

# A LETTER FROM MONDRAGON



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*“We need the revolution based on work and not in myths. We will attain union relying on the truth, never on lies, hypocrisies or errors. To the trends of the ‘consumer society that consumes’ which may drug us with simple material wellbeing, and on whose blackboard human beings are appraised as things and not as persons, the cooperative system responds among us, getting us together and helping us to participate and act as persons. Furthermore, as persons we are called to risk our initiative, responsibility, and our creative capacity starting from the most basic cell or creative working organism: the enterprise. In this manner we will be able to unleash a new attitude to transform the economy and to generate a new socioeconomic order, congruent with human dignity and the demands of human communities.”*

—José María Arizmendi Arrieta  
Founder of Mondragon Cooperativism

Reading this quote by Father José María Arizmendi Arrieta, his words call us to participate and act from our humanity in order to contribute to transforming the economy and create a new socioeconomic order, a more participatory economy, an economy for all. Further, it is good to bring his reflection back into our consciousness and adapt his reflection to the times in which we are living, with the intention to act in the realm of possibilities with pragmatism. From this reflection is born the desire to address you through this letter



Armin Isásti of Mondragon speaking at the 2015 Union Co-op Symposium.

Photo by Paul Davis.

from Mondragon. I hope these words do justice to these ideas and thereby help to open new, more humane pathways.

But first and foremost, even though time has passed from the union co-op symposium to today, it was unforgettable. I want to express my great joy in the experiences and impressions that I shared with you all at the event organized by CUCI in Cincinnati on November 12 and 13, 2015. Second, I'd like to say that I am pleased to be able to write to you and help you with your projects based on my 48 years experience in different areas of Mondragon cooperativism: industry, education and cooperative creation.

Cooperativism needs new forces, new points of view, new imaginations; in other words, it is necessary to rethink cooperativism so that the cooperative movement can reach other parts of the world, and in this way keep the flame of the "Mondragon Cooperative Experience" alive. In this regard, encouraging initiatives like CUCI and 1Worker1Vote have been set in motion in the United States and have a lot of potential.

To be a cooperativista, there are—in my experience—some very specific, important elements that go far beyond knowing the 10 cooperative principles.

### **Sacrifice**

The first element is a willingness to sacrifice a part of ourselves. To be a true cooperativista is a very demanding profession. All professions are, but this one is particularly so.

### **Study – preparation**

The second element of cooperativism is the constant development of people from all levels of the organizational structure, building their knowledge, values, and skills. In cooperativism, constant study and reflection are essential for facing a constantly changing world.

### **Frugality**

To be a cooperativista also requires a third important quality: frugality. Do not consider cooperativism as a means to make oneself rich. If wealth is the goal, there are other professions that allow one to earn much more money, and more quickly.

In my case, choosing to be a cooperativista allowed me to decide not to accept the inequality and social exclusion in which a large part of those of us in the Mondragon region lived. I found spaces for rebellion in cooperativism, because despite the poverty—poverty does not cry; poverty suffers in silence, it doesn't

have a voice—I remained hopeful, and cooperativism allowed me to realize this hope because I expected to improve my life.

In this context, recent developments taking place in the United States are headlines on a global scale and reflect how inequality and social exclusion emerge in a harrowing manner and tend to multiply and spread quickly. It seems that all we value are economic successes measured by GDP and its growth without taking time to reflect and ask ourselves, why do we tolerate inequality and social exclusion?

Sixty years ago, one of the “unquestioned realities” was that “the son of a laborer has to be a laborer, and the son of an engineer, an engineer.” Ordinary citizens considered this to be “the natural order of things.” This premise, accepted implicitly, was questioned and put to the test, triggering Mondragon Cooperativism.

This is an example of constructive confrontation against the “establishment,” and is transferable to the present moment. It came from a profound social belief in fighting for the rights of working people in the face of unjust causes.

With respect to what has been described, I would like to provide a selection of some of these “unquestioned realities” for your debate and reflection. It involves a series of implicit presumptions that are generally accepted without being tested and which, from my point of view, are leading us to tolerate inequalities and social exclusion:

1. **Economic development** is the only formula to progress and overcome the challenges and problems generated by human coexistence.
2. **Competitiveness** is the key to social equity and the propagation of the social order with its two facets: the recognition of those who deserve it, and the rejection or humiliation of those who do not deserve it.
3. **Inequality** between people has a natural foundation, and adapting opportunities and practicalities to this rule benefits all of us. The riches of a few benefit the whole.
4. **Persistent consumption** is the single most important and secure path in the pursuit of happiness from the cradle to the tomb.

Responding to these “unquestioned realities” from the Cooperative Movement is no easy task. It means that changing these realities requires more than a simple

change in mindset. It requires nothing less than a drastic—and, in principle, painful and unappealing—change in our way of life.

If we ask ourselves which values we consider most important, many of us will probably respond naming equality, mutual respect, solidarity and friendship as paramount. But if we observe our everyday behavior, there are other values that stand out. It is astonishing to assess the size of the distance between ideals and reality, between words and deeds. Faced with these behaviors, how can we build that bridge between words and deeds, and without forgetting about the material with which we have to build it? How do we rekindle in people this “everyday humanism,” humble, ordinary, day-to-day coexistence that ennobles a person? Reflections like these were posed by Father José María Arizmendiarieta in his teachings.

To this Arizmendian thinking I would add, from my professional experience, the motto “small changes, great changes.” It is more important to act than to propose lofty goals that will only dishearten us and further justify our inactivity. “Tomorrow will be a better day” was our mantra. We are not conscious of what we are capable of, nor of the enormous value of an act as simple as planting a little seed every day. There is value in humble planting and persevering in search of hope.

But what can we develop so that good words may turn into deeds?

If the cooperative movement is, in its essence, fueled by a spirit of open solidarity, I believe that its goal is still far from being met. By combining the forces of many very diverse people, we can bridge the gap with a revamped cooperativista system, solidarity on a global scale in which we experience new ways of working, learning and relating to each other.

Thus, the main task is to build up this bridge sustained by various active models of making cooperatives instead of merely talking about the virtues and benefits of cooperativism. To do this, I put forward for your reflection the following key elements which have to be worked on in order to establish this new model:

1. **People**, connected to educational and training processes in the broadest sense. For one thing, a technical training on the command and management of businesses and technologies. But more so, the creation of study groups of a social character, incubating in the student body of universities, community colleges, working people, civil society, etc., the “concern for others,” learn-

ing how to analyze problems with a critical eye, aligning with the humble classes and feeling our responsibility for injustice. To create cooperatives, we first need people who are cooperativistas. We need to develop our ethical and moral backbone. In this, the selection of people and their daily acts are a critical component for success.

2. The **establishment of networks and alliances** of collaboration at the local, interstate and international levels within an environment that values social education, business education, innovation, entrepreneurship, and other entities, all working together to create cooperative employment. In the beginning of the “Mondragon Experience,” the strategy of capturing technology and business ideas formed part of an active policy of creating cooperative businesses.
3. The use of a **decision-making model** that validates business ideas and business projects stemming from social needs and technologies, and where resources are applied progressively and continuously based on milestones.
4. The **formulation of strategies** for the development and intervention in projects of:
  - a. Cooperativization of businesses that are not cooperatives
  - b. Creation of new cooperative start-ups
  - c. International projects that encourage and strengthen the cooperative model
5. **Innovation and entrepreneurship** are also a matter of collaboration. One option would be to complement a basic design with an organization for the creation of cooperative businesses, with other systems of external support such as an advisory board and other infrastructures of support in the fields of science and technology to help new business ventures.
6. Lastly, these **five key elements** to make sure that beautiful words convert into acts require commitment to deploying a financing model with well-defined criteria for its application.

As you can attest to, the work is neither easy nor immediate. One needs intelligence, effort, determination and perseverance. This letter is already extensive—I ask forgiveness—but there are still questions that should be analyzed and brought

to open debates in which you argue about society and the values that “an economy that works for all” demands.

My stay in Cincinnati allowed me to think and dream about how to participate to the best of my abilities in the construction of a new bridge, the bridge of cooperativism and coexistence, like the bridges over the Ohio River that connect the states of Ohio and Kentucky, as an example of cooperation applicable to other places.

Nothing more. I leave newly grateful to CUCL and One Worker, One Vote for your invitation, and to each of you, hugging you and inviting you to look to the future under the motto of José María Arizmendiarieta that “there is always one more step to take.”

Armin Isasti  
Caminante jubilado

Mondragón, 1 de agosto de 2016