
Original Article

From dissent to resistance: Locating patterns of horizontalist self-management crisis responses in Spain

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Abstract In response to the EU-wide austerity politics, large numbers of people took to the streets, occupied central squares, held popular assemblies, and participated in strikes or acts of civil disobedience. Scholarly attention has predominantly focused on the disruptive event politics of short-lived mass protests. Considerably less attention has been paid to the coagulation of structures of resistance that take shape as concrete praxis-oriented activities, frequently involving a transformation of the social relations of production, such as in the case of the solidarity economy. Cooperatives and other horizontally organized and democratically run self-management economic practices have expanded considerably in Spain since the outbreak of the crisis. Moreover, new alliances among different solidarity economy initiatives have been formed, creating an ever-denser network structure. Drawing on a historical materialist perspective, and engaging with anarchist principles and organizational logics, this article locates the agents, structures and contradictions in the formation of resistance in the Spanish context, and seeks to grasp the transformative potential of the solidarity economy as part of a wider political struggle for an alternative future.

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Introduction

The imposition of far-reaching austerity packages by the European Union (EU) and its member states in response to the crisis that erupted in 2007/2008, and the prioritization of fiscal policy over employment issues, has led to massive protests in Europe. Southern Europe has seen the most social unrest. Hundreds of thousands took to the streets to demonstrate against public spending cuts and privatizations,



occupied central squares, held popular assemblies, or participated in strikes or acts of civil disobedience, leading to the political momentum of the 15-M in Spain or the movement of the Syntagma square in Greece. Compared to only a few years ago, square occupations and mass protest mobilizations in the most crisis-hit Southern Eurozone have become far less intense and also less frequent. As Dauvergne and LeBaron (2014: 3, 6) write, protest ‘tends to cluster and come in waves’ and often survives for only a few days or weeks until the police or the military crushes it. Forms of protest have not vanished however. What began as protest actions in the streets transformed into more concrete forms of resistance. Focusing on Spain, the successes of the Platform for People Affected by Mortgages (PAH) or the vast range of new political parties and party-like platforms are a testimony to the continued protest and resistance (Barbero, 2015; Bailey *et al.*, forthcoming; Flesher Fominaya, 2015a; Feenstra, 2015). Furthermore, a myriad of horizontally and democratically managed economic arrangements have been flourishing in the shadow of mass protests. The so-called *economía solidaria* – the solidarity economy – encompasses cooperatives and associations in the production, distribution and consumption of goods and services, including also barter networks, time banking, mutual credit schemes or new community currencies. These initiatives point to the emergence of what Bailey *et al.* (in this issue) refer to as the ‘prefigurative radical’ seeking to create new, alternative social relations and autonomous forms of social reproduction.

While action repertoires and tactics of Spanish anti-austerity movements have been widely documented and analysed (Andretta and Della Porta, 2015; Castañeda, 2012; Charnock *et al.*, 2014; Dhaliwal, 2012; Featherstone, 2015; Flesher Fominaya, 2015b; Hughes, 2011; Taibo, 2013), alternative economic practices have largely remained under the scholarly radar. Certainly, the solidarity economy in Spain has been covered by ‘sociology of consumption’ literatures and (critical) business studies (Papaoikonomou, 2013; Diaz-Fonc and Marcuello, 2015); however, surprisingly little research has been conducted on the Spanish solidarity economy as a form of everyday resistance. This article argues that forms of dissent, protest, disruption and resistance should not be reduced to event-based, ‘visible’, mediagenic expressions of actions in the streets but also extended to concrete material praxis taking place outside the political–institutional arena and the conventional capitalist economy. It will be shown that localized and decentralized organizations and initiatives that go beyond production for the sake of profit, and that revolve around democratically managed horizontal production collectives and/or socialized communal ownership structures, have proliferated since the crisis hit Spain. Although the rise of the solidarity economy resonates with the mass protests, it will be argued here that it builds on a long-standing historical legacy with a favourable legal–institutional environment and growing network structures based on new alliances – important dynamics without which such a rise would have been unlikely. On the basis of examples that exceed isolationist initiatives, mostly from the Catalan context, the



article lays bare the strong prefigurative and transformative character of an economy based on principles of equity, solidarity, cooperation, mutual aid and environmental sustainability. Despite a range of limitations and contradictions due to pragmatic choices to connect a radical prefigurative political economy with the conventional capitalist economy (see also Bailey *et al* in this issue), it will be argued that expanding circuits of collectivized economy networks bear the potential to become an important emancipatory force in a much wider political struggle – a struggle that offers an avenue to overcome the fragmented and short-term character of protest actions in the streets. Particularly, the Spanish experience could serve as a source of inspiration for a coherent counterproject in Europe that is able to attract political support from a disparate set of progressive social forces.

The article is structured as follows: the next section seeks to grasp alternative economic practices from a historical materialist vantage point, discussing prefiguration, propaganda by the deed and infrastructures of dissent as part of a radical transformative praxis. The following section outlines the recent rise of horizontalist self-management practices, while the section after sketches the long-standing historical legacy and institutionalization of the solidarity economy, as well as growing networking ties and the political momentum of the 15-M. The final section concludes with a critical discussion of the prefigurative successes and limitations of the Spanish solidarity economy and its potential for social change.

Theoretical Elaborations

A historical materialist approach gives ontological primacy to historically specific socio-economic realities constituted by the social relations of production and the collective class agency emanating from it. It allows for systematically analysing clusters of class action in a historical context of broader ideational and material structures of power and counterpower. As an emancipatory project, changing the social relations of production is considered the groundwork for a wider social transformation. Analyses in the historical materialist tradition however often suffer from an elitist bias by focusing overwhelmingly on the role and internal fractionation of capital (Wigger and Horn, 2014). Social struggles consequently tend to be reduced to top-down institutional arrangements securing domination within the state apparatus, while dissent, disruption, protest and resistance outside the remit of the state institutional realm, such as demonstrations, strikes, square occupations, as well as more concrete material economic practices, remain analytically and theoretically marginalized (Huke *et al*, 2015). Emerging forms of resistance are consequently often perceived as limited or as reactive only (Featherstone, 2015).

Social movement literatures in contrast clearly give primacy to bottom-up political struggles but often suffer from a similar state-centric bias by focusing predominantly on political demands by social movements vis-a-vis the established



state institutional arena, and henceforth, their successes in influencing the policy agenda (McAdam *et al*, 2001; Tarrow, 2012; Della Porta, 2013). Tarrow (2011: 9), for example, conceptualizes social movements as ‘collective challenges, based on common purposes and social solidarities, in sustained interaction with elites, opponents, and authorities’. Such a state-centric institutional reductionism is problematic insofar as it tends to ignore forms of concrete material radical praxis that takes place outside the realm of state institutional pressure politics of political parties, trade unions, interest groups, advocacy networks or NGOs and that challenges the very status quo of how the (re-)production of everyday life through work is organized. As a result, the traditional social movement literature has paid little attention to forms of resistance in the form of alternative social relations of (re-)production and the redistribution of material resources. Collective action is moreover frequently portrayed as classless. Certainly, not all forms of collective action are necessarily rooted in class or class awareness; yet, such agency may nonetheless have ‘conjuncturally determined’ class relevance (Jessop, 2002: 32).

The concepts ‘prefiguration’ and ‘propaganda by the deed’, mostly developed and deployed in anarchist literatures to capture a broad range of subversive tactics and activities (Day, 2005), are well suited to understand transformative agency beyond expressions of dissent and protest that is not merely reactive or defensive but that involves an actual material reorganization of social relations in everyday life. Prefiguration implies that the way in which on-going transformative praxis is organized already entails a presentiment of the envisaged future society, while propaganda by the deed refers to exemplary political actions and interventions in the prevailing system that provide a positive example and stimulate solidarity activities and imitation. As a philosophy of praxis, prefiguration entails moreover that the means, strategies and tactics ought to be commensurable with the envisaged future. Social imaginaries or utopian visions are hence a prerequisite for prefiguration. At the same time, such imaginaries should never be understood as definite blueprints for how the future should look. Prefigurative politics often contains only an incomplete glance of the anticipated future because present tense experiments are always unfinished and imperfect, and thus in process (see also Maeckelbergh, 2013). Prefiguration is thus both a lived radical praxis and a goal for the future. The alternative organization of the social relations of (re-)production can therefore be understood as a prefigurative politics of resistance that operates at the same time as propaganda by the deed. Locations of prefiguration can become ‘infrastructures of dissent’ that enable collective capacities for memory (reflection on past struggles), analysis (theoretical discussion and debate), communication, knowledge transfer and shared learning and can thereby foster sustained mobilization by creating networks of mutual support and spread alternative practices (Sears, 2014: 6; see also Dauvergne and LeBaron, 2014).

The solidarity economy encompasses a broad range of activities and is often considered the third sector alongside the public/state economy and the private



capitalist economy (Chavez and Monzón, 2012). In 2002, the European Standing Conference on Co-operatives, Mutual Societies, Associations and Foundations defined its key characteristics in terms of giving primacy to individual and social objectives over profit maximization; the voluntary and open membership; democratic control by members (with the exception of foundations); the combination of interests of members/users and/or the general interest; the defence and application of the principle of solidarity and responsibility; the autonomous management and independence from public authorities; and the use of the surpluses to pursue sustainable development objectives, service of interest to members or of general interest. Far from being homogenous, organizational and legal frameworks, the relation with the state and the integration into the conventional capitalist economy can vary greatly. Activities can be more or less radical in challenging and resisting prevailing capitalist forms of production of goods and services, depending also on whether production takes place primarily for the purpose of creating use value or exchange value and commercial gain, and whether economic activities are removed from the sphere of competitive capitalism and brought into the orbit of cooperation and mutual aid (as the antidote of capitalist competition). As isolated and fragmented initiatives are too easily defeated by capitalist logics, the transformative capacity of the solidarity economy depends on the density of alliances among different local, regional and global activities and their embedding into a wider transformative political project.

The Proliferation of Alternative Economic Practices

Economic activities based on solidarity, participation, cooperation, mutual support and reciprocity as well as forms of horizontal direct democratic decision-making have existed all over the world and throughout history. Although there are no reliable data about the size and turnover of the solidarity economy, estimates suggest that there are currently about 2.6 million cooperatives with nearly one billion members worldwide (UN DESA, 2014). In the EU, there are about 207,000 cooperatives with a membership totalling 16 million people, spanning areas such as agriculture, the industrial, building and service sector, financial intermediation, retailing and housing (EESC, 2012). In addition, associations in the EU are reported to have employed roughly 8.6 million people in 2010, while accounting for four per cent of the EU's GDP (EESC, 2012: 18). Europe's largest cooperative sector can be found in Italy, where cooperatives generated 10 per cent of the GDP and 11 per cent of the employment in 2008 (EURICSE, 2014). The region Emilia Romagna alone is home to 8000 cooperatives producing 40 per cent of the region's GDP (Monaghan and Ebrey, 2012: 29).

Despite the disruptive effects of the 2007/8 crisis, the most hit countries of Europe's South report a steady increase in new initiatives and projects, while



employment levels have been far more resilient, and insolvencies or bankruptcies less frequent than in the conventional economy (EESC, 2012; Roelants *et al.*, 2014). Spain exhibits one of the highest levels of new initiatives in Europe with an increase from 24 per cent in 2007 to 31 per cent in 2014 (Diaz-Fonc and Marcuello, 2015; CICOPA, 2015). In the same time span, cooperatives with more than 250 employees increased from 22 to roughly 32 per cent (CICOPA, 2015). From 2011 to 2012, employment in cooperatives doubled, and in 2013, almost 3000 new businesses have been set up that belong into the realm of the solidarity economy, creating employment for almost 14,000 people, which is a 32 per cent increase in comparison to 2012 (CICOPA, 2014). There are currently roughly 45,000 registered entities, representing 10 per cent of Spain's GDP and 12 per cent of employment (CEPES, 2015). The most common organizational and legal form is the cooperative, followed by mutual societies and associations, and foundations, while worker cooperatives make up close to 60 per cent of all cooperatives in Spain (Diaz-Fonc and Marcuello, 2015: 177). Moreover, in the wake of the crisis, more than 300 time banks and alternative local currency systems have emerged, encompassing thousands of participants. Likewise, mutual credit schemes increased from four in 2009 to more than 70 in 2014, including also various local currencies such as the region-wide currency *ekhi* in the Basque Country, the *eco* in Valencia or the *boniato* in Madrid, while the *ecosol* is currently being launched in Catalonia. The solidarity economy has not only generated net employment in times of crisis but also countervailed social and labour market exclusion, providing an opportunity for disadvantaged people to participate in society and to reduce poverty. Women make up half of the workforce and young people (up to the age of 39) account for 43 per cent (CICOPA, 2015). About 80 per cent of the people working at Spanish cooperatives have a permanent job (COCETA, 2015). In that sense, the solidarity economy can be seen as a success story of the contemporary working class struggle in which people seek to regain control of their working lives and overcome un- or underemployment or precarious working conditions.

Alternative models of production can be found all over Spain but particularly in Andalucía, Catalonia, Valencia, Castile and Leon, Castile La Mancha and Murcia and the Basque Country. In the autonomous Basque Country in Northern Spain, also referred to as Spain's industrial powerhouse, cooperatives generate 6.25 per cent of all employment, of which 3.7 per cent are on account of the Mondragon Cooperative Group, the tenth largest entrepreneurial group in Spain and the world's largest worker cooperative (Roelants *et al.*, 2014: 41, 130). The Basque cooperative confederation *Konfekoop* comprises another 868 consumer, agricultural, haulier, worker, education and banking cooperatives (Roelants *et al.*, 2014: 130). The region has overall performed better economically with an unemployment rate of 14 per cent, whereas the Spanish average is almost double (EUSTAT, 2015). In Catalonia employment in the solidarity economy grew around 11 per cent from 2013 to 2014 (COOPCAT, 2015a). There are currently more than 5000 Catalan cooperatives in



areas such as services, construction, industry and agriculture, often consisting of smaller ventures employing seven employees on average, as well as 40 cooperative schools offering professional training (COOPCAT, 2014). In Andalusia, following on from a series of land occupations, agricultural cooperatives and other forms of collective production, mutual support networks and producer–consumer partnerships were established in addition to eco-villages or village revival projects (EdPAC, 2013; Hancox, 2014). Producing mostly organic products for the area, and cutting out the middleman to ensure fair prices, these initiatives seek to challenge Andalusia’s ‘prevailing agro-intensive and agro-export model’ (EdPAC, 2013: 49).

Explaining the Rise of the Solidarity Economy in Spain

The recent expansion of the solidarity economy in Spain took place alongside the 15-M protest movement and the widespread popular disenchantment with the austerity politics of the Spanish government and the EU. As will be outlined below, mass mobilizations were certainly an important factor for the overall rise, but the solidarity economy is first and foremost a movement in its own right that existed long before the 15-M took off. Also alongside the anti-austerity movements in Greece, the solidarity economy has increased; however, compared to Spain, the Greek movement is much smaller (Kioupkiolis and Karyotis, 2015). Analyses moreover confirm that the existence of a significant cooperative density in a region is a key factor favouring the creation of new cooperatives (Diaz-Fonc and Marcuello, 2015: 185). The rise of the solidarity economy in response to the current crisis can thus only be understood by taking into account the long-standing historical legacy of cooperative structures in Spain.

The Long-standing Historical Legacy

The establishment of cooperatives in Spain dates back to the working class organization in the period of early industrialization and was characterized by a strong socialist orientation. Catalonia was one of the forerunner regions. In 1842, the *Asociación de Tejedores*, the Weavers’ Association, Spain’s first trade union, founded the *Compañía Fabril de Tejedores*, a workers-run production cooperative employing 200 workers, and the *Asociación Mutua de Tejedores*, a mutual assistance society in the textile sector (see Jane *et al*, 2013). Alongside the continued mobilization of workers, other organizations followed, such as numerous consumer cooperatives that fought for better prices and food quality. At the turn of the century, cooperatives and other forms of horizontally organized self-managed production and distributions sites were widespread in Catalonia. Catalan representatives were also present at international congresses, such as the one leading to the creation of the *International Cooperative Alliance* in Manchester in 1902



(COOPCAT, 2015b). The cooperative movement gradually spread throughout Valencia, Andalusia, the Basque Country and Galicia, and in 1913, the first national congress of cooperatives was organized (COOPCAT, 2015b). Facilitated by an agrarian syndicate law of 1906 and tax exemption rules, in the time between 1906 and 1933 more than 9000 agrarian syndicates were established in all over Spain, including common land and irrigation communities and various organizations providing mutual assistance, the acquisition of cheaper inputs, machinery and credit, the diffusion of new technology, production methods and processing facilities (Tapia, 2012: 511; Cervantes and Fernandes, 2008). These syndicates were often orchestrated by the Catholic Church in an attempt to reconcile capitalist developments with moral principles and supported by a system of *cajas rurales*, rural banks (Martinez-Soto *et al*, 2012).

The movement had its heyday during the Second Republic (1931–1939) and the Spanish Civil War (1936–1939) – a time of turmoil and economic hardship with severe shortages in raw materials and limited transport possibilities, which disrupted trade and reduced industrial production by half in 1937 (see Durgan, 2011). In the short period of power of the *Confederación Nacional de Trabajo (CNT)*, the anarchist trade union movement, agricultural production, industries and services were collectivized and subordinated to horizontal decision-making by workers (Jane *et al*, 2013; see also Eelham, 2010). Where the CNT was dominant, such as in Catalonia, Aragon, Valencia and the cities of Malaga and Cartagena, the density of the cooperative sector was higher (Durgan, 2011: 157). For example, in Barcelona 80 per cent of the industry and services were expropriated, while the General Union of Cooperative Associations encompassed about 70 per cent of the Catalan society in 1938 (Parker and Cowen, 1944: 242). The *Federación Nacional de Cooperativas de España*, the Cooperative Federation of Spain, comprised a total of 482 associations with 157,000 individual members in the 1930s, spanning areas from industrial production to housing, printing, electricity, radio, building and pharmaceutical industries, as well as associations by olive oil producers, orange growers, taxi drivers and shoe repair businesses (Parker and Cowen, 1944: 240–41).

During the four decades of the totalitarian dictatorship under General Francisco Franco, cooperatives were considered no longer in harmony with the *Nuevo Estado*, the New State. The workers movement was destroyed, the CNT prohibited and criminalized, and many leaders of cooperatives fled the country (COOPCAT, 2015b). A series of new laws transformed cooperatives into government bodies, confiscating cooperative assets and dismantling democratic and participatory structures, as well as regional federations. In 1942 in Catalonia, only 65 cooperatives remained active, often operating undercover (COOPCAT, 2015b). Cooperatives were suppressed until the 1970s but re-emerged as part of the democratic restoration and the re-establishment of political and associational freedoms in the post-Francoist 1980s and 1990s. During the great stagflations crisis in the 1970s, and particularly with the end of Franco's dictatorship in 1975, new



cooperatives were created and former inactive ones resuscitated. Throughout the mid-1970s and 1980s, a total of 3200 new industrial cooperatives emerged, encompassing about 30 per cent of Spain's working population (Cervantes and Fernandez, 2008: 13, 20). Between 1975 and 1983, the number of societies increased from 8000 to 22,000, and the number of workers employed grew from 261,000 to 771,000 (Morales Gutiérrez, 2003: 154). In contrast to the earlier cooperatives, which mainly encompassed the blue-collar working class and the industrial or agricultural sector, these new organizations were spanning a more diverse array of social strata, stretching out to services and to the cultural sector, thereby reflecting the overall trend of tertiarization at the time (COOPCAT, 2015a).

When Spain joined the European Community in 1986, cooperatives, particularly smaller ones, faced increased competitive pressures and eventually consolidated into larger units through mergers, leading to a considerable decline in the number of cooperatives in the 1990s (COOPCAT, 2015a: 17). In 2011, the Social Economy Act was adopted, a framework law specifying the principles that define the field of the solidarity economy, acknowledging it as a political force in its own right (EESC, 2012). Currently, cooperatives are the most common form in Spain, followed by worker companies (*sociedades laborales*) and associations, mutual societies (*mutualidades*), brotherhoods (*cofradías*), integration enterprises (*empresas de inserción*), special employment centres (*centros especial de empleo*) and foundations. In addition to national legislation, several of the 17 autonomous communities have adopted their own legal provisions, which further facilitated the emergence and the operations of the solidarity economy. The legal framework is also important for taxation reasons: while self-employed independent workers have to pay a tax of more than 300 euros per month, plus a percentage of the income, members of a cooperative are dispensed from such a tax. In addition to the recession push with many unemployed desperate to find work, fiscal conditions can thus render cooperatives particularly attractive, especially in times of economic crisis.

To recapitulate, the solidarity economy dates back to post-Francoist Spain of the 1980s and 1990s, where cooperative structures re-emerged alongside a legal environment facilitating its establishment. As will be outlined below, in addition to the long-standing historical legacy, ever-denser network structures among local, regional and national, as well as international organizations, and joint platforms have been set up since the 1990s, which has been co-constitutive to the overall proliferation.

Towards an Ever-Denser Network

Among the several organizations that contribute to the overall fostering and networking is the *Confederación Empresarial Española de la Economía Social (CEPES)*, the Spanish Business Confederation of the Social Economy. Established in 1992 as a 'confederation of confederations', CEPES today represents 28 national



or regional confederations and specific groups, ranging from cooperatives, worker-owned and mutual benefit societies, insertion companies, special employment centres, fishermen guilds and disability associations (CEPES, 2015). CEPES subsumes a total of 22,595 cooperatives and 298,514 workers, and takes a leading role in influencing the regulatory framework that defines and demarcates the sector at subnational, national, supranational EU level, as well as at international level. CEPES also seeks the creation of a Euro-Mediterranean network, integrating cooperatives in Italy, Greece, France, Portugal and Spain. Although CEPES fosters economic and social cohesion among member confederations and beyond, it also is committed to compete on an equal footing with conventional capitalist enterprises. By taking up the role of a political interlocutor ensuring the legal and political recognition of the solidarity economy before the state, and by engaging with the capitalist economy, CEPES hence chooses a highly pragmatic approach to prefigurative politics.

A far more radical and hence less pragmatic prefigurative networking platform is the *Red de Redes de Economía Alternativa y Solidaria (REAS)*, the Alternative Economic and Solidarity Network, a non-profit association established in 1995 by activists from environmental and fair trade movements. REAS comprises more than 300 organizations in sectors such as recycling, microcredit, environmental education, social integration and fair trade (Economía Solidaria, 2015a, b). REAS is more radical by seeking to disconnect the solidarity economy as much as possible from capitalist logics and create autarkic economic spheres of production based on democratic, ecological and solidarity principles. Exemplary is the *Red de Mercados Sociales* established in 2012, bringing together 14 social markets across Spain and providing a platform for producers, suppliers, distributors and consumers to exchange goods and services in areas of food, transportation, education, savings and graphic design (Mercado Social, 2015). Social markets can be found all over Spain with the biggest ones in the Madrid region and in Catalonia. For example, *La Feria de la Economía Social y Solidaria – Madrid* – brings together more than 100 Madrilenian organizations and projects, and the *Fira d'Economia Solidària de Catalunya (FESC)* hosts roughly 200 exhibiting enterprises and organizations from 38 municipalities of Catalonia. In 2012, the FESC welcomed close to 20,000 visitors during two days and the number of exhibitors increased with a third compared to the previous year, with many international guests (FESC, 2015). These trade fairs thus constitute important networking hubs, bringing together producer and service cooperatives active in ever more dimensions of everyday life, such as ecological local food and fair trade practices, housing management, artisan and socially responsible clothing, renewable energy, ethical and alternative finance, new forms of insurances, community development, leisure and tourism, as well as the creation of alternative currencies (Economía Solidaria, 2015b). Importantly, these fairs also offer an extensive program of discussions and workshops. For example, the FESC included around 70 lectures and more than 100 activities such



as trainings and workshops in 2015 (FESC, 2015). Thus, in addition to being instances of ‘propaganda by the deed’, such fairs operated as ‘infrastructures of dissent’ and integrated the solidarity economy into broader political struggles.

A further example of a more radical yet still pragmatic prefigurative networking initiative is the *Xarxa d’Economia Solidària (XES)*, the Solidarity Economy Network, established by representatives of the cooperative sector in Catalonia in 2003 with the aim to integrate cooperative initiatives under a joint network organization (XES, 2015). Building on Brazilian experiences and contacts established at the World Social Forum in Porto Alegre in 2001, the XES covers a broad range of projects, mostly cooperatives in fields such as credit, food, culture, media and services (XES, 2015). Associated members have to comply with key principles of the XES, such as the promotion of emancipatory work, the preservation of balanced ecosystems and ecological sustainability more generally, the establishment of democratic participatory decision-making and the reinvestment of a part of the profit into alternative solidarity projects, as well the autonomy from state (XES, 2002). Since the eruption of the crisis, the number of newly associated XES projects increased from 53 in 2008 to 85 in 2014 (XES, 2015). Similar to the REAS, the XES is very committed to disconnect the solidarity economy from the conventional capitalist economy by enhancing endogenous trade flows and activities among entities within the network. For this purpose, the XES introduced the *Mercado Ecosol*, a mutual credit community that uses the ecosol as a complementary currency for commercial activities within the network. The idea is to use the ecosol as a digital currency in the future and create a closed circuit of interaction (Mercat Ecosol, 2015). The prefigurative radical politics of the XES nonetheless exhibits quite some pragmatism, particularly as the XES keeps 70 per cent of the circulating *ecosols* in euros as a reserve, which indicates that the detachment from the conventional capitalist economy is far from complete. Moreover, one *ecosol* currently enjoys parity with the euro, which renders the complementary system in the long run immensely unstable and susceptible to deflationary or inflationary trends.

The pragmatism of the XES is further revealed in the *Fiare Banca Etica* and the *Coop57*, two financial institutions whose credit conditions favour solidarity economy practices however without abandoning capitalist logics. The *Fiare Banca Etica* has been established in Barcelona in 2009 and offers current accounts, credit cards, Internet banking and cashpoint machines, as well as credit to projects in line with the XES founding principles (see Jane *et al.*, 2013). With currently 5000 account holders, savings have increased from 7 million euros in 2009 to 25–30 million in 2014 (Sbeih, 2015). Similarly, the *Coop57*, established in 1996, offers credits to alternative economic practices and in particular those in financial dire straits after government subsidies dried out. In the time from 2008 to 2014, the number of projects increased from 154 to 420, and the volume of credit provision more than doubled (Coop57, 2014). Coop57 generated close to 25 million euros in 2014 from individual creditors – more than five times the amount of 2008 (Coop57,



2014). Accumulating profits from deposits and interest rates, Coop57 seeks to combine capitalist logics with the solidarity economy.

Another example of organizing radical prefigurative politics through increasing networking ties is the *Cooperativa Integral Catalana (CIC)*, the Integrated Cooperative, officially established in 2010 with the aim to promote degrowth ideas and alternatives to capitalism, which currently involves about 900 members and several thousand people from production and consumption cooperatives (CIC, 2015). The CIC seeks to cut out intermediaries; offer collective buying centres and storing of collective purchases; assist people in housing questions and legal support; create barter markets; and use the eco as an alternative currency. At the same time, the CIC seeks to go beyond a pure consumer cooperative and offer a more holistic approach by synthesizing all activities of social life under an umbrella framework of mutual help. Premised on the idea that social change should take place here and now and not in some distant post-revolutionary future, the CIC promotes self-management, self-organization, direct democracy and the empowerment of local nodes within the broader network structure. Since its establishment, the CIC progressively encroached on new activities and domains by holding assemblies to discuss the further development with all members of the cooperative. The CIC model has been copied several times, and integrated cooperatives can be found in the Basque Country, Madrid, as well as in Valencia (Manrique, 2012). The CIC is certainly the most radical example as it seeks to spur an integral revolution by fostering grassroots counterpower beyond the remit of the state and the capitalist market for the purpose of a parallel economic and social system.

These examples show that the solidarity economy builds on joint cooperative platforms with increasingly dense network structures that cluster different horizontal self-management practices with complementary products and services, as well as access to financial resources, thereby creating new synergies among local, regional, national and also international projects. The radicalness of the prefigurative character differs however. The CEPES mainly focuses on strengthening the political voice and institutional representation of the solidarity economy vis-a-vis the state, while accepting the terms of conventional capitalist practices. The REAS, XES and CIC, in turn, seek a transition to a circular or relational economy that operates as much as possible autonomously and in parallel to the conventional capitalist economy – without making demands vis-à-vis the state. Importantly, they also provide infrastructures of dissent through which new opportunities for mimicking and learning, as well as empowerment and emancipation are created, not only for existing projects but also newcomers from the 15-M.

The 15-M and the Solidarity Economy

The upsurge of alternative economic experiments in the form of production or distributive consumer cooperatives and associations, as well as the increasing



number of alternative finance systems, is undoubtedly also linked to the anti-austerity protests and the political momentum of the 15-M. The 15-M did not appear spontaneously or *ex nihilo*. Particularly in Barcelona and Madrid, a vibrant alternative scene with various social and cultural centres in squatted places emerged in the 1980s and throughout the 1990s. Spanish activists participated in the wider global alterglobalist movements that protested against the World Bank, IMF, WTO, G8 or G20, and held close ties to the Zapatistas and anarchist politics more generally (Martínez, 2007; Flesher Fominaya, 2015b). The alternative scene has been an important testing ground for autonomous, decentralized and non-hierarchical self-management, and a strong culture of collaboration and networking (Juris, 2010).

The square occupations and assemblies in the neighbourhoods that started after the mass street demonstrations in 2011 and that took place alongside the various coloured *mareas* (tide movements) have amplified the resonance of the solidarity economy. In particular, the assemblies provided an arena for the solidarity economy movement to engage with a more heterogeneous audience, bringing together different activist groups and previously non-politicized individuals. Representatives of alternative economic initiatives gave *charlas/xerradas* (Spanish and Catalan for talks) about the various networking platforms, shared their long-standing expertise and assisted in the creation of new initiatives or informed about workshops and blogs, while key exponents of the 15-M participated at events organized by the solidarity economy. For example, Ada Colau former PAH spokesperson and currently Barcelona's mayor has been among the several activists groups and individuals from the 15-M that gave talks or workshops at the FESC in 2014 and 2015 (FESC, 2014, 2015).

Discussion: Prefigurative Successes and Limitations of the Solidarity Economy

The scholarly focus on anti-austerity movements and protests has neglected the proliferation of solidarity economy initiatives as a form of radical prefigurative resistance. Although the rise of alternative economic practices is certainly related to the anti-austerity mobilizations, such an explanation is not exhaustive. The solidarity economy needs to be understood as a social movement in its own terms that builds on a long-standing historical legacy, a growing institutionalization and the development of legal frameworks, as well as ever-denser network ties. Nevertheless, the confluence of the 15-M and the solidarity economy movement was important for the creation of new alliances among previously disparate sets of political struggles.

Deep economic crises can be moments when existing institutional arrangements are questioned and profound transformations become possible. From a historical



materialist perspective, changing the social relations of production constitutes the bedrock for a more profound systemic change. In that sense, much can be learned from Spain's experience. Horizontally and democratically managed socialized forms of production, distribution and consumption cooperatives and the like have not been imposed from top-down hierarchical structures of formal systems of power, such as the state, political parties or corporations, but rather evolved from bottom-up, autonomous initiatives. The solidarity economy embodies political resistance that is not only defensive and reactive, but also prefigurative with respect to an alternative future organization of the economic realm: it offers fewer supervisory and management layers and a higher degree of social inclusion in terms of gender, age and (dis)ability, as well as migrants. Through a growing network of decentralized peer-to-peer producer and consumer networks, different industries and services are clustered together, which in some cases can provide a circuit that transcends capitalist forms of organization and production. These networks moreover exceed narrow rank and file interests of politicized workers and trade unions and act in concertation with other community or regional based social movements, while reaching out also to the transnational sphere.

The solidarity economy should not be unduly romanticized however. Initiatives continue to be relatively small scale and experimental in nature and are located at the margins of the conventional capitalist economy. Despite its anti-systemic edge, the solidarity economy is riddled with contradictions and conflicts, particularly as it does not necessarily always break with capitalist imperatives of private property, capital accumulation and competition. Already during the Spanish Revolution, a working class neo-capitalism emerged where collectivized firms entered into fierce competition with one another (Castells, 1993, 49–64 in Durgan, 2011: 168). A contemporary example is the Mondragon Group in the Basque Country, a worker-owned enterprise that is no longer worker managed and that plays according to capitalist logics. Mondragon pursued a growth strategy in the 1960s and 1990s, amounting to 260 subsidiary companies and organizations in industry, retail, finance and educational sectors with more than 60,000 full-time employees in Spain and another 15,000 in affiliated subsidiaries around the world (Mondragon, 2015). Although Mondragon is far less exploitative than the conventional sector and in times of crisis, re-deploys workers within the company, it has expanded through joint ventures and mergers and acquisitions rather than Greenfield investments, and outsourced production to China, Mexico, Poland, Brazil, or the Czech Republic where unskilled or semiskilled labour is cheap (Flecha and Ngai, 2014). Many affiliated subsidiary companies are not organized as cooperatives, while non-member employment is on an upward trend also at the Basque plants. In fact, only a third of all employees are *socios* holding shares and voting rights in the general assembly. For the sake of efficiency, crucial decisions are no longer taken by direct democratic structures but by a governing council.



The present tense experiments discussed in this article show that the solidarity economy cannot easily evade the coercive forces of capitalist competition and its depreciating effects on labour when confronted with competitors, price wars and economic downturn. To maintain market shares in global capitalism, expanding sales and profits and exploiting the so-called efficiency gains in the form of outsourcing to cheap labour areas can become a necessity for economic survival. Moreover, workers may adjust to collective self-exploitation and adopt austerity measures such as cutbacks in wages, longer working days, and eventually redundancies. Thus, grassroots bottom-up initiatives in the form of free associations of autonomous self-managed and democratically run production collectives may develop at the verge of capitalist competition but they always risk regressing back into capitalism. As noted by Kay (in Shannon *et al*, 2012: 282), ‘the assets of a co-op do not cease being capital when votes are taken on how they are used within a society of generalized production and wage labour’. Although the centrifugal forces of capitalist competition at the systemic level are difficult to shake off, particularly under current conditions of globalized neoliberal capitalism, it is important to realize that prefigurative politics in the form of the solidarity economy only entails an embryonic representation of the envisaged future and that it proceeds through imperfect present tense experiments that are unfinished and hence in process (Carter and Moreland, 2004). For the creation of a concerted and coherent political counterproject in Europe, there is certainly no ‘one-size-fits-all’ solution, but what can be extracted from the Spanish ‘propaganda by the deed’ is that isolated initiatives are insufficient by themselves. Synergies through networking structures and mutual support of like-minded ventures are needed, taking the struggle to a higher level and coalescing into a broader pan-European movement. Moreover, the Spanish example shows that the solidarity economy forms part of far a much bigger political struggle for an alternative future by providing for an infrastructure of dissent, facilitating the promotion, invigoration and convocation of new political imaginaries about a collaborative, democratic, horizontalist, as well as socially and ecologically viable organizations of the economic realm.

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