During the past 15 years, almost 200 worker cooperatives have been established in the Basque region of northern Spain, creating about 20,000 jobs for people who were otherwise generally excluded from the modern economy. Most of the cooperatives are industrial plants using the latest technology.

This represents an economic development success of major dimensions. Not only has a new economic base been created with a whole range of jobs, but disenfranchised people have trained themselves to bring this about, to do the work, to move from automated jobs to new positions and to plan and manage the whole economic complex.

A group of 30 Americans visited the famed network of industrial cooperatives centered in the village of Mondragon in late June, 1984. After visiting factories, schools and the bank that belong to this network, the group had a broad range of questions about just how far the undeniable economic successes at Mondragon had gone in transforming social relations and about the roles of education, broadly conceived, in facilitating economic and social democratization.

On June 29, 1984, Alex Goiricelea, the head of training for several of the largest industrial cooperatives in Mondragon, responded to the questions I posed as spokesperson for the group. In editing Senor Goiricelea's insightful and inspiring comments, I have taken certain liberties to clarify the context of his references.

--Gerry Stahl, editor

Q: The film we saw about Mondragon ended by calling the developments here a process of “permanent revolution.” What is the role of education in this process?

Historically, the entire process of the development of the cooperatives in Mondragon was founded on the basis of education. The founding father, Fr. Jose Maria Arizmendiarrrieta, began with a school. That’s how he started the whole thing.

Arizmendiarrrieta liked to say, “You can give a person a fish, or you can teach that person how to fish.” It's a proverb he borrowed from the Chinese and used often. The image of teaching a
person to fish is the educational ideal of instilling the capacity for self-support; it is the fundamental thrust of our cooperative movement.

Most processes of progress involve—in one form or another—a seeking of power. The seeking of power, if it is to be democratic, must be based on the communication of information. We place a great deal of importance in such communication of information, in creating a broad opportunity to understand the current issues.

Q: What is your view of adult education: its goals and methods?

We are heavily involved in adult education here. First of all, it has always been seen as essential for giving people opportunities that aren't available to them elsewhere. It’s also necessary to keep up with constant changes in technology and society: both to survive as a business and to retrain people for new work. Further, of course, it is important to people’s ability to function in a cooperative structure and to reach democratic decisions on complex questions.

I work in the personnel department for Ularco, which is a group of thirteen industrial coops in Mondragon. The largest member of this group is Ulgor. Ulgor was formed by five of the first graduates of Fr. Arizmendiarrrieta’s vocational school. It produces domestic electrical appliances, such as refrigerators, washing machines, ovens, presses, large machines and machine tools. Although each coop is autonomous, certain functions like auditing, finance, development and personnel are handled at the group level. Other functions are coordinated for the whole Mondragon network by the staff of the Bank of the People’s Labor.

At Ularco we spent $1,000,000 in educational training for about 6,000 workers. We earmark 10% of our fringe benefit package for education. Partly, it helps support our polytechnical school and the other schools in the coop network. Some is used for scholarships so people can get post-graduate degrees in areas related to the work in the factories. We also pay for university students and professors to come into our factories and study problems we may have.

Mostly, we use our own people and our own schools for training. It’s hard for outside people to adapt to our way of doing business—cooperatively—after working in another form of business. The educational methods used obviously have to be different for adults than for adolescents, because adult workers have other attitudes and interests. Our approach to the classroom is to combine theory and practice. We want to give people the new ideas, but at the same time they have to know how to use them. We use the “case study” method extensively. Education does not just take place from a teacher up front; it takes place through discussion among the learners.

Q: In Mondragon, the workers you are training are the owners of the cooperatives. What differences does that make to the educational process?

In any business you need to match people to certain positions. In other plants, when they need someone for a position they hire them; when they don't need them they have little concern for the people. One clear difference the cooperative ownership makes is that we are concerned about the people. We are committed to retraining people whose positions become obsolete. We do a lot of
work upgrading people's skills. We take people from the shop floor and train them to be technicians; take technicians and train them to be engineers; upgrade people's ability to do important work.

Another difference is that we give much weight to personal development. The reason for this is justice. Not everyone has had the same opportunities for education. Our purpose is to correct some of the injustices. We put a major emphasis on training people to enter our factories and then to move ahead in them. Despite the necessity of constantly increasing our levels of automation and robotization, we still create new job openings and retain everyone.

A third difference relates to educating members about the coop structure. As people become active inside the coop structures—on the workers’ councils or the boards of directors, for instance—we provide training in these roles. We feel this training is crucial to prevent things from falling into the hands of technocrats. We want the decisions to be made through the democratic structures that have been established. We really do. This method of controlling technocrats is something we have been strengthening over the years.

Another fundamental objective of training is to prepare people for new jobs before they come along. We all have to adjust to changes in technology and society. So people should be trained not only for different jobs, but also for adjusting to changes in the jobs themselves. Right now we are working on various approaches to this. We are training 250 people in marketing and 300 in alternative methods of production, to prepare for future directions the coop network will pursue. Workers adapting to new applications of computers in their jobs is another area of training, as is economic planning. Also, 400 people are in language training programs, predominantly for English. Because we are cooperatives, we prepare factories and workers for reconversions to altered production methods and new products differently than other kinds of businesses. Education plays important roles in democratically preparing for the future.

Q: What does Mondragon mean for you personally, Alex?

Let's call it what it is: it’s revolutionary. Not precisely to break with everything that was in the past and to start with everything new. Rather, it may be the only revolution that is available to us today. That is, a step-by-step process. So that people don't feel exploited. So that someone isn't making a decision for me that I’m able to make for myself. This is the idea of a workers’ cooperative.

The cooperative offers an alternative social form of organization for workers. It is not the same as a political mode of governance, however. Some people have conceived of cooperativism as a possible “third way” between capitalism and socialism, distinct from them. I do not think that's true. Cooperatives are more along the lines of socialism in a broad sense, existing within a pluralistic state.

Q: Does Mondragon have a political ideology?

That's a good question.
I would like to speak for myself here, just about how I personally feel. I consider myself a socialist—like some of you.

Many people say that the cooperative movement has to be apolitical. But I think we have to take a clear stance in favor of the workers and their rights. This does not, however, mean that the cooperatives can or should support a specific party or candidate. It's not that a cooperative is apolitical. Rather, it's necessarily pluralistic, with diverse dimensions at work within it. Inside the cooperative, individuals have their own ideas and speak with others about them. There is certainly an active political process going on in the coops. This is very much a live process.

The political parties in Spain do not quite know what to say about the cooperatives. They have no specific plans related to them. The Spanish Worker's Party (P.S.O.E.), which is now in power, has little influence in the Basque region, and therefore little idea about the role of cooperatives. Nevertheless, we can say that the cooperative movement basically lends itself to a socialist ideal; it is something that has been created by the working class.

Q: We have heard about the role that the Basque culture and the Basque nationalist movement have played in promoting the cooperative spirit at Mondragon, to say nothing of Fr. Arizmendiarrrieta's inspirational role. Is there an educational process to foster such dedication among new workers who join the coop network here?

It's true, of course, that many people come in here just because there is a job opening. With the high unemployment in Spain, particularly in the South, a lot of people move to this area for work—enough to double the population in the Basque provinces. But motivations are very complex. Some people do come in for ideological reasons as well.

After someone enters the coops, it is expected that they will absorb the ideological and cultural underpinnings of the whole thing. It's obvious that workers have a concern for making money to support their families, but we hope that they will also gradually come to understand the social nature of the work they are doing. One goal of workers' education is to help the general atmosphere of culture and ideology in each cooperative influence new workers over a period of a couple of years.

Another interesting process of social integration at work here is that people feel like people when they are working. We want them to feel like people, not like machines. We try to take advantage of all the potentials that each of our members has. This is not strictly education, but it is part of the training process that we want to promote. Then, when they have an opportunity to move on for higher pay elsewhere, they often choose to stay with the coops.

Q: In Mondragon the hierarchy of owners over workers has been eliminated in the factories. What effects has this had on other hierarchies inside and outside the workplace?

In theory, one could see here a completely democratic institution. But the operational decisions of an economic organization often have to be made within narrow time limits—the operational decisions, that is, not the major policy issues. Logically, we keep a hierarchical management
structure. But there are certain committees elected by the workers themselves, and these groups control the decisions that are made.

The hierarchical structure that we need does not allow the pure democracy that we would prefer if we were a group of 10 or 15 people. So, as a compromise, we try to eliminate levels of the hierarchy. The differences in position and pay for the workers in a cooperative exist, but we keep them to a minimum. Except for 6 to 10 people (who have special needs, such as extensive travel for marketing), the highest paid person in a coop does not make more than about twice the lowest salary there. These ratios are mandated in our bylaws.

**Q:** What about social status now that class has been eliminated?

As I indicated, differences between people in the coops are minimalized. In the social fabric outside the plants there are also not class differences. People come from similar backgrounds and have advanced through training and ability. A manager and a worker on the shop floor might belong to the same eating and drinking clubs or sports teams. Another subtle indication that status differences are being broken down is that almost everyone speaks to each other in the informal (tu) mode of Spanish.

**Q:** How is the role of women changing?

We live in a concrete social situation. The discrimination against women has existed in the cooperatives—less now than in the past—just like in the Spanish culture around us. Up until 13 years ago, when a woman married she had to leave her job at the coop. This happened outside the coops too. We changed that 13 years ago. But just because the law changed doesn’t mean that the mores changed right away. This is a long-term change.

I think we're taking important steps. Now women are studying in numbers just about as great as men. This is one way to move beyond discrimination. Women already hold positions of very great responsibility in Mondragon. My wife, for instance, is head of personnel at the women’s coop. More women are continuing to work after marriage. They still have to go home after work and do work there, but we are taking steps to accommodate that. We give preferences to pregnant women for leaves of absence so they can return to their jobs. Something recent that we are still working on is the opportunity to work half-time. I'm certainly not saying that there’s no problem anymore; there still is. It exists in the society at large, but we are trying to address the problem in a serious way.

**Q:** Let us take a look at the future of Mondragon. How is democratic planning being carried out? What are the roles of education and politics in this process? We have been told that a new structure is being proposed: a Congress of Cooperatives that would build on the grouping of coops into intermediate structures like Ularco. How, for example, is this proposal being debated?
The proposal for a Congress of Cooperatives is in the process of discussion right now. Before, we’ve always had a tension between a technocratic approach and something that is more rooted in the base of the workers. The plan that I’ve seen so far at least is a plan that runs more to the technocratic side than to the participation side.

Inside our own group, Ularco, we're going to be discussing this plan on Monday. I'll be there on Monday and I'll be defending a position that's more participatory. There’s got to be more participation of ideas and groups that may not be in the majority in this new Congress. There may be currents that are not part of the clear majority; they need more participation in my opinion. It's part of the discussion now and I think that shows it’s a process and not a ready-made decision.

The discussion is not directly tied to adult education, but it is part of the training process of the people.

Q: How is Mondragon affected by the world economy and the trend away from industrial production?

Here in the Basque country industry employs many people, agriculture few. The majority of employment is in agriculture. It’s clear, however, that the number of people employed in industry is going to have to go down because of the technological revolution we are living in. Jobs are going to be created in the service sector. This is a challenge to the Mondragon approach. We have not yet met this challenge: how to create jobs in the service center. Much of the new employment is going to be in government administration we believe. Another factor is that most service (“third sector”) businesses are small. We have no clear answers now, but we are working on the problem. For thirty years we have been able to face many problems and succeed. I'm sure we will be able to deal with this issue too! (Applause)

Q: Who at Mondragon is dealing with the problem and how is it presented to the workers at large?

We've made a strategic plan of our businesses. During the month of July all the cooperatives will be discussing this plan. We're starting to move toward cooperatives that are not directly industrial, like computer work. We have already been involved with computers in our work in other areas. In working with them in these other applications, we have seen that we must begin working in the computer field itself. We need to study this more carefully. Now that we have some expertise with computers and can rely somewhat on the people who are using them, we still really need to do a study of whether we should move into that area.

We're also starting a new service business: providing engineering services to other factories setting up different kinds of production processes.

The future presents difficult problems. There are no immediate answers. But the point is that we're going to all—all the worker/owners—be discussing the issues. The problem of
unemployment is very serious in our country. We're working on it, but it's going to take time. We put a lot of our resources into figuring out ways to provide new work for people.

Q: We find your success at Mondragon inspiring and we are anxious to use it to educate people in America about cooperative worker ownership. How do the people of Mondragon feel about being viewed as a model by others?

Surprised!

We did some things. But it was obvious that they had to be done. Some people here had ideas about what needed to be done and they went and did them. We had the support of the residents of Mondragon and the Basque provinces. They put their money in our bank and supported our schools.

By temperament, we are not a people who proclaim their successes. That's just not our way. But we are willing to collaborate with people who want to collaborate with us. We would not want to supplant what someone else is doing, but would want to be useful however we can be.

More concretely, in terms of people learning from us about worker education, I would like to conclude with this thought. It is clear that education was the basis of what has gone on here in Mondragon. There is really nothing special about the education itself. What is critical is the role that education plays in society.

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