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**Book Reviews: Sharryn Kasmir: *The Myth of Mondragón. Cooperatives, Politics and Working-class Life in a Basque Town 1996*, Albany: State University of New York Press. 243 pages**

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historical change? This, however, is a fundamental question which cannot be dealt with here in detail.

Finally, I would like not only to recommend that this book should be read, but also to suggest that it should be used in education and training. The authors have added stimulating questions and detailed bibliographical notes that cover even the more general background issues. Again, however, it can be seen how language barriers in Europe affect us, as all sources are published in English and are based on Anglo-Saxon thinking. German, Italian and French sources would have been interesting contributions too.

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### **Sharryn Kasmir: The Myth of Mondragón. Cooperatives, Politics and Working-class Life in a Basque Town**

1996, Albany: State University of New York Press. 243 pages.

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This book is the first ethnographic analysis of the famous Mondragón cooperatives which, so far, have been mainly investigated from the perspective of economics and industrial sociology. Based on a rather idealistic concept of economic democracy (which was already rejected by famous scholars such as Branko Horvat, 25 years ago) the author is disappointed to find that '[c]ooperation seems to be a key managerial strategy and a dominant corporate ideology of flexible accumulation' (p. 3). In general, the author's knowledge of economic and social science literature on cooperatives seems to be rather fragmented. For instance, she dates the early criticism of cooperativism as late as 1920, thereby omitting such important sources as Beatrice Potter-Webb's critical analysis of the British cooperative movement (1891) and Franz Oppenheimer's harsh evaluation of the German cooperatives of his time (1896). So, the myth of cooperatives as 'harmonious democratic communities' and of the Mondragón experiment as a pure success story, which is attacked throughout this book, is at least partly self-fabricated.

Nevertheless, the book contains many new insights into the internal working of the Mondragón cooperatives and their economic, social and political problems which were so far not available to the interested reader. These insights are not only due to Kasmir's ethnographic perspective, but also, at least to an equal extent, to her meticulous field-work and her studies of different historical archives of the Mondragón community.

Sharryn Kasmir has made important progress by her emphasis on the political side of the Mondragón community (within cooperatives, in the town and in the Basque provinces), especially the hitherto underestimated influence of the Basque nationalist movement in the everyday operations of these social units. In fact, the ideas of egalitarianism and (industrial) democracy are an

important constituent of the Basque identity, and this feature of the Mondragón experiment has never been focused on as precisely as it is here.

Another important insight to be gained from Kasmir's study is the often passive role of cooperative members in using their democratic rights at the workplace. However, it would have been better had the author based her critical evaluation on a more realistic picture of industrial democracy than she implies, at least implicitly. This holds, above all, for two reasons: (1) Even in the political realm, the idea of democracy and its practical implementation are characterized by a wide gap, which, under the present conditions of specialization, administration and globalization, can perhaps be narrowed somewhat, but certainly cannot be completely bridged; (2) More important, Kasmir neglects Horvat's (1973) important work on the double nature of a worker-owned enterprise because the working collective — through its political and elected representatives — not only brings about more or less democratic entrepreneurial decisions but, at the same time, has to fulfil all the activities which are a consequence of those decisions, and this will be done not in an egalitarian way, but via a hierarchy of managers, experts and skilled workers. Separation of decision making by a democratic legislative branch from the implementation of those decisions by a (more or less hierarchical) administration, which is part of the classical political theory of democracy, does not apply to the firm, and Sharryn Kasmir tends to overlook this simple fact.

This is not to say that this book is not worth reading — on the contrary. It contains lots of interesting insights which should give rise to profound improvements of the existing structure of the Mondragón cooperatives in order to narrow the far-too-wide breach between 'ideal' and 'reality'. In overstressing this gap, Kasmir's ethnographic approach reveals its most obvious limits. They are even strengthened by an attitude of permanent disappointment on the part of the author, which sometimes even seems to express the hurt feelings of a disappointed lover. For instance, she tries to 'suggest a future direction for workers' organization elsewhere' (and not in Mondragón, which apparently seems non-reformable to her). Nevertheless, this book is a valuable enrichment and important contribution to the vast body of literature about cooperatives and the Mondragón experiment, revealing both the benefits and limitations of an ethnographic approach to the study of democratic economic organizations.

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