


Original article

The current state of the cooperative and its identity. Theoretical and practical analysis

Actualidad de la cooperativa y su identidad. Análisis teórico y práctico

O cenário atual da cooperativa e a sua identidade. Análise teórica e prática

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ABSTRACT

In order to analyze the evolution of cooperatives up to the present day, with a critical approach from theory and practice, definitions and typologies, values and principles, as well as the fulfillment of the cooperative identity, were examined through theoretical, historical-logical and analysis and synthesis methods. The main results obtained were that there is currently no consensus on a definition of cooperative and that the term to refer to it is enterprise. It was found that it is an important economic actor whose priority is profit, through the solution of social problems of its members and their community. A great heterogeneity was found in the classification of cooperatives, based on different variables of analysis, reflecting the economic and socio-political dynamics and the practical context in which they develop. Regarding the cooperative identity, it was observed that the values and founding principles have become more flexible in the actions of the cooperatives and their members, with distortions being perceived in the fulfillment of the practice. It was also found that the economic, political and social environment in which the cooperative develops has changed to a complex dynamic of market economy, where they have to perform on equal terms with other enterprises of public or

private capital. This forced it to make its management performance more flexible, to assume new roles, new relationships with the environment, which distanced it from that foundational romantic ideology and pushed it to modernize or perish.

Keywords: cooperative definition; cooperative identity; cooperative values and principles; cooperative typology.

RESUMEN

Con el objetivo de analizar la evolución de las cooperativas hasta la actualidad, con un enfoque crítico desde la teoría y la práctica, se examinaron las definiciones y tipologías, valores y principios, así como el cumplimiento de la identidad cooperativa, a través de métodos teóricos, histórico-lógico y análisis y síntesis. Los principales resultados que se obtuvieron fueron que en la actualidad no existe consenso sobre una definición de cooperativa y que el término para referirse a ella es empresa. Se halló que es un actor económico importante por lo que la prioridad es el lucro, mediante la solución de problemas sociales de sus socios y su comunidad. Se encontró una gran heterogeneidad en la clasificación de las cooperativas, desde diversas variables de análisis, reflejo de las dinámicas económicas y sociopolíticas y el contexto práctico en que se desarrollan. En cuanto a la identidad cooperativa, se observó que se han flexibilizado los valores y principios fundacionales en el actuar de las cooperativas y sus miembros, percibiéndose distorsiones en el cumplimiento de la práctica. También se halló que el entorno económico, político y social en que se desarrolla la cooperativa ha cambiado a una dinámica compleja de economía de mercado, donde tienen que desempeñarse en igualdad de condiciones junto a otras empresas de capital público o privado. Esto la obligó a flexibilizar su desempeño en materia de gerencia, asumir nuevos roles, nuevas relaciones con el entorno que la alejaron de ese ideario romántico fundacional y la empujaron a modernizarse o perecer.

Palabras clave: definición de cooperativa; identidad cooperativa; valores y principios cooperativos; tipología de cooperativa.

RESUMO

Com o objetivo de analisar a evolução das cooperativas até aos nossos dias, com uma abordagem crítica da teoria e da prática, foram examinadas definições e tipologias, valores e princípios, bem como a realização da identidade cooperativa, através de métodos teóricos, histórico-lógico mesmo que analítico e de síntese. Os principais resultados obtidos foram que não existe atualmente consenso sobre uma definição de cooperativa e que o termo para cooperativa é empresa. Verificou-se que é um ator económico importante e que a sua prioridade é o lucro, através da solução dos problemas sociais dos seus membros e da sua comunidade. Foi encontrada uma grande heterogeneidade na classificação das cooperativas, baseada em várias variáveis de análise, refletindo a dinâmica económica e sócio-política e o contexto prático em que se desenvolvem. Em termos de identidade cooperativa, observou-se que os valores e princípios fundadores se tornaram mais flexíveis nas ações das cooperativas e dos seus membros, com distorções a serem percebidas no cumprimento da prática. Verificou-se também que o ambiente económico, político e social em que a cooperativa se desenvolve mudou para uma complexa dinâmica de economia de mercado, onde têm de atuar em pé de igualdade com outras empresas públicas ou privadas. Isto forçou-a a tornar o seu desempenho de gestão mais flexível, a assumir novos papéis, novas relações com o ambiente, o que a afastou da ideologia romântica fundadora e a impulsionou a modernizar-se ou a perecer.

Palavras-chave: definição de uma cooperativa; identidade cooperativa; valores e princípios cooperativos; tipologia cooperativa.

INTRODUCTION

What is understood as contemporary cooperative society (hereinafter cooperative), has as its precursor a set of ideas put forward by representatives of utopian socialism as, Henri de Saint Simon (1760-1825), Robert Owen (1771-1858), Charles Fourier (1772-1837) among the main representatives, which questioned the social inequalities generated by capitalism, proposed alternative elements to a more humane economic system, where camaraderie, cooperation and not competition prevailed, where workers would have greater power over the means of production and profits, which would be equitably retributed, among other questions.

The first cooperative in the modern world is reported in 1844 in the charter of the *Rochdale Society of Equitable Pioneers*, also considered the first consumer cooperative. Its members joined together to optimize each other's resources and combat middle-market speculation through a grocery store and other items. In the following years, this cooperative grew and was able to satisfy the food and housing needs of its members. The cooperative also created other economic entities such as a mill, a weaving factory, and a relief society, among others. Another very advanced contribution was to allocate 2.5% of the surplus to the general education of the members.

In the second half of the 19th century, the example of the *Rochdale Pioneers* gave impetus to the founding of cooperatives in the United Kingdom, spreading to other European countries, especially Germany and France, where cooperatives with financial and production objectives were created. Thus, in Germany, the first credit cooperative was founded by Franz Hermann Schulze Delitzsch (1808-1883), who also worked in other cooperative sectors such as commerce, industry and crafts. In France, Philippe Buchez (1796-1865) is considered the father of production cooperatives, although the greatest recognition went to Louis Blanc (1811-1882) because he turned his attention to the masses of workers in the large industrial workshops and for the first time involved the State in the financing of cooperatives.

By the second half of the 19th century, the growth of cooperatives demanded an organization that would allow them to conceptualize, socioeconomically organize and form an identity among cooperatives and cooperative members at a regional and international level. Thus, by 1895, the first cooperative congress was held, with the objective of exchanging experiences among cooperatives around the world and considering how to develop commercial relations among them. At that congress, the International Cooperative Alliance (ICA) was founded and, a year later, through the work of a central committee, the cooperative principles were approved, following the proposal of the *Rochdale* pioneers, which were already widely accepted.

More than 170 years later, the conception that led to the origin of cooperatives has changed. In recent years, there are different conceptions about the justification and importance of cooperatives. According to López Belmonte et al. (2018) and Etxezarreta Etxarri et al. (2018), the elements that distinguish the modern cooperative as a socioeconomic organization are manifested with differences between countries and by period. Thus, the cooperative phenomenon is a functional model of solid and complex organizations, where competitive strategies are developed that will allow them to gain

or maintain market shares, but the desire to preserve and strengthen the identity that gave them origin is still maintained.

In another sense, Aldás Alarcón (2019) relates the incipient development of cooperatives in a society, with a symptom of the political and social backwardness of large sectors of the population, which continue to be stranded in colonialist regimes. On the contrary, he considers that cooperatives, as a catalyst system of social life, can make a participatory and solidarity economy a reality, producing a social change.

Although one of the objectives of the cooperative is the search for economic benefit, its main reason of being is the activities that provide answers to the social, economic or cultural needs of its members, emphasizing that this is the essence of this association, but that it can diversify towards other common purposes.

For their part, Bretos et al. (2018) recognize that the cooperative has a bidirectional underpinning, the expansion of capital and the formation of partnerships: on the one hand, the role of cooperatives is developed as an entity that aims to accumulate capital and, on the other hand, the cooperative is a space for the extension of social relations between equals. In this sense, the cooperative is part of the local or regional market, and also allows the creation of important social ties for the human development of the integrated individuals.

Meanwhile, Etxezarreta Etxarri et al. (2018) reinforce the sociological character of the cooperative, which is characterized by its example for the development of collective participation, teamwork, risk management and innovation and source of trust generation. The author himself highlights that cooperatives are deeply rooted in the communities where they operate, claim local entrepreneurship, resort to investments to care for the environment, participate in the fair trade chain, employ marginalized population and provide social services as an effective means for social insertion.

To sum up, from a contemporary perspective, the cooperative's goals are diverse and even contradictory, for example: it can adapt to the market, but an important part of the cooperative members are the marginalized; the cooperative is concerned with maximizing profit, but, at the same time, it must maintain relations among equals. Such diversity of conceptions has made the cooperative an entity that adapts to the eyes of its stakeholders -customers, suppliers, *stakeholders*- in the midst of a debate to preserve its founding values and principles and also to survive in the midst of an increasingly competitive market.

The objective of this paper is to analyze the evolution of cooperatives up to the present day, with a critical approach from theory and practice, examining definitions and typologies, values and principles, as well as the fulfillment of the cooperative identity.

MATERIALS AND METHODS

The theoretical methods used were:

Historical-logical: to determine the historical and theoretical evolution of the cooperative as a social organization, as well as the elements that accompany it, such as definitions, typologies, cooperative identity -values and principles- and its distortions in practice.

Analysis and synthesis: to determine the essential aspects of the cooperative and the elements that accompany it, breaking it down into its parts and qualities for the theoretical analysis, which were unified taking into account those common elements, which made it possible to understand its structure and thus be able to model it later.

RESULTS AND DISCUSSION

Conceptual analysis of cooperatives

In studies by Marcuello Servós and Nachar Calderón (2013) and López Belmonte et al. (2018), definitions of cooperatives in recent decades are collected, showing that there is no consensus on a single definition at the theoretical level. In each of these, theoretical and practical elements are highlighted from different socioeconomic and political contexts of the authors and their environment.

In this sense, for the analysis of the definitions, they were organized in two blocks: the first related to the authors who conceptualized the cooperative from the internal perspective, that is, from the distinctive elements for its organizational management; a second block related to the authors who conceptualized the cooperative from the external perspective, that is, in an open relationship with the surrounding economic ecosystem.

Within the first block of definitions, there are those issued by various authors and also by international organizations related to the global cooperative activity from various fields, such as labor, legal-legal, among others, and reluctant defenders of the foundational guidelines of

cooperatives. For example, the ICA definition (1996), states that a cooperative is an autonomous association of persons, who unite voluntarily to address their common economic, social and cultural needs and aspirations, through a jointly owned and democratically controlled enterprise. This definition is shared by the International Labor Organization and is also a reference when legislating on cooperatives in the legal bodies -law, decree-law, decree, resolution- of the different countries.

Other definitions within this block highlight characteristic elements of the cooperative as an organization, as the case of the term democracy is, which is reiterated as a distinctive feature of cooperatives. There are also definitions that emphasize the collective management and democratic control of cooperatives, and others that relate the members' commitment to the organization and the members' trust in the board of directors to the degree of success of the cooperatives. Other important aspects to highlight in this block are the definitions that emphasize that control in the cooperative is exercised by the cooperative members and that decisions within the cooperative are mainly made by its members; finally, other definitions highlight participation in decision-making in the cooperative as an outstanding element.

The second block of analysis is approached from an external perspective and in this sense, the authors analyzed by Marcuello Servós and Nachar Calderón (2013) and López Belmonte et al. (2018) agree in pointing out that cooperatives play a role as an economic actor within the business ecosystem where it develops, that is, the cooperative is articulated with the economy that surrounds it. However, they point out that the cooperative is a social enterprise and with this, efficiency is a representative indicator, as well as the interest of the collectivity it represents. They combine economic and social objectives and set as a goal the promotion and maintenance of decent, equitable and non-discriminatory employment, where trust and cooperation are basic pillars. In this second block, it is reaffirmed that the cooperative is an economic-social entity, which is integrated to the economic system with a moral and ethical choice through endogenous functional precepts to satisfy its *raison d'être*, generating social value.

By way of synthesis, in both blocks of definitions, there is an evolution in the term used to refer to the cooperative as an organization, and that in its beginnings the word association is used, then it changes to organization and finally, and more currently, it is declared a enterprise. With this explanation, it can be abbreviated that contemporary authors consider that the cooperative's priority is to obtain economic or commercial benefits through the solution of social, environmental and cultural problems of its members and their environment.

Another element to highlight is the consideration of the cooperative as an important economic actor within the economic ecosystem where it develops. This reinforces the previous position of understanding the cooperative as an enterprise, and thus the foundational precept of the cooperative, of being first a social entity and then an economic entity, has been changed.

Based on the review of the definitions, it can be considered that cooperatives constitute a heterogeneous and multidimensional economic actor because they are capable of adapting their system of values and principles to the environment in which they operate in order to meet their economic and social objectives. Based on the above, the following definition is taken as a conceptual approximation of cooperatives: heterogeneous and multidimensional economic actor of an enterprise nature, based on values and principles to satisfy stakeholders through democratic and efficient management.

Analysis of cooperative typologies

As mentioned above, the first cooperatives were named according to the interest of the members or the purpose they pursued, i.e., consumer, credit and production. In recent years, new typifications have been issued that have to do with the degree of association, the sector to which they are dedicated, the corporate purpose, among other criteria, associated with the context of each country.

As with the definition, attempts have been made to homogenize the classification, both by international organizations and by academia, but no consensus has been reached. The only thing on which there is a consensus is the classification of cooperatives according to the degree of association, which can be summarized as follows: 1) First degree cooperatives: is the association of at least three natural persons, who are united by common socioeconomic interests and commitments, 2) Second degree cooperatives: is the association of at least two first degree cooperatives, with the objective of strengthening their economic activity, these are the so-called cooperative cooperatives, 3) Third degree cooperatives: is the association of cooperatives of the same sector, or geographic region, or of a different sector, or geographic region, or of a different sector, or of a different geographic region, or of a different sector, or of a different geographic region, or of a different sector, or of a different geographic region, or of a different sector: is the association of cooperatives of the same sector, or geographical region, or both at the same time, with the objective of joining collective efforts for the defense of common interests and cooperative rights, they are the so-called federations and confederations at national level, 4) Fourth

degree cooperatives: is the association of cooperatives at regional and international level, with the objective of consolidating the legal frameworks at those levels, which allow the promotion and development of cooperatives at global level.

On the other hand, Morillas Jarillo (2017) explains the diversity of typology and classification of cooperatives, which can be classified according to the economic sector, for example: 1) Industrial production: agricultural, construction, maritime, among others; 2) Artisanal: crafts, clothing, handicrafts, among others and 3) Services: health, educational, savings and credit, insurance, transportation, among others.

There are also three types of cooperatives that can be distinguished on the basis of their social object or purpose, and they are grouped into three types: 1) Consumer cooperatives: they associate to produce or buy products and/or services from third parties to satisfy their needs, 2) Production cooperatives: they associate to work together in the production of goods and/or services, contributing their personal, physical or intellectual labor, and 3) Worker cooperatives: they associate to work in collective self-employment and develop their activity in any area of the economy.

Another classification is related to the form of association from the institutionalization process: 1) Self-managed cooperatives: they are the oldest and promote the cooperative values of solidarity, horizontality and democratic participation, 2) Recovered cooperatives: their members become members almost by obligation after the closure of the source of work, 3) Cooperatives created from social plans: the State promotes these cooperative forms as social containment.

While another author such as Hudson (2016) relates cooperatives to state subsidies and classifies them into three types: 1) Non-state cooperatives: companies recovered by their workers, 2) Synthetic cooperatives: arising through state plans, they are exclusively suppliers of the State and have no link with the market and 3) Amphibious cooperatives: they combine elements of both, they are constituted from an associative impulse pre-existing the intervention of the State.

For his part, Kasparian (2017) points out that there are three types of cooperative models, according to their business and associative performance: 1) Integrated cooperatives: refers to the experiences of traditional cooperativism, 2) Vindicative cooperatives: refers to enterprises recovered by their workers and 3) Cooperatives induced by the State: starting from excluded subjects, whose main need is to obtain work.

As can be seen, there is great heterogeneity in the ways of classifying cooperatives, related to different variables of analysis, which is a reflection of the economic and socio-political dynamics of the last decades and the practical context in which the cooperative as an organization develops, which is highlighted by each author.

Conceptual analysis of values and principles

The cooperative identity is composed of a system of values and principles that, according to the ICA (1996), are inherent to all cooperatives on a global scale. These values and principles contemplate the development of this type of organization, based on efficiency and ethical behavior.

According to Moreno Fontela (2017), cooperatives present a cooperative identity that, in part, is systematized by these values, principles and other elements, in order to standardize them at a global level and thus not lose the foundational essence. It is worth mentioning that the ICA has a network of international regional offices in four continents -Africa, America, Asia-Pacific and Europe-, eight international sectoral organizations in agriculture, banking, retail, fisheries, health, housing, insurance and industry and services, covering a total of 318 organizations in 112 countries.

The cooperative values stated by ICA (1996) are: self-help, self-responsibility, democracy, equality, equity and solidarity. These values guide the attitude and conduct of the members towards the fulfillment of the objectives as an organization and, therefore, should govern the actions and conduct of the cooperative towards its internal and external public.

By declaring these universal values, cooperatives differentiate themselves from other public or private organizations with different dynamics, in terms of the resulting goods and services and stakeholder satisfaction, as the case may be. The cooperative principles constitute guidelines through which these organizations put their values into practice.

The implementation or execution of the cooperative principles contributes to guarantee the fulfillment of the values. In this sense, they agree that the cooperative principles are part of the organizational mechanisms to comply with the cooperatives' *raison d'être* and that they facilitate the development of the values pre-established by the ICA.

The cooperative principles have also been revised by the ICA in various periods of time, such as in 1937, 1966 and more recently in 1995, with the addition of the seventh and last of them. These

revisions have had the objective of adjusting the different criteria on cooperative organizations and, on the other hand, to make them relevant to the socioeconomic and political contexts of each historical moment (Hernández Cáceres, 2021).

The cooperative principles, stated by the ICA (1996), are listed below: 1) Voluntary and open membership, 2) Democratic control of members, 3) Economic participation of members, 4) Autonomy and independence, 5) Education, training and information, 6) Cooperation among cooperatives, and 7) Commitment to the community.

The first three principles focus on the internal management of the cooperative, while the last four principles address both the internal functioning and external relations of cooperatives. These principles must be taken into account in the administrative management of the cooperative, and in order to achieve their correct application at the executive level, the ICA principles committee published guidance notes for the cooperative principles as a guide for the efficient management of cooperatives, which translates into recommendations for the practical application of these principles and thus guarantee the essence of the cooperative.

Although these principles and values constitute the paradigm for cooperatives, the context in which they operate partially or totally reconfigures these values and principles. This level of acceptance in terms of identity -values and principles- will be related to the motivation of the cooperatives themselves and their members.

In this order of ideas, the identity of cooperatives and the acceptance of values and principles constitute a particular experience that adapts to the needs of the cooperative to achieve the satisfaction of the needs of its stakeholders. For their part, Etxezarreta Etxarri et al. (2018) are of the opinion that these values and principles constitute the primary identity of cooperatives and direct them towards economic, social and environmental sustainability. The values and principles emerged from rigorous studies that validate a scheme of excellence in the management of cooperatives and paradoxically the weaknesses of cooperatives are mostly caused by the way in which cooperative principles have been formulated and practiced.

Contrary to the above, Garcia Companys (2022) considers that the new cooperative structure leads to associate the associative governance mode¹ of the traditional structure and the shareholder governance mode² of the subsidiaries, in a hybrid mode, which causes an identity crisis. The author herself also points out that technical assistance plays a fundamental role in strengthening the relationship between the cooperative and its members in response to the current identity crisis of this type of organization.

Generally speaking, the criteria of the authors Moreno Fontela (2017), Etxezarreta Etxarri et al. (2018) and García Companys (2022) are divided into two fundamental currents: on the one hand, facing the distortion of cooperative values and principles and, on the other hand, making these more flexible to achieve a more efficient management according to the context in which cooperatives develop and the satisfaction of stakeholders' needs.

However, Urteaga and Altuna (2018) agree that the cooperative identity has gradually been institutionalized within the legal framework of the countries, both for their recognition as economic entities and to facilitate access to state or private financing. In the case of the legal framework, according to Moreno Fontela (2017), when cooperative entities are recognized within the legal bodies of the countries, cooperative values and principles are partially retaken, although these principles are reinterpreted according to the political and social context of each country.

In general, the founding values and principles and the legal framework affect the behavior of cooperatives and their members. Consequently, the assimilation of cooperative rules is adjusted according to the reality of each country and region. In this sense, the cooperative identity embodies an ideal, which is delimited by the legal framework and, finally, is reinterpreted by the cooperative members, therefore, the execution of the declared values and principles discrepancies in the daily practice.

¹ It aims, through the cooperation of the different associates, to produce a surplus of resources and distribute them in order to maintain the sustainability of the organization.

² Its objective is to maximize shareholder wealth by aligning the behavior of the cooperative's leaders with the objectives of the shareholders, through monetary incentives and internal and external control mechanisms.

Critical analysis of the application of cooperative principles

Through studies by several authors (Cracogna, 2020; Gaminde Egia, 2021; Hernández Cáceres, 2021; Izquierdo Muciño, 2019; Martínez Charterina, 2018; Sánchez Boza, 2017), the distortions in the operation of the cooperative principles are analyzed from practice, exposing the reasons and their consequences in different contexts. Principle one, Voluntary and open membership, is one of the pillars for a cooperative to exist, as it is just the beginning of its institutionalization process, since it starts with the express willingness of each person -natural or legal- to join for socioeconomic reasons.

The distortions in the practical application of this principle are related to: 1) affiliation is manipulated by third parties, 2) the cancellation of the member generates fiscal consequences, 3) divergent commercial relations with affiliates and non-affiliates, 4) contradiction with the affiliation of legal entities among the principals. They state that in order for this principle to be operationalized and reduce conflicts among members, membership must be reflected in the rules of each cooperative or be based on the legal basis of each country.

In principle two, democratic control of the members, the distortions in the practical application of this principle are related to: 1) not making use of the right, 2) resistance to plural voting, 3) interference of external agents. It is considered that these distortions become more acute as the cooperative grows in the degree of association, making compliance with the principle more complex in practice. The principle of one member-one vote is diluted to the extent that the act of voluntary and open membership (principle one) grows in degrees, delegating the act of individual voting to a plural vote in the boards of directors and other collegiate bodies.

Principle three, Economic participation of members, has been contemplated since the origin of modern cooperativism, of interest limited to capital and distribution of surpluses, according to the cooperativized activity carried out by the members. Distortions in the practical application of this principle are related to: 1) unequal contributions among members, 2) interference by investors outside the cooperative, 3) weak democratic management due to the capture of committees by a few. These distortions in practice expose the contradiction between the need for a strong and stable financial capital on the part of the members, which allows the sustainability of the enterprise over time and which is not always present. In order to achieve this, investors are used, with the consequent interference in the active autonomy and democratic management.

Principle four, Autonomy and independence, each country has a peculiar way of assuming these concepts in cooperative enterprises, being endorsed in the current cooperative legislation of each State, as a safeguard of these concepts. But it is the cooperative that must protect and ensure that they are complied with, regardless of the interests of the other actors of the economic and political ecosystem where it operates. The protection and defense must be carried out in two ways: internally within the cooperative with self-management and, on the other hand, externally with respect to governments and capital investors (non-user members).

Distortions in the practical application of this principle are related to: 1) concessions of autonomy to investors, 2) corporate governance, 3) excessive supervision by governments, among others. In other words, investors outside the cooperative seek to implement governance schemes similar to those of capital companies, while state supervision pursues control; in both cases, measures are imposed that interfere with the free exercise of activities in a democratic manner.

Principle five, Education, Training and Information, is understood as a strategic action to promote, sustain and develop the cooperative movement. The distortions in the practical application of this principle are related to: 1) cooperatives do not have a mandatory fund system, 2) little care in its practical implementation, 3) lack of means to implement it, 4) weak articulation with the formal education system.

In order to comply with the fifth principle, cooperatives must have the structures and infrastructures to do so, which is not always the case, regardless of the will. Ideally, each cooperative should have access to a specialized educational system, oriented to education on cooperativism and articulated from the first teachings, and then it would be up to the cooperative to maintain this training.

Principle six, Cooperation between cooperatives, refers to working together through local, national, regional and international structures in order to strengthen the cooperative movement and thus better serve its members. This principle is directly related to the classification by degree of association, mentioned above.

Distortions in the practical application of this principle are related to: 1) non-compliance with some principles, 2) formation of capital companies. This ideal aims to consolidate unity within the cooperative movement under coordination, concentration and integration. However, the advances in this principle have legal and economic consequences that force cooperatives to act contrary to their essence, which jeopardizes the commitment to certain principles, as for example each cooperative

that is integrated gives up part of the democratic control in favor of unity, and the same happens with the economic participation in the management.

Finally, it is analyzed principle seven, Commitment to the community, which was included in 1995 to be consistent with the nature of the cooperative, since it should not remain indifferent to the social problems of its immediate environment. This commitment should be twofold, one within the cooperative enterprise and the other in a broader sense of constant interaction with the surrounding community, with which it maintains elementary links as a supplier, customer, among others.

The distortions in the practical application of this principle are related to: 1) very low compliance, 2) low budget for expenses and social investment. It is insisted on not confusing the commitment with the community with acts of charity, but that the cooperative has a direct participation in the local development programs, that it articulates with the other actors, state-university-enterprise, that it contributes to the formation of local leaders, orients the public opinion on ethics, morals and in general on the cooperative values and principles. It is a necessity to increase the presence in society, as well as to develop the management with the community.

Finally, some distortions of values and principles have been exposed. However, there are also good practices in the application of the principles and this is the case described by Urteaga and Altuna (2018) about the Mondragon Corporation, an experience of more than 60 years with the highest levels of degrees of association and a coexistence of various forms of management, in which they have evolved from the economic without losing the values of intercooperation, solidarity, cooperation, interest in the community, all this together with new springs to seek new financing solutions for the future.

By way of conclusion, this research shares a review of the critical literature on the conceptions of cooperativism and cooperative identity, made up of values and principles, which have been assimilated by ICA. Such diversity of conceptions and scope is related to an expansion of cooperatives and cooperative members, the latter being the actors who assimilate and reproduce practices conditioned by their interests and context. Likewise, the critical vision discusses the causes and consequences that push various cooperatives to make their identity more flexible and, in the worst cases, to distort it.

Most of the authors analyzed recognize that the economic, political and social environment in which the cooperative as an organization develops has changed to a complex dynamic of market economy,

where they have to perform on equal terms with other public or private capital enterprises. Therefore, it has had to make its performance more flexible in terms of management, new relationships with the market -customers, suppliers, stakeholders-, new relationships with the State and investors, and assume new roles, which move it away from that foundational romantic ideology and push it to modernize, maintaining certain parameters of its inaugural essence or perish.

It is considered that it is time for the academy to analyze the cooperative principles and how they adjust to the new conditions of the world economy and its dynamics, as well as to the political and social contexts. The above is presented in order to support the congruent development of the movement, away from the manipulation of external agents such as the state or private capital, who pursue political control or financial control, respectively.

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Conflict of interest

Authors declare that they have no conflicts of interest.

Authors' contribution

Elizabeth Guilarte Barinaga designed the study, analyzed and interpreted the data and prepared the draft.

Luis Augusto Chávez Maza critically reviewed the article and made important contributions to its theoretical content.

Both authors reviewed the writing of the manuscript and approves the version finally submitted.



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