

TITLE: **The Mondragon inter-cooperation strategy for economic and social success**
(An empirical analysis of Danobat Group inter-cooperative technology centre)

AUTHORS & AFFILIATION: Daniel Bianchi – Chicago Manufacturing Renaissance Council

SECOND AUTHORS & AFFILIATION: Jose Mari Luzarraga – Mondragon Unibertsitatea

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ABSTRACT:

The Mondragon Cooperatives are recognized model for democratic participation in the economic sphere and regional economic development. At the same time they represent an important example of small and medium businesses overcoming the lack of competitiveness of mature industrial sectors in a global economy.

In this paper we explore the key role of inter-cooperation among cooperatives in the Mondragon Cooperative Corporation (MCC) in facilitating the economic success of the group. Specifically we will explore the differences existing while comparing some industrial companies in mature sectors operating in the US with the Inter-cooperation strategy followed by the industrial machine tool cooperatives of the “Danobat Group” within the MCC.

This paper addresses the following outputs:

- 1) A deep analysis of the Danobat Group and its technology centre “Ideko” as a second grade co-operative, measuring its activity and impact on co-operatives competitiveness as a results of more than 6 months field work analysis working as a researcher at the centre.
- 2) A comparison among the current challenges and strategies that characterize industrial companies in mature sectors the Rust Belt of the US versus those challenges and strategies in the machine tool cooperatives of the Mondragon Group.

We conclude the paper with a brief review of the main inter-cooperation strategies followed in the Mondragon Group and their interest and potential implementation in other industrial companies.

CONTACT ADDRESS: Mondragon Uniberstitatea – Larrana 16 E-20560 Onati – Spain

PHONE NUMBER: 34-943 718009 (contact person: Daniel Bianchi or JM Luzarraga)

FAX NUMBER: 34-943 718162

EMAIL ADDRESS: dchicagobianchi@gmail.com jmluzarraga@eteo.mondragon.edu

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