MONDRAGON CORPORATIVE CORPORATION: A REAL NON-CAPITALIST AND NON-STATIST ECONOMY

Abstract (provisional)

Efficiency and equity is oftentimes projected to be unfeasible to be achieved both at the same time. Efficiency associated with traditional capitalist companies, it is pursued at the expense of equity. Equity associated with cooperatives, it is pursued as a tradeoff to the process of expansion and engaging in real competitiveness. The choice is presented between small equitable cooperatives or efficient and competitive capitalist companies. The case of the Mondragon Cooperative Corporation (MCC) shows these theses wrong, becoming an example of how to make cooperativism highly competitive within capitalism without compromising cooperative values and structure. In this paper, the MCC expansion will be analyzed. How has the Mondragon model been expanded? What are the main challenges that they are facing in expanding within the cooperative movement? Particularly, two main expanding processes will be further analyzed: first, the creation of international subsidiaries as a response to the requirements of a globalized competitive market; and second, the recent EROSKI takeover of a supermarket chain becoming one of the largest workers’ run cooperative in the world. The paper will conclude pointing out the crucial elements that make Mondragon an example of how to make efficiency and equity a reality for all workers.