cultural capital.

Equally importantly, Meyers points out that members are enabled to control their working conditions through the organization's multiple venues for expressing concerns and creating solutions. Through membership meetings, interdepartmental coordination, the board of directors, and a committee especially designed to mediate membership complaints, a shared discourse can be created and mutually designed solutions put into practice. Meyers asserts that these processes do not homogenize member opinions but rather help to coordinate heterogeneous positions.

Such structural solutions provide an excellent blueprint for low-income housing cooperatives to use as a springboard for their own specialized solutions to the problems experienced by diverse organizations. This pursuit is especially worthwhile given that diverse organizations have the potential to be "superior in terms of creativity, problem-solving, flexible adaptation to change, cost structures, quality of human resources, and marketing to diverse constituencies" (Nicotera et al 2003: 16). Recognizing diversity and harnessing it is the best way for low-income housing cooperatives like Solara to survive and thrive in the future. The price for not dealing with the realities of organizational divergence is ultimately, organizational failure.

Appendix 1: Solara's Bylaws

Our *Bylaws* commit us:

- to offer low-cost housing to all persons regardless of race, creed, color, national origin, sex, or sexual orientation
- to create and operate housing on a non-profit basis, and to expand and extend such housing

- to advance education by providing inexpensive board and lodging for university students with limited resources
- to encourage and promote environmentally sound house design and lifestyle
- to provide technical assistance to other groups involved with nonprofit community sponsored housing projects, and
- to engage in an educational program designed to eliminate prejudice and discrimination in housing, and to further the principles of tolerance and cooperation.

Notes

[1] Pseudonyms for people and organizations are used throughout the paper.

[2] Cooperative principles set forth by the first worker owned coop, the Rochedale Workers' Cooperative:

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

[3] Intractable issues manifest in conflict, which remains unresolved; the repetition of unresolved conflicts immobilizes organizational members, ultimately leading to deterioration of the system (Nicotera et al 2003: 160).

[4] When rules and resources are not shared by organizational members and organizational structures, social practices cannot successfully reproduce social structure which results in communication problems (Nicotera et al 2003).

[5] This concept from Nicotera et al (2003) will variously be described as the downward spiral, communication problems etc.

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