

# We Make the Path by Walking

## Green Coops in Latin America

By Clifton Ross

In the shadow of one of the great environmental and social injustices of Latin America, Cerro Rico, Bolivia, a green coop stands as a hopeful sign that Bolivians can begin to restore their land and their lives after centuries of exploitation. Cerro Rico (Hill of Riches) was once known as Sumaj Orko, the sacred “Majestic Mountain” of the indigenous people of Potosi, Bolivia.

Today, the mountain is on the verge of collapsing because of the warren of mines crisscrossing its center, and every rainfall causes rivulets of toxic effluence to flow down its surface, endangering the health of the local population—over 75 percent of whom are considered poor and 45 percent, “extremely poor,” according to El Potosi, the local newspaper.

The ruining of this landscape also cost the lives of about eight million indigenous Americans and African slave laborers, according to Uruguayan writer Eduardo Galeano. Why?

In brief, the Spanish discovered that the mountain contained over 300,000 tons of silver (valued at \$114 trillion U.S., in today’s market), and large amounts of lead, zinc, tin, and other metals, the extraction of which is believed to have financed the growth of the Spanish empire, the building of the British Navy, the conquests of Napoleon, and the first two World Wars.

### Green Business Salves the Wound

Such stories abound all over Bolivia and indeed, all of Central and South America. So, it may come as a surprise that within this atmosphere of poverty and oppression, many are turning to “green” and “cooperative” businesses—both long considered trappings of left-leaning conclaves of more affluent societies—as models for their future economies.

Consider, for example, Mama Naturaleza, a family-run cafe in the tourist district of Bolivia’s capital, La Paz. Owner Gabriela Gemio believes that with this

“green” enterprise, she is doing what she can to restrain, if not reverse, the cycle of exploitation and environmental destruction. The furniture in the café is all made of regional pine wood, the interior is lit with low-energy light bulbs, and most of the food is organically grown on the Gemio family farm of Ventilla, in the hills above La Paz. All other foods and products are purchased locally in the market.

On the farm, Gabriela is helped by Hector, who learned agriculture from his elders while growing up in Los Yungas, a semi-tropical region east of La Paz, and populated by the descendents of escaped African slaves brought over to work the mines of Potosí. There he learned to make insecticides from tobacco and llama manure, both of which are freely available at Ventilla.

Hector grows lettuce and spinach at 12,000 feet above sea level in greenhouses (called “walipinis”) covered with clear plastic, which maintain a relatively warm and even temperature even during the cold nights. To protect the plants from the intense mid-day sun, Hector has improvised a screen made up of a thin layer of dirt laid over the plastic, which is easily rinsed off when needed. Other crops requiring higher temperatures are grown in underground greenhouses, called “sayari.”

Running a truly green business in a Third World country is not easy, admits Gemio. There are many obstacles, some created by international economics and others relating to the local culture. For instance, cardboard containers for packaging food are not made

in Bolivia and have to be imported at a cost that Gemio cannot afford. There is also the local custom of using plastic straws with drinks.

“I hate to use plastic,” admits Gemio. But at the moment, she feels she has no other choice.

### Green: The New Color of Socialism

In neighboring Venezuela, President Hugo Chavez wants to revive Bolivar’s dream of a united and independent Latin America. The key, he believes, lies in “bio-economics,” an economic development system that respects the regional (and global) ecosystems. One significant component of Chavez’s grand plan for the “socialism of the 21st century” is the formation of green co-ops.

Chavez maintains that cooperatives are a step away from the “capitalism of Judas,” towards the “socialism of Jesus.” And since his election in 1998, the number of co-ops in Venezuela has grown exponentially, from around 1,000 to over 110,000, largely funded by the sale of oil through a program they call *sembrando el petroleo* (sowing of the oil). Chavez regularly calls on the cooperatives to share their profits with the most needy in their communities, but such calls to altruism have never really worked in any other context to effectively eliminate poverty and are unlikely to produce results even in Venezuela. Still, cooperatives based on sustainable development and an economic orientation that works with, rather than against, nature can only be seen as an improvement over what existed before.

### Núcleos de Desarrollo Endógeno (NUDES)

Literally, “endogenous development nuclei,” is an unwieldy but universally known and understood organizational phrase for co-ops in Chavez’s Venezuela. “Endogenous development” simply means internal, self-sustaining development, and is defined by the Ministry of Popular Economy as, “an economic model in which the communities develop their own proposals,” and where both, the leadership and the decisions come from within the community itself.

This localized approach is predicated on the fact that communities know best what they need and what they can produce, and so, are best equipped to determine which projects have the greatest chance for



success. For instance, campesinos in the state of Guárico know that corn is the optimal crop for their region. They also know that by sharing equipment and knowledge with others, they can be more productive. Their neighbors, in anticipation of a large crop of corn, can begin to organize a mill and to set up a production facility to make “arepas,” the thick corn cakes that Venezuela is known for. Other, secondary cooperatives can similarly be formed around the primary agricultural cooperative. What results is the nucleus of endogenous development, in which something is grown, processed, sold, and consumed locally. Any surplus is sold to bring in cash for other necessities.

Such a bioeconomic model of development creates a strategic response to the dependent and unsustainable model of resource exploitation that imperialism would otherwise impose on the population—at least, on paper. But treading an unmarked path is always a challenge, and critics contend that up to 30 percent of the co-ops may not be legitimate. Still, by any measure, the remaining co-ops have to be considered a stunning success because they most affect those long neglected sectors of Venezuelan society: women, minorities, and the poor.

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photo by David Bacon

### In Merida, Aguilas Blancas Learns to Fly

My friend Juan and I lunch at the Cooperativa Cinco Aguilas Blancas (Cooperative of the Five White Eagles) in Merida. Named after the five snow-covered mountain peaks that surround Merida, this Internet cafe is a cooperative of 15 women who graduated from Misión Vuelvan Caras, the Bolivarian government's job-training program, and was started with a loan from Banmujer, the Venezuelan women's bank. The café is open seven days a week with two shifts of workers per day. (Each member gets one day off per week.) Still, profits from the café have been elusive, and Sabrina de Suarez, president of the co-op, admits that most of their income comes from the Internet center. She pulls out the ledger to show us that they currently gross only about \$150 U.S. per day and pay about \$300 U.S. in rent each month. So, all told, each co-op member makes less than \$10 U.S. per day.

### Trouble in Co-op Paradise?

Chavez's Bolivar-inspired co-op revolution is not without critics. Camila Piñero Harnecker, a Chilean-born economist puts forth the argument of the traditional cooperatives: "The government's promotion of cooperatives is irresponsible and opportunistic because they have made it too easy to create a cooperative [the requirement of proving feasibility was eliminated] and they are being used for political agendas. Most new cooperatives are doomed to failure... because they are dependent on state resources and lack management and administrative skills. They also... create cooperatives with members who don't share the proper values and corrupt them by providing easy credit and too much paternalistic aid."<sup>1</sup>

The situation does beg the question: Does generous government funding of cooperatives help or hinder the consolidation of worker-ownership? If financing comes too easily, if the struggle to construct the cooperative is won in a day of paperwork, is there a danger that the members might devalue the organization and not give themselves entirely to the struggle to build a worker-owned and controlled business? Anyone who has ever worked in a cooperative recognizes the crucial importance of "worker buy-in;" balancing this with external assistance can be a challenging task.

Otto Fernandez, an organizer and facilitator from Chiguará, talks about the need for Venezuelans to

break with a paternalistic culture developed over many years. "We're used to a Daddy government stepping in to do things for us, but we need to learn to take the initiative ourselves."

Another Venezuelan put it more bluntly: "You can't expect to build an enduring cooperative movement by throwing money at it. [There is a story] about a moth that had to struggle to get out of its cocoon... if you helped it, it would die, because it was only through the struggle that it generated the energy and liberated the chemicals necessary for survival. I think the same thing is true for those of us working in the [Venezuelan] cooperatives."

Ana, from Cooperativa Cinco Aguilas Blancas, disagrees with the moth analogy. They have enough of a struggle to keep their doors open each day, she feels, and "without the loans from the government and Banmujer, we wouldn't be here."

Indeed, it is difficult to imagine 15 working class Venezuelan women being able to put together the roughly \$30,000 U.S. they needed to start the cafe. The "easy credit" provided at low or no interest has meant that each of the women had only to invest an initial (largely symbolic) amount of 10,000 bolívares, or about \$5.00 U.S.

### A Path Strewn With Contradictions

The race to build a cooperative green future using the petroleum wealth of Venezuela, even as it feeds the North American imperial economy and fuels the climate change that makes the challenges of survival even greater, is a remarkable one. Whether it will provide long-term solutions for the poor and working class people of Venezuela is something only time will tell. Although President Chavez has said that the cooperatives only represent one step toward the "socialism of the 21st century," he has yet to indicate what that socialism will be.

For now, the words of poet Antonio Machado seem to express perfectly the creative ambiguity within which Latin America is currently constructing its future: "There is no path; we make the path by walking."

### Endnotes

- <sup>1</sup> Camila Piñero Harnecker, "The New Cooperative Movement in Venezuela's Bolivarian Process"  
<http://mrzine.monthlyreview.org/harnecker051205.html>

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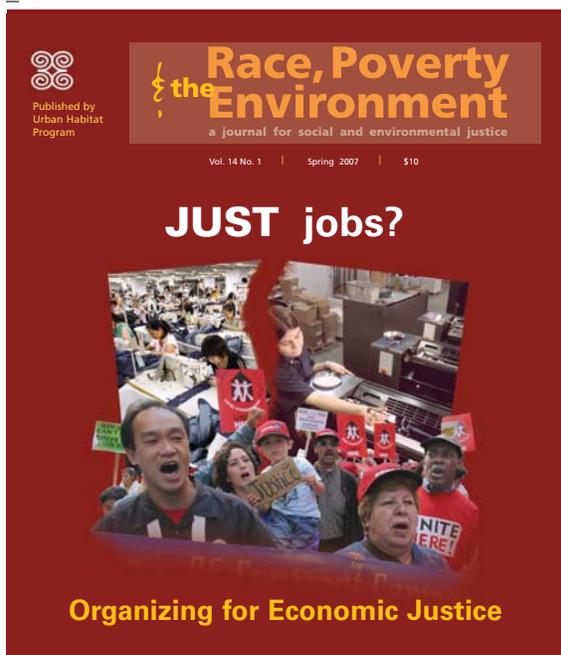
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