

As the South Goes: Movement Lawyering for Black-led Worker Cooperatives in Atlanta

JULIAN M. HILL*

Despite a rich history of cooperative economics, the American South is home to few Black-led worker cooperatives. Instead, Atlanta, America’s capital of Black capitalism, and other southern cities, promote the conventional capitalist business structure as the best pathway to Black self-determination. This Essay challenges that position. Despite procedural, structural, and cultural barriers to Black-led worker cooperatives, many of which are entrenched in the law, it argues that Black-led worker cooperatives rooted in a solidarity economy can best enable Black economic freedom and self-determination. Drawing on a recent Atlanta-based study of Black employee ownership, this Essay proposes procedural, structural, and cultural initiatives that movement lawyers, particularly solidarity economy lawyers, should consider to build Black-led worker cooperatives in the American South.

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INTRODUCTION

On May 28, 1907, W.E.B. Du Bois hosted his twelfth Atlanta conference, entitled “Negro Business Development and Cooperatives,” which promoted cooperative development among Black Americans.¹ “Cooperatives are companies owned by the people who use their services.”² A worker cooperative, therefore, is “[a] business owned and controlled by its workers.”³ The Atlanta conference concluded with resolutions on the promise of Black cooperative economics.⁴ That promise was real for Du Bois, who studied the history of Black cooperative

1. JESSICA GORDON NEMBARD, *COLLECTIVE COURAGE: A HISTORY OF AFRICAN AMERICAN COOPERATIVE ECONOMIC THOUGHT AND PRACTICE* 99 (2014).

2. *Id.* at 2.

3. *What Is a Worker Cooperative?*, U.S. FED’N OF WORKER COOPS., <https://www.usworker.coop/what-is-a-worker-cooperative> [<https://perma.cc/G572-SSSW>] (last visited May 18, 2026).

4. *See* NEMBARD, *supra* note 1, at 99.

practices and shared several successful examples, including The People's Shoe Company and Union Publishing Company, both in Atlanta.⁵

Du Bois would be turning over in his grave to see Atlanta today. Atlanta is America's unofficial capital of Black capitalism (not cooperation). Popularized during President Richard Nixon's 1968 electoral campaign, Black capitalism promotes self-help through, in part, the exploitation of conventional capitalist business structures as a means of Black American equality, thereby undermining the structural demands of Black power and Black nationalist movements for land and the right to human dignity.⁶ This strategy appears, at least on its face, to work. Atlanta has more Black-owned businesses than any other American metropolitan area, among the country's highest concentration of Black millionaires and historically Black colleges and universities, and the world's largest center for building Black-owned companies.⁷ Du Bois's dream for Black cooperative economics has been warped into hyperindividualism, "great riches among a few," and integration into the broader capitalist economy that he feared.⁸

Conventional capitalist structures actually undermine self-determination for most Black Atlantans.⁹ Professors Adjoa A. Aiyetoro and Adrienne D. Davis define Black self-determination as "Blacks' ability to shape their own political, economic, and cultural future."¹⁰ Despite consistent political success with Black

5. *Id.* at 17; W.E.B. DU BOIS, *ECONOMIC CO-OPERATION AMONG NEGRO AMERICANS* 157 (1907).

6. See Mehra Baradaran, *Jim Crow Credit*, 9 U.C. IRVINE L. REV. 887, 917–18 (2019); ROBERT E. WEEMS, JR., *BUSINESS IN BLACK AND WHITE: AMERICAN PRESIDENTS AND BLACK ENTREPRENEURS IN THE TWENTIETH CENTURY* 11 (2009) (noting that "[w]hile Nixon's domestic agenda for black America received widespread publicity and generated considerable discussion and analysis, the evidence indicates that the government's interest in promoting black business development actually began during the Coolidge administration"); Katie Raitz, *Public Health and Racial Inequality: Why the Opportunity Zone Program Fails Low-Income Communities and Costs Lives*, 12 U.C. IRVINE L. REV. 315, 327 (2021) (noting that the framing around Black capitalism was about "urging that Black people should raise themselves up to equality by building businesses" as a way to subvert "Black activists' rhetoric of Black Power and Black economic independence").

7. Alava Linton, *For 4th Year in Row, Atlanta Has Highest Share of Black-Owned Businesses*, LENDINGTREE (Feb. 2, 2026), <https://www.lendingtree.com/business/small/black-owned-businesses-study> [<https://perma.cc/J8TT-F34U>] (noting that 10.7% of Atlanta's companies were Black-owned as of 2023, making it the hub for Black-owned businesses); *Richest Black Neighborhoods in America*, PROPERTYCLUB (Apr. 25, 2024), <https://propertyclub.nyc/article/richest-black-neighborhoods-in-america> [<https://perma.cc/U9BU-KWKA>] (noting that Atlanta has over 11,000 Black millionaires, among the most of any American city); Ernie Suggs, *How Atlanta Remains a Higher Education Mecca for Black Students*, UATL (Aug. 24, 2025), <https://www.uatl.com/news/2025/08/how-atlanta-remains-a-higher-education-mecca-for-black-students>; *Russell Innovation Center for Entrepreneurs Receives \$2 Million Gift from Arthur M. Blank Family Foundation*, RUSSELL INNOVATION CTR. FOR ENTREPRENEURS (RICE) (Apr. 4, 2025), <https://russellcenter.org/russell-innovation-center-for-entrepreneurs-receives-2-million-gift-from-arthur-m-blank-family-foundation> [<https://perma.cc/R7YU-V259>] (noting that RICE "stands as the largest center in the world dedicated to growing, scaling, and developing Black Entrepreneurs"); RUSSELL INNOVATION CTR. FOR ENTREPRENEURS, *THE RICE REPORT: VOLUME 2*, <https://rice.russellcenter.org/view/1043592787> [<https://perma.cc/XX7Q-GQBY>] (last visited May 18, 2026) (reporting that RICE supports over 600 Black-owned businesses (referred to as stakeholders) in the Atlanta metropolitan area).

8. NEMBARD, *supra* note 1, at 99.

9. For this Essay, "Black-led worker cooperatives" are cooperatives with a majority of Black worker-owners.

10. Adjoa A. Aiyetoro & Adrienne D. Davis, *Historic and Modern Social Movements for Reparations: The National Coalition of Blacks for Reparations in America (N'Cobra) and Its Antecedents*, 16 TEX.

elected officials and growing cultural capital as the “Black Mecca,” Atlanta has a large Black working class struggling to control its economic future.¹¹ One in five Black Atlantans lives in poverty, a state harder to escape in Atlanta than in other American cities.¹² Half of Atlanta’s Black households are asset-poor and more likely to have credit card and medical debt in collections than white households.¹³ Roughly 97% of Atlanta’s Black-owned businesses have no employees and earn \$0.17 for every \$1.00 earned by other local small businesses.¹⁴

American law is fundamental in proliferating capitalist business structures and, relatedly, its negative externalities for Black Atlantans. Corporate law presumes a hierarchical business structure. Shareholders and officers are at the top, and employees are at the bottom, where Black Atlantans tend to reside.¹⁵ Labor law fails to ensure that Georgians, including Black Atlantans, earn a living wage.¹⁶ Housing law prevents cities like Atlanta from passing rent control to stem the displacement of Black Atlantans from historically Black neighborhoods, accelerated by corporate developers seeking ever-increasing profits from rental and sale markets.¹⁷ Other areas of law have similar impacts.

WESLEYAN L. REV. 687, 725 (2010); *see also* Julian M. Hill & Jill Humphries, *Summer NY 2020—Black Legal Observers, Black Solidarity*, 49 HARBINGER 24, 26–27 (2024) (describing several conceptualizations of Black self-determination, including maroon societies, repatriation to Africa, and creation of an independent nation-state, among others).

11. MAURICE J. HOBSON, *THE LEGEND OF THE BLACK MECCA: POLITICS AND CLASS IN THE MAKING OF MODERN ATLANTA* 203 (2017).

12. *QuickFacts: Atlanta City, Georgia*, U.S. CENSUS BUREAU [hereinafter *Atlanta QuickFacts*], <https://www.census.gov/quickfacts/atlantacitygeorgia> (last visited May 18, 2026) (noting that nearly one-fifth of Atlantans live in poverty); *see* Dylan Jackson, *Atlanta Has the Highest Income Inequality in the Nation, Census Data Shows*, ATLANTA J.-CONST. (Nov. 28, 2022), <https://www.ajc.com/news/investigations/atlanta-has-the-highest-income-inequality-in-the-nation-census-data-shows/YJRZ6A4UGBFWTMYICTG2BCOUPU>.

13. ALEX CAMARDELLE & JARRYD BETHEA, ATLANTA WEALTH BLDG. INITIATIVE, BUILDING A BELOVED ECONOMY: A BASELINE AND FRAMEWORK FOR BUILDING BLACK WEALTH IN ATLANTA 17, 25 (2023), <https://kindredfutures.org/building-a-beloved-economy> [https://perma.cc/2R35-PMMR].

14. JARRYD BETHEA & ALEX CAMARDELLE, ATLANTA WEALTH BLDG. INITIATIVE, *STANDING ON BUSINESS: BLACK BUSINESSES AS A KEY TO UNLOCK NEIGHBORHOOD WELL-BEING* 6–7 (2024), <https://kindredfutures.org/wp-content/uploads/2024/10/AWBI-StandingOnBusiness-R7.pdf> [https://perma.cc/82BG-YZRX].

15. *See* Ward Williams, *Top Black-Owned Public Companies in the U.S.*, INVESTOPEDIA (Jan. 24, 2025), <https://www.investopedia.com/black-owned-public-companies-5076818> [https://perma.cc/53D3-F8BJ] (noting that roughly 3% of businesses with employees are Black-owned and less than 1% of America’s publicly-owned companies are Black-owned); Cheyann Harris, *Meet the 10 Black Fortune 500 CEOs Leading Companies with Over \$412 Billion in Combined Revenues*, FORTUNE (Feb. 9, 2026, at 09:12 ET), <https://fortune.com/2025/02/28/fortune500-ceos-black-tiaa-lowes-thasunda-brown-duckett-tiaa-southern-exelon-qvc-saic> [https://perma.cc/ZEJ6-NVM2] (profiling the ten Fortune 500 companies with Black chief executive officers). Of the Fortune 500 companies headquartered in Georgia, only Southern Company has a Black CEO, Christopher Womack. *See Fortune 500 List*, SELECT GA., <https://www.selectgeorgia.com/discover-georgia/industries/fortune-500-list> [https://perma.cc/S7CT-7F4X] (last visited May 18, 2026).

16. *See* Shawn Watkins, *Georgia Has the Highest Living Wage Gap in the Country*, WSAV-TV (Feb. 13, 2024, at 08:23 ET), <https://www.wsav.com/news/georgia-has-the-highest-living-wage-gap-in-the-country> [https://perma.cc/A9LG-LRSH].

17. *See* DAN IMMERGLUCK, *RED HOT CITY: HOUSING, RACE, AND EXCLUSION IN TWENTY-FIRST-CENTURY ATLANTA* 119 (2022).

Conversely, the law plays a key role in the underdevelopment of worker cooperatives, particularly in the American South. Like most southern states, Georgia's corporate law does not recognize a worker cooperative as a legal entity.¹⁸ Georgia securities law does not incentivize worker cooperatives.¹⁹ Neither does its tax law.²⁰ This dynamic has trickle-down effects not only on the tools lawyers have to support worker cooperatives but also on whether lawyers specialize in worker cooperative counseling.

Though sociologists, economists, and historians are increasingly researching Black-led worker cooperatives, legal scholars have fallen short. Legal scholars have highlighted the benefits and challenges of worker cooperatives, but descriptive and prescriptive claims by early scholars appear to presume a general applicability to most low-income worker cooperatives.²¹ Recent scholars have focused on nuanced issues related to worker cooperatives—immigrant-led, unionized, and industry-specific worker cooperatives—and have focused on conflict.²² However, no legal scholar has examined the myriad challenges for Black-led worker cooperatives, nor has anyone explored how to combat those dynamics through movement lawyering. Movement lawyering is “taking direction from directly impacted communities and from organizers, as opposed to imposing [lawyers’] leadership or expertise as legal advocates. It means building the power of the people, not the power of the law.”²³

18. See Julian M. Hill, *Movement Lawyering for Georgia Worker Cooperatives*, 26 HUM. RTS. BRIEF 113, 116–17 (2023) (describing the benefits of a potential limited worker cooperative association law in Georgia that is modeled after one of the newest worker cooperative statutes, which was passed in Illinois in 2020).

19. Cf., e.g., Assemb. B. 816, 2015–2016 State Leg., Reg. Sess. (Cal. 2015) (California’s worker cooperative bill, enacted in August 2015).

20. Cf., e.g., *Employee Ownership Tax Credit to Establish or to Expand*, COLO. OFF. OF ECON. DEV. & INT’L TRADE, <https://oedit.colorado.gov/employee-ownership-tax-credit> [<https://perma.cc/VC8P-CJ8A>] (last visited May 18, 2026) (describing Colorado’s tax credits for worker cooperatives).

21. See Priya Baskaran, *Introduction to Worker Cooperatives and Their Role in the Changing Economy*, 24 J. AFFORDABLE HOUS. & CMTY. DEV. L. 355, 358 (2015); Gowri J. Krishna, *Worker Cooperative Creation as Progressive Lawyering? Moving Beyond the One-Person, One-Vote Floor*, 34 BERKELEY J. EMP. & LAB. L. 65, 69 (2013); Peter Molk, *The Puzzling Lack of Cooperatives*, 88 TUL. L. REV. 899, 899 (2014); Carmen Huertas-Noble, *Promoting Worker-Owned Cooperatives as a CED Empowerment Strategy: A Case Study of Colors and Lawyering in Support of Participatory Decision-Making and Meaningful Social Change*, 17 CLINICAL L. REV. 255, 260 (2010); Scott L. Cummings, *Developing Cooperatives as a Job Creation Strategy for Low-Income Workers*, 25 N.Y.U. REV. L. & SOC. CHANGE 181, 185 (1999); Ariana R. Levinson, *Founding Worker Cooperatives: Social Movement Theory and the Law*, 14 NEV. L.J. 322, 326 (2014).

22. See, e.g., Carrie Hempel & Gowri J. Krishna, *Within the Law, Beyond Exploitation: The Evolution of Immigrant Worker Cooperatives*, 52 FORDHAM URB. L.J. 931, 984–85 (2025) (discussing the legal issues that arise when advising immigrant-led worker cooperatives); Ariana R. Levinson, *Union Co-Ops and the Revival of Labor Law*, 19 CARDOZO J. CONFLICT RESOL. 453, 453 (2018) (describing strategies for supporting union worker-owned cooperatives); Alicia Alvarez, *Lawyers, Organizers, and Workers: Collaboration and Conflict in Worker Cooperative Development*, 24 GEO. J. POVERTY L. & POL’Y 353, 353 (2017) (describing approaches to conflict in worker cooperatives); Julian M. Hill, *Integrating Healing Justice into Worker Cooperative Counseling*, 52 FORDHAM URB. L.J. 881, 898 (2025).

23. *What We Can Do: Movement Lawyering in Moments of Crisis*, L. FOR BLACK LIVES, <https://www.law4blacklives.org/respond> [<https://perma.cc/8W4T-49NH>] (last visited May 18, 2026).

The absence of legal scholarship on Black-led worker cooperatives means that the legal architecture that thwarts them will remain unaddressed. Descriptions of the barriers facing worker cooperatives often focus on conventional areas of the law, such as corporate and tax law, but do not address consumer, criminal, or education law. Further, proposals often do not appreciate how interwoven anti-Blackness is in America's legal infrastructure, overlooking transformative efforts needed for substantive change. Transformation will require legal workers, organizers, activists, and community members, perhaps partnering with movement lawyers. The need is greater in southern cities like Atlanta, the focus of this Essay.

This Essay argues that Black self-determination in Atlanta requires a push toward democratic worker control. It expands on new research on Black employee ownership in Atlanta. Luckily, a small but mighty ecosystem in Atlanta is pushing against the landmines plaguing Black-led worker cooperatives.²⁴ Ultimately, overcoming the legal obstacles to building Black-led worker cooperatives in Atlanta requires that movement lawyers engage in nonreformist reforms.²⁵

There are four parts to this Essay. Part I distinguishes between capitalist and solidarity economies, including their legal approaches to the workplace, and highlights the history of Black solidarity economic activity, particularly in Atlanta. Part II argues that Black economic freedom and self-determination necessitate a broad-range movement that includes the development of Black-led worker cooperatives. Part III describes procedural, structural, and cultural barriers to Black-led worker cooperative development, explaining how these barriers foster perceptions that capitalist structures are the best path toward Black self-determination. Part IV describes several procedural, structural, and cultural strategies for combating obstacles to and promoting Black-led worker cooperatives through a movement lawyering framework.

This Essay contributes to the existing literature in two ways. First, it demonstrates that Black-led worker cooperatives, particularly in the American South, face unique obstacles from other worker cooperatives or conventional Black-owned businesses. Second, it integrates insights from a 2025 study on Black worker ownership in Atlanta, conducted by the Morehouse College International Comparative Labor Studies program (the "Morehouse Report"). The Morehouse Report features interviews with nearly thirty Black owners of conventional businesses, Black employees of traditional companies with majority-Black staff, and worker-owners in Black-led worker cooperatives in the Atlanta metropolitan region.²⁶ While the report reveals some nuances of Black-led worker cooperative development in Atlanta, this Essay

24. See *infra* Section II.C.

25. Nonreformist reforms (1) "aim[] to undermine the political, economic, and social system or set of relations as it gestures at a fundamentally distinct system or set of relations in relation or toward a particular ideological and material project of world-building" and (2) "draw[] from and build[] the popular strength, consciousness, and organization of revolutionary or agential classes or coalitions" (e.g., the working class). Amna A. Akbar, *Non-Reformist Reforms and Struggles Over Life, Death, and Democracy*, 132 YALE L.J. 2497, 2527 (2023).

26. Taura Taylor, Chapter 5: Morehouse Findings & Discussion (July 14, 2025) (unpublished manuscript) (on file with author) [hereinafter Morehouse Report].

elaborates on the legal barriers and opportunities the report lightly identifies. Altogether, this Essay aims to help movement lawyers, community organizers, and policymakers on the ground in Atlanta and throughout the American South strategize on how to build at least part of the movements required for Black economic freedom and self-determination.

I. THE CAPITALIST DEFAULT & SOLIDARITY ALTERNATIVE FOR BLACK ATLANTANS

This Part explains how American law promotes capitalist business structures as the best pathway to Black economic freedom in the U.S. South, despite a rich history of cooperative economics. This Essay briefly examines the scholarship of neoclassical economists and law-and-economics scholars to outline the basic philosophy, benefits, and legal justifications for capitalism that animate Black capitalism.²⁷ It then presents the solidarity economy, grounded in Marxist economics and related legal scholarship, as an alternative to capitalism. It ends by discussing the history of Black Georgians and Atlantans embracing the solidarity economy and worker cooperatives.

A. ON CAPITALIST ECONOMIES

In 1776, the classical economist, Adam Smith, introduced what many economists consider the first general theory of modern economics—capitalism.²⁸ Economics is the study of “the production and distribution of goods and services,” and capitalism is a market-based economic system in which private individuals manage the production and distribution of goods without governmental oversight.²⁹ Smith believed that, by pursuing their individual self-interests, people’s capacity for creativity and innovation would benefit society.³⁰ Government interventions and control hinder efficiency, stifle innovation, and sap the ingenuity of visionary people.³¹ The marketplace, composed of buyers and sellers and guided by an invisible hand rather than government, will execute transactions that best allocate resources to those best positioned to enjoy them.³² The law of supply and demand enables optimal resource allocation, and, despite occasional market crashes, the system self-corrects.³³

Though capitalism has its roots in Europe and the Age of Enlightenment, spanning the late seventeenth to the early nineteenth century, the United States later adopted it.³⁴ Enlightenment thinkers, such as René Descartes and John Locke, advanced several ideas and frameworks—including individual liberty, the separation of church and state, progress, and constitutional democracy, all of which

27. See generally GEORGE L. PRIEST, *THE RISE OF LAW AND ECONOMICS: AN INTELLECTUAL HISTORY* (2020) (describing the history of the field of law and economics).

28. RICHARD D. WOLFF & STEPHEN A. RESNICK, *CONTENDING ECONOMIC THEORIES: NEOCLASSICAL, KEYNESIAN, AND MARXIAN* 14, 35 (2012).

29. *Id.* at 34; ADAM SMITH, *AN INQUIRY INTO THE NATURE AND CAUSES OF THE WEALTH OF NATIONS* 335 (Jim Manis ed., The Electronic Classics Series 2005) (1776).

30. SMITH, *supra* note 29, at 19; WOLFF & RESNICK, *supra* note 28, at 52–53.

31. See SMITH, *supra* note 29, at 19.

32. See *id.* at 363–64.

33. See WOLFF & RESNICK, *supra* note 28, at 54.

34. Cf. Ellen Meiksins Wood, *Capitalism or Enlightenment?*, 21 *HIST. POL. THOUGHT* 405, 405 (2000) (arguing that the French Enlightenment encompassed ideas contrary to, and distinct from, capitalism).

have become foundational in modern Western society.³⁵ Europeans used progress, entrepreneurialism, and character development to justify growing incursions on Indigenous territory and the commodification of enslaved Africans as free labor in the American South, a manifestation of what Professor Cedric J. Robinson calls racial capitalism.³⁶ For example, Atlanta's strategic location as a rail transportation hub hastened the displacement of the region's Cherokee and Creek nations, making room for over twenty auction markets for the sale of captured Africans.³⁷ As in Europe, racial capitalism in the United States required a legal framework (that is, contract law) and legal vehicles (that is, through corporate and tax law) to facilitate and protect market transactions.³⁸

Corporate law is critical in the development and maintenance of capitalism for at least two reasons.³⁹ First, corporate law, which is a creature of state law,⁴⁰ codifies rules and procedures for hierarchical legal entities (for example, corporations) that, unlike individual merchants, facilitate most transactions in the capitalist economy today.⁴¹ It sanitizes the fiction of the legal person, separating it from the entity's owners and limiting their liability.⁴² Further, corporate law creates a dichotomy between the owners (capitalists) and those who sell their labor to them (employees).⁴³ Most working Americans, including Black Atlantans, are employees, not capitalists.⁴⁴

35. See *Enlightenment*, HISTORY (May 28, 2025), <https://www.history.com/articles/enlightenment> [<https://perma.cc/XF63-TGEK>].

36. "Racial capitalism," instead of capitalism, suggests that capitalism and racism are co-constitutive and inseparable as a historical development flowing, in part, from the intra-white tribalism and racialization present in European feudal societies. See CEDRIC J. ROBINSON, *BLACK MARXISM: THE MAKING OF THE BLACK RADICAL TRADITION* 2–4, 10 (2000); DARON ACEMOGLU & JAMES A. ROBINSON, *WHY NATIONS FAIL: THE ORIGINS OF POWER, PROSPERITY, AND POVERTY* 19–27 (2012) (describing just some of the European incursions around the world).

37. See Douglas Allen, *Learning from Atlanta*, in *PLANNING ATLANTA* 14, 17–21 (Harley F. Etienne & Barbara Faga eds., 2014) (discussing the history of Atlanta's development as a travel hub due to the location of a station that linked three different regional railroads); Ann Hill Bond, *History Beneath Our Feet: Where MARTA Runs, Lives Were Once Sold in Atlanta*, CAP. B ATLANTA (June 19, 2025), <https://atlanta.capitalbnews.org/underground-atlanta-slave-trade-history-juneteenth> [<https://perma.cc/9WMW-EC7R>] (discussing the history of auction markets for enslaved Africans in the mid-1800s).

38. See WOLFF & RESNICK, *supra* note 28, at 13; see also MICHAEL E. TIGAR & MADELEINE R. LEVY, *LAW AND THE RISE OF CAPITALISM* 238, 242 (2000).

39. Corporate law encompasses the creation, operation, governance, and dissolution of legal entities, including corporations. See, e.g., GA. CODE ANN. §§ 14-2-101 to -1807 (2024) (business corporations); *Id.* §§ 14-11-100 to -1109 (limited liability companies).

40. Jonathan Macey & Leo E. Strine, Jr., *Citizens United as Bad Corporate Law*, 2019 WIS. L. REV. 451, 451.

41. See generally John Armour & Brian Cheffins, *The Origins of the Market for Corporate Control*, 2014 U. ILL. L. REV. 1835 (discussing the history of corporate transactions as conducted by corporations in the United States).

42. See, e.g., 6 GA. JUR. INTRODUCTION § 1.1 (2025) ("[T]he law of corporations is founded on the legal principle that each corporation is a separate entity, distinct and apart from its stockholders."); see also *McCommons v. White*, 899 S.E.2d 731, 738 (2024) ("[A] cardinal precept of corporate law is that corporations are separate legal entities from their shareholders, officers, directors, and employees. . .").

43. See WOLFF & RESNICK, *supra* note 28, at 42–43.

44. See U.S. BUREAU OF LAB. STAT., *EMPLOYMENT SITUATION NEWS RELEASE* (2025), <https://www.bls.gov/news.release/empstat.htm> [<https://perma.cc/2ZB3-QLU4>] (noting that nearly 60% of the labor force works as an employee).

Corporate law jurisprudence enshrines capitalism's primary goal: enriching shareholders.⁴⁵ The law requires a company's directors and officers to make every reasonable effort to maximize revenue and minimize costs.⁴⁶ As such, corporate law discourages prioritizing worker wellbeing, environmental sustainability, consumer access, and community initiatives if they reduce shareholder profits.⁴⁷ Consequently, capitalism promotes the deregulation of harmful chemicals, the commodification of human beings, and the rejection of accountability for corporate actors, even for criminal behavior that causes a global recession.⁴⁸

Newer corporate entities permit companies to consider stakeholders beyond shareholders without necessarily undermining capitalism. For example, benefit corporations and the "B Corp" designation allow companies to explicitly consider nonshareholder stakeholders, but they still fail to address the worker subordination to capitalists ingrained in American corporate law.⁴⁹ Where benefit corporations share profits with employees rather than shareholders, the workers still hold no governance power over the company. They are still corporations with shareholders and boards of directors making governance decisions.

Other areas of law facilitate capitalism. Property law enables the commercialization of land that European colonizers violently stole from Indigenous tribes, mutating it from a communally stewarded resource to a privately owned product, with accompanying rights such as the ability to exclude.⁵⁰ Contract law clarifies when and what types of transactional obligations courts will enforce, elevating norms that facilitate capitalist extraction while underestimating power imbalances that lead to coercion and bias.⁵¹ While consumer laws regulate unfair and deceptive practices in consumer transactions, and securities laws aim to prevent businesses from engaging in fraud, misrepresentation, and omissions in the sale

45. See *Dodge v. Ford Motor Co.*, 170 N.W. 668, 684 (Mich. 1919) (noting that a "business corporation is organized and carried on primarily for the profit of the stockholders").

46. See *id.*; Macey & Strine, Jr., *supra* note 40, at 496–97.

47. See *Dodge*, 170 N.W. at 684; Milton Friedman, *A Friedman Doctrine—the Social Responsibility of Business Is to Increase Its Profits*, N.Y. TIMES (Sep. 13, 1970), <https://www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-social-responsibility-of-business-is-to.html>.

48. See Jeffrey Kluger, *The EPA Is Embracing PFAS Pesticides. These Are the Health Risks*, TIME (Nov. 26, 2025, at 09:52 ET), <https://time.com/7336883/epa-pfas-pesticides-health-risks> [<https://perma.cc/MA3G-39JC>] (discussing regulatory capture of the EPA over pesticide regulation during the second Trump Administration); WOLFF & RESNICK, *supra* note 28, at 54; Henry N. Pontell, William K. Black & Gilbert Geis, *Too Big to Fail, Too Powerful to Jail? On the Absence of Criminal Prosecutions After the 2008 Financial Meltdown*, 61 CRIME L. & SOC. CHANGE 1, 8 (2014).

49. See William H. Clark, Jr. & Elizabeth K. Babson, *How Benefit Corporations Are Redefining the Purpose of Business Corporations*, 38 WM. MITCHELL L. REV. 817, 838–42 (2012); *The Legal Requirement for Certified B Corporations*, B LAB, <https://www.bcorporation.net/en-us/about-b-corps/legal-requirements> [<https://perma.cc/FQ2L-XD5H>] (last visited May 18, 2026). See generally GA. CODE ANN. §§ 14-2-1801 to -1807 (2024) (Georgia corporate law).

50. See K-Sue Park, *Property*, in KEYWORDS FOR GENDER AND SEXUAL STUDIES 168, 168–69 (2021). See generally GA. CODE ANN. §§ 44-6-2 to -206 (Georgia property law).

51. See Samuel Bagenstos, *Lochner Lives On*, ECON. POL'Y INST., Oct. 7, 2020, at 1, 2; see also MILTON FRIEDMAN, *CAPITALISM AND FREEDOM* 2, 8 (1962) (noting that the role of the government is "to enforce private contracts [and] to foster competitive markets"). See generally GA. CODE ANN. §§ 13-1-1 to -16 (Georgia contract law).

and exchange of securities (such as stocks and bonds), both areas legitimize and stabilize capitalist markets in the eyes of everyday people.⁵² Although labor and tax laws allow employee stock option plans (“ESOPs”) that permit employees to own shares of the company, employees do not receive sufficient equity to meaningfully co-govern the company.⁵³ Although not exhaustive, this list illustrates how deeply American law is interwoven into the marketplace that capitalism cultivates, a concept recognized by legal scholars in the law and economics subfield for several decades.⁵⁴

Several scholars have heralded the virtues of capitalism. Renowned neoclassical economist Milton Friedman argues that capitalism is a prerequisite for political freedom.⁵⁵ Professor Christina Parajon Skinner touts capitalism’s role in improving the quality of life, increasing the average lifespan, and enhancing the health and wellbeing of Americans.⁵⁶ Globally, capitalism has led to a net increase in jobs, reduced poverty, and offered higher social mobility.⁵⁷ The key to capitalism’s success is its rewarding of ingenuity, hard work, and innovation.

Capitalism is deeply tied to America’s cultural norms and institutional architecture. Many of the country’s founders valued capitalist principles.⁵⁸ Everything

52. GA. CODE ANN. § 10-1-391 (Georgia’s Fair Business Practices Act (FBPA) has as its purpose “to protect consumers and legitimate business enterprises from unfair or deceptive practices in the conduct of any trade or commerce in part or wholly in the state”); *see, e.g.*, Jay B. Kasner & Mollie Melissa Kornreich, *Section 10(b) Litigation: The Current Landscape*, A.B.A.: BUS. L. TODAY (Oct. 20, 2014), https://www.americanbar.org/groups/business_law/resources/business-law-today/2014-october/section-10-b-litigation-the-current-landscape.

53. *See* COREY ROSEN, UNDERSTANDING EMPLOYEE OWNERSHIP 9–15 (1991); Jedidiah J. Kroncke, *ESOPs and the Limits of Fractionalized Ownership*, 2017 U. CHI. LEGAL F. 287, 306 (2017) (noting that “for majority owned ESOP corporations, only a small majority pass on voting rights to individual employees, and even fewer in minority-owned firms”).

54. The subfield within legal academia of law and economics dedicates itself to the inquiries around how law impacts the economy, among other things. *See, e.g.*, R. H. Coase, *The Problem of Social Cost*, 3 J.L. & ECON. 1, 43 (1960) (proposing that a cost–benefit analysis approach be used in evaluating social policy); Henry G. Manne, *Intellectual History of the Law School*, GEO. MASON SCH. OF L. (1993), <https://www.law.gmu.edu/about/history> [<https://perma.cc/WL47-NBBC>] (discussing the history of the field of law and economics and its “potential to be scientific and empirical in its pronouncements and non-political in its judgments”).

55. FRIEDMAN, *supra* note 51, at 4, 8 (arguing “the role of competitive capitalism—the organization of the bulk of economic activity through private enterprise operating in a free market—as a system of economic freedom and a necessary condition for political freedom”). Friedman goes on to note that capitalist economies offer greater tolerance for contrary views and political debate, while, at best, state-run economies like China can only offer limited economic growth. *Id.* at viii–ix. In the United States and in similarly capitalist economies, there is a far greater tolerance for contrary views and political debate. *Id.* The economic dispersal of power provides a nondispositive opportunity for the populace to enjoy political freedom, as noted by countries like China that opened up their economies to the free market. *Id.*

56. *See, e.g.*, Christina Parajon Skinner, *Capitalism Stakeholderism*, 47 SEATTLE U. L. REV. 643, 655–56 (2024) (discussing the role of technological advances in the areas of housework, shopping, medicine, transportation, and food storage in each of these advances).

57. *See id.* *See generally* FRIEDRICH A. HAYEK, *THE ROAD TO SERFDOM* (1944) (arguing that abandonment of Western ideals like individualism, free trade, and liberalism paves the way for repressive authoritarian regimes such as Nazi Germany).

58. *See, e.g.*, James Parisot, *Capitalism and the Creation of the U.S. Constitution*, 37 STUD. AM. POL. DEV. 199, 206–07 (2023); Skinner, *supra* note 56, at 664.

from America's financial sector to the educational system to the housing and food sectors operates on capitalist notions of competition, resource scarcity, and supply and demand, leading to "correct" prices for products and services.⁵⁹ These structures were built alongside the country and are therefore familiar to most Americans. Socially, capitalism has inspired deregulation, lowered tariffs, and increased the flow of people and goods, facilitating easier global connections through advances in sea, air, and road navigation.⁶⁰

Capitalism's allure extends to Black Atlantans, in part because of their relative success in entrepreneurship.⁶¹ Black business owners who participated in the Morehouse Report preferred the conventional corporate structure to maintain autonomy and decisionmaking power. Further, they had interests in building "a lucrative business" that could allow them to successfully "exit their ventures."⁶² Though several Black employees at businesses with mostly Black employees had either entrepreneurial aspirations or side jobs, they conceived of entrepreneurship as limited to the conventional capitalist models.⁶³ There are, however, alternatives to capitalist economies, one of which I discuss in the next section: the solidarity economy.

B. ON SOLIDARITY ECONOMIES

The solidarity economy envisions a world quite different from that envisaged in capitalism. The solidarity economy is an international framework and movement that offers an alternative to capitalism.⁶⁴ Instead of being a prescribed economic system that delineates who oversees managing and distributing resources, the solidarity economy is "a systemic *commitment* to and *practice* of interdependence and collective liberation in the economic activities that meet our material needs."⁶⁵ Though used by Spaniard Felipe Alaiz as early as 1937, the solidarity economy, "in practice but under other names, [has] existed for thousands of years in our communities," particularly Indigenous communities in the Americas and Africa.⁶⁶ At its heart, it aims to "redistribute power and resources to those who

59. See, e.g., Skinner, *supra* note 56, at 654, 659, 667; IMMERGLUCK, *supra* note 17, at 100 (discussing gentrification and competitive housing prices in Atlanta); Wellington Onyenwe, *This Atlanta Urban Farm Tackles Hunger, Joblessness, Crime—and a Tense History of Policing*, ENV'T HEALTH NEWS (Sep. 18, 2024), <https://www.ehn.org/urban-farming-atlanta> [<https://perma.cc/3ZP3-9WF2>] (discussing how supply and demand created food deserts in Atlanta).

60. See Skinner, *supra* note 56, at 657–58.

61. See *supra* Introduction; see also HOBSON, *supra* note 11, at 89, 161, 164 (noting how Black-owned firms were able to benefit from city contracts under the Maynard Jackson administration, resulting in the creation of several Black millionaires).

62. Morehouse Report, *supra* note 26, at 6.

63. *Id.* at 8.

64. Hill, *supra* note 22, at 902.

65. *What Do We Mean by Solidarity Economy?*, SOLIDARITY ECON. PRINCIPLES (emphasis added), <https://solidarityeconomyprinciples.org/what-do-we-mean-by-solidarity-economy> [<https://perma.cc/Q92L-XSGE>] (last visited May 18, 2026).

66. *Id.*; see Ethan Miller, *Solidarity Economy: Key Concepts and Issues*, in SOLIDARITY ECONOMY I: BUILDING ALTERNATIVES FOR PEOPLE AND PLANET 1, 2 (Emily Kawano, Tom Masterson & Jonathan Teller-Ellsberg eds., 2010).

have been most harmed by white supremacy, settler colonialism, patriarchy, ableism, and capitalism.”⁶⁷ It aims to transform the economy.⁶⁸

The solidarity economy began to take shape in the late 1990s.⁶⁹ Following the *cooperativismo* movement in Colombia and the theoretical work of Chilean economist Luis Razeto, the International Solidarity Economy Group gathered in Lima, Peru, in 1997, launching what would later become RIPESS.⁷⁰ RIPESS, “an intercontinental network of continental networks committed to the promotion of Social Solidarity Economy,” was instrumental in the subsequent World Social Forum held in Porto Alegre, Brazil, in 2005.⁷¹ The creation of RIPESS led to the U.S. Social Forum in Atlanta, Georgia, in 2007, and a series of social forums throughout the world in the subsequent several years.⁷² The U.S. Solidarity Economy Network (the “USEN”), the New Economy Coalition, and dozens of organizations, both domestically and internationally, have formed to educate the public and support the development of solidarity economies and solidarity economy institutions.⁷³

Several core principles serve as a barometer for determining whether economic systems and practices are consistent with the solidarity economy. According to the USEN, the solidarity economy follows five principles: (1) solidarity and cooperation; (2) equity in all dimensions (for example, race, ethnicity, nationality, class, and gender); (3) social and economic democracy; (4) sustainability; and (5) pluralism.⁷⁴ Though the fifth principle, pluralism, can be confusing, it aims to foster dynamism in thinking about the solidarity economy. For some, a solidarity economy may look like an economy managed by a centralized state.⁷⁵ For others, a decentralized, anarchistic set of loosely connected groupings might manage the economy in the absence of a nation-state.⁷⁶ Or, perhaps, it looks some

67. *What Do We Mean by Solidarity Economy?*, *supra* note 65.

68. The solidarity economy is consistent with Marxian theory in its concern with the exploitation of labor. *See id.*; WOLFF & RESNICK, *supra* note 28, at 133.

69. Camila Nobrega, *Solidarity Economy: Finding a New Way Out of Poverty*, THE GUARDIAN (Oct. 9, 2013, at 06:01 ET), <https://www.theguardian.com/global-development-professionals-network/2013/oct/09/brazil-solidarity-economy-labour> [<https://perma.cc/5NE3-8EB3>].

70. *See id.*; Miller, *supra* note 66, at 2; *About RIPESS*, RIPESS, <https://www.riess.org/about-riess/?lang=en> [<https://perma.cc/39FP-BWJC>] (last visited May 18, 2026).

71. *About RIPESS*, *supra* note 70; *see RIPESS Joins the Global Platform for the Right to the City*, RIPESS (Oct. 21, 2015), <https://www.riess.org/riess-joins-the-global-platform-for-the-right-to-the-city-5/?lang=en> [<https://perma.cc/9CTH-XHZ8>] (discussing developments during the World Social Forum in Porto Alegre). RIPESS is the Intercontinental Network for the Promotion of Social Solidarity Economy, when translated to English from Spanish. *See* Miller, *supra* note 66, at 2; *What Do We Mean by Solidarity Economy?*, *supra* note 65.

72. *See* Miller, *supra* note 66, at 2.

73. *See id.*; *What Is the New Economy Coalition?*, NEW ECON. COAL., <https://neweconomy.net/about> [<https://perma.cc/P3C9-K6H5>] (last visited May 18, 2026); Renee Hatcher, *Solidarity Economy Lawyering*, 8 TENN. J. RACE, GENDER & SOC. JUST. 23, 26 (2019).

74. *About Solidarity Economy*, U.S. SOLIDARITY ECON. NETWORK, <https://ussen.org/resources/about-solidarity-economy> [<https://perma.cc/8FJY-YPFT>] (last visited May 18, 2026).

75. *See, e.g.*, Miller, *supra* note 66, at 10 (describing the Emilia Romagna region of Italy, where cooperatives are “required to distribute 3% of [their] annual profits to cooperative development funds administered by regional networks”).

76. *See id.*

other way. So long as the economic arrangements honor the major principles, it can be a solidarity economy.⁷⁷

Building on the work of the USEN, a group of practitioners created an enhanced set of principles for the solidarity economy. These principles are: (1) Collective Care, Relationships, and Accountability; (2) Democracy and Process; (3) Education and Leadership Development; (4) Liberation Culture; and (5) Shared Resources and Shared Vision.⁷⁸ In practice, the solidarity economy assumes that these principles apply to all economic relationships and activities.⁷⁹ These principles span across various parts of the economy, including (a) land stewardship (e.g., community land trusts and the commons), (b) surplus allocation (e.g., credit unions, public banks, and cooperative loan funds), (c) exchange (e.g., solidarity markets, barter clubs, and sliding scale pricing), and (d) consumption (e.g., housing cooperatives, food cooperatives, and ethical purchasing).⁸⁰

There are significant differences between the solidarity economy and the capitalist economy. The Just Transition framework illustrates the difference between an extractive, capitalist economy and a regenerative, solidarity economy.⁸¹ The capitalist economy employs a colonial mindset that views people as consumers and workers.⁸² In contrast, the solidarity economy centers sacred practices rooted in care for both people and the planet.⁸³ When it comes to the purpose of these economies, the capitalist one prioritizes the accumulation of wealth through profit maximization for shareholders and the power that results.⁸⁴ In contrast, the solidarity economy's purpose is environmental sustainability and the best possible social wellbeing for the masses.⁸⁵ Governance in the solidarity economy encourages deep, participatory democracy, whereas the capitalist economy invests in hypermilitarization as a means of governing internationally and domestically.⁸⁶ Capitalists, in their pursuit of profits, view resources as mere commodities to be extracted, burned, and discarded.⁸⁷ However, the solidarity economy recognizes the finite nature of resources and the necessity of regenerative practices.⁸⁸ Finally, in the workplace, the capitalist economy seeks to maximize its exploitation of workers to reap the most significant benefits.⁸⁹ In contrast, the solidarity

77. *Id.* at 6–7.

78. See *What Is Solidarity Economy?*, SOLIDARITY ECON. PRINCIPLES, <https://solidarityeconomyprinciples.org/what-is-solidarity-economy> [<https://perma.cc/8X74-N6VD>] (last visited May 18, 2026).

79. See *What Do We Mean by Solidarity Economy?*, *supra* note 65.

80. See *id.*

81. *Just Transition: Overview*, MOVEMENT GENERATION, <https://movementgeneration.org/justtransition> [<https://perma.cc/C5YM-RTYE>] (last visited May 18, 2026).

82. See *id.* (seeing industrial economies that exploit workers as “extractive” with a worldview centered on consumerism and a colonial mindset).

83. *Id.*; see *What Is Solidarity Economy?*, *supra* note 78.

84. See *Just Transition*, *supra* note 81; Friedman, *supra* note 47.

85. *Just Transition*, *supra* note 81; see Miller, *supra* note 66, at 1.

86. *Just Transition*, *supra* note 81.

87. See *id.*

88. See *id.*

89. See *id.*; Huertas-Noble, *supra* note 21.

economy prioritizes empowering workers as decisionmakers and collaborators with shared interests.⁹⁰ Let's sit with this fifth distinction a bit as we discuss how Black people have built solidarity at work through worker cooperatives.

Worker cooperatives—businesses owned and managed by their workers—can fall within the solidarity economy's production realm.⁹¹ Worker cooperatives are different from conventional capitalist businesses in two key ways: (1) the workers share the surplus money left over instead of passive, nonworking shareholders, and (2) the workers democratically govern as opposed to having board-appointed managers govern.⁹² Worker cooperatives are not as uncommon as one might think. Americans have been forming cooperatives since arriving in the United States, and the number of cooperatives has continued to grow.⁹³ Benjamin Franklin founded the first consumer cooperative in the United States, a mutual fire insurance company, in 1752.⁹⁴ There are over 750 worker cooperatives in the United States, generating \$483 million in revenue annually.⁹⁵ Among the largest worker cooperatives in the country, Cooperative Home Care Associates has around 2,000 worker-owners, mainly based in the Bronx, New York.⁹⁶ Popular non-worker cooperatives include REI, ACE Hardware, Ocean Spray Cranberry Juice, and Land O'Lakes.⁹⁷

Black people are not strangers to worker cooperatives. In fact, they engaged in cooperative economics before arriving in the United States.⁹⁸ Political economist Jessica Gordon Nembhard found that, upon their arrival in America, Black people “used racial solidarity and economic cooperation in the face of discrimination and marginalization to pool their resources and create their own mutually beneficial and often democratic companies.”⁹⁹ Through her research, Professor Nembhard uncovered how many individuals associated with advocating for the

90. See Miller, *supra* note 66, at 6.

91. *What Do We Mean by Solidarity Economy?*, *supra* note 65.

92. Hill, *supra* note 22, at 899–901 (going into detail regarding both these key differences and the challenges that they can bring up).

93. LYNN PITMAN, UW CTR. FOR COOPS., HISTORY OF COOPERATIVES IN THE UNITED STATES: AN OVERVIEW 2 (Dec. 2018).

94. *Id.*

95. NAT'L COOP. BUS. ASS'N, 2025 COOPERATIVE IMPACT REPORT: BUILDING A BETTER WORLD THROUGH COOPERATIVES 11 (2025), https://impact.coop/media/3gxmtdec/437925-3-_23_ncba-impact-report-2025_wr.pdf [<https://perma.cc/5PZR-9LCN>].

96. *Id.* at 26.

97. Molk, *supra* note 21, at 900.

98. See, e.g., Aborampah Amoah-Mensah, *Nnobia and Rotated Susu as Agents of Savings Mobilization: Developing a Theoretical Model Using Grounded Theory*, 26 QUALITATIVE REP. 140, 141 (2021) (noting that in Ghana the “nnobia is a [traditional] form of cooperative society whereby two or more people help each other or themselves in weeding” or other farm-related processes on a rotational basis); GREG PATMORE & NIKOLA BALNAVE, A GLOBAL HISTORY OF CO-OPERATIVE BUSINESS 27 (2018) (noting that farmers in Burkina Faso created *naams*, through which farmers similarly rotated on each other's farms to support each other collectively); Degnet Abebaw & Mekbib G. Haile, *The Impact of Cooperatives on Agricultural Technology Adoption: Empirical Evidence from Ethiopia*, 38 FOOD POL'Y 82, 83 (2013) (describing the Ethiopian practice of creating “work groups such as *jige*, *wonfel*, and *debo*” to organize their labor cooperatively).

99. NEMBHARD, *supra* note 1, at 76.

civil and human rights of Black Americans—Fannie Lou Hamer, Ella Baker, Martin Luther King Jr., and El Hajj Malik el Shabazz—engaged in cooperative economics as an alternative to capitalism.¹⁰⁰ From saving money to buy the freedom of their family and friends to forming mutual aid societies, farmer cooperatives, and consumer cooperatives, Black Americans, as Professor Nembhard documents, practiced solidarity throughout the country, including the South.¹⁰¹

Black Georgians also engaged in the broader solidarity economy. The Georgia Sea Islands, including Sapelo Island, were among several Gullah Geechee maroon communities founded after the end of the Civil War.¹⁰² Macon, Georgia, was the home to one of the chapters of the Colored Farmers' National Alliance and Cooperative Union in the late 1800s.¹⁰³ The first community land trust, New Communities, Inc., was formed in 1969 in Albany, Georgia.¹⁰⁴ The Carver Homes public housing community in Atlanta housed a convenience store started by a worker cooperative, the Carver Homes Worker's Cooperative, in 1976.¹⁰⁵ Just a few decades later, a group of mostly Black women founded the Dawson Workers-Owned Cooperative after taking over the abandoned fabric-cutting and sewing plant from their former employer.¹⁰⁶

Even now, there are several solidarity economy efforts, generally, and worker cooperatives, specifically, active in Atlanta. Mutual aid societies formed in response to the COVID-19 pandemic, including the Free Atlanta Abolition Movement, Metro Atlanta Mutual Aid Fund, and Sol Underground.¹⁰⁷ Most of the cooperatives sell products, such as Pecan Milk Cooperative, which sells pecan milk, Sweet Sol, which sells hot sauce, and Community Sea Moss, which sells sea moss-based products.¹⁰⁸

As noted in the Morehouse Report, Black entrepreneurs, employees, and cooperators in Atlanta see the value of worker cooperatives. Black owners of conventional businesses viewed worker cooperatives and other employee-ownership models as a way to achieve “financial stability” by bringing in skilled partners to support their operations.¹⁰⁹ Black workers also saw employee ownership as a mechanism for increasing economic security, cultivating mentorship, and acquiring

100. *Id.* at 23, 132, 301.

101. *See id.* at 23–24, 32, 41.

102. *Id.* at 38.

103. *Id.* at 55.

104. *Seeding the First CLTs: New Communities Inc., ROOTS & BRANCHES*, <https://cltroots.org/the-guide/early-hybrids-breeding-and-seeding-the-clt-model/georgia-seedbed> [<https://perma.cc/644T-ELVD>] (last visited May 18, 2026).

105. NEMBHARD, *supra* note 1, at 211.

106. *Id.* at 167.

107. Julian Rose, Britni Ruff & Christina Foster, *For Black Atlanta, the Path to Collective Liberation Lies in Economic Solidarity*, SHAREABLE (Feb. 23, 2023), <https://www.shareable.net/for-black-atlanta-the-path-to-collective-liberation-lies-in-economic-solidarity> [<https://perma.cc/ELP3-5LVG>]; *see* PECAN MILK CO-OP, <https://pecanmilk.com> [<https://perma.cc/KHD8-B2FK>] (last visited May 18, 2026); *Products*, GANGSTAS TO GROWERS, <https://www.gangstastogrowers.com/sweet-sol> [<https://perma.cc/TK45-Y37L>] (last visited May 18, 2026); *Our Mission*, COMMUNITY SEA MOSS, <https://communityseamoss.com/our-mission> [<https://perma.cc/5H8D-TH5L>] (last visited May 18, 2026).

108. *See id.*

109. Morehouse Report, *supra* note 26, at 3–4.

additional capital.¹¹⁰ Finally, Black worker-owners drew a connection between worker cooperation and self-determination. One worker-owner remarked, “cooperative economics is to provide for [them]selves—and survive and thrive outside the current systems in place,” and chart “a path to collective liberation.”¹¹¹ The question of whether worker cooperatives or conventional businesses can best facilitate Black self-determination is explored in the next Part.¹¹²

II. BLACK SELF-DETERMINATION IN ATLANTA & THE AMERICAN SOUTH

With a grounding in the features and justifications for capitalist and solidarity economies, this Part argues that worker cooperatives rooted in the solidarity economy can best facilitate Black self-determination. It begins by offering a definition of Black self-determination and outlining its requirements, with a focus on the role of economic freedom. Taking that definition into account, it shows why worker cooperatives are better positioned than conventional capitalist business structures to produce such a reality. It concludes that Black-led worker cooperatives must be rooted in a broader solidarity economy to achieve Black economic freedom and self-determination.

A. BLACK SELF-DETERMINATION

Black self-determination, as used in this Essay, means the ability of Black people “to shape their own political, economic, and cultural future.”¹¹³ I have discussed elsewhere some of the various ways Black people in America have theorized, experimented with, and pursued self-determination.¹¹⁴ Though the workplace aligns more readily with the economic aspect of self-determination, given its proximity to economic activity (for example, work, production, and sales), cultural and political norms and practices are deeply intertwined. However, economic freedom for Black people will be the primary lens through which I evaluate capitalist and solidarity economy business models.

But what do we mean by “economic freedom”? For our purposes, I posit four key features. Kali Akuno, a co-founder of Cooperation Jackson, suggests that economic freedom requires those exercising it to have access to and control over the means of production and related processes.¹¹⁵ For the Heritage Foundation, it means “the fundamental right of every human to control his[,] her[,] [or their] own labor and property” free from government intervention and collectivist tendencies.¹¹⁶ As such, a first requirement of economic freedom is that workers have

110. *Id.* at 9.

111. *Id.* at 15.

112. *Id.* at 15–16.

113. Aiyetoro & Davis, *supra* note 10, at 725.

114. See Hill & Humphries, *supra* note 10, at 26.

115. Kali Akuno, *Build and Fight: The Program and Strategy of Cooperation Jackson*, in JACKSON RISING REDUX: LESSONS ON BUILDING THE FUTURE IN THE PRESENT 12, 13 (Kali Akuno & Matt Meyer eds., 2023).

116. About *The Index of Economic Freedom*, HERITAGE FOUND.: INDEX OF ECON. FREEDOM (Feb. 2025), <https://economicfreedom.heritage.org/pages/about> [<https://perma.cc/B8LJ-HRWJ>]; see also

the power to make decisions in the workplace. Second, such freedom should allow workers to economically benefit from their labor in ways commensurate with their efforts. Third, economic freedom should ensure that workers produce enough value to earn a living wage and the ability to meet their basic needs. Finally, as Professor Robert D. Cooter notes, economic freedom should enable workers to be as creative as possible in their work.¹¹⁷ By being able to control one's workplace and benefiting meaningfully from that creative work such that one's material needs are met, one is exercising economic freedom.

B. CAPITALISM & BLACK SELF-DETERMINATION

Despite providing a perceived positive impact at a national level on a range of fronts, including leisure time, quality of life, longevity, health, wellbeing, and poverty alleviation,¹¹⁸ capitalism has not been kind *across* race, gender, and class.¹¹⁹ As such, in a capitalist economy, Black people struggle to experience much in the way of economic freedom, even in places touted for “Black excellence” like Atlanta. In the workplace, Black people make very few decisions since they are typically not owners or managers.¹²⁰ Income disparities and the wealth gap, both based on race, continue to demonstrate how many Black people struggle to meet many of their basic needs.¹²¹ Further, evidence suggests that these structures do not maximize employee creativity.

Looking at the first metric of economic freedom, Black workers in conventional capitalist businesses lack democratic control over their workplaces. Instead, these institutions are hierarchical, with workers at the bottom, particularly in the U.S. South. In the Morehouse Report, most of the Black employees interviewed expressed a lack of optimism about the possibility of a “potential partnership with their current employers” that would allow them to be decision-makers.¹²² Further, they felt their employers were not invested in their training and did not value their labor enough to nurture a relationship.¹²³ This sense of detachment is consistent with a corporate structure that concentrates power and decisionmaking at the top. Unfortunately, Black Atlantans cannot fully benefit from union organizing due to a lack of legal protections in Georgia and throughout the American South.¹²⁴

Frederick A. Hayek, *Economic Freedom and Representative Government* 9 (The Inst. of Econ. Affs., Occasional Paper 39, 1973) (discussing how certain forms of democracy produce greater governmental control of economic life).

117. Robert D. Cooter, *Freedom, Creativity, and Intellectual Property*, 8 N.Y.U. J.L. & LIBERTY 1, 2 (2013).

118. See, e.g., Skinner, *supra* note 56, at 657–59.

119. See Christian E. Weller, *African Americans Face Systematic Obstacles to Getting Good Jobs*, CTR. FOR AM. PROGRESS (Dec. 5, 2019), <https://www.americanprogress.org/article/african-americans-face-systematic-obstacles-getting-good-jobs> [<https://perma.cc/N8P2-FNRS>].

120. See *supra* Section I.A.

121. See Weller, *supra* note 119.

122. Morehouse Report, *supra* note 26, at 9, 18.

123. *Id.* at 12–13.

124. See Chandra Childer, *Southern Policymakers Leave Workers with Lower Wages and a Fraying Safety Net*, ECON. POL'Y INST. (July 18, 2024), <https://www.epi.org/publication/rooted-racism-part3>

Regarding the second criterion of economic freedom, several metrics suggest that Black workers are not economically benefiting from their labor as much as proponents of capitalism suggest. Wages have remained stagnant, while corporate bonuses and shareholder dividends have increased; as a consequence, the Black–white wage gap has widened.¹²⁵ In essence, the value of the Black worker’s labor is being siphoned off by the capitalist class. Black workers still make less than white workers, even if one controls for education.¹²⁶ Black women, on average, make \$23,000 less than white, non-Hispanic men each year.¹²⁷ Moreover, Black people make up most of the low-paying jobs in the labor market.¹²⁸ The erosion of workers’ benefits and rights in Georgia and other southern states makes it challenging, as noted above, for Black workers to organize and demand more.¹²⁹

Even Black-owned businesses face several challenges when attempting to leverage the conventional capitalist form. They generate far less revenue than other businesses, and creditors see them as riskier.¹³⁰ Black-owned businesses struggle to access the debt and equity markets needed to finance most businesses.¹³¹ Further, less than 0.5% of venture capital funds and about 1.6% of eligible federal contracting dollars (in 2022) go to Black startups.¹³² These figures suggest that, despite the promise of capitalism’s free markets and emphasis on innovation, there are signs of discrimination, lack of resources, and other factors that cause Black-owned businesses to disproportionately fall behind on key metrics for generating adequate financial return for their labor.

[<https://perma.cc/27G3-RAFS>] (describing Georgia law’s failure to legalize collective bargaining and labor union organizing); see also Jennifer Sherer, *Holding the Line: Rights to Unionize and Collectively Bargain: State Solutions to the U.S. Worker Rights Crisis*, ECON. POL’Y INST. (Feb. 17, 2026), <https://www.epi.org/publication/rights-to-unionize-and-collectively-bargain-state-solutions-to-the-u-s-worker-rights-crisis> [<https://perma.cc/U4QH-HFPV>] (identifying Georgia as a Southern state that has enacted the anti-union legislation specifically identified in the 2024 report).

125. Fenaba R. Addo, William A. Darity Jr. & Samuel L. Myers Jr., *Setting the Record Straight on Racial Wealth Inequality*, 114 AEA PAPERS & PROCS. 169, 169 (2024).

126. Stephen Miller, *Black Workers Still Earn Less than Their White Counterparts*, SHRM (June 26, 2020), <https://www.shrm.org/topics-tools/news/benefits-compensation/black-workers-still-earn-less-white-counterparts> [<https://perma.cc/ZEX3-XY83>].

127. *Black Women and the Wage Gap*, NAT’L BLACK WORKER CTR., <https://nationalpartnership.org/wp-content/uploads/2023/02/african-american-women-wage-gap.pdf> [<https://perma.cc/6D2S-J657>] (last visited May 18, 2026).

128. See Weller, *supra* note 119.

129. See, e.g., Childer, *supra* note 124 (describing Georgia law’s failure to increase minimum wage, ensure health insurance, ensure pensions, ensure paid leave, and legalize collective bargaining); RAY KHALFANI, GA. BUDGET & POL’Y INST., 2023 STATE OF WORKING GEORGIA: SHORT-LIVED RECOVERY REFLECTS LONG-TERM BARRIERS 2 (2023), <https://gbpi.org/2023-state-of-working-georgia-short-lived-recovery-reflects-long-term-barriers> [<https://perma.cc/3K48-LQLB>] (suggesting unprotected racial discrimination against Black workers).

130. ALL. FOR ENTREPRENEURIAL EQUITY, THIRD WAY & NAT’L URB. LEAGUE, THE STATE OF BLACK BUSINESS 7–8 (2024), <https://www.thirdway.org/report/the-state-of-black-business.pdf> [<https://perma.cc/4G4A-N5B5>].

131. See *id.* at 8.

132. See *id.* at 9–10.

Unsurprisingly, many Atlantans live in poverty and are unable to meet their basic needs. One in five Black Atlantans lives in poverty.¹³³ The median wealth of Black families, \$6,000, is about 5% that of white households in the South.¹³⁴ In Georgia, only 15% of Black people own their homes, compared to 60% of white families, and 11.2% are unbanked.¹³⁵ When it comes to food, “[a]bout 20% of Black households can’t access food reliably in Atlanta.”¹³⁶

It is difficult to determine whether conventional capitalist businesses empower their workers to be their most creative. In a survey involving over 4,000 workers from several countries, 82% of Americans said that they worked in jobs that required them to be creative at least weekly, if not every day.¹³⁷ However, a national survey by the Fairfax County Economic Development Authority found that while 73% of workers believe they are instinctively creative, less than 50% believe that their workplaces allow them to tap into their creative capacities.¹³⁸ According to the Morehouse Report, Black owners expressed a desire to maintain control over their businesses, but it might be speculative to suggest that this means they don’t permit their workers to bring their full creative potential to bear.¹³⁹ Two Black employees from the same report suggested that their inability to be creative at work was one reason they were uninterested in co-ownership, at least with their employers.¹⁴⁰

Based on the criteria described herein for assessing Black economic freedom, the conventional capitalist structure likely fails to facilitate such a reality for most working-class Black Atlantans, including entrepreneurs. Serving as employees in structures designed to extract labor in states with scant worker support, working-class Black Atlantans have limited chances to self-determine. The numbers bear that out in terms of the assets that Black workers can amass, the neglect that they experience at the hands of their workplaces and other capitalist structures, and the economic insecurity that so many face.

C. WORKER COOPERATIVES & BLACK SELF-DETERMINATION

As compared to capitalist structures, cooperative structures create a much better foundation for self-determination for Black Atlantans. More importantly,

133. Jackson, *supra* note 12; *Atlanta QuickFacts*, *supra* note 12 (noting that nearly one-fifth of Atlantans live in poverty).

134. ALEX CAMARDELLE, KINDRED FUTURES, ROOTS OF WEALTH: UNEARTHING BLACK PROSPERITY IN THE SOUTH 6 (2025), <https://kindredfutures.org/wp-content/uploads/2025/08/RootsofWealth-R4.pdf> [<https://perma.cc/VK4B-LFR6>].

135. *Id.* at 16, 23, 26 (noting that the lack of access to banks can “impose extra costs (time, travel, high fees for alternative financial services) that inhibit saving and investment” for Black families).

136. See Onyenwe, *supra* note 59.

137. STEELCASE, CREATIVITY AT WORK 7, https://info.steelcase.com/hubfs/Landing-Pages/Creativity-Idea-Book/Creativity%20at%20Work_WhitePaper_Homepage_EN.pdf [<https://perma.cc/RV3U-XSAX>] (last visited May 18, 2026).

138. Joshua Bjerke, *National Survey Finds Creativity Gap in U.S. Workplace*, RECRUITER.COM, <https://www.recruiter.com/recruiting/national-survey-finds-creativity-gap-in-u-s-workplace> [<https://perma.cc/LFF2-4KCP>] (last visited May 18, 2026).

139. Morehouse Report, *supra* note 26, at 6.

140. *Id.* at 10–13.

worker cooperation is actually a requirement for Black self-determination, so long as our economy operates on the concept of people selling their labor. Although worker cooperatives are not perfect, they offer a legal infrastructure that provides several benefits, helping Black workers better achieve the four key elements of economic freedom.¹⁴¹

First, Black worker-owners are more likely than workers in conventional businesses to exercise democratic control over their workplaces and, therefore, their labor. Most worker cooperatives operate under the one-member, one-vote principle, meaning that each worker is a shareholder entitled to make governance decisions.¹⁴² Despite arguments that decisionmaking in worker cooperatives is less efficient because they are democratic workplaces,¹⁴³ not every worker-owner needs to make every decision. Worker cooperatives delegate tasks based on expertise and efficiency, provided the membership approves.¹⁴⁴ In this sense, worker cooperatives are the ideal space for worker empowerment because of this dynamic. Even in worker cooperatives with non-owner workers, the collaborative decisionmaking culture still values their opinions.

Secondly, Black-led worker cooperatives enable worker-owners to benefit financially from their labor. Black worker-owners, like other worker-owners, would avail themselves of the ability to collect, in addition to their wages, a share of the profit based on patronage as discussed in Part III. Worker cooperatives create jobs that employ higher standards for wages compared to conventional businesses.¹⁴⁵ In fact, workers sometimes form cooperatives in response to failures in the conventional business job market.¹⁴⁶ According to a 2023 report, the ratio between the lowest- and highest-paid workers is closer to 1:1.5 in worker cooperatives, compared to 1:344 in conventional businesses.¹⁴⁷

When it comes to Black workers' ability to meet their needs, some studies suggest that worker cooperatives are better than conventional capitalist businesses. Among the several advantages of worker cooperatives are stable employment, wealth retention, improved working conditions, training, and education.¹⁴⁸ Additionally, worker cooperatives can be more productive, create better communication channels, increase motivation, reduce alienation, and avoid opportunism.¹⁴⁹ Furthermore,

141. See *supra* Section II.A; Hill, *supra* note 22, at 902.

142. See Molk, *supra* note 21, at 930.

143. See *id.* at 927.

144. See *id.* at 927 n.125.

145. Stacey Sutton & Jessica Gordon-Nembhard, *The Promise of African American Worker Cooperatives*, in THE DISCIPLINE AND THE AFRICAN WORLD 2022 REPORT: AN ANNUAL REPORT ON THE STATE OF AFFAIRS FOR AFRICANA COMMUNITIES 28, 29 (Serie McDougal III ed., Nat'l Council for Black Studs. 2022), https://issuu.com/ncbsonline/docs/ncbs_annual_report_2nd_edit [<https://perma.cc/7F7A-WWB6>]; NEMBARD, *supra* note 1, at 14; Cummings, *supra* note 21, at 190.

146. NEMBARD, *supra* note 1, at 12.

147. DEMOCRACY AT WORK INST. & U.S. FED'N OF WORKER COOPS., STATE OF THE SECTOR 2023: WORKER COOPERATIVES & DEMOCRATIC WORKPLACES IN THE U.S. (2023) [hereinafter STATE OF THE SECTOR 2023], <https://drive.google.com/file/d/1TDUPYqjfnz3Gx3u7dfjN6HbORiIfGUx8> [<https://perma.cc/BD2G-YBWE>].

148. Baskaran, *supra* note 21, at 365.

149. Molk, *supra* note 21, at 918.

worker cooperatives tend to last longer than traditional businesses because, among other reasons, they tend to reinvest surplus into the business, resulting in better-quality services for members and consumers, improved productivity, and other positive externalities.¹⁵⁰ During times of great difficulty, Black-led worker cooperatives can offer greater flexibility to balance member needs and maintain employment status where possible.

Worker cooperatives enable a fair amount of creativity, if not more, than conventional businesses. The democratic decisionmaking process gives workers more opportunities to offer creative ideas to the rest of the team. In such cases, a worker can presume that their proposals would be taken more seriously and readily welcomed. Further, Black workers in a cooperative might be more inclined to generate and share ideas, given their share of the business surplus. Alternatively, the democratic process also means more deliberation.

In evaluating the capitalist business model and the worker cooperative, a democratic workplace that enables workers to enjoy the fruits of their labor better facilitates Black self-determination. Worker cooperatives invite owners to participate in decisionmaking, rather than consolidating power at the top. Relatedly, worker cooperatives better enable owners to get the resources to meet their needs without sacrificing opportunities for creativity. In many, if not most, conventional businesses, surpluses and other resources are siphoned off to nonworking investors.

III. BARRIERS TO BLACK-LED WORKER COOPERATIVE DEVELOPMENT

Notwithstanding their alignment with promoting Black self-determination and the earlier-cited examples from Atlanta, Black-led worker cooperatives are few and far between in the American South.¹⁵¹ Integrating insights from the Morehouse Report, this Part highlights three types of barriers to the spread of Black-led worker cooperatives: procedural, structural, and cultural barriers. The Morehouse Report helps to confirm, shed light on, and elaborate on many of the barriers facing Black-led worker cooperatives.¹⁵²

A. PROCEDURAL BARRIERS

The process of forming a worker cooperative presents several challenges for prospective Black worker-owners in the American South. Although some hurdles overlap with those faced by other worker cooperatives and Black-owned

150. See Sutton & Gordon-Nembhard, *supra* note 145, at 28–29, 34; *Cooperatives Have Twice the Lifespan of Traditional Businesses*, CO-OP NEWS (Jan. 13, 2012), <https://www.thenews.coop/cooperatives-have-twice-lifespan-traditional-businesses> [<https://perma.cc/N6YE-FX29>]; Molk, *supra* note 21, at 917–19.

151. See STATE OF THE SECTOR 2023, *supra* note 147; DEMOCRACY AT WORK INST. & U.S. FED’N OF WORKER COOPS., 2019 WORKER COOPERATIVES IN THE UNITED STATES (2019), https://cameonetwork.org/wp-content/uploads/2020/02/2019-Worker-Cooperative-Economic-Census-EN-FINAL_020220.pdf [<https://perma.cc/N94W-NS3S>].

152. See generally Morehouse Report, *supra* note 26 (discussing findings from interviews with Black employees and business owners about employee ownership).

businesses, they are doubly troubling for Black-led worker cooperatives. Once a group decides to form a worker cooperative, it will face difficulties finding culturally and technically competent lawyers, navigating state corporate laws, and paying startup and ongoing costs. This combination of procedural barriers can significantly undermine the prospects of Black-led worker cooperatives.

1. Competent Legal Counsel

Finding competent legal counsel is the first barrier for Black-led worker cooperatives. Identifying lawyers who can advise worker cooperatives in Georgia and the South is incredibly difficult. Aside from myself, I know of only two other lawyers licensed to practice law in Georgia who have publicly expressed some level of comfort advising worker cooperatives. The Sustainable Economies Law Center hosts a nationally recognized fellowship program for solidarity economy lawyers, and only ten of its fellows (about 15%) practice law in the U.S. South.¹⁵³ Confirming this barrier, respondents in the Morehouse Report shared that they had to navigate “a thicket of incorporation laws, cooperative statutes, tax code ambiguities, and compliance protocols, *all without adequate legal representation* or access to model documents.”¹⁵⁴

Compounding the problem is that there are relatively few legal service organizations in the South that provide transactional support, let alone advice on worker cooperatives. In Atlanta, for example, there are *no* nonprofit legal service organizations that provide free legal services to small businesses. Only one law school clinic in the Atlanta metropolitan area, which I co-founded in the fall of 2024, provides free legal services to social enterprises, including worker cooperatives, in areas beyond patent law.¹⁵⁵ Compare this to New York City, where several legal service organizations and law school clinics have the capacity to serve worker cooperatives.¹⁵⁶ The experience is also similar in places such as Washington, D.C., Boston, and several other cities—almost exclusively outside

153. *Legal Fellows*, SUSTAINABLE ECONS. L. CTR., <https://www.theselc.org/fellows> (last visited May 18, 2026).

154. Morehouse Report, *supra* note 26, at 18 (emphasis added).

155. See Lauren Allred, *New Law Clinic Empowers Community Entrepreneurs*, GA. STATE U.: GA. STATE NEWS HUB (Aug. 29, 2024), <https://news.gsu.edu/2024/08/29/new-law-clinic-empowers-community-entrepreneurs> [<https://perma.cc/H3P6-HWKC>] (noting that “the Community Development & Entrepreneurship Law Clinic (CDELIC) at Georgia State University College of Law will help fill the void, by serving as metro Atlanta’s sole law school-based transactional law clinic”).

156. Nearly every law school in New York City has a transactional law clinic. See, e.g., *Clinics by Topic*, N.Y.U. SCH. OF L., <https://www.law.nyu.edu/academics/clinics/clinics-by-topic> [<https://perma.cc/37NH-JFEZ>] (last visited May 18, 2026). Also, at least four legal service organizations offer transactional legal services—The Legal Aid Society, TakeRoot Justice, Volunteers of Legal Service, and Build Up Justice NYC. *Community Development Project*, LEGAL AID SOC’Y, <https://legalaidnyc.org/programs-projects-units/community-development-project> [<https://perma.cc/9AMR-X6CJ>] (last visited May 18, 2026); *Capacity Building*, TAKEROOT JUST., <https://takerootjustice.org/areas/capacity/> [<https://perma.cc/M9JP-6BJX>] (last visited May 18, 2026); *VOLS Microenterprise Project*, VOLS, <https://volsprobono.org/projects/microenterprise/> [<https://perma.cc/ACJ7-Y3RR>] (last visited May 18, 2026); *Strengthening Neighborhood Economies*, BUILD UP JUST. NYC, <https://buj.org/service/small-businesses/> [<https://perma.cc/WW3Y-BTU7>] (last visited May 18, 2026).

of the U.S. South.¹⁵⁷ Unfortunately, this is consistent with the geographic mismatch identified in a Project Equity Report, noting how the South, despite having a high density of Black workers, “possess[es] few, if any, local [technical assistance] providers.”¹⁵⁸

Of the attorneys who are competent enough to advise worker cooperatives, a fraction identify as Black.¹⁵⁹ It would be reductionist to assume that all Black attorneys would have the cultural competency to represent all Black-led worker cooperatives. Class, gender, education, and other differences exist between lawyers and clients, creating tensions for lawyers across all fields to navigate. However, having a Black attorney can provide comfort to Black-led worker cooperatives, as the lawyer *may* have greater cultural competency. In the absence of Black attorneys trained to advise worker cooperatives, Black-led worker cooperatives in Atlanta struggle to access “*culturally competent* legal . . . support,” even if they find one of the few technically sound practitioners, as noted in the Morehouse Report.¹⁶⁰

2. Corporate Law

Even where Black worker-owners in southern cities like Atlanta find lawyers, corporate law presents another procedural barrier. One element of this barrier is policy. Although several states have statutes governing worker cooperatives, few southern states do.¹⁶¹ Georgia is among those southern states without a worker cooperative statute.¹⁶² Worker cooperative statutes establish legal requirements for integrating cooperative principles—worker-owner voting, patronage-based profits, and investors

157. In Boston, the law schools at Suffolk, Boston College, and Harvard all have transactional clinics. See *Clinics*, SUFFOLK U., <https://www.suffolk.edu/law/academics-clinics/clinics-experiential-opportunities/clinics> [<https://perma.cc/Q8KD-WHHL>] (last visited May 18, 2026); *Clinics*, B.C., <https://www.bc.edu/content/bc-web/schools/law/academics-faculty/experiential-learning/clinics.html> [<https://perma.cc/XLJ8-V9H9>] (last visited May 18, 2026); *What Are the Transactional Law Clinics*, HARV. L. SCH., <https://hls.harvard.edu/clinics/in-house-clinics/transactional-law-clinics> [<https://perma.cc/ZD8G-834K>] (last visited May 18, 2026). In D.C., the law schools at Georgetown, American, and George Washington have at least one transactional clinic. See *Social Enterprise and Nonprofit Law Clinic*, GEO. L., <https://www.law.georgetown.edu/experiential-learning/clinics/our-clinics/social-enterprise-and-nonprofit-clinic> [<https://perma.cc/ZRY5-CRPN>] (last visited May 18, 2026); *Community Economic and Equity Development Clinic*, AM. U., <https://www.american.edu/wcl/academics/experientialedu/clinical/theclinics/community/index.cfm> (last visited May 18, 2026); *Small Business & Community Economic Development Clinic*, GEO. WASH. L., <https://www.law.gwu.edu/small-business-community-economic-development-clinic> [<https://perma.cc/SS7J-DB2X>] (last visited May 18, 2026).

158. PROJECT EQUITY, BLACK EMPLOYEE OWNERSHIP: A PATHWAY TO WEALTH BUILDING & ECONOMIC OPPORTUNITY 66 (2026).

159. See Marybeth Gasman, *Why We Need More African-American Lawyers*, FORBES (Mar. 16, 2023, at 16:47 ET), <https://www.forbes.com/sites/marybethgasman/2023/03/16/why-we-need-more-african-american-lawyers/> (describing the small percentage of lawyers who are Black and the importance of having more Black attorneys).

160. Morehouse Report, *supra* note 26, at 17 (emphasis added).

161. See Hill, *supra* note 18, at 116–17 (discussing the legal developments regarding worker cooperative statutes around the country).

162. See CO-OP ATLAS, <https://us.coopatlas.org/map/state> [<https://perma.cc/22YM-ZSTF>] (last visited May 18, 2026) (showing that, despite having cooperative statutes geared toward agricultural, marketing and other types of cooperatives, only Alabama and Texas have laws that contemplate worker cooperatives).

who may not own more than 49% of the voting shares.¹⁶³ Without such statutes, unscrupulous investors could subvert cooperative intentions consistent with the conventional features of standard corporate laws. Further, the owners may not be able to use “cooperative” in the legal name.¹⁶⁴

The second element of this barrier is functional. Though worker cooperatives can form as limited liability companies (LLCs) and conventional corporations, these conventional corporate entities are hierarchical and presume the exploitation of workers by owners.¹⁶⁵ As a result, Black Atlantans starting worker cooperatives must wrestle against those presumptions to back-engineer cooperation. In practice, this means drafting documents such as bylaws to address the cooperative features mentioned above (for example, minimizing the influence of an investor class). However, without a state statute outlining cooperative principles, those entities will have no legal requirements or parameters to rely on if they are not included in bylaws or operating agreements.

3. Startup and Ongoing Costs

Regardless of the entity, Black worker-owners face relatively higher start-up and ongoing costs than other small businesses. Aside from fixed filing fees for legal formation and periodic filings that all businesses have,¹⁶⁶ several variable costs are often higher for Black-led worker cooperatives. Though conventional Black-owned businesses face difficulties finding startup capital due to racial discrimination,¹⁶⁷ that difficulty is compounded for Black-led worker cooperatives. Startup capital from loans is difficult because many banks require business owners to provide a personal guarantee in the event of loan default.¹⁶⁸ Personal guaranty requirements can be even more difficult for a business owned by multiple people, as each person potentially has to put themselves at financial risk.¹⁶⁹ Unlike owners in conventional companies, worker-owners contribute funds to purchase a stake in the cooperative, which could range from less than \$100 to over \$10,000.¹⁷⁰ Some of these costs may be exacerbated by being a worker-

163. See Hill, *supra* note 18, at 116–18; see, e.g., N.Y. COOP. CORP. LAW §§ 80–94; D.C. CODE §§ 29-1001.01 to -1015.08 (2025); 805 ILL. COMP. STAT. 317/1 to /99.

164. See Hill, *supra* note 18, at 117.

165. See *id.* at 115–16; Sutton & Gordon-Nembhard, *supra* note 145, at 29.

166. See, e.g., GA. SEC’Y OF STATE, CORPORATIONS DIVISION FILING FEES (2025), <https://sos.ga.gov/sites/default/files/forms/Reference%20-%20Filing%20Fees%20%28Effective%209.6.2025%29.pdf> [<https://perma.cc/FRJ7-W68G>].

167. See PROJECT EQUITY, *supra* note 158, at 19 (describing several studies indicating discriminatory lending practices Black-owned businesses face).

168. See Joseph F. Cudia, *Personal Guarantees: Recent Cases Setting Dangerous Precedent*, 10 OHIO ST. BUS. L.J. 1, 3–4 (2015) (describing personal guarantees as “an unsecured written promise to be responsible for the debt of another party or entity,” which banks often require from all business owners before providing a loan).

169. See *Direct Financial Support*, N.Y.C. NETWORK WORKER COOPS., <https://www.workercoop.nyc/en/directfinancialsupport> [<https://perma.cc/UPC4-EY37>] (last visited May 18, 2026) (advocating for a policy not requiring worker-owners to be personal guarantors due to the burden it creates).

170. See Linda Phillips, *Cooperative Equity Capital, Income and Patronage: How They Work Together*, JASON WIENER P.C. (Feb. 4, 2021), <https://jrwiener.com/cooperative-equity-capital-income-and-patronage-how-they-work-together> [<https://perma.cc/LN9J-F8B9>].

owned business in the American South, as the limited supply of competent technical support providers could drive up costs.¹⁷¹ For example, the Black-led worker cooperative may pay more for, or may find it more difficult to rent or buy, commercial space due to discrimination and other reasons.¹⁷² Alternatively, they may pay more to find landlords who do not require the worker-owners to serve as guarantors on the lease, which, like with loan guarantees, provides the landlord with extra security if the business is unable to pay rent.¹⁷³ Finally, Black worker-owners are at a disadvantage due to many of the aforementioned forms of economic violence Black people more often face (for example, income disparities and housing discrimination) that leave them with fewer resources to invest in a cooperative.¹⁷⁴

These realities are consistent with the experiences of Black-led worker cooperatives in Atlanta. Black employees from the Morehouse Report suggest a fear of risk when considering cooperative ownership, due to the financial and time costs of starting and running such a venture.¹⁷⁵ Black worker-owners in the Morehouse Report also shared that the need to hold second jobs due to unstable income, benefits, and support to finance their cooperative is difficult to overcome.¹⁷⁶ Georgia, specifically Atlanta, has two funds from the Seed Commons network, a leading group of community development financial institutions that provide non-extractive financing for cooperatives, while other southern states—such as Alabama, Oklahoma, Arkansas, and South Carolina—have no such institutions.¹⁷⁷ California and New York, however, each have four Seed Commons affiliates.¹⁷⁸ The geographic mismatch of technical assistance providers identified earlier seems similar to that of the cooperative-serving financial institutions, leaving Black-led worker cooperatives to suffer.

B. STRUCTURAL BARRIERS

The second type of barrier facing Black-led worker cooperatives is structural. The barriers below are structural because they are baked into America's legal

171. See, e.g., Morehouse Report, *supra* note 26, at 18 (discussing the dearth of legal experts and technical assistance).

172. See, e.g., Susan L. Waysdorf, *Two Tailors: The Pursuit of Racial Justice in 1970s Chicago*, 9 U. D.C. L. REV. 91, 103 (2007); Daniel B. Bogart, *Good Faith and Fair Dealing in Commercial Leasing: The Right Doctrine in the Wrong Transaction*, 41 J. MARSHALL L. REV. 275, 297 (2008) (suggesting discrimination in the commercial leasing world happens even if not central to those transactions); PROJECT EQUITY, *supra* note 158, at 74 (noting that “Black business owners are less than half as likely to own the commercial properties they operate in as their White counterparts”). Though there appear to be no meaningful studies of commercial leasing discrimination, my own experience advising dozens of small businesses with commercial leases in New York City for a few years suggests that it happens quite often.

173. Praveen Kosuri & Lynnise Pantin, *Nowhere to Run to, Nowhere to Hide*, 28 CLINICAL L. REV. 199, 207 (2021).

174. See *supra* Section II.B; PROJECT EQUITY, *supra* note 158, at 67–68 (noting barriers that Black-led worker cooperatives have to acquiring capital).

175. See Morehouse Report, *supra* note 26, at 10–11.

176. See *id.* at 19.

177. See *Our National Cooperative Network*, SEED COMMONS, <https://seedcommons.org/our-network> [https://perma.cc/27DQ-75FR] (last visited May 18, 2026).

178. *Id.*

infrastructure. Some directly undermine the viability of Black-led worker cooperatives, while others do so indirectly. These barriers may simultaneously seem procedural; however, they differ because they more directly uphold capitalist values, including hierarchy, individual responsibility, and profits, among others.

1. Direct Barriers

Securities, labor, and tax laws are among the clearest direct structural barriers to the development of Black-led worker cooperatives. In each of these areas of law, the inability of Black-led worker cooperatives to navigate them can be consequential. Failing to register securities, mischaracterizing workers as non-employees, or incorrectly paying taxes are each features directly connected to worker cooperative formation and maintenance. Although some of these barriers affect worker cooperatives and Black-owned businesses in general, they collectively leave Black-led worker cooperatives particularly vulnerable.

Securities Law. Securities laws are one direct structural barrier for Black-led worker cooperatives. Securities law encompasses the regulation of the issuance and sale of investment instruments known as securities, which are fungible, negotiable financial instruments that represent an ownership interest in a company (equity or shares) or a right to repayment by a company (debt).¹⁷⁹ The U.S. Securities and Exchange Commission (SEC) is the federal agency that administers and enforces these regulations, while statewide entities govern such sales under state securities law.¹⁸⁰ When an owner creates a business, they and any co-owners become its shareholders or members.¹⁸¹ However, they may seek and attract outside investors in exchange for financial benefits.¹⁸² When cooperatives distribute profits, they use a

179. See Securities Act of 1933, 15 U.S.C. §§ 77a–77aa; Securities Exchange Act of 1934, 15 U.S.C. §§ 78a–78rr; 15 U.S.C. § 77b(a)(1).

180. These agencies aim to protect potential investors who buy securities from being defrauded by companies through material misstatements, omissions, or both. Public and privately held companies often must disclose key information to potential investors to meet government requirements that companies provide sufficient information for investors to make informed decisions. See Jeffrey T. Haughey & Kevin M. Veler, *Blue Sky Laws and State Takeover Statutes: New Importance for an Old Battleground*, 7 J. CORP. L. 689, 699 (1982); *About*, U.S. SEC, <https://www.sec.gov/about> [<https://perma.cc/S34N-RUBX>] (last visited May 18, 2026); *Securities*, GA. SEC'Y OF STATE, <https://sos.ga.gov/securities-division-georgia-secretary-states-office> [<https://perma.cc/GKK9-JP6Z>] (last visited May 18, 2026).

181. See *Dodge v. Ford Motor Co.*, 170 N.W. 668, 679 (Mich. 1919). Shareholders and members have equity (a security interest) that entitles them to certain rights (for example, voting and a return on profits). Randall S. Thomas & Patrick C. Tricker, *Shareholder Voting in Proxy Contests for Corporate Control, Uncontested Director Elections and Management Proposals: A Review of the Empirical Literature*, 70 OKLA. L. REV. 9, 12–14 (2017).

182. See Molk, *supra* note 21, at 901. The benefit typically manifests itself as a percentage of the company's profits that it decides to distribute. See *Dodge*, 170 N.W. at 682 (discussing how directors are entitled to distribute dividends, or leftover profit, to shareholders). Voting and profit-sharing can correspond to ownership in a conventional business. For example, if the future members of a business decided to form a traditional company and one of the five workers owned 80% of the company's shares (for example, they invested \$800 of the \$1,000 distributed where voting is directly connected to relative ownership), that worker would be entitled to 80% of future profit distributions and 80% of any shareholders' vote (a default supermajority). However, if the business were a worker cooperative, voting and profit-sharing would not correspond to ownership. As far as voting is concerned, each member

metric closely tied to the labor workers perform (for example, hours worked and income).¹⁸³ A worker, therefore, would be entitled to 80% of the profits if they did 80% of the cooperative's work.

Securities laws create higher barriers to entry for Black-led worker cooperatives for at least two reasons, one of which is that Black worker-owners have far less wealth and disposable income than other racial groups.¹⁸⁴ To join a worker cooperative, prospective members purchase their membership interest or share.¹⁸⁵ Black-led worker cooperatives are less able to rely significantly on member contributions because they may not be able to set prices or fees as high as those of other worker cooperatives. For a five-person cooperative, a cost of \$50, rather than \$250, can mean the difference between \$250 and \$1,250 in startup capital. Black-led worker cooperatives cannot benefit from wealthier worker-owners who could pay higher prices for shares because every share has the same price and the same rights associated with it. As such, Black-led worker cooperatives must avoid prohibitively high share prices to ensure that potential members with the least means can still buy an ownership interest, creating a lower ceiling on capital raising from members.

Securities laws' limits on community fundraising create a barrier to Black-led worker cooperatives raising financing through personal relationships and passive investors. To solicit investors who will not be worker-owners, worker cooperatives need either (1) an exemption that permits them to forgo registering those ownership interests (i.e., securities) or (2) to register the securities.¹⁸⁶ Where Black-led worker cooperatives go the exemption route, they may still need to file documentation with the relevant state agency, the SEC, or both.¹⁸⁷ For example, laws like Invest Georgia allow businesses to solicit investors in their state without registration; however, this process requires payment for both any filings and the expertise of securities lawyers versed in cooperatives—a tall ask in the American South as discussed previously.¹⁸⁸ Where Black-led worker cooperatives need to

would receive one share, entitling them to one vote (“one-member, one-vote”). Baskaran, *supra* note 21, at 357. Regarding profit distribution, the cooperative would allocate its surplus (profits) as dividends through a system called “patronage.” See DONALD A. FREDERICK, U.S. DEP'T OF AGRIC., INCOME TAX TREATMENT OF COOPERATIVES: DISTRIBUTIONS, RETAINS, REDEMPTIONS, AND PATRONS' TAXATION 4 (2005) <https://www.rd.usda.gov/files/cir44-3.pdf> [<https://perma.cc/N665-YCYJ>].

183. See John G. Hodnette, *Taxation of Cooperatives Under Subchapter T*, NCBARBLOG (Aug. 12, 2024), <https://www.ncbarblog.com/tax-taxation-of-cooperatives-under-subchapter-t> [<https://perma.cc/73BU-CKS2>].

184. See Sutton & Nembhard, *supra* note 145, at 28.

185. See Phillips, *supra* note 170.

186. *Exempt Offerings*, U.S. SEC, <https://www.sec.gov/resources-small-businesses/exempt-offerings> [<https://perma.cc/D7GR-4LWM>] (last visited May 18, 2026); see, e.g., Ga. Off. of Sec'y of State: Sec. and Charities Div., Invest Georgia Exemption Amendment, Rule 59-4-2-.08 (July 11, 2017), https://sos.ga.gov/sites/default/files/2022-02/ige_rule_amendment_guidance-7.11_17_4.pdf (Georgia's amendment to an exemption allowing for-profit business to raise a certain amount of funding from intrastate investors without requiring registration).

187. See Haughey & Veler, *supra* note 180, at 698.

188. See *Invest Georgia Exemption*, GA. SEC'Y OF STATE, <https://sos.ga.gov/page/invest-georgia-exemption> (last visited May 18, 2026).

register their securities because, for example, they want to offer securities outside of their home state or under a different securities law, they need even more capital to pay for the preparation of the often-robust disclosure documents for potential investors.¹⁸⁹ There are also requirements for ongoing reporting that will require ongoing costs for Black-led worker cooperatives.

Labor Law. Labor laws are a second direct structural barrier to Black-led worker cooperative development. Federal and state labor laws regulate the rights and obligations of employers and employees regarding worker welfare and working conditions, as well as those of labor organizations, including unions.¹⁹⁰ They are designed to protect employees in the workplace and provide employers with the guidance that they need to ensure a safe workplace. Although workers own and manage worker cooperatives, labor and employment laws are relevant. Some worker cooperatives unionize because conflicts between managers and the non-managerial workers can arise even within the cooperative context.¹⁹¹

One way labor laws can burden Black-led worker cooperatives is by increasing their costs. In the startup phase, Black-led worker cooperatives may need to carry certain types of employee-related insurance. For instance, if a Georgia-based worker cooperative has three or more employees or LLC members, Georgia law requires the entity to obtain workers' compensation insurance.¹⁹² Black-owned businesses, which rarely have employees, are often not subject to these laws. Black-led worker cooperatives, however, often have at least a few members, which would more likely trigger the requirement for obtaining such insurance. While conventional small businesses typically need to demonstrate some viability before hiring others, Black-led worker cooperatives might go months or even years without revenue and still have to pay for workers' compensation insurance and, depending on size, abide by other expensive legal requirements for employers.¹⁹³

On the other hand, workers' compensation insurance may not be costly while a cooperative's payroll is relatively low. One formula for calculating the base for workers' compensation insurance is a multiple of the cooperative's rate, based on payroll dollars.¹⁹⁴ Therefore, if cooperatives have no income for several months,

189. See, e.g., 15 U.S.C. § 80a-24 (establishing registration requirements under the Securities Act of 1933).

190. See, e.g., *About Us*, U.S. DEP'T OF LABOR, <https://www.dol.gov/general/aboutdol/majorlaws> [<https://perma.cc/C3BH-JPC4>] (last visited May 18, 2026); *Department of Labor*, GA. DEP'T OF LABOR, <https://dol.georgia.gov/organization/departments-labor> [<https://perma.cc/SZ52-JVZU>] (last visited May 18, 2026).

191. See generally Ariana R. Levinson, *Union Co-Ops and the Revival of Labor Law*, 19 CARDOZO J. CONFLICT RESOL. 453, 460–61 (2018).

192. *Workers' Compensation Insurance FAQs*, STATE BD. OF WORKERS' COMP., <https://sbwc.georgia.gov/frequently-asked-questions/workers-compensation-insurance-faqs> [<https://perma.cc/6W73-7RJZ>] (last visited May 18, 2026).

193. Cf. Cummings, *supra* note 21, at 188 (“[I]t is more difficult for cooperatives to become economically self-sufficient since they require a great deal of ancillary organizing support.”).

194. See, e.g., *How Workers' Compensation Costs Are Calculated*, ADP, <https://www.adp.com/resources/articles-and-insights/articles/h/how-is-workers-comp-calculated.aspx> [<https://perma.cc/6CBJ-CXGN>] (last visited May 18, 2026).

their insurance-related liabilities should be negligible. Despite the hard-earned fight workers waged to secure workers' compensation, some worker-owners may prefer flexibility on how much and when to secure such insurance in the initial stages as a matter of cost management. As noted previously, Black worker-owners may face more stringent financial constraints than other worker-owners.

Finally, labor law does not necessarily protect employees who want to organize to turn a conventional employer into a worker cooperative. Although the National Labor Relations Act (the NLRA) prohibits employers from discharging or disciplining employees for engaging in concerted activity for mutual aid or protection, courts have not addressed whether the NLRA covers employees seeking to organize to secure employee ownership of the employer's company. I will touch on this further in Part IV.

Tax Law. Tax law, a third direct structural barrier, can create difficulties for Black-led worker cooperatives due to its complexity. Federal and state tax laws govern the rules under which Congress may collect taxes on various forms of income.¹⁹⁵ The Internal Revenue Code dedicates a section to cooperative taxation—Subchapter T.¹⁹⁶ There are at least three requirements to qualify for and maintain Subchapter T status.¹⁹⁷ Unlike other Black small business owners without employees, Black-led worker cooperatives often require legal counsel that comprehends this regime.¹⁹⁸ Under Subchapter T, Black worker-owners have to file business taxes for a corporation rather than, for example, the simpler pass-through framework available to Black entrepreneurs with no employees.¹⁹⁹ As Black Atlantans and worker-owners noted in the Morehouse Report, the tax code is hard to navigate.²⁰⁰ Further, Georgian worker cooperators, as is the case across the American South, do not benefit from state-level tax incentives available in states like Colorado.²⁰¹

The American tax regime, like corporate and labor law, presents direct barriers to Black-led worker cooperatives, as it favors the conventional hierarchy of capitalist businesses in ways that directly connect to formation and ongoing operations. Although America has a rich history of cooperation, particularly with respect to agricultural and electric cooperatives in the American South, state laws are not nearly as conversant with worker cooperatives. As these laws require more capital to pay for specialized expertise to facilitate worker ownership, Black-led worker cooperatives in the U.S. South are at a double disadvantage due to having fewer resources than white and other cooperators in other regions and more complicated issues to navigate than other Black entrepreneurs.

195. *Why Do I Have to Pay Taxes?*, IRS, <https://www.irs.gov/pub/irs-pdf/p2105.pdf> [https://perma.cc/K8JU-3DYJ] (last visited May 18, 2026).

196. I.R.C. §§ 1381–1383.

197. Roland F. Hall, *Maintaining Cooperative Status Under Subchapter T: Requirements and Best Practices*, AUTRY & HALL, LLP (Nov. 26, 2024), <https://ahclaw.com/benefit-post/maintaining-cooperative-status-under-subchapter-t-requirements-and-best-practices/> [https://perma.cc/2WLD-N4D6].

198. See Hempel & Krishna, *supra* note 22, at 963–94.

199. Hodnette, *supra* note 183; Hall, *supra* note 197.

200. See Morehouse Report, *supra* note 26, at 18.

201. See *id.* at 22; PROJECT EQUITY, *supra* note 158, at 26, 66.

2. Indirect Barriers

Some structural hurdles to the expansion of Black-led worker cooperatives, particularly in the U.S. South, are less direct. Examples include education, consumer, and criminal law. Not directly related to the operations of worker cooperatives, they can prevent Black people from learning about cooperative economics and amassing the resources to launch such endeavors in the first place. They are areas of law rarely discussed in the context of impediments to worker cooperatives, and that is, in part, because they impact Black communities in relatively pernicious ways, as I discuss below.

Education Law. A threshold barrier to developing Black-led worker cooperatives is a lack of awareness, which, in part, education laws facilitate. Education law governs teachers, schools, school districts, school boards, and students.²⁰² The U.S. Department of Education and state education departments manage the country's public school system and are responsible for compliance.²⁰³ These laws govern pre-kindergarten through higher education.²⁰⁴ Education law's purview includes school finance, liability, constitutional rights, safety, and curriculum.²⁰⁵

Education law is a barrier to Black-led worker cooperative development, in part, because most schools that Black children attend from kindergarten through twelfth grade ("K-12 schools") do not teach cooperative economics. In fact, the K-12 schools' curriculum in most states does not require economics teachers to discuss alternative economies, including cooperative economics.²⁰⁶ A 2003 study found that nearly eighty percent of corporate-sponsored education materials were biased or incomplete.²⁰⁷ The Morehouse Report confirms the lack of coverage of cooperative economics—no participant in the study reported learning about worker cooperatives in a formal school setting; instead, participants learned through informal, community-facing initiatives and institutions, if at all.²⁰⁸

The same can be said of the college-level curriculum. Although Historically Black Colleges and Universities ("HBCUs") taught about cooperatives as recently as the 1940s, that no longer seems to be the case.²⁰⁹ Economics and

202. *Education Law Center*, JUSTIA (Oct. 2025), <https://www.justia.com/education> [<https://perma.cc/TD6Z-8RAX>].

203. *Id.*

204. Jade Yeban, *What is Education Law?*, FINDLAW (Sep. 6, 2023), <https://www.findlaw.com/hirealawyer/choosing-the-right-lawyer/education-law.html> [<https://perma.cc/KLP6-B4D9>].

205. *Education Law Center*, *supra* note 202.

206. Jessica Gordon Nembhard, *Alternative Economics—A Missing Component in the African American Studies Curriculum*, 38 J. BLACK STUDS. 758, 767 (2008) (noting that "few [high school] students are being exposed to high-level skills in economics or alternative economics," in part, because "[t]he economic education guidelines reflect mainstream economic thought and focus on concepts of scarcity, competition, and rationality, including issues such as trade, investment, and government structure").

207. *See id.*

208. *See* Morehouse Report, *supra* note 26, at 2–3.

209. NEMBHARD, *supra* note 1, at 109–10. Despite hosting a conference on Black employee ownership, Morehouse College's Economics Department does not include a class on cooperative economics, though there may be a course under its Special Topics in Economics course. *About Economics*, MOREHOUSE COLL., <https://morehouse.edu/academics/majors/economics#major> [<https://perma.cc/Z26S-U69F>] (last visited May 18, 2026).

African American Studies departments at HBCUs do not appear to offer cooperative economics courses.²¹⁰ Only “a few” business schools at other universities offer full or partial courses on cooperative economics.²¹¹ Outside of select community development clinics and law school courses, legal scholarship does not widely discuss cooperative economics, the solidarity economy, or the role that lawyers can play in either.²¹² As a result, most transactional lawyers trained to advise businesses are unprepared to advise Black-led worker cooperatives without independent study (for which they may have to bill their already underresourced clients).

Consumer Law. Consumer laws, specifically their inadequacies or ineffective enforcement, are a second indirect hindrance to Black-led worker cooperatives. Federal and state consumer laws aim to protect consumers from unfair and deceptive practices.²¹³ However, they too frequently fail to protect Black people, including future worker-owners, from predatory lenders.²¹⁴ In Atlanta, 67% of predatory institutions—including title lenders, installment lenders, and rent-to-own companies—reside in neighborhoods with relatively high Black populations.²¹⁵ Several of the existing consumer law policy interventions—such as lender amnesty, usury and anti-discrimination laws, cooperative lending through credit unions, and increased disclosure—fall short of effectively curbing predatory lending.²¹⁶ Despite some bright spots in North Carolina and Arkansas, southern states like Georgia permit interest rates as high as 300% from certain lenders.²¹⁷

210. NEMBARD, *supra* note 1, at 110.

211. *Id.*

212. See Hatcher, *supra* note 73, at 24; see also *supra* Section III.A.1 (discussing the dearth of clinics focused on advising small businesses).

213. See, e.g., *Federal Trade Commission Act*, U.S. FTC, <https://www.ftc.gov/legal-library/browse/statutes/federal-trade-commission-act> [<https://perma.cc/RCD4-ZVXZ>] (last visited May 18, 2026); *About Us*, U.S. CFPB, <https://www.consumerfinance.gov/about-us> [<https://perma.cc/4RDD-A2MU>] (noting that the federal agency “ensures that markets for consumer financial products are transparent, fair, and competitive”) (last visited May 18, 2026); *Consumer Protection*, GA. OFF. OF THE ATT’Y GEN., <https://law.georgia.gov/key-issues/consumer-protection> [<https://perma.cc/66HG-WZXX>] (last visited May 18, 2026).

214. See Christopher L. Peterson, *Federalism and Predatory Lending: Unmasking the Deregulatory Agenda*, 78 TEMP. L. REV. 1, 14 & n.52 (2005); SHRIVER CTR. ON POVERTY L. & LEGAL IMPACT NETWORK, RACE EQUITY AT THE CORE OF CONSUMER LAW 15 (Nolan Downey et al. eds., 2021), https://www.povertylaw.org/wp-content/uploads/2021/07/Consumer_Law_and_Race_report_v5-2.pdf [<https://perma.cc/6NTF-KAJ9>] (describing the use of land installment contracts increasingly with Black home buyers as a means to transfer the burden of homeownership to buyers while having none of the attending rights).

215. See ALEX CAMARDELLE, KINDRED FUTURES, TRAPPED BY DESIGN: HOW PREDATORY LENDERS EXPLOIT BLACK ATLANTA 5–6, <https://kindredfutures.org/trapped-by-design> [<https://perma.cc/94BA-NEDZ>] (last visited May 18, 2026). “Kindred Futures defines predatory institutions as businesses or financial entities that exploit communities affected by structural racism by offering goods, services or financial products under terms that disproportionately harm consumers.” *Id.*

216. See *id.* at 30–31.

217. See *id.* at 25.

The inability of consumer laws to prevent disproportionate predatory lending to Black communities leaves Black worker-owners with fewer resources to invest in their business. Black people receive loans from predatory lenders disproportionately at above-average rates and are more frequently targeted for debt collection suits.²¹⁸ As individuals, aspiring Black worker-owners are more likely to have debt and damaged personal credit scores that could affect their borrowing options once they try to start their business.²¹⁹ As institutions, Black-led worker cooperatives, which already struggle to obtain financing, are more likely to have access to and fall prey to predatory loans that can result in “facing insolvency, losing assets or shutting down.”²²⁰ Similar concerns can arise when consumer debt is connected to student loans, although it is considered relatively “good” debt.²²¹ Collectively, these dynamics in consumer law strip many Black workers of the option to pursue worker ownership.

Criminal Law. Criminal law, which deals with the prosecution of criminal offenses, is the third area of law that structurally, albeit indirectly, burdens potential Black worker-owners due to its significant impact on Black communities. One in five Black men born in 2001 will experience imprisonment, a rate four times that of white men, while Black women are 1.6 times as likely as white women to be incarcerated.²²² As one can imagine, the incarceration rates in southern states such as Arkansas, Oklahoma, Louisiana, and Mississippi are nearly 50% above the national average.²²³ Georgia has the highest rate of correctional supervision in the country, with 90% of the jail population in Fulton County (where Atlanta is located) being Black despite representing 42% of the county’s population.²²⁴

Carcerality impacts Black-led worker cooperative development in at least three ways. First, formerly incarcerated individuals, more often Black people, their families, and their communities, are far more likely to suffer from chronic medical conditions and mental health conditions, which can be disruptive in a

218. Paul Kiel & Annie Waldman, *The Color of Debt: How Collection Suits Squeeze Black Neighborhoods*, PROPUBLICA (Oct. 8, 2015), <https://www.propublica.org/article/debt-collection-lawsuits-squeeze-black-neighborhoods> [<https://perma.cc/RQ6V-45AE>]; SHRIVER CTR. ON POVERTY L. & LEGAL IMPACT NETWORK, *supra* note 214, at 18–19.

219. See CAMARDELLE, *supra* note 215, at 18 (discussing how predatory debt can serve as a wealth stripping mechanism, leading borrowers to cycles of debt, loss of assets, damage to credit scores, and financial instability). See also *Establish Business Credit*, U.S. SMALL BUS. ADMIN. (May 19, 2023), <https://www.sba.gov/business-guide/plan-your-business/establish-business-credit> [<https://perma.cc/J3DA-URQR>] (“Poor credit history is one of the main reasons why loan applications for small businesses are often declined. Poor credit history can also impact insurance rates and the attractiveness of [the] business to potential partners, suppliers, and vendors.”).

220. See CAMARDELLE, *supra* note 215, at 18.

221. See SHRIVER CTR. ON POVERTY L. & LEGAL IMPACT NETWORK, *supra* note 214, at 18, 26.

222. Nazgol Ghandnoosh, *One in Five: Ending Racial Inequity in Incarceration*, SENT’G PROJECT (Oct. 11, 2023), <https://www.sentencingproject.org/reports/one-in-five-ending-racial-inequity-in-incarceration> [<https://perma.cc/V9MH-FY6Q>].

223. *Id.*

224. *Mass Incarceration*, SOUTHERN CTR. FOR HUM. RTS., <https://www.schr.org/mass-incarceration> [<https://perma.cc/9X29-JRDG>] (last visited May 18, 2026); SOUTHERN CTR. FOR HUM. RTS., *THE HUMAN RIGHTS REPORT 22* (2025), <https://www.schr.org/wp-content/uploads/2025-Human-Rights-Report-Reduced.pdf> [<https://perma.cc/AF5W-YC4N>].

democratic workplace.²²⁵ Secondly, formerly incarcerated Black people have a harder time accessing key resources (e.g., housing) that often provide the stability needed to pursue employee ownership.²²⁶ Finally, incarceration leads to increased inequality in terms of the wealth gap,²²⁷ leaving Black people impacted by incarceration and their families far less likely to be able to have the capital to invest in building a worker cooperative and, instead, being burdened with debt from criminal incarceration.²²⁸

C. CULTURAL BARRIERS

Cultural barriers constitute the third stumbling block for Black-led worker cooperatives. Like indirect structural obstacles, cultural norms such as white supremacy, distrust, and Black capitalism co-create an environment that undermines Black cooperation. Beyond a belief, white supremacy has been embodied in various forms of violence against Black Americans, particularly those participating in cooperative economics. Further, a culture of distrust has developed in certain subsets of the Black community that makes cooperation hard. Finally, the propaganda and narrative force of Black capitalism as the best platform for Black self-determination undermines efforts at promoting Black-led worker cooperatives.

White Supremacy and Violence. White supremacy is a belief that denies Black people of worth by purporting that white people are superior to all other races.²²⁹ At the outset of the Trans-Atlantic Slave Trade in the fifteenth century in Alkebulan (modern-day Africa), white supremacy justified Europeans' use of every tool at their disposal to violently alienate African people from their bodies and labor.²³⁰ Captured African people did not own their bodies because of racial capitalism,²³¹ which both racialized them as "Black" and dehumanized them as commodities. Black people did not own their labor because white Americans excluded them from the human family, members of which are typically worthy of fundamental human rights.²³² Even after emancipation, the enactment of

225. See Hill, *supra* note 22, at 904–05.

226. See Tiffany Kirk, *The Challenges of Employment for People with Backgrounds*, PROJECT RESTART (Sep. 6, 2024), <https://www.projectrestartatl.org/post/the-challenges-of-employment-for-people-with-backgrounds> [https://perma.cc/LCS8-TZUU].

227. Nazgol Ghandnoosh & Luke Trinko, *One in Five: How Mass Incarceration Deepens Inequality and Harms Public Safety*, SENT'G PROJECT (Jan. 16, 2024), <https://www.sentencingproject.org/reports/one-in-five-how-mass-incarceration-deepens-inequality-and-harms-public-safety> [https://perma.cc/3T2B-65EA].

228. See *Fines and Fees*, VERA INST. OF JUST., <https://www.vera.org/ending-mass-incarceration/criminalization-racial-disparities/fines-and-fees> [https://perma.cc/5PHW-7KVF] (last visited May 18, 2026).

229. See, e.g., MEHRSA BARADARAN, *THE COLOR OF MONEY* 11 (2017).

230. ROBINSON, *supra* note 36, at 103, 109–10.

231. *Id.* at 2; Hill, *supra* note 22, at 887 n.8 (“Racial capitalism, a term coined by Cedric Robinson, argues that ‘[c]apitalism was “racial” not because of some conspiracy to divide workers or justify slavery and dispossession, but because racialism had already permeated Western feudal society,’ and therefore, as a function of history, is inextricably linked to capitalism.” (citing Robin D.G. Kelley, *What Did Cedric Robinson Mean by Racial Capitalism?*, BOS. REV. (Jan. 12, 2017), <https://www.bostonreview.net/articles/robin-d-g-kelley-introduction-race-capitalism-justice>)).

232. Barbara J. Fields, *Ideology and Race in American History*, in REGION, RACE, AND RECONSTRUCTION 143, 155 (J. Morgan Kousser & James M. McPherson eds., 1982).

vagrancy laws, sharecropping, convict leasing, and integration into industrial factories have all been rooted in ways of controlling Black people's labor.²³³ As such, white supremacy predetermines Black laborers as workers subordinated to capital, and not as owners of their own labor.

The City of Atlanta is no exception. After emancipation, Atlanta officials instituted a new system of control over the Black population through the modern police force.²³⁴ First, Atlanta's leaders relied on anti-Black policing to supply the city with free labor to expand its roads and grow the city.²³⁵ In addition, the white press continuously perpetuated a narrative that linked Black idleness with criminality.²³⁶ The perception that Black idleness increased crime rates created a system in which Atlanta leaders targeted Black people who did not appear to be working. Thus, the very idea that Black Atlantans were not working was considered criminal in the eyes of Atlanta leaders.

Where Black people created economically successful, albeit segregated, communities in the dark (for example, with maroon communities) and out in the open (in Tulsa, Oklahoma, for example), white resistance and, in some instances, jealousy have manifested themselves in violence that has chilled interest in Black-led worker cooperatives to this day.²³⁷ Whites used physical violence, property damage, and other forms of sabotage designed to undermine Black self-help.²³⁸ Professor Mehrsa Baradaran recounts the callous mismanagement of Freedman's Bank, founded in 1865 as a savings bank for newly emancipated Africans, which failed not even a decade later due to the grossly negligent speculation of white bank managers and resulted in Black wealth diminishing by half.²³⁹ Understandably, the Freedman's Bank's reckless failure resulted in profound distrust of the government and its institutions by Black people.²⁴⁰

The *Fearless Fund* litigation is a contemporary example of white supremacy, using civil rights law, rearing its ugly head at the sight of Black people trying to help each other.²⁴¹ In *American Alliance for Equal Rights v. Fearless Fund Management, LLC*, American Alliance sued Fearless Fund for violating Section 1981 of the Civil Rights Act of 1866, which prohibits discrimination

233. See *id.* at 164; Tracey Meares, *This Land is My Land?*, 130 HARV. L. REV. 1877, 1878 (2017) (reviewing RISA GOLUBOFF, *VAGRANT NATION* (2016) (vagrancy laws)); SHRIVER CTR. ON POVERTY L. & LEGAL IMPACT NETWORK, *supra* note 214, at 51 (sharecropping); BETHEA & CAMARDELLE, *supra* note 14, at 3 (convict leasing); ROBINSON, *supra* note 36, at 203 & 382 n.73 (discussing subordination of Black labor for white profit in the 1860s).

234. See generally Jonathan J. Booth, *Policing after Slavery: Race, Crime, and Resistance in Atlanta*, 96 U. COLO. L. REV. 1 (2025) (analyzing the modernization of the Atlanta police force following emancipation and its role in maintaining white supremacy).

235. *Id.* at 15.

236. *Id.* at 26–27.

237. NEMBHARD, *supra* note 1, at 33–34, 59, 131.

238. ROBINSON, *supra* note 36, at 201–02.

239. BARADARAN, *supra* note 229, at 26–30.

240. See *id.* at 30.

241. *Am. All. for Equal Rights v. Fearless Fund Mgmt., LLC*, 103 F.4th 765 (11th Cir. 2024).

based on race in contracting.²⁴² Recognizing that a mere fraction of venture capital funding goes to Black women founders, the Fearless Fund had created a program that awarded such founders up to \$20,000 in support.²⁴³ The District Court denied the Alliance's request for a preliminary injunction and dismissed the case.²⁴⁴ On appeal, however, the Court of Appeals for the Eleventh Circuit granted the injunction, enjoining the Fearless Fund's program from continuing, subject to further review by the lower court.²⁴⁵ For fear of creating bad case law, at least in part, the Fearless Fund ultimately settled and closed that program.²⁴⁶ However, any program designed to promote the development of Black-led worker cooperatives might be found unconstitutional in light of such shifts in judicial opinion.²⁴⁷

Distrust. A deep level of distrust exists even among Black people, which can undermine Black-led worker cooperative development. Such distrust can be rooted in the violence that Black people have experienced at the hands of the state, non-state actors, and even community members, making them wary of trusting a process involving forming a legal entity and engaging with the state in any formal way. COINTELPRO, the government program designed to dismantle several leftist movements in the 1950s through the 1970s, was notorious for fabricating communications, surveilling activists, and manufacturing distrust between Black community members.²⁴⁸ Unhealed trauma can disrupt cooperative workplaces where trust has not yet been built.²⁴⁹ Distrust can result from the experience of living in under-resourced neighborhoods and the scarcity mindset that breeds competition and zero-sum thinking, even within Black communities.²⁵⁰ Respondents in the Morehouse Report, whether entrepreneurs, employees, or

242. *Id.* at 770.

243. Kristin Wright, *A Federal Appeals Court Blocks a Grant Program for Black Female Entrepreneurs*, NPR (Oct. 3, 2023, at 10:54 ET), <https://www.npr.org/2023/10/03/1203221945/affirmative-action-black-female-entrepreneurs> [<https://perma.cc/NMG5-N57Y>].

244. *Fearless Fund*, 103 F.4th at 769.

245. *Id.*

246. *Fearless Fund Drops Grant Program for Black Women Business Owners in Lawsuit Settlement*, CNN (Sep. 12, 2024, at 08:55 ET), <https://www.cnn.com/2024/09/12/us/fearless-fund-strivers-grant-closed> [<https://perma.cc/C7VP-C484>].

247. Edward Blum, the conservative activist leading the *Fearless Fund* Plaintiff American Alliance for Equal Rights, had also been behind the Supreme Court's decision to declare race-conscious admissions policies in higher education unconstitutional. Wright, *supra* note 243. Similar efforts may be made to disadvantage Black-led worker cooperatives.

248. See, e.g., Dave Roos, *The 1969 Raid That Killed Black Panther Leader Fred Hampton*, HISTORY (May 28, 2025), <https://www.history.com/articles/black-panther-fred-hampton-killing> [<https://perma.cc/K7LS-4E6N>] (noting how the FBI paid an informant security guard for the Chicago chapter of the Black Panther Party, William O'Neal, to supply a map of the apartment of Black Panther Party leader, Fred Hampton, before Hampton's assassination by the Chicago Police Department).

249. Hill, *supra* note 22, at 898.

250. See, e.g., Saran Nurse, Kisha Dasent, Alex Rivera, John Pastor Ansah & Janine Black, *Beyond Rugged Individualism?: Exploring the Resilience of Black Entrepreneurs to Chronic Racism*, 63 J. MGMT. STUDS. 162, 176 (2026) (describing the "pervasive culture of competition rather than collaboration within the Black community").

worker-owners, noted that trust of fellow worker-owners was essential to successful transitions to employee ownership.²⁵¹

Black Capitalism. The promise of Black capitalism is a prevalent narrative that undermines Black worker cooperation. Today's Black influencers and creatives, such as Beyoncé, Jay-Z, Oprah, and Pharrell, regularly communicate the virtues of Black capitalism through all forms of media, arguing that it can foster Black self-actualization and, for some, Black liberation.²⁵² Black worker-owners in the Morehouse Report noted "the difficulty of persuading fellow Black entrepreneurs to divest from deeply ingrained cultural ideas of individualism and market success" in Atlanta.²⁵³ Given the likely lack of exposure to cooperative economics in school and the dearth of Black-led worker cooperatives in Atlanta, the task becomes converting people into believers of "a system that doesn't look like anything [they've] ever known [or seen]."²⁵⁴ Black capitalism in Atlanta also permeates the offerings of service providers for small businesses, including the Russell Innovation Center for Entrepreneurship, which, despite serving mostly Black-owned businesses, does not mention or touch on worker cooperatives in any of its annual reports.²⁵⁵

Despite the procedural, structural, and cultural barriers to Black-led worker cooperative development, there are opportunities to reverse that trend. Procedural barriers (such as competent legal counsel, corporate law, and costs), structural barriers (ranging from areas of law with direct consequences to those with less visible impacts), and cultural obstacles (such as white supremacy, distrust, and Black capitalism) work in sometimes intersecting ways to make the conventional capitalist business structure appear to best facilitate Black self-determination. At this point, I hope I have convinced you that this is not the case. The next Part extends this argument to demonstrate how movement lawyers might support communities by using alternative procedural, structural, and cultural strategies to promote Black-led worker cooperation.

IV. MOVEMENT LAWYERING & BLACK-LED WORKER COOPERATIVES

This Part proposes ways in which movement lawyers, specifically solidarity economy lawyers, can support Black-led worker-owned enterprises rooted in the solidarity economy in Atlanta and beyond. It provides background on movement lawyering as a framework for advancing community-initiated campaigns and movements. Just as there are procedural, structural, and cultural barriers to such an expansion, there must be—and are—similarly situated solutions. Section IV.B will discuss two procedural approaches (lawyer bootcamps and aligning

251. Morehouse Report, *supra* note 26, at 20–21.

252. See, e.g., Alexis Okeowo, *The Provocateur Behind Beyoncé, Rihanna, and Issa Rae*, NEW YORKER (Feb. 26, 2017), <https://www.newyorker.com/magazine/2017/03/06/the-provocateur-behind-beyonce-rihanna-and-issa-rae>.

253. Morehouse Report, *supra* note 26, at 17.

254. *Id.*

255. RUSSELL INNOVATION CTR. FOR ENTREPRENEURS, *supra* note 7.

participatory research and democracy with policy efforts), Section IV.C will propose structural interventions (policy interventions, including union-driven conversions), and Section IV.D will suggest cultural strategies (cooperative education campaigns). Drawing on insights from other worker cooperative coalitions in the United States and the Morehouse Report, this Part primarily provides examples of each proposal.

A. MOVEMENT LAWYERING

Movement lawyering is a framework for lawyering that recognizes the lawyer as one among several actors who can support transformative change.²⁵⁶ As a theory of change, movement lawyering posits that change occurs when lawyers collaborate alongside and under the leadership of local community members directly affected by existing structures.²⁵⁷ Movement lawyers understand that those directly impacted by racist, sexist, and ableist laws are potentially best situated to lead the efforts to transform their conditions.²⁵⁸ Lawyers are, in fact, allies and tools that can be leveraged in such change.²⁵⁹ Movement lawyers make several commitments to the work, including helping marginalized people build power and addressing the root causes of their marginalization.²⁶⁰

Solidarity economy lawyering, in many ways a form of movement lawyering, can enhance movements promoting Black-led worker cooperatives. As Professor Renee Hatcher notes, solidarity economy lawyers are part of “an emergent field of practice in the United States” who work with “solidarity economy clients,” which would include worker cooperatives as previously noted.²⁶¹ Solidarity economy lawyers move beyond the courts to leverage their transactional law expertise, including securities, employment, corporate, and other areas.²⁶² Further, they engage in community education, community research, policy, community organizing, and advocacy, as well as coalition support and coordination. These broader skills will be important for pushing the proposals below.

B. PROCEDURAL PROPOSALS

The procedural proposals below aim to address, in part, the procedural barriers discussed previously. A bootcamp for worker-cooperative lawyers would help address the problem of incompetent lawyers directly and the problem of startup and ongoing costs indirectly. Further, the promotion of worker cooperative enabling laws addresses the issue of corporate law. Together, these proposals could

256. See *What We Can Do: Movement Lawyering in Moments of Crisis*, L. FOR BLACK LIVES, <https://www.law4blacklives.org/respond> [<https://perma.cc/8W4T-49NH>] (last visited May 18, 2026).

257. See *What is Movement Lawyering?*, MOVEMENT L. LAB, <https://www.movementlawlab.org/about/movement-lawyering> [<https://perma.cc/KTP7-NKHK>] (last visited May 18, 2026).

258. See *id.* (noting that movement lawyers advance “the causes of the most marginalized in our society”).

259. *Id.*

260. See Jim Freeman, *Supporting Social Movements: A Brief Guide for Lawyers and Law Students*, 12 HASTINGS RACE & POVERTY L.J. 191, 195–203 (2015).

261. Hatcher, *supra* note 73, at 25.

262. *Id.*

enhance Black people's ability to start their own worker cooperatives in Atlanta and across the greater American South.

Worker Cooperative Lawyering Bootcamp. One way to address the dearth of worker cooperative lawyers in the South is to train more lawyers through a popular, political education model. A cohort of Black and other solidarity economy attorneys, both within and outside the U.S. South, as well as Black worker-owners, could come together to create a multi-day bootcamp that is eligible for continuing legal education ("CLE") credits and that covers the nuts and bolts of advising worker cooperatives, particularly in the U.S. South. The target audience would be transactional and litigation attorneys interested in and with the capacity to represent worker cooperatives. Law schools, law school clinics, private firms, and nonprofits could fund a hybrid CLE held in a southern city or town. Substantively, the bootcamp could include political education at the outset on the solidarity economy, the role of worker cooperatives within it, and how Black communities, in particular, confront the existing economy through solidarity. Further, it would include writing exercises, sample documents, and scenarios that could help participants dig into the work. The Sustainable Economies Law Center, the Just Transition Lawyering Institute, and the private firm Jason Wiener, PLC, have all convened similarly modeled training sessions, whether in-person, hybrid, or online, on related topics.²⁶³

Following the bootcamp, the bootcamp planners could ensure ongoing support for participants. For example, organizers could set up a website that includes materials for both participants and those who could not attend. The website would consist of living materials, such as sample governance documents and contracts, that have actually been used for clients in southern states where there are often no worker cooperative statutes. Again, the Sustainable Economies Law Center, the U.S. Federation of Worker Cooperatives, and the Democracy at Work Institute present interesting models for this initiative, which would focus on the U.S. South, to build upon.²⁶⁴ Further, the organizers could establish a mentorship program to advise bootcamp graduates who take on worker cooperatives as clients. With a diverse array of graduates, it is likely that Black-led worker cooperatives in Atlanta and other cities will be more likely to find culturally competent and technically skilled lawyers to counsel them. Such a project is viable. As of this

263. See generally *Mandatory Continuing Legal Education Workshops*, SUSTAINABLE ECONS. L. CTR., https://www.thesecl.org/continuing_legal_education [<https://perma.cc/25UU-U2W4>] (last visited May 18, 2026) (describing its CLE courses, including "Worker Cooperatives" and "Movement Lawyering"); JUST TRANSITION LAWYERING INST., <https://justtransitionlawyering.org/> [<https://perma.cc/39PH-DDGG>] (last visited May 18, 2026) (describing its training program for which participants can receive CLE credits); see also NORTHWEST COOP. DEV. CTR., *NWCDC's Legacy Tour, Episode One: Introduction and Benefits of Selling to Workers*, at 13:12 (YouTube, July 8, 2019), <https://www.youtube.com/watch?v=LDB1UVBsNhQ&t=792s> (describing employee ownership's benefits).

264. See generally *CLE Courses*, *supra* note 263 (describing its CLE courses, including "Worker Cooperatives" and "Movement Lawyering"); *Resources Guide*, DEMOCRACY AT WORK INST., https://institute.coop/all_resources [<https://perma.cc/F8R2-ZQ3J>] (last visited May 18, 2026) (providing educational materials on worker cooperatives).

writing, a number of lawyers and clinical professors are collaborating with local and national legal service organizations to develop such a bootcamp in 2026.

Participatory Research and Democracy for Enabling Laws. Participatory research and democracy could address the procedural problem of corporate law in the development of Black-led worker cooperatives. For example, the Georgia Cooperative Development Center, a nonprofit supporting cooperatives in Georgia (the “GCDC”), has proposed a statute that could codify a worker cooperative association in the State of Georgia.²⁶⁵ The draft follows the latest innovations from an Illinois statute, including one-member, one-vote, patronage dividends, and non-voting investor classes, among other features.²⁶⁶ The law could address gaps in existing corporate law regarding worker cooperatives.

Solidarity economy lawyers and interested community members could explore how the draft bill creates opportunities to engage with and learn from potential and existing Black worker-owners through community research. The GCDC, for example, could collaborate with local universities or nonprofits on participatory action research focused on Black employee ownership. This research approach could build on the Morehouse Report by empowering Black workers and worker-owners to design, execute, and analyze research on how worker cooperatives rooted in a solidarity economy can address issues facing Black and other Atlantans.

This work could also be tied to existing efforts in participatory democracy already underway throughout the South. People’s movement assemblies are a form of participatory democracy in which local communities directly identify the issues they feel are essential to address and develop strategies and work plans to address them.²⁶⁷ These assemblies can be invaluable opportunities for education and advocacy around worker cooperatives, particularly for Black people. In Atlanta in particular, some of the energy from the fight against the police and fire-person training facility, unaffectionately known as “Cop City,” has shifted to people’s movement assemblies.²⁶⁸ Atlanta-based solidarity economy practitioners can leverage these assemblies to educate their peers and explore potential policy and other strategies. This move toward participation in research and in participatory democracy would be about not just passing a bill, but also building the infrastructure to take various other actions that communities care about. Further, Project South has convened people’s movement assemblies for over a decade.²⁶⁹

265. *Fostering Policy Foundations for Georgia Co-ops*, GA. COOP. DEV. CTR., <https://www.georgiacoopdc.org/advocate> [<https://perma.cc/Y9P3-XJ63>] (last visited May 18, 2026).

266. See Hill, *supra* note 18, at 117; GA. COOP. DEV. CTR., GA. LTD. WORKER COOP. ASS’N ACT, tit. 14, ch. 12, §§ 101(4), 402(a)(1), 501(a) (2022), <https://www.georgiacoopdc.org/wp-content/uploads/2022/12/Text-of-Georgia-LWCA-Act.pdf> [<https://perma.cc/6U9U-KXGV>].

267. See Akuno, *supra* note 115, at 117; see also PROJECT SOUTH, PEOPLES MOVEMENT ASSEMBLY: ORGANIZING HANDBOOK 9 (Stephanie Guilloud ed., 2016) (providing a similar, albeit broader, definition of the people’s movement assembly as “a gathering of people to make decisions for collective action & power”).

268. See Jacob Flowers, *A Movement That Refuses to Be Silenced*, AM. FRIENDS SERV. COMM., <https://afsc.org/newsroom/movement-refuses-be-silenced> [<https://perma.cc/35ZS-BG87>] (Nov. 26, 2025).

269. See *What Is the Southern Movement Assembly*, PROJECT SOUTH, [<https://perma.cc/88VU-SV8U>] (last visited May 18, 2026).

Though not rooted in participatory democracy or participatory action research, some existing models can inform efforts in Atlanta and the American South. Both New York and Chicago have succeeded in building coalitions to develop a cooperative ecosystem. New York City was the first municipal government to fund worker cooperative development.²⁷⁰ Worker cooperatives receive free services annually, participate in policy campaigns, and benefit from community-facing education programs.²⁷¹ Chicago's community wealth-building initiative awarded millions of dollars to organizations that build worker cooperatives and other solidarity economy institutions.²⁷² People's movement assemblies create the possibility to both leverage state institutions and lean into community-based solutions that could create longer-term sustainability and potential transformation, including enabling laws for worker cooperatives. Further, the Resist & Build Convening in May 2025, the Black Cooperative Agenda conference in June 2025, the convening by Kindred Futures on Cooperative Development in the Care Economy in August 2025, and the Morehouse Vision and Victory Conference in November 2025 have each helped push forward the building of the type of coalition that could push for these initiatives.²⁷³

C. STRUCTURAL PROPOSAL: POLICY INTERVENTIONS, INCLUDING UNION-DRIVEN CONVERSIONS

In addition to procedural proposals, solidarity economy lawyers and communities in Atlanta and across the American South could employ several strategies to address structural barriers to the development of Black-led worker cooperatives. The first strategy is movement-supported policy intervention. To raise awareness on worker cooperatives and counter the failures of education law, lawyers and communities could draft legislation calling for a public study on Black employee ownership by the Atlanta City Council, the establishment of a government unit advancing worker cooperatives within the Department of Labor and Employment

270. *Worker Cooperative Business Development Initiative Update*, N.Y.C. NETWORK WORKER COOPS., <https://nycworker.coop/worker-cooperative-business-development-initiative-wcbdi-update> [<https://perma.cc/Q9CT-2WQR>] (last visited May 18, 2026).

271. See N.Y.C. NETWORK OF WORKER COOPS. BIENNIAL REPORT: FY 2020 – FY 2021 (2022), <https://express.adobe.com/page/KKZTOQAfLCu7E/> [<https://perma.cc/AX6B-TDVT>]; CITY OF N.Y., OFF. OF CONT. SERVS., WORKING TOGETHER 9 (2023), https://www.nyc.gov/assets/sbs/downloads/pdf/about/reports/worker_coop_report_fy23.pdf [<https://perma.cc/LNP2-PMT2>].

272. CITY OF CHI., OFF. OF EQUITY & RACIAL JUSTICE, COMMUNITY WEALTH BUILDING, 27–28 (2023), <https://www.chicago.gov/city/en/sites/community-wealth-building/home.html> [<https://perma.cc/5XR6-5HGL>].

273. *May 2-5, 2025 Summit in Atlanta—ARCHIVE*, RESIST & BUILD, <https://resistandbuild.net/atl-2025> [<https://perma.cc/PLR3-X49B>] (last visited May 18, 2026); *2025 Conference Images*, NETWORK FOR DEVELOPING CONSCIOUS CMTYS., <https://ndcnetwork.org/2025-conference/> [<https://perma.cc/SUB9-HJ2D>] (last visited May 18, 2026); *A Call to Deepen Investment in Co-ops, Care, and Community-rooted Wealth*, KINDRED FUTURES, <https://kindredfutures.org/a-call-to-deepen-investment-in-co-ops-care-and-community-rooted-wealth> [<https://perma.cc/B3Q5-HEFX>] (last visited May 18, 2026); *ICLS Hosts Vision And Victory Conference: Expanding Black Employee Ownership*, MOREHOUSE COLL. DEP'T OF INT'L COMPAR. LAB. STUDS., <https://news.morehouse.edu/vision-and-victory-conference> [<https://perma.cc/3M7N-DVZJ>] (last visited May 18, 2026).

Services,²⁷⁴ the incorporation of worker cooperatives within existing small business support programs in Atlanta (e.g., RICE or the Small Business Development Center at the University of Georgia),²⁷⁵ and a fund to support political education in Black and other communities.²⁷⁶ To enhance access to capital and address the indirect barriers in consumer and criminal law, solidarity economy lawyers and communities could collaboratively write white papers and advocate for states like Georgia to develop programs that support the conversion of businesses with majority-Black workforces into Black-led worker cooperatives.²⁷⁷ Finally, to address the lack of ongoing support entrenched in securities and tax laws, movement lawyers could draft legislation for the State of Georgia to include worker cooperatives in supplier certification programs, provide tax- or securities-law-related incentives, and exempt worker cooperatives from certain licensing fees.²⁷⁸ These policies can only be useful when communities take the lead in identifying the best strategies to address the structural issues facing their ecosystem, and movement lawyers follow local leadership.

The second structural tactic movement lawyers could use is to co-facilitate connections between union organizers and worker cooperative developers to convert existing businesses into worker cooperatives from the bottom up. Resources are already being allocated to help aging business owners see selling their companies to their employees as an exit option.²⁷⁹ However, movement lawyers and organizers could consider ways to organize more aggressively from the bottom up, where workers have an interest in cooperatively owning their businesses. One of the most recent worker-initiated conversions was at New Era Windows in Chicago, where the owner sought to fire the employees, only for them to successfully push for the subsequent owner to sell the company to them.²⁸⁰

Creative movement lawyers in Georgia would have to navigate laws that offer workers fewer protections to organize and, relatedly, a higher possibility of losing employment if suspected of organizing.²⁸¹ Lawyers could argue that organizing employees to offer to buy their employer's company is a protected, concerted activity under the NLRA.²⁸² Lawyers would need to establish that multiple employees engaged in a conversation for mutual aid or protection through permissive

274. See *About Us*, WORKSOURCE ATLANTA, <https://www.worksourceatlanta.org/about-us/> [https://perma.cc/V93R-CY GK] (last visited May 18, 2026).

275. *Growing Georgia's Businesses*, UNIV. OF GA. SMALL BUS. DEV. CTR., <https://georgiasbdc.org/> [https://perma.cc/YL9T-6AKQ] (last visited May 18, 2026).

276. See, e.g., PROJECT EQUITY, *supra* note 158, at 59–64.

277. *Id.* at 68–69.

278. *Id.* at 71–73, 94.

279. *Retire and Sell Your Business to Employees*, CONSUMERS CREDIT UNION (Jul. 25, 2025), <https://www.consumerscu.org/blog/retire-and-sell-your-business-to-employees> [https://perma.cc/L4KP-NP8X] (describing Michigan pilot program to incentivize exiting business owners to sell to employees).

280. *A New Era for Workers: A Chicago Factory Goes Cooperative*, CHORUS FOUND., <https://chorusfoundation.org/a-new-era-for-workers-a-chicago-factory-goes-cooperative> [https://perma.cc/7YSM-GHC8] (last visited May 18, 2026).

281. See Childer, *supra* note 124.

282. See 29 U.S.C. § 157.

conduct.²⁸³ Mutual aid or protection can include work-related matters beyond collective bargaining.²⁸⁴ Further, the NLRA's protection extends to employees who attempt to improve general working conditions for themselves and other employees outside their workplace.²⁸⁵ In general, employees can take actions under the NLRA so long as they do not violate state and federal law. Speech, for example, is almost always considered permissible.²⁸⁶

The biggest challenge to worker-initiated conversions would be workers overcoming an employer's argument that organizing to obtain employee-ownership constitutes disloyalty. Section 7 of the NLRA does not abrogate employers' right to hire, fire, and discipline employees for legitimate reasons.²⁸⁷ As a consequence, activities intended to harm the employer's business, unconnected to a labor dispute, are generally not considered protected.²⁸⁸ However, this limitation primarily applies to situations in which employees, for example, disparage a company for reasons unrelated to a labor dispute.²⁸⁹ If successful, however, movement lawyers and communities alike would have at their disposal a powerful tool for restructuring certain workplaces.

D. CULTURAL PROPOSAL: CO-DESIGNING POPULAR AND POLITICAL EDUCATION CAMPAIGNS

The third proposal for enhancing the likelihood of Black-led worker cooperatives in the U.S. South is cultural in nature. To challenge Black capitalism's allure, movement lawyers could support existing solidarity economy and worker cooperative educators in codesigning a popular and political education campaign and curriculum on worker cooperatives. Such an initiative would benefit from the participation of several key stakeholders. University and college centers or clinics, particularly transactional legal clinics, can help handle the administrative and certain educational pieces of the work. Community-based organizations can connect with their base to understand their needs, assess the viability of Black cooperation, and identify gaps that organizers may need to address. Worker cooperative developers could help build a curriculum and recruit experienced cooperators. Membership organizations could help recruit and create a container for longer, more sustained efforts. Other technical assistance providers could also be helpful on the curricular and other fronts.

In Atlanta, the initial pieces of a coalition exist to create impactful educational materials. The Organization for Human Rights and Democracy and the Georgia

283. *See id.*

284. *See Inova Health Sys. v. NLRB*, 795 F.3d 68, 74 (D.C. Cir. 2015) (stating that "[the NLRA's] protections are not limited to such union-related activities . . . [and the NLRA also] grants employees the right to engage in other concerted activities for the purpose of mutual aid or protection").

285. *See Eastex, Inc. v. NLRB*, 437 U.S. 556, 565–67 (1978).

286. *See Inova Health*, 795 F.3d at 85 (prohibiting as an unfair labor practice an employer from directing an employee not to discuss a suspension).

287. *See* 29 U.S.C. § 157.

288. *See NLRB v. Local Union No. 1229, Int'l Bhd. of Elec. Workers*, 346 U.S. 464, 473–74 (1953).

289. *Id.* at 475–76 (finding that federal law did not protect employees from termination when the employees distributed pamphlets attacking the quality of the TV station employer's programming without reference to the labor dispute).

Cooperative Development Center cohost an academy for aspiring worker-owners.²⁹⁰ Georgia State University, Morehouse College, and Emory University could leverage resources to support community education programs and build on existing programming. Several other community-based organizations have skills and experience in popular and political education, as well as the solidarity economy. The Community Development & Entrepreneurship Law Clinic at Georgia State University College of Law, which I co-direct, could recruit lawyers, co-write research projects, and advise worker cooperatives.

Whether through a lens of procedure, structure, or culture, there is space for movement and, where invited, movement lawyers to enhance the development of Black-led worker cooperatives. Procedural strategies that provide more resources for a more fluid process in forming and maintaining Black-led worker cooperatives, structural tactics that can shift legal incentives, and cultural interventions that problematize Black capitalism are useful. This set of strategies is illustrative, not exhaustive, with the hope that they inspire other thoughts, particularly in Southeastern America.

CONCLUSION

Over 118 years after W.E.B. Du Bois organized the twelfth Atlanta conference, Morehouse College hosted a conference on Black employee ownership in Atlanta. I imagined W.E.B. Du Bois smiling. He knew that, for Black southerners to self-determine, Black workers must own their labor within a wider solidarity economy and an emancipatory political project. Under racial capitalism, Black people are permanently exploited laborers. While some admire Jay-Z and Beyoncé because they are Black billionaires, all billionaires (and others below that threshold) are problematic regardless of their race. No one can become a billionaire without directly or indirectly benefiting from the exploitation of largely Black bodies somewhere in the world and plundering the world's resources.

Challenges for Black-led worker cooperatives in the American South are pronounced but not insurmountable. In response to the various procedural, structural, and cultural barriers to thriving Black-led worker cooperatives, this Essay offers strategies that movement lawyers and organizers could leverage to at least begin to address them. This Essay fills a gap in the legal literature on Black-led worker cooperatives, understanding much as W.E.B. Du Bois did: as the South goes, so goes the nation.

290. *About the Co-op Academy*, GA. COOP. DEV. CTR., <https://www.georgiacoopdc.org/academy> [<https://perma.cc/9W5B-8XRK>] (last visited May 18, 2026).