

# Brief History of Cooperatives

Section: Economy

written by Elias Nazareno | October 29, 2024



The 18th century was a period of profound transformations, marked by three significant revolutions: the American, the French, and the Industrial. The American Revolution, in 1776, was crucial for the end of colonial relations and the emergence of modern democracy. The French Revolution, which began in 1789, altered the social and political landscape in Europe, while the Industrial Revolution subverted economic organization and the division of labor, resulting in extremely precarious working conditions, especially for children.

In response to these changes, cooperativism emerged in the late 18th century as a form of worker resistance. Initially influenced by socialism, cooperativism sought to surpass the private ownership of the means of production. The famous Rochdale cooperative, established in 1844 in England, is considered the origin of modern cooperativism. Founded by 28 workers, Rochdale established principles such as freedom, mutual aid, and democracy.

From the 19th century onward, cooperativism integrated into the concept of social economy and gained international recognition, culminating in the creation of the International Cooperative Alliance (ICA) in 1895. Over nearly 300 years, cooperativism has faced challenges, including cyclical crises of capitalism and competition from transnational companies, adapting to new demands for sustainability and fair trade.

A contemporary example is the Mondragon Group in the Basque Country, which has demonstrated resilience since its founding in 1956, with 110 cooperatives in areas such as industry and finance. Cooperativism, founded on solidarity and democracy, continues to be a guarantee of the pursuit of social well-being, even in the face of adversities such as the economic crisis of 2008.