Cooperativism, a means for an arduous peace in a space of ‘conflict’
René Mendoza Vidaurre

War is the continuation of politics by other means.
C. Clausewitz (1780-1831)

My husband and son were killed in the war. I was left with a little bit of land. The cooperative was like my husband. I supported myself in it to raise my children.
E. Terceros, producer, cooperative member, Nicaragua.

The stronger the sons and daughters are, the stronger the parents will be.
Proverb in Rural Central America

War and peace are the continuation of politics by other means, we would say, hoping that Clausewitz would agree with the addition “and peace”. Countries with wars that sign peace agreements experience a period that De Sousa (2015) called “post peace accords.” It is a period of the continuation of conflict where different development paths clash with one another, and where associative organizations are an expression of that, and have the potential to make a difference. Under what conditions do associative organizations contribute to peace? What alliances are needed to make a difference? This text responds to both questions from the reality of war and peace that Central America experienced over the last 50 years.

1. Introduction

When governments and rebel groups sign peace accords, the military confrontations between both parties reach their end. Then a context of hope, flow of resources and ideas opens up; and also the realities of dispossession, cooptation of popular organizations and manipulation of words to conceal these realities. It is a context with opportunities for an arduous peace with justice, equity and democratic societies, and it is a context with risks where inequality, injustice and authoritarianism, the structural mechanisms that create wars, can intensify.

What makes the difference in these contexts? We argue that the interaction of state, market and society institutions committed to democratization, providing more space to the excluded and forgotten families, makes the difference. A strong and egalitarian society energizes that interaction and builds peace as “the continuation of politics” by other means. For that society to be strong, its largest potential bases are the associative organizations. Here is precisely the quid of the matter: the unions that emerged in the face of 18th century industrialization now were undermined in the world under neoliberal “labor flexibilization” policies; the NGOs and Foundations that emerged as the expression of civil society between 1980 and 2010 now had been decimated with the reduction in international aid; the base christian churches (or communities) that emerged with the opening of the Church since the Second Vatican Council were now obliterated by the conservativism of Popes John Paul II and Benedict; and the social movements, that emerged time and time again as a protest to different injustices, were coopted and/or devastated by different governments, regardless of their ideological label. This mixture of economic neoliberalism and religious conservatism has been wiping out expressions of associative organizations. Among the few associative expressions left are the cooperatives, a world wide institution with more than 200 years of history, and depending on the circumstances, they have contributed to, or blocked, this arduous peace. Under what conditions do the cooperatives contribute to this arduous peace? What type of support do these cooperative processes need?

1 The author has a PhD in development studies, is an associate researcher of IOB-University of Antwerp (Belgium) and a collaborator of the Winds of Peace Foundation (http://peacewinds.org/research/) and member of the COSERPROSS Cooperative R.L. rmvidaurre@gmail.com. This article, for now a draft, will be the basis for our presentation in the Peace Prize Forum to be held in Minnesota (September 2017).
To respond to both questions we delve into the experience of the countries of Central America that suffered internal wars throughout their existence as independent states, wars that intensified in the decades of the 1970s and 1980s, and that after 1990 experienced “post-accord” periods. We do it also looking at Latin America as a whole, countries like Colombia signing peace agreements, and other countries where it might seem that authoritarian systems are gaining ground regardless of their discursive ideological label.

The section that follows conceptualizes the notion of “coconflict” as cooperation in the midst of conflict, the context within which associative organizations move and struggle. The third section examines the context of the Central American region. The fourth section describes the processes in which cooperatives can contribute to an arduous peace, and looks at the type of support that these processes require. The conclusions, in light of the findings, invite the academic community to understand associative organizations, become their allies and jointly produce knowledge that does make our societies stronger, more equitable and more democratic, contributing to peace as a continuation of politics by other means.

2. Conceptual framework

This aspiration for peace (“reconciliation” and “peaceful co-existence”) tends to remove us from reality, and naturally it leads us to believe that war (violence) was left in the past. Now the Social and Solidarity Economy approach, on one hand, helps to highlight organizations different from traditional enterprises, and advocates for policies different from neoliberal ones (see Guerra, 2012), in addition to reconceptualizing companies and the economy as “forms of economic organizations - production, commercialization, finance and consumption – that have associated work, self management, collective ownership of the means of production, cooperation and solidarity as their basis (Schlochet quoted by Mendoza, 2014)”. On the other hand, this approach assumes that associative organizations are internally harmonious, geographically reduced to local places, and that “conflict happens just in relation to the private and public sector, consequently the internal situations of organizations are not studied” (Mendoza 2014). This perspective disregards the real possibilities for peacebuilding on the basis of – as Sen (1990) would say – “expanding human capacities” in “coconflicts” with those “from below”, and instead tends to hide the authoritarian bent of leftist governments that, like governments of the right and the elites that control the market, believe that society should be guided (directed and led) “from above”.

We understand the signing of peace agreements as the beginning of a “post-accord” period. It is not a “post-conflict” period. Conflict is not something negative, unique, defined in a specific time or opposed to cooperation and peace. Conflict expresses multiple perspectives and paths of people within a glocal context (global and local) in an ongoing way. Making these processes visible helps the mechanisms of justice to predominate and inequality to cede steps to a society in “coconflict” – that cooperate in ongoing conflicts. Consequently, associative organizations are means that express development paths and multiple internal disputes, mediated by glocal power relations.

2.1 Conflict as the basis of peace with equity


3 The hymn to cooperativism, written by C. Castro Saavedra with music of C. Vieco, expresses that sense of harmony: “We march all together, toward life and the fatherland, escorted by the sun, work and hope (…). Our cooperative light illumines our march, the pathways of the land and the paths of the soul, the past encourages us and the present lifts us up and the future awaits us in time and distance.”
Two perspectives help to understand the notion of conflict. The first is the model of “historical needs” as the ultimate foundation. It is the idea of totality where the economy is considered the basis from which are derived the political, social and cultural elements of society. In the 18th century after the French Revolution, it was thought that the social reality was the basis for everything, previous to that it was religion that was the basis for everything. In this model of totality and inexorable lineal vision, there are no deviations and alternate routes. Religion, genes, the party, nature, culture, history or the market determine everything. Under this teleological perspective there are no conflicts nor contingency; it is thought that conflicts are externally provoked; that there are no decisions and therefore the political aspect does not appear, because it is thought that nature, the market or society self-regulate.

The second perspective is the “contingency needs” approach, where there are various foundations and not just ONE foundation as the basis for everything. Laclau and Mouffe (1987), like Foucault, Derrida or de Sartre, refer to the philosopher Heidegger in his book “Being and Time”, to hear a new perspective. The policy part alone (ontic part), hides the political aspect (ontological part), which is why contingency comes into play with the political part. Politics, socially domesticated through rules and norms, is the ontic part, it “is”, and the political part, which is something mobile appears as the ontological part of “being”, thus the political makes politics possible. Under this perspective partial contingent foundations appear, where the only certainty is uncertainty.

We understand conflict within the framework of the two perspectives. In the “historical needs” approach, conflict appears as a “distortion” along a sole path, where there are no human decisions, except for resignation, and it is within this framework that “post-conflicts” are talked about. In the “contingency needs” perspective, the social is conflictive; if social relations have a contingent nature, conflicts are happening continuously. Conflict and contingency have the same origin, which is that there is no ultimate foundation, there are different paths and deviations within which there is hostility, and within which it is important to make decisions, which are an expression of the political reality. From this perspective, conflicts are structures that both limit and make relationships of cooperation in glocal spaces possible, and that is why that instead of “post conflicts” we talk about “post-accords” in ongoing permanent “conflicts”, processes where actors with a contingent awareness cooperate in the midst of conflicts.

2.2 Society in conflict and the role of cooperatives

These conflicts permeate the entire society and its institutions. Based on Robinson (1996, 2003), Mendoza and Kuhnekath (2005) identify two visions of democracy, one fomented by elites as a disguise to hide historical realities of inequality and authoritarianism, and where armed conflict and social movements appear as obstacles to democracy; and one where those conflicts are the basic conditions for democracy, like the participation of society in fundamental decisions. Then they show that democracy is seen as “changes in the rules of the formal game around transnational interests” like the creation of conditions for foreign investment, the application of structural adjustment policies (privatization of public assets and reduction in the role of the State and organizations of society), and commercialized environmental policies, that have been coralling peasant and indigenous families into distant places, generally areas with “infertile” soils and at the same time “integrating them” into market mechanisms, be that as “workers” dispossessed of their lands, or specializing them for certain crops far from their own diversification strategies.

This transnational understanding of conflict leads us to be clear about the transformation process in which our societies find themselves. Stiglitz (2001), writing the preface to the book of K. Polanyi, says: “…the

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4 The basic idea of “historical needs” and “contingency needs” is taken from: Marchart (2010, 2013). I am grateful to K. Kuhnekath for introducing me to these perspectives.
classic book of Polanyi described the great transformation of European civilization from the pre-industrial world to the industrialization era, and the changes in ideas, ideologies and social and economic policies that accompanied it. Because the transformation of European civilization is analogous to the transformation that developing countries face in today’s world, it would seem as if Polanyi is speaking directly about current affairs.” Polanyi (2001) argued that the pure profitmaking economy does not replenish the conditions on which it feeds; a market economy is not based on itself, but has to be embedded in society and culture; observing the great transformation that took around 150 years, he saw that radical liberalism of the decades prior to the Second World War had led them to fascism. Following Stiglitz, we would be facing the second transformation begun in the decade of the 1980s. In light of Polanyi, and Stiglitz reading Polanyi, and from the perspective of Central America, we argue that rural markets are being eroded by the advance of large capital and policies that are undercutting the capacity of peasant and indigenous families, which means that we are moving from a “society with markets” to a “market society”.

This process of economic change is also a process of political change. The 20th Century was considered the most violent century of humanity in terms of deaths, because of the two world wars and other conflicts; paradoxically that century of authoritarian expression also saw advances in the democratic model. Even though Fukuyama (1992) proclaimed the “end of history” with the fall of the Socialist Block, the 21st Century involved in more violence is a witness to the growing tension between the authoritarian model and the democratic model; both models with the same basis, that of mobilizing people (the people or the masses), the former from above and the latter from below; the former from neoliberalism where the market does everything and rejects all social and political intervention, and the latter with different economic, social and political paths.

From the “historic needs” approach, capitalism is seen as equivalent to “markets”, understood from the perspective of efficiency and productivity, and presents the destruction of natural resources and agriculture as inexorable, as well as the disappearance of indigenous, Afro-descendant and peasant communities; politically it expresses the totalitarian model, where even democracy is an obstacle. From the “contingency needs” approach, several capitalisms appear, a system emerging with inherent contradictions and ongoing conflicts that limit the actions of indigenous and peasant communities, and at the same time make possible the expression of different modes of peasant and indigenous production with different degrees of economic and social diversification, and with a sense of community giving way to other forms of collaboration; politically they express the tension between the democratic model and the totalitarian model, the politization from above and politization from below.

Associative organizations are discussed within the framework of both perspectives. From the perspective of “historical needs”, the cooperatives are seen as externally determined, limited to administering harmonious businesses, with a non-contingent awareness (attitude of resignation and understanding of the reality as something given by some external being or factor), and submitted to authoritarian political processes. And from the “contingent needs” perspective, the cooperatives are seen as means that respond to a membership with a contingent awareness, that make decisions as an expression of the political situation in the midst of conflicts of different and even opposing paths, confronted by the totalitarian dispossession mechanisms of “market societies”. Here we understand the associative organizations under the second perspective, in “conflicts”: constantly fighting with the first perspective, economically, socially and politically; internally in constant tension between the model of democratization and the totalitarian model, between the different paths, and between the market controlled by elites and the markets as a means for peasant and indigenous families; and as a glocal space (local and global) collaborating and challenged within a framework of wider and more permanent conflicts.

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5 For the case of the indigenous, Afro-descendant and peasant communities of Nicaragua, see: Mendoza (2015).
3. The “honeymoon”, the emergence of old demons and ‘co‐events’

The causes of internecine wars are due to inequality, expressed in unjust power relations\(^6\) and under totalitarian models – no matter what their ideological label may be. That was also the case of the Central American countries (Robinson, 2003). The wars, being a reaction to the injustice, became more unjust affecting the entire society (see box), particularly low income people. The cruelty of the wars, and specific political circumstances under which the conviction grew that neither side could impose themselves on the other, led to the fact that sooner or later agreements were reached to put an end to the military conflict. So the Central American countries agreed to resolve the military conflicts through democratization and national reconciliation processes in 1987 (Esquipulas II); that process was followed by the Peace Accords in Nicaragua in Sapoña (1988) and ultimately with the new government (1990), in El Salvador (1992), in Guatemala (1990 with the negotiated agreements in Oslo, 1991 and 1994 in Mexico, and 1996 once again in Oslo), and in the rest of the countries of the region they sought to deepen their democracies in light of the fact that they did not have internecine wars.

At the beginning of this post-accord period, countries included new “free territories” for their population, for the “aid” industry and for multinational mining and industrial agriculture companies. In the face of the effects of the war on destroyed infrastructure (bridges, schools, roads), large estates and abandoned farms, the settlements of demobilized people from the war were spaces of reconstruction, resource flow (land, equipment), training and dreams (family encounters), experiences that seemed to dissipate over the passage of time. Those who were demobilized came from living the tension between the authoritarian and democratic model at its harshest, practicing solidarity, risking their own lives (recreating the ancient institution of sharecropping and labor exchanges known in Spanish as mediería and mano vuelta), a top down military command structure, with commanders who wanted to continue being commanders with their respective ranks (e.g. from captains on down who want to lead any action and do it immediately; those who had higher rank negotiate and take more strategic actions), and guerrilla soldiers who wanted to continue waging for orders. Most of them did not have experience being farmers, merchants, business administrators or coordinating consensus in organizations. And all with different degrees of “war psychosis.”

Into this dynamic stepped the institutions of the state, international aid and the market. State institutions invested in infrastructure, provided land, set environmental policy and were concerned about security through the Police and the Army. The guerrillas, turned into a political party, strove to maintain a loyal clientele base. Bilateral aid organizations (e.g. DANIDA, ASDI, GIZ), multilateral ones (e.g. World Bank, IADB, IFAD) and broker organizations (e.g. UNDP and NGOs) arrived full of projects that they were interested in implementing under their own institutional structure of administrative procedures, be they economic projects (e.g. organizing production cooperatives) or social projects (e.g. training judicial facilitators, peace commissions or organizations in defense of women’s rights). Market institutions showed up one after another reviving old demons like usury, crop-lend lending (“buying future harvests”), fraudulent practices (e.g. in the weighing of goods), and harmful beliefs (see footnote 11); and natural resource extraction companies showed up generally with similar practices of environmental and human

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\(^6\) The World Bank (2005) and Ferranti et al (2004) argue that in unequal societies elites influence political processes and institutions in such a way that they tend to reproduce the inequality. Tilly (1998) observed that the self-affirmation of institutions that generate inequity uphold “lasting” inequities, and that they they become true traps. And Milanovic (2016), studying a 20 year period, finds that inequality grew.
dispossession as during colonialism times (see Moore, 2015). State and aid institutions provided resources that the market institutions channeled to the benefit of elites. A common practice is that state and aid institutions tend not to study the realities where they are intervening, while market institutions do tend to study the environment in order to generate their profits on the basis of cheap resources and labor.

In this post accord period, after the “honeymoon” when aid abounded, most of the families were stripped of their resources, while migration to the cities and to other countries increased, deforestation intensified, the number of bankrupt cooperatives increased, alcoholism grew, and the number of prostrated families served by aid multiplied. This mixture of frustration and unmet promises that tended to happen on the part of the State, and the different modalities of dispossession, were expressed in violence; in Nicaragua there were rearmed groups from both demobilized sides, and even a mixture from both sides; in El Salvador the gang members (“maras”) reached sophisticated levels of organization and control of territory, even to the point of talk about a “failed state”; in Guatemala and Honduras “organized crime” grew, infiltrating and controlling the state and market institutions themselves. During these processes the language used obscured the power relationships, “criminals” were talked about, “gang members” and “para-militaries”, “crimes”, “revenge killings”; while a combination of lack of options for youth, dispossession, dark forces opposed to justice and the multiplication of laws have been the engines of the violence. Phrases were repeated like “peaceful co-existence”, “peace” and “reconciliation” while they denied justice, making sure that impunity was protected in the “peace accords” themselves, even though that impunity was also resisted legally and politically in the national and international spheres by the families of the disappeared and murdered. As the Calle 13 song “Latinamerica” goes, in reference to the devastating consequences of the Condor Plan in South America, “I forgive, but I will never forget”.

As a consequence of those processes of violence, that Galtung (1981) considers the “violence triangle”; direct and visible violence; structural violence, where the structures deny the satisfaction of needs; and cultural violence, which is expressed through religion, science or ideology legitimising structural and direct violence, the yearly homicide rate was higher in Guatemala and El Salvador than during the time of the war (Rodgers, 2007). UNDP 2003 estimated the economic cost of crime to be 1.7 billion dollars, 11.5% of GDP, compared to 3.3% of GDP per year in El Salvador during the war. Costa Rica, Panama and Nicaragua, in that order, according to the 2016 Global Peace Index, are the safest countries of Central America; Nicaragua is in sixth place in Latin America, which generally is attributed to the professionalization of the Army and the Police, born out of the revolution of the 1980s, but at the same time faced with cycles of violence in the rural area (Faune, 2014).

Underlying part of this violence are the monocropping and natural resource extraction systems. Both systems, even though stalled in some territories during the war, have endured since colonialism (Moore, 2015). This system is revived in the post accord period with “neoliberal” and “environmental” policies, and under the logic of *homo economicus* of maximizing profits on the basis of cheap human and natural labor, and stripping peasant, indigenous and Afro-descendent families of their land, territories, natural resources and organizations.

The cooperatives move about in the midst of this reality. In times of war they were organized more by the state in keeping with its counterinsurgency policies, including armed cooperatives under military command. In post-accord times the cooperatives were organized by multiple actors under the direction of donors, the State and markets. “If you want land, credit or some project, organize yourselves into a cooperative” - they would be advised. These cooperatives tended to disappear when the projects that started them ended, leaving in their wake disillusionment about the importance of organizing. In both periods cooperatives also emerged out of their own initiative, or that along the way, re-found themselves

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7 For the Central American countries, see: Rodgers (2007). For the case of the gangs and their financial (business) network in the case of Honduras, see Lemus (2016), and in the case of El Salvador, see Lemus *et al* (2016).
out of the interest of their members, enjoying good support and developing their own capacities with sustainability.\(^8\) Associative organizations can be manipulated and coopted shells, internally expressing the totalitarian model of mobilization from above, with the capacity of intensifying the violence if they are aligned with endogenous and exogenous institutions adverse to equity. They can also heighten peace, expressing the democratic model of mobilization from below, if they are aligned with endogenous and exogenous institutions favorable to equity.

Some common patterns follow from this. The internecine wars were more rural, and the violence in the post accord period was more urban, a change of scenery in a region with an increasingly urban population. Before the violence was “principalically political”, and in the post accords periods it has become more “criminal” (Rodgers, 2007). To get out of the war, the authoritarian model in society opposed the democratic model; the inequality and asymmetrical power relations tended to be accentuated, and the war/peace duality concealed processes in which impunity and justice, dispossession and repossessing of natural and immaterial resources were under dispute. It was a period of “cooerflicts” (cooperation in conflict) where it was seen that, while at the same time multiple development paths were denied, “market societies” and mobilization from the top down clashed daily with “society with markets” and mobilization from the bottom up – on the country level and on the level of each organization. Hope and frustration were intermingled with a generation of adults tired of war, and youth – in countries with a mostly young populations – that were torn between the opportunity gaps and the desire to have their own identity. It was a period where organizations proliferated, and many people “carried their fears” asking themselves whether fighting in the war was worth it. And it was a period in which most of the aid organizations were motivated by western values, refusing to study the realities, resisting evaluating the impact of their actions on those societies, and behaving as “the big new boss.” The section that follows delineates the processes in which cooperatives contribute to an arduous peace.

4. Dynamics where the cooperatives make a difference

Cooperativism is a European innovation that has structures (administrative council, oversight board, general assembly and committees), rules (e.g. one member, one vote) and a relationship of interaction between the associative side and the business side (approved in the Cooperative Congress ICA 1995). That imported institutional structure is a common “shell” of cooperatives anywhere in the world; nevertheless, in their content, inside that shell they are differentiated, depending on the contexts in which they are born and grow.\(^9\) That context is an environment that like “water” influences and molds the lives of the “fish” (cooperatives) and viceversa. In our case it is a “post-accord” context where the totalitarian model and the politically and economically democratic model clash, and where the “old demons” (institutions) revive with overwhelming force.

Within this framework, in the face of the proliferation of organizations, the cooperatives appear to have more sustainability due to their more than 200 year history, but at the same time internally they express the tension of the two models just described. The cooperatives express more history and are backed by laws in each country; nevertheless, just the fact of being a cooperative does not ensure that its members cooperate and benefit one another, that they energize their community and are a school of citizenship. In fact, as an expression of the totalitarian model, many of them are “NGO-ized”, they dance to the music

\(^8\) There are also aid organizations that finance and provide accompaniment with a long term perspective, they are organizations generally connected to Churches in Europe or international solidarity organizations.

\(^9\) A subjective perception, but one that illustrates this point about differences, is expressed by professors C. Muirhead and C. Ward, comparing cooperatives of Canada with those of Panama and the Dominican Republic: “The cooperatives in Canada are more bureaucratic based on impersonal relationships, while the cooperatives in Latin America are based more on personalized relationships” (personal communication, July 2016).
that is played, and last as long as the external resources last. What characterizes the cooperatives that contribute to an arduous peace? What environments and alliances help them in this process? Figure 1 shows elements of a response from “inside” and “outside”, where the cooperatives are spaces of “coinlicts”, their members make their paths viable, correct and expand their endogenous institutions, and move within constantly shifting political sands.

**Figure 1. Processes where cooperatives contribute to peace**

- **Awaken awareness and take on a sense of mission**
- **Ownership of the cooperative: receiving profits and information**
- **Organizing around differentiated products**
- **Connecting to endogenous institutions promoting equity**
- **Developing “self tying” mechanisms**

**Inside** elements

- Space of ongoing ‘coilicts’ of democratization and authoritarianism in glocal contexts
- Enabling environment
- Markets ‘domesticated’ by society
- Bridge to and with social movements
- Connection with international cooperative movement

**Outside** elements

- **Alliance with learning and long term accompaniment**

### 4.1 Internal forces and the sense of mission of the cooperatives

When people discover the power of uniting efforts in the face of external and internal adversities, and they do it consciously and systematically, even the forces that oppose them tend to give up and join them. This idea of mobilizing “from below” in ‘coilicts’ we develop in a sequential fashion in this next section.

#### a. Awakening awareness, sense of mission and (re) organizing cooperatives with their own resources

People question their realities, discover that what is happening to them is not natural nor normal\(^{10}\), not even in their happy moments. Particularly in rural societies, some beliefs are actual demons that make people numb. What beliefs? For example: “God made the poor and the rich, and he made me poor”, or “the man has control over his wife because he is the “head” of the family”, or “the illiterate do not think”. These are beliefs capable of smothering human energy and manipulating associative organizations themselves to reproduce these beliefs and put them into practice as if they were unchangeable realities.

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\(^{10}\) In the community of El Corozo in the Yoro Province, Honduras, D. López, president of the 15 de Julio Multiple Service Enterprise, noticed that in a meeting “the men only greeted other men.” That was an institution that guided their way of greeting one another, where the women were there, but “had no value” for the men. It was an institution that had become natural as what was right. On discovering this, and then little by little other women members as well, that institution became a belief that was able to be overcome. (Personal communication, September 2016). See: Mendoza (2016c). In Guatemala, the members of the La Voz Cooperative assumed that the rotation of leaders itself ensured that their cooperative would do well, but in a two year period they went into a financial crisis due to an act of corruption, and then they realized that the bodies of the cooperative (associative side) were not getting involved in the administration (business side) of the cooperative; see: Mendoza (2016d).
When people realize that these beliefs are not true, but only beliefs produced by human beings as an expression of unjust power relations, they literally wake up, their “demons” are expelled, and with this act of waking up their energies and dreams are activated. This act of un-learning and learning leads them to understand that there are problems and opportunities that can be resolved as families, and others that can only be resolved bringing together the strength of many people. For those collective challenges people decide to organize or re-organize a cooperative on the basis of their own resources; if a cooperative is organized externally and with external resources, generally the people join without awakening a contingent awareness (that realities are changeable) and without stirring a sense of mission.

That awakening and building contingent awareness in the case of the demobilized war veterans is hard. The oldest ones can remember why they mobilized to fight, and thus discover that war was caused by human beings. For the people mobilized for the war and that were born in war zones of one or another side, it will help them to remember that in spite of the war, they were able to save lives, that lives could be saved. When these people discover that the war did not happen by divine will, nor was it natural, they can get depressed, or be filled with energy to remake their lives, cultivate a sense of mission to make the cooperative work with a perspective consistent with the “law of the talents” (Matthew 25: 14-30), supporting those who take their steps, so that the lowest income members might move [scale] up and increase their investment, include people that were involved in different military sides, make production be the basis of the cooperative, or have the cooperative set up a store and lower the prices of the products that the members consume.

One consequence that demobilized war veterans carry with them is participating in organizations and unconsciously act as if they were in the war. Let’s remember, in war there is no democracy; there is the chain of command, it is obey and move forward, the rule is “shoot the person who retreats”. War leaves a mark on people’s very behavior (habitus, Bourdieu would say), and provides even a language for recognizing one another. If a demobilized veteran had a military rank equivalent to a captain or lower, generally they know how to be in charge and are willing to cross mountains to collect produce or implement projects and fulfill the demands, but it is difficult for them to look to negotiate or listen; it is like a foreman of a large estate or an “operator” in governments that came out of guerrilla forces. While a demobilized veteran with a rank higher than captain generally tends to study the terrain, listen and negotiate; it is like a farmer (peasant family with a diversified farm that includes permanent crops and/or cattle). Those who did not participate in the war are not free from its consequences, because society is

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11 Each of us on an individual level at some moment in our lives we wake up, and we are changed forever. What follows is a personal experience. I was 8 years old when my father took me to our 40 hectare area of land in the agricultural frontier of Santa Cruz (Bolivia). When we got there we found two engineers measuring the property, and on finishing their work they said to my father, “this side is yours.” My father, with his machete in hand, powerless, began to walk back home, 8 kilometers without saying one word! That silence woke me up: a large landowner had stripped us of 25 hectares and those academics were implementing that dispossession; so I promised to study and dedicate my life to defending peasants.

12 Learning has two accepted meanings, one that refers to acquiring skills and expertise, and another that is changing the mind. The first is the how, the second is the why. We are referring to the second usage. The German philosopher Nietzsche (1844-1900) used to say, “If you know the why, you can live any how.”

13 “We realized that we could work on our own land and earn more than the low salaries of the patron; for that reason, as a result of reflection with Fr. Héctor Gallegos, we discovered that there was land and we could take it, that we could organize a cooperative putting our resources together and start a store, that we could think and make a different life. That we could change our lives!” (Leader of cooperative in Panamá). See Mendoza (2016d; 2017)

14 “Primo” (=Cousin) is what the members of the Nicaraguan Resistance (“contras”) used to call one another in Nicaragua. The sense was to identify with one another as part of a family. Years later that same word evolved to calling one another “prij”. “Compas” was how those mobilized to fight for the Sandinista government called one another, with a sense more of comradeship, of equality. Knowing their language is like getting into their identity and sense of belonging.
militarized with the war. With the peace accords this behavior, among the veterans as well as the society that produced that war, does not die off, but tacitly persists and like a “demon” controls people. Discovering the genesis of this behavior in oneself is the basis for awakening, improving and mutually accompanying one another.

It is common also to come upon actions that made the inequality worse and that disorganized people. There are organizations, and at times an entire institutional environment, that push people to organize under the belief that “organizing a cooperative is a matter of 40 hours of training and getting legal status”, and thus they bring together people that do not even know one another and that come from different areas; likewise, “giving help to people because they are poor”, a belief that generally causes counterproductive effects, making people quit striving; “providing credit to cooperatives without having their own capital”, when not even their members risk their resources in their cooperative; “believing that without money nothing can be done”, which immobilizes people from taking initiative, or as J. Peña says (Cooperative leader of Cooperative La Esperanza de los Campesinos, Santa Fe, Panama) “that nightmare of the poor person that believes he lacks resources”.

Along this line, there are cooperatives whose members woke up from a biblical reading of “Christian community,” confronted with their reality of a lack of community; there are cooperatives that faced with adversity, got a vision that it was possible to ride the wave of intermediating products and money; there are cooperatives that emerged from members who experienced in land takeover actions the need to organize in the face of other challenges; there are cooperatives where their own failure as a cooperative made them react and refound it, recreating their own experiences in their family lives or when they were farm workers on large estates; and there are associative organizations that discovered economic and organizational sustainability as they created regulations from what worked from trying out a mix of member contributions, profits and redistribution (see Mendoza, 2016c).

This is where we get the first formula for success: awakening and cultivating a sense of mission + starting down the path based on your own resources = high probability of success of an organization embedded in its communities. This formula is a political one, questioning all the things that we see and experience. This formula has been distorted in many cases, when different organizations with an enormous social, religious and political commitment have contributed to families waking up and having a sense of mission, BUT for their first steps provided them with donated resources, diverting their attention from recognizing their own resources (financial capital, knowledge and relationships-connections), undermining their

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15 The most interesting experience of awakening that we know is the work of the priest H. Gallegos in Santa Fe de Panama, see Mendoza (2017a) for a long article, and Mendoza (2016a) for a short one.
16 In Honduras 7 organizations at the beginning of the 1990s, when the neoliberal market imposed itself on a Central America just fresh from the war, understood that “another market” was possible, and that they could not achieve that alternative market without uniting their efforts. See Mendoza (2016c).
17 “My Dad went off to war and I saw how my Mom worked to raise us, that is why I never went to school. The cooperative is like a family with a Dad and Mom, if we all are raised there, we are going to grow and study.” (Leader of a cooperative in El Salvador).
18 “I went to work at the large estate as a boy (adolescent), I worked like an adult; later on I would work more than an adult, so they put me with the lead workers. Then they named me foreman. So I understood that I was a good worker and I could direct the workers. I left to work on my own with my brothers. Now on my own I entered a cooperative that almost went broke because of bad leaders. When they named me president I remembered my years on the large estate. Instead of being a foreman, I sought to be an example growing good coffee; instead of buying inputs just for myself, we would buy a good volume for the entire cooperative, in other words, at a good price; we got credit at lower rates of interest; we hired an agronomist to improve our farms; and we exported coffee directly (Leader of a cooperative in Nicaragua).
19Planting doubt is also a characteristic of the social scientist. Doing it continuously. See Bachelard (2000).
viability and keeping them from cultivating that questioning spirit. The cooperative should be an organization that cultivates questioning among its members as the door to ongoing innovation.

b. Receiving profits and being informed

That waking up and sense of mission is like an engine that moves organizations and institutions. Their persistence depends on each member having access to information and the right to the profits of their organization.

The cooperatives whose members have defined accessing the distribution of profits of their organization generally also have access to information, and the staff of the cooperative cultivate a sense of service to the members, instead of believing themselves to be the exclusive owners of the cooperative. If the members are – and feel – that they are the owners of the cooperative, they are keen to learn how much the costs are, what the income and profits in their organization are, then they deliberate and decide what percentage of the profits will be added to their equity, investments, social fund and how much will be distributed to the members according to specific criteria – for example, in commerce cooperatives “according to the amount of purchases” (case of the Cooperative Esperanza de los Campesinos in Panama), or “amount of member contributions” (case of the Associative organization connected to the COMAL network in Honduras), in export cooperatives according to the “amount of coffee turned in to the cooperative” (Solidarity Cooperative in Nicaragua).

Let’s look at a case in Honduras (see Mendoza 2016c) to illustrate the relationship of criteria. In the Peasant Store (PS) and the Rural Bank (RB) in a community of Intibucá, at the end of the year each member receives double their contributions to the PS, and each member has the right to receive a loan of up to twice their contributions to the RB. So if a member fails to pay their loan, the PS and the RB withhold their profits. The key criteria is that each member “receives double their contributions”. This means that the PS generates a minimum of profits from the doubling of their initial capital for the year (total contributions), that the PS and the RB keep detailed records of their transactions, and that in their assemblies they review all the numbers. They learned this over 35 years, including having below market prices to serve their community and ensure the loyalty of their buyers.

A different experience is when the cooperative is instrumental in improving the income of its members, their relationships of trust, and allows them to learn new skills and continue awakening. In these cases holding posts is understood as a service. The experience of the Colega Cooperative of Colombia is, in this sense, very instructive. Their board members and administrators do not receive salaries nor travel allowances, but they are aware that thanks to the cooperative their family income in their economic activities is higher.

Here is the second formula for success: generate profits + information among all the members = more probability of success. When the members produce and process information and decide on the criteria for distributing the profits, they take care of their organization and are aware that their individual actions, in an organized fashion, generate more profit and learning.

c. Cooperatives with vision around differentiated products

This sense of mission and the interest of every member in receiving profits from their organization in a transparent manner requires sustainability, which is likely when the cooperatives are organized around differentiated products having a focused, and at the same time multiple, perspective, and geographically concentrated.
Focusing on differentiated products means that there are certain activities and products that require cooperative forms of organization, and others that do not. The organizations that form around products called commodities tend to fail; for example, a family that produces corn for their own consumption and sells the rest to an intermediary, does not need to join a cooperative to repeat the same process, because individually they are already doing it; if the family stores their corn for 6 months (some above their stove and some in their storeroom), they do not need a cooperative to store it, unless the family needs money at that moment, and 6 months later needs the corn, which is why they need to sell their corn and buy it back again in 6 months, then it needs a cooperative that resells their corn at some price differential, but not at double the price like the intermediary does.

There are products that require forms of organization that unite efforts (coordination and compliance which is accompanied, be that “member to member” or “cooperative bodies to members” and vice versa) in order to access certain markets. For example, achieving quality coffee and/or organic coffee requires meeting certain standardized practices (organoleptic management, picking red cherries, pulping, drying and hulling by lots); collecting milk requires certain synchronization of volume, hygienic practices and delivery of the product on time in a refrigerated place, be it to be sold or processed as cheese; organic agriculture requires not just mobilizing family labor, sharing knowledge and materials in specific clusters reducing the negative externalities of neighboring conventional agriculture, but also markets that channel the products toward consumers committed to healthy food and social and political commitments; selling vegetables to demanding markets requires homogeneity in size, quality and packaging of the product, in addition to being in sync on volume and timing; commercializing peasant-indigenous products in the face of the avalanche of multinational companies and genetically modified products, requires specific type of industrialization so that their products are channeled through cooperative networks—in addition to looking for channels to other markets, like supermarkets or private stores of different sizes.

Having multiple perspectives is important because, regardless of the products, the cooperative cultivates a long term vision that sees, for example, the impact of organic agriculture in the long term and within the big picture of climate change, that sees small actions as mobilizers of communities “from below”. This is what imprints on the organization a sense of learning: it makes the farm a laboratory, the cooperative a school of citizenship, and develops spaces where the community organizes itself in different ways; it is governed by the laws of associativity, accumulates experience and creates new stories. The members of the cooperative understand that the biggest challenge is not making money, but mediating among the members, discerning opportunities, catalyzing reflection processes where the different perspectives appear, confront one another, are made viable, and grow together as people. The cooperative is a means in which what is tangible (a product) is inseparable from the intangible (relationships, trust, community, sense of mission) in constant struggle with the expressions of the neoliberal market model. This is what makes a cooperative a different organization with differentiated products.

That difference, nevertheless, requires that the logic for the formation of the cooperative be “from the bottom up.” In general, the businesses that demand products are interested in those products, regardless of where the members come from; something similar tends to happen with aid organizations, that are interested in the execution of their projects. That logic is “top down”, and expresses an urban, technocratic, and short-term bias. They do not notice that a cooperative with members that come from

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20 “After more than 20 years of working in organic agriculture, now the changes are seen. Our lands produce more coffee and any crop that we put on the land. This coffee has a market. And we are receiving trainings. We only had to realize that we needed to improve our production and we needed to save our cooperative” (Leader of the La Voz Cooperative, Atitlan, Guatemala; see Mendoza, 2016d).
21 “What is beautiful about our sales network of the cooperatives, is that the products of other organizations come into our Multiple Service Enterprise (type of store) and then are sold in our peasant stores” (leader of a cooperative in Honduras).
distant places starts off with three structural deficiencies: weak social relations and trust among the members, because generally they do not even know one another; diversity of ecologies and microclimates makes it difficult to work on more homogeneous product qualities (e.g. altitude coffee, cacao with a certain flavor); and high transaction costs that promote the control of the business side of the cooperative. Let us illustrate this last point: A cooperative that needs 2, 3 or 5 assemblies a year, board members that need to meet once or twice a month, in a situation where their members live in dispersed places and the office of the cooperative is in the municipal capital, slowly the participation in the meetings drops off, then the number of meetings is reduced, they begin to delegate to the administrative staff the decision making that is the responsibility of the cooperative’s bodies. Then sooner or later that cooperative experiences a crisis and the possibilities of going broke. They last as long as some project or some order for products lasts. In contrast, when the cooperative is formed out of the initiative of the members themselves, with flexible accompaniment, that cooperative emerges based on trust, with people that know one another and share a certain ecology (micro territory). This is a good indicator of an organization with high potential.

Here is the third formula for success: organizing around differentiated products (tangible and intangible) in concentrated territories that require collective action+long term vision= greater probability of success.

d. Cooperatives connected with endogenous institutions

In the history of cooperativism in Latin America, there have been governments that have used the cooperatives to undermine endogenous institutions and exclude original peoples (see: Coque, 2012:152). In many cases cooperatives have been manipulated in order to undermine institutions of collaboration (e.g. communal management of territories) for the purpose of stripping the families of their land. The cooperatives with a sense of mission, with members watching out for their resources, organized around differentiated products and connected with an appropriate endogenous institutional structure, tend to last. The members are aware that the “shell” of the cooperative is a European import, as are the state, the institutions of political parties, and unions; and they are aware that cooperatives recreate themselves when they are connected to an appropriate and constantly improving endogenous institutional structure.

What local institutions? The “minga” (el ayni, el mita) of the countries of South America, the shared labor (mano vuelta) and sharecropping in the countries of Central America, base christian communities, indigenous communities managing common resources, demobilized war veterans who have institutionalized solidarity risking their lives, are some institutions of collaboration that, connected to the “shell” of the cooperative, and motivated by opportunities in their surroundings (differentiated products), can expand relationships of collaboration. There are cases of cooperatives that are established correcting endogenous institutions, for example, the institution of inheritance that for hundreds of years has favored the male son for inheriting land, or women’s cooperatives that have transformed the institution of

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22 These endogenous institutions are not static. Some are shaped by the neoliberal market, which is why the connection with endogenous institutions should be studied. For example, the sharecropping institution in Central America is changing, in some places it was appropriated by large ranchers, that provide a dozen calves to people who have land without cattle and could take care of them “going fifty fifty”. This practice no longer responds to the idea of sharing risks and benefits, but rather the interest of the rancher to accumulate more quickly without the need to buy or rent land, only making use of the land of other people and the family labor of those families.

23 They also recreate them in European countries: “here we are full of cooperatives because as families we have a lot of collaboration among us, we are all small proprietors; a priest came here in the 1950s and 1960s, he came with ideas about the social doctrine of the Church, and with both things the cooperatives were formed, and right now they are the ones that are running things here in Trentino, Italy” (A. Valduga, personal communication, 2014).
machismo in their families connecting the “shell” of the cooperative with the institution of “men and women have equal rights, because both are daughters and sons of a mother and father”.

In other cases, when the cooperative connects to the institution of the extended family, which exists in order to resist, diversify and survive with appropriate production, the cooperative magnifies that capacity, adds value to the differentiation of the product, and in this way generates new knowledge and better forms of organization. The connection of the two institutions provides greater capacity to solve collective problems and take advantage of opportunities for the common good, increases self esteem to take into account their own history and institutional structure, and improves both institutions.

Here we learn a fourth formula: organization with interconnected exogenous and endogenous institutions + study processes that help the first three formulas = greater probability of success.

e. Counterbalancing mechanisms based on their own efforts

The lifespan of cooperatives and their ongoing renovation depend on their developing “self tying” and counterbalancing mechanisms to avoid being coopted and/or subsumed “from above” by markets dominated by elites, or being a victim of their own internal crises. An image comes to mind to help us understand this. Ulysses and the rowers in Greek mythology, warned by seafarers that went crazy on hearing the song of the sirens, tied themselves up to avoid the sirens during the trip. Intelligent cooperatives also “tie themselves up” and listen to (discern) the warnings of their friends and allies.

What are the self-tying mechanisms of cooperatives? One, from the beginning the members save so that their own capital has more weight in the total capital of the cooperative; so, as the Bible says, “where your treasure is, there your heart will be”. If the treasure of the members is in the cooperative, they will be watchful over it and be willing to be active participants, because “there their hearts are”. If these contributions are combined with redistribution and credit policies, under a practice of organizational and economic sustainability, that very triangle constitutes a “self-tying” mechanism under associative control.

An example of this is a previously described community of Intibucá in Mendoza (2016c), where if some member does not pay their loan, the organization withholds their contribution and part of the profits that are equal to the total amount of the loan.

Two, the cooperatives apply what is in their statutes, above all, in terms of the balance of power among their different bodies, like “the holy trinity of associativism”, composed of the assembly, the board (administrative council) and the oversight board; the rotation of leaders with the real exercise of those posts. This is a relationship of counter balancing power, when the assembly really is the maximum authority where the most important decisions of the organization are made, the board carries out those decisions, and the oversight board ensures that those agreements and the norms of the cooperative are followed. The business side also needs to respect the rules of administration, accounting, and the rules for

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24 When the cooperative institution connects with opposing institutions (e.g. inheritance only for male children; “money makes money”; patron-client relationships that come from the times of the great chief, the conqueror, the command-order of war where the soldiers keep quiet and their role is to obey; state-party patronage) without correcting them, generally they contribute to intensifying the inequality and injustice.

25 The “extended family” institution can be a harmful institution when the children remain under the support of the mother or the grandmother, a form of ‘free riders’ (opportunists) in collective actions; or when mafias emerge on the basis of families. There are also cases where this institution privatizes the cooperative and subjugates it to its rules.

26 Their own capital can also be “their own knowledge”. If a cooperative develops a unique methodological capacity to produce knowledge along with other cooperatives, their members can understand that their “heart” is where the “source” of their knowledge is. Likewise their own capital can be social connections outside their communities.
the cashier, another trinity that needs to coordinate among one another on the basis of respecting the procedures governing each area in terms of receipts, reports and check writing.

Three, the interactive relationship between the associative side and the business side of the cooperative; the former seeks redistribution, inclusion, transparency and the democratization of the organization; and the latter seeks the profitability of the capital, and taking advantage of market opportunities, alliances and knowledge. Both seek to overcome the dilemma of “sustainability with equity” to contribute to the well being of the members. Mendoza (2016d) introduces us to a cooperative in Guatemala, where the rotation of leaders and the “associative holy trinity” worked formally, but that in itself did not ensure the proper workings of the organization, rather it concealed actions contrary to the interests of the members; that cooperative got back on track when the good practice of the rotation of leaders in the cooperative’s bodies really managed the business side of the organization. In another case, Mendoza (2016a; 2017) introduces us to the experience of a cooperative in Panama, where that interaction between members of the bodies of the associative side of the cooperative, and staff from the business side, detected possible administrative crises and got the cooperative back on track; that experience revealed the importance of staff committed to their organization, who understand that the bankruptcy of the cooperative means harm to the members, unemployment for them, and a negative impact on the population in general.

And the fourth mechanism, organizational escalation tailored to the members. First tier cooperatives are formed to make the paths of its members viable, second tier cooperatives are formed to improve the capacity of the first tier cooperatives, and third tier cooperatives are formed to work on national and global policies that would help the organized rural families. The biggest threat in all of this is the imposition of the logic of the “big-headed dwarf” (Mendoza, 2012). That logic is in effect when the second tier cooperative (“head of steel”) concentrates resources and centralizes decision making, while the first tier cooperatives (“small clay feet”) are emptied of content, and their members act as if they were “minors” of eternal chiefs or elites that present themselves as irreplaceable, while they strip the peasants of their organizations; in other words, the big-headed dwarf cooperative is one whose head is large and made of steel (second tier cooperative), and its feet are small and made of clay (first tier cooperative). The key to avoiding this logic of the big-headed dwarf, and to the different tiers working to the benefit of the members, is that the members are empowered, wake up, and have a sense of mission – “the stronger the children are, the stronger their parents will be”. In Honduras a third tier organization went into crisis precisely because of that logic of the “big-headed dwarf”, but it was rescued thanks to the strength of the members of some communities, whose leaders had the experience of organizing in a sustainable manner (see Mendoza, 2016c), and they “from below” were the ones that saved several businesses from certain bankruptcy. This is an expression of the sense and importance of the “balance of power.”

Summarizing this section (4.1), the cooperatives with these distinctive characteristics (interaction between the sense of mission, remuneration and information, with differentiated products, correcting and expanding local institutions, and with “self tying” or counter-balancing power mechanisms) move within “conflicts” facing new adversities, confronted with their own crises and their own demons (beliefs and endogenous institutions that maintain inequality, and “nest” in human minds), with “ups and downs” in their organizational life, and with hard decisions that express changes in the correlation of internal and external forces. This is how they contribute to creating citizenship (following rules, coordinating and cooperating with the cooperative’s bodies), forming shared leadership, understanding that the cooperative is not THE basis for everything, but a key means for the communities, along with other organizations, to control markets and make state institutions work for justice, democratization and alternative paths.

27 If the business side (profitability of the business) absorbs the associative side (redistribution and equity), the management tends to make decisions instead of the cooperative bodies, privatizing it. If the associative side absorbs the business side, the cooperative uses up the working capital of the cooperative and it becomes unsustainable.
4.2 Dynamics of alliances needed for cooperatives to make a difference

What types of support are needed for cooperatives to consolidate and multiply? An enabling environment cultivated by the state, markets “domesticated” by society, bridges to and from “de-centered”28 social movements mobilized “from below”, and being part of an international network related to associative organizations. We raise the alarm that there are not many enlightening experiences of support for cooperatives; the opposite is more common, creating cooperatives artificially and treating them as “mistresses”, subjugating them to party policies and markets that plunder them, marginalizing them from social movements. Yes, there are exceptional experiences, so this section “connects the dots” of the types of support needed for the progress of associativism.

a. Enabling environment

The State with governments that have a long term perspective contribute with an environment that facilitates associativity, on its associative side as well as its business side, under the idea that the stronger societies are, the stronger will be their state and market institutions. A state institution that legalizes the cooperatives and updates that legality annually in strict compliance with the law, backs the rotation of leaders, the “balance” of power among the cooperative bodies, the completion of the financial reports and the fact that the members know its content, and supports the implementation of the policies for member contributions and the redistribution of profits, and intervenes to benefit the members when cooperatives fall into crisis, this the type of state institution that is needed. All these points are included in the Statutes of the cooperatives, through which State action supports the associative side of cooperatives.

Part of the role of the state is also to control markets. This means developing just fiscal policies where the rich families pay more taxes, which contributes to a more equitable society. Supervising calculating product weight (e.g. the calibration of scales) of the private sector as well as the cooperative sectors, product yields in their processing phases (e.g. conversion from APO coffee to APS coffee, conversion of cacao pulp to fermented and dry cacao, liters of milk, control of degrees of moisture content and quality), and disseminating basic information about the cooperatives on webpages (e.g. number of cooperatives founded each year, number of members by age and sex, name of board members since the founding of the cooperative, number of staff-workers, total capital, annual purchases and sales, equity, etc) are important examples. In doing so, the State helps the business side of the cooperative increase its effectiveness and strengthen the “self tying” mechanisms of the cooperative, evading the “song of the sirens” that tends to show up as acts of corruption and administrative crises. This is a role of counter balancing power needed for the vitality of the cooperatives.

Unfortunately, governments have had a short term perspective, one of patronage that excludes the coops at the moment that rural development policies are established. Many governments legalize and oversee cooperatives for partisan purposes, they control them more rigidly than private companies to find “a hair” in their fiscal commitments, or intervene them when they are in crisis, not to reactivate them, but to liquidate them. The following expressions are illustrative: “they realize that the cooperative is having problems, they intervene, they bring in their own people to be the manager for triple the salary, and then, of course, within months they liquidate the cooperative” (Panama); “they know that the cooperative is in crisis, and even if it already went broke and closed its offices, they wait for them to request the legal dissolution of the cooperative, and if they do not request it, nothing happens; but if it is a cooperative with leadership critical of government policies, even though it is not in crisis they close it.” (a country in

28 “Decentered” refers to an organization that has no central command nor single, unified perspective, to understand it requires then gathering different interpretations from different individuals, e.g. Occupy Wall Street.
Central America). “If they see that there is a leader that stands out, they give him a post in the government or in the party, because they think that changes happen from the top down, and they are not interested in how the cooperative is doing” (El Salvador). Note the face that authoritarianism takes.

Until 1990, the states of Central America created and used cooperatives as part of their counter-insurgency policies. The most outstanding thing about the role of the State is that governments, no matter what their party affiliation, sought to control the cooperatives “from above” so that they might be their “operator”, their sounding board, that would implement its projects or that would respond to the demands of the market. No government accepted the idea that the cooperatives would be autonomous, govern themselves, because it was thought that “only the parents guide the children”, and therefore the cooperatives like “children” needed to be guided.

At the same time associative organizations learned that the State was not something monolithic. The State has fissures, and that within it are actors and institutions with another perspective on associative organizations, who can support them. In Honduras, in spite of the repressive role of the State, some organizations found resources to benefit the cooperatives; likewise in Guatemala some cooperatives got resources and training; and in both cases, without compromising their autonomy.

b. Domesticated markets

Wrestling with environments promoted by the State, the progress of cooperatives controlling markets has been enormously difficult. Why? “Market society” is eating up “society with markets”, which Polanyi warned about in the case of Europe, and Stiglitz in the countries of the global south. The biggest project of the world is the neoliberal market which conceives the market – and not science nor people – as wiser and more capable of predicting the attitudes of people themselves. So it is thought that everything is determined by the market, even the State and organizations of society. Harvey (2003) argued that that market moves about under the logic of “accumulation by dispossession”, re-reading old Marx. Moore (2015) understood that capitalism has been doing this for centuries based on cheap nature and labor.

Let us mention two cases of cooperatives have been dealing with this. One, the cooperatives that go into commerce (stores and supermarkets) and seek to add value to peasant products as the key to “domesticating markets”; they do it because they perceive that increasing the scale of their commercial operations, in spite of achieving financial success, can turn them into simple intermediaries of the multinationals that produce and broker in mass, and can make the cooperatives themselves finish the work of the market in putting an end to the peasantry. Correspondingly, these cooperatives can, for example, cover the entire coffee chain, including coffee roasting and packaging (also blocks of sugar cane, processing of fertilizers) (see Mendoza, 2016a; 2017), and can create networks of stores where peasant products can be quickly distributed to different communities. Two, international fair trade, a movement that emerged with a lot of promise of being “alternative”, promoted cooperatives in the world, but along the way regressed – to a large extent –subjugated to the logic of this “market society” (Mendoza, 2016b) 29; it is a movement that is in the process of recovery.

The first case is “domesticating” the market within the local and/or national sphere, and the second, in the international sphere. Both cases show that if the five elements from “within” are strong, and if there are strong, mutually dignifying alliances that also generate knowledge, markets can be “domesticated”; and

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29 The market avails itself of, for example, monocropping, something contrary to the peasant logic of diversification. The market (elites) subsume the cooperative and turn it into its means to impose the monocropping system on peasant families–that the members specialize only in coffee, cacao, livestock-milk, corn or rice.
when markets are not “domesticated”, markets under the control of elites can severely undermine cooperatives, and with it accelerate their de-peasantization and cultural capitalist homogenization.

c. Relationships with the international cooperative movement

If a billion people of the world’s population are members of some cooperative, the fact that a cooperative is part of an international network is important. First, the International Cooperative Alliance (ICA: https://ica.coop/) is an organization that brings together a good part of the cooperatives of the world, with regional offices, including the Americas (http://www.aciamericas.coop/?lang=en). It allows the cooperative members to participate in international events on cooperativism, have a defense of cooperative values within a global context, and have support in moments of internal crises. Second, there are encounters of researchers on cooperatives in the Americas, that meet annually http://ccr.ica.coop/sites/ccr.ica.coop/files/attachments/convocatoria%20IX%20Encuentro%20Quito.pdf where scholars from different parts of the world share their findings and visions.

Both bodies are important spaces for any cooperative. Nevertheless, most of the cooperatives of Central America are not registered in ICA nor participate in those encounters. Being part of them is a distinguishing factor, one of learning and global coordination around common agendas.

d. Bridges to and from the social movements

“An isolated organization is not going anywhere”, warned the priest Hector Gallegos, one week before being disappeared in Panama in 1971. You can have allies and partners, wrestle with markets, and benefit from a favorable environment, but their sustainability and ongoing re-invention depend on connections being woven among cooperatives, crossing borders with the so-called “social movements.” Nevertheless, it is thought that social movements are political, and that cooperatives are depoliticized economic entities, that the former are reactive to repressive situations and the latter are businesses subjugated to the market, that the former disappear with change in those situations, and the latter live in their own world, that the former have awareness and the latter divide communities.

These beliefs that maintain the gap between cooperatives and the social movements are promoted by market fundamentalism, with damaging effects for both sides. There are associative organizations that have started and grown within a framework of a social and political movement, and there are social movements that have emerged from cooperatives. There are communities whose doors to the world came through the cooperatives, or that were organized through the cooperatives. There are associative organizations that react like a “tiger” to the attacks of the “tiger” State, and learn to understand that the power of the State is not theirs, but that of the elites controlling markets, and that it can be resisted organizing the community itself around different challenges.

There are cooperatives that, along with some Churches, are the only spaces for training in many communities and countries. This combination of protest, proposal and sustainability has been a cultivated formula, at the same time that it was repressed by State forces, suffocated by market forces and undermined by many international aid organizations functioning for “market societies”, “NGO-izing” cooperatives, and social movements. Being aware of this, and the communities themselves investing in

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30 There are cases of connections between financial institutions and cooperatives, the former have capital and the latter ensure that the members honor their debts, obtaining timely financing to the benefit of the member families within a framework of economic diversification and stopping the “cascade effect” of dispossession. But these cases are more and more infrequent; financial institutions as well as the so called “social banks” are being absorbed by that logic of the “market society” worsening the social, political and environmental inequality (Mendoza 2016b).

31 Hale (2002) studied how the indigenous organizations in Guatemala were “ngo-ized”. To do so, the donors made a distinction between the “acceptable indian” and the “rebellious indian”; the former were given resources, and the
their bridges in a “de-centered” way, is how to open a window so that airs of renovated perspectives might enter, and close it again to avoid the storms that would undermine their own perspectives and visions, and opening it again and again to deepen their roots while at the same time benefiting from building connections and learning from the perspective of the other.

4.3 Accompaniment and alliances needed

The elements of both sides of Figure 1 are important. But who connects them? Here is the importance of a long term alliance and/or accompaniment, like the “outside eye” that sees things not seen by the “inside eye”, and that with it contributes to the expansion of organizational autonomy. An alliance happens when an organization lacks something fundamental that another organization has as something distinctive, and vice versa; it is like a “marriage”, in this case, between “external” actors and rural families, creating and/or consolidating cooperatives. Accompaniment is walking together, advising within the framework of learning to advise with the cooperatives themselves – in other words, understanding them and not falling into the technocratic presumption of advising without understanding. Let us mention four cases of accompaniment and alliances.

A first group of cases has to do with accompaniment. Inspired in the social doctrine of the Catholic Church, there were priests and religious sisters between the 1960s and 1980s that accompanied the peasantry in rural zones with a history of rebellion and “conflicts” in every country in Central America, and whose reflections, opposed to state and market policies, included the organization of cooperatives – “Gospel made real”, as some leaders used to say – with a strong connection to the four elements described as “inside elements”. Religious priests and nuns had the capacity to awaken awareness, treating the peasants as the people that they are, contributing with formation; and rural families had the capacity to re-understand their reality and make the “Gospel” concrete. Seen in perspective, after 40 or 50 years, latter were blocked, so that they might be “domesticated” or disappear. Many cooperatives and feminist organizations in Latin America have also suffered this type of exclusion, domesticating “rebellious” organizations and rewording the “acceptable ones” with their backs to the peace processes.

Let us remember that the peasant and indigenous families are “de-centered” organizations, that appear to be fragmented, but in practice are “extended families” interlinked with one another and capable of reproducing themselves in starkly adverse environments. In appearance they are dispersed, in spite of the repeated predictions of their disappearance, they persist and to a certain extent are uncontrollable.

There are also cases of “external” people who show up to live in the communities, and from there, in a group, organize successful cooperatives. One case that illustrates this type of cooperatives is the milk cooperatives “Colega” in Guatavita, Colombia. Their administrator showed up to live in that very community. He and his partner had the capacity to study (understand) the reality where they came, cultivate empathy with the local population, and once they were organized into a cooperative, took advantage of their skills of building connections with different actors to benefit the cooperative, as well as support the administration of the cooperative.

In Jalapa, Nicaragua, a war zone during the decade of the 1980s, a member recalls the treatment they received from a priest. “Fr. Jack, when he saw two groups, one with money and educated, and another group of pretty poor people, he, being a well educated person, always went to the poor. If we ran into him on the road or in the street, he would stop to greet us. He liked rubbing elbows with us. It made us trust him, he made us confident. He wanted to know people up close, their problems, and defend us where ever. And he did not like us calling him “Father” “Just call me Jack” he would say (Anastacio Maradiga). In Sante Fe (Panama) from the 1960s, “It impressed me to see that Fr. Hector shook hands also with the children.” (Jacinto Peña).

A concrete experience in Santa Fe de Veraguaus, Panama, illustrates this point. The priest Hector Gallegos, in addition to accompanying them in the formation of the cooperative, also helped the adolescents continue their studies in high schools administered by religious, and helped youth with leadership potential leave to study cooperativism. See Mendoza (2016a; 2017).

There were dozens of religious experiences known as base ecclesial communities, some very well known internationally, like Solentiname in Nicaragua in 1979, or Aguilares in El Salvador in 1970 and 1980. These experiences emphasized the level of awareness and opposition to the repressive policies of the state; nevertheless
these experiences allowed these zones to get on track to build peace even in the midst of war, avoid war in other cases, and establish strong communities in the post accord periods.

A second group of cases is the alliance among European aid organizations linked to their churches or their societies, generally committed to justice, who have supported the formation of a network of cooperatives for the commercialization and industrialization of peasant products. They are experiences that have emerged since the 1980s and 1990s, that have combined a high dosis of external resources and economic viability, as well as reflection on and implementation of different peasant and indigenous practices, such as making blocks of sugar, chocolate, lard or soap, in addition to finding markets for agricultural products. They are experiences that have even opened up wedges of peace in the midst of war.

A third group of cases is the relationship between US foundations and cooperatives, generally since the 1990s and 2000s. The founders of these foundations, after immersion experiences in communities in Central America that awakened their social consciousness, developed a high social and political commitment to viable organizational initiatives, like cooperatives and rural associations. Some of them also experienced the sale of their companies to their own workers, and therefore the conversion of being workers to being owners, something that allowed them to understand the associative organizations with a membership looking to be owners of their organizations. These foundations have resources and ideas generated from their own experiences, while the cooperatives are an expression of paths where the families can cease to be poor. Accordingly, these foundations provide credit (loans) under flexible policies (e.g. without requiring material collateral) to first tier cooperatives, and accompany them in spaces of mutual learning and advising in various countries of Central America, while the cooperatives on their part increase their own capital and develop the five “inside elements”.

A fourth group of cases are a combination of aid organizations, businesses and state institutions that have become aware of the cooperatives in light of their administrative crises, and to the extent that they see the associative organizations trying to improve their organizations and economic sustainability, are giving them a hand and helping them manage their resources properly, so that their organizations can get out of their crises. Mendoza (2016d), based on a case in Guatemala, highlights how a local-global complicity was able to ruin a cooperative, and how a local-global alliance can also raise up a cooperative.

A fifth group of alliances is the fair trade organization that includes international buyers, social banks, certifiers, and cooperatives in the north and the south. It is an alliance around specific products (e.g. coffee, cacao, honey, crafts and dozens of other products) based on policies and under a spirit of solidarity. When that transnational alliance is democratic and transparent, it makes a difference in the lives of rural families; and when it is not, it turns into improper relationships that only benefit the elite. See Mendoza 2016b.

They are alliances and accompaniment experiences that go beyond the “professor-student” or “donor-beneficiary” relationship, that raise the profile of the member families, recognizing their differentiating they suffered from a lack of “domesticating” the market and materializing their reflections in the form of durable organizations like cooperatives. Many of those experiences, instead, swelled the ranks of one of the sides in conflict – guerrilla or government forces. One lesson that we learned from those experiences is the importance of awakening awareness in the face of adversities of elites of any ideological label, and particularly in the face of governments of an ideological nature that one would support.

37 There are several cases of lesser duration that have to do with the support of international aid; the most well known is Finnish aid for forestry and dairy cooperatives, US aid with vegetable producing cooperatives for supermarkets, or Swedish and Danish aid with savings and loan cooperatives, and farm cooperatives. Recalling the “marriage” analogy, these relationships are more the “mistress” style, they last as long as the external resources do, even though some cooperatives – particularly the dairy ones – still exist on their business strength.
attributes, just like the cooperatives recognize the attributes of the external allies\textsuperscript{38}, and are relationships that maintain a perspective that the grassroots organizations should increase their autonomy. On this latter point, I want to refer to a personal experience: When Nitolpan-UCA was founded, a research and development center of the Central American University, it worked with cooperatives between 1998 and 1992 in their efforts to “de-collectivize themselves”, contrary to most of the organizations and Sandinista sympathizers. In those years, C. Barrios, a member of the coordinating team of Nitolpan, told me, “that the members should have their own land and their energies freed up, that those cooperatives should be autonomous and be freed first of all from us, Nitolpan.” From the perspective of the organizations that are working with cooperatives, this is the biggest criteria that guides the work of accompaniment and alliance, making the cooperatives “be freed first of all” from those who accompany them and those who are their long term allies.\textsuperscript{39}

This relationship of accompaniment and alliance has been key for successful organizations. It continues to be so now as well.

Considering this fourth section, when the four “outside elements” exist and are connected to the five “inside elements”, you can talk about a real contribution to an arduous peace. The element of accompaniment and strategic alliance, because of its long term nature and emphasis on mutual learning based on raising questions, is the differentiating factor. This relationship connects the members to building their cooperative, the cooperatives to the world cooperative family, so that new paths are opened with social movements. They are the sowers of doubts about the determinism of religion, nature, history and the neoliberal market. This element of alliance/accompaniment, nevertheless, is temporary, until one graduates and that allows the cooperative itself to take on the roles of ally/accompainer.

5. Conclusions

A building is durable and withstands earthquakes if it is well made, with good materials and engineering work, but above all if it has a good foundation with anti-risk measures. So is also the “building” of humanity, if the base, in other words, the communities, the producer families, are well built from the beginning and “from below”, that “building” will repel outbreaks of violence, the ghosts of war, and will “move” in the face of old demons – harmful beliefs and institutions that have maintained the inequality, injustice, and providentialist mentality. The challenge is understanding that the associative organizations, to the extent that they are spaces of democratization and knowledge production, are like water that generates life wherever it goes, and moves forward avoiding the “hills” (of the concentration and centralization of power). And if the allies (the State, “societies with markets”, the international cooperative movement and social movements) turn their attention to these communities and their “de-centered” forms of organization, and seek to understand them, we will be building a more equitable and just “edifice” of humanity.

The opportunity to do so exists, particularly in the “post-accord” stage, because it is like a place that is “destroyed” and has to be rebuilt, using a good part of the already existing material. And Marx said it in

\textsuperscript{38} There have also been attempts at alliances between University institutions and associative organizations, which generally were aborted. The force of the market that turns research into simple consultancies, and thereby university teaching devoid of research is one of the reasons why these initiatives fell apart.

\textsuperscript{39} This is also the spirit of the religious orders and evangelical denominations, whose priests and pastors tend to be moved from one place to another after a certain period of time, by mandate of their own institutions. Some of them accept these changes with an enormous sense of commitment, “my superior told me that they were transferring me to another country, I grabbed my Bible and some clothes, and got on the bus; I didn’t have anything else to take.” (Jesuit priest).
1952 in the Eighteenth Brumaire of Louis Napoleon, “Men make history, but they do not do so at their whim; they do not do it in self-selected circumstances, but in already existing circumstances, given and transmitted from the past.” The key is in the relationship between the actors and the circumstances (structures). The circumstances are not under our control, they influence and are influenced by human actions. This article shows us a context in which the “post-accord” phase in Central America is part of a larger 200 year war-peace context, changeable and transformable.

How can changes be generated? In this article we show that an important basis is mobilization “from below.” In the face of the authoritarianism of any ideological label that “goes from top down”, turning a “society with markets” into a “market society”, subjugating in its path states, donors and organizations themselves, and in that way taking us dangerously to even more bloody wars, we find that associative organizations can restrain this apparent inexorability of finding ourselves once again in even crueler wars. How can these wars be stopped and our realities of inequity be changed? First, seeing the associative organizations in conflict under that logic of market fundamentalism, which is a generator of inequality, and understanding that those very associative organizations are spaces of intra and globalized forms of “conflict”, in constant interaction with “top down” and “bottom up” power relationships. Second, repoliticizing “from the bottom up”, making the “inside elements” and the “outside elements” connect and discern new paths, remembering that “the clash of stones produces light”. Third, paying attention to the work of active accompaniment that certain people, like the priests mentioned, Hector and Jack, have done; they are practices that emerged under the social doctrine of the church and that practically have disappeared in the last 20 years; that role of “awakening”, provoking reflection and “treating” people with dignity, constitutes a necessary basis for building the cooperativism of the future. Fourth, making the academic community turn their attention to the families and their “de-centered” grassroots organizations, and that therefore they take out their notebooks and take notes, not just when an “academic scientist” speaks, but also when a “civil scientist” from the communities speaks; this means that the academic community is willing to live with the communities and their organizations from time to time, a dynamic where they can conceptualize the processes (not just “apply theories”), and above all on that basis weave a profound alliance (“marriage”).

In this respect, our learning within a small group framework, as allies of associative organizations, is as follows. Moving from studying the organizations to co-learning with them about their realities in their communities, and within the framework of the value chains of their products, is a big step, in a context where the dominant model says that you only learn in Universities, or that the market is the big teacher. Visioning with the cooperatives the paths of the members themselves, and the cooperatives responding to those paths, demands that we recognize that our capacities are limited, and that leads us to expand our relationships with academic, business and state actors, expand our perspective “moving out of our parishes” on the basis of knowing other successful organizations in other countries. Raising their profile and raising questions to get and discern the wisdom of the communities, who have resisted for so many centuries, and at the same time discerning new knowledge, not just in businesses and in “external” institutions, but also inside the grassroots organizations and families, requires long term work. Providing follow up on small and significant changes: each person is a leader that takes notes training yourself as a researcher of your own reality, each reflection and planning session involves members of the family, each cooperative gathers information about its members, organizes and analyzes it, and then designs its policies, each reflection space strips off institutionalized beliefs that control us as universal truths (e.g. “we always need the patron”, “the illiterate person does not think”, “God made the rich and the poor, and he made me poor”). This process is a way of “mobilizing from the bottom up” and “from inside”, aware that the more we learn, the more we take on the spirit of Socrates: we only know that we know nothing.

This is the meaning of the proverb mentioned at the beginning of the text: the stronger the children are, the stronger their parents will be, the stronger the first tier cooperatives embedded in their glocal
communities are, the stronger the organizations of society will be, the stronger the state institutions will be, the stronger the aid agencies will be, and the more societies will domesticate the markets.

The correlation of forces in Latin America, from a resurgence of market fundamentalism and the authoritarian model of the state with governments of different ideological labels, reminds us that the phantoms of war were not left in the past, and warns us that the old demons that maintained inequality are getting crueler. At the same time, the experience of associative organizations in the wars and the “post accord” periods shows us that, when they are well organized, they are like water, that runs amenable avoiding the mountains. This invites the academic community to contribute with their grain of sand to the re-invention of cooperativism and associativism within a framework of glo-local ongoing “conflicts”, cultivating contingent thinking among “academic” scientists and “civil” scientists, as a means of repossession in “de-centered” processes, and building networks that connect us with different forces.

Peace is politics by other means. The action of “politics”, understood as the political element, is awakening awareness and raising questions constantly as a guide for cooperativism. This arduous peace happens when society is strong and capable of making the state and the market interact. The cooperatives with their internal and external relationships are central to democracy, in other words, to the strengthening of a more just society.

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