

Praxis, Learning, and New Cooperativism in Venezuela: An Initial Look at Venezuela's Socialist Production Units

Manuel Larrabure¹

Abstract

In this paper, I address the question as to the extent to which the participatory and democratic processes taking place as part of Venezuela's new cooperative movement can be said to be a component for the building of social relations that challenge those of capitalism. I begin with a discussion of praxis and learning. Then, I attempt to situate the role of cooperatives and the participation therein within the context of capitalism. In the second half of this paper, I look at Venezuela's new cooperativism and present preliminary findings based on an ethnographic study of three of Venezuela's Socialist Production Units (SPUs), the country's newest cooperative spaces. SPUs, I argue, are contradictory spaces where participants are experiencing a tension between reproductive and revolutionary praxis. In addition, they are spaces in which participants are acquiring important learning that challenges dominant market relations. Therefore, I conclude, SPUs are taking modest but important steps towards the building of Venezuela's socialism in the 21st century.

Introduction

The research presented in this paper attempts to answer two questions that are seldom raised by the current literature on cooperativism, namely how the struggle between reproductive and revolutionary praxis manifests within cooperative spaces, and whether or not something about the cooperative experience is conducive to participants learning to better fulfill their organization's goals and needs over those of the market. My research sites are three of Venezuela's Socialist Production Units, which although different from traditional worker cooperatives, nevertheless exemplify many of the values and practices found in the cooperative movement. Before outlining the relevant political and economic history of Venezuela and presenting my preliminary findings, I begin with an exposition of my conceptual framework, based on a Marxist understanding of praxis, learning and cooperativism.

Manuel Larrabure, "Praxis, Learning, and New Cooperativism in Venezuela: An Initial Look at Venezuela's Socialist Production Units," *Affinities: A Journal of Radical Theory, Culture, and Action*, Volume 4, Number 1, Summer 2010, pp. 288-309.

Praxis, learning, and cooperativism

What and how we know is the result of our concrete and active day-to-day existence. And, conversely, our daily existence is the result of how and what we know. How we express this relationship between knowing and being as we produce and reproduce ourselves with and within the natural world at any given point in history is ultimately what we as humans are. Humans, then, embody and live, within history, this dialectical relationship between ontology and epistemology. It is what makes us, unlike other animals, beings of praxis.² This conceptualization of praxis, it should be emphasized, goes beyond praxis as the unity between theory and practice (as it is commonly presented) because, as Paula Allman notes, it links not just theory but all thought to action.³

Although the above ideas are at the core of Marx's dialectical, historical, and materialist philosophy, Marxist theorists often tend to overlook the conceptualization of praxis presented here, focusing instead on more abstract economic movements as the source of social change. The result of this sometimes is overly deterministic conceptions of history that fail to address how alternatives to capitalism can actually be built by real people in concrete historical contexts. As a response to this, I would like to propose a focus on learning as a way to understand social change. So what is the meaning of learning from a Marxist perspective?

Unlike liberal and some postmodernist conceptualizations of learning, which focus solely on people's ideas and consciousness, a Marxist understanding of learning must necessarily take into account people's lived experiences, in particular social and historical contexts. And, most importantly, it must take into account how people actively produce and reproduce themselves. Keeping in mind, then, both active, practical existence, on the one hand, and consciousness and ideas, on the other, learning can be understood as a change of both subject and object. Learning, then, implies a productive metabolism in the subject-object dialectical compound and results in the production of a new and better understanding, within the learner, of some part of the objective world.

Learning, therefore, can be understood as a process of production. And, as such, to paraphrase Marx's thoughts on the labour process, it is a movement through which humans simultaneously change external nature as well as their own nature.⁴ At the end of the learning process, then, neither the subject nor the world are the same as at the start. In other words, we can't learn something about our object of inquiry without, at the same time, changing ourselves as well as some part of the world. Learning is therefore a central aspect of our

praxis as it implies change and movement. To expand, if, as Gramsci argues, “man [sic] is a process” and therefore the question, “what is man?” is best thought of as “what can man become?”⁵ then the conceptualization of learning presented above gives us an insight into what humans are indeed becoming. But what are our praxis and our learning processes like in the context of capitalist social relations?

One of the central features of capitalist social relations is that our human capacity to think and act freely, to express our praxis freely, is curtailed. As wage workers, our praxis and therefore also our learning are in fact not our own. They both belong to our employer who uses them to meet not our needs but those of the market so as to generate a profit. Capitalism, then, can be understood as acting as a mediator between humans and our productive activity. As István Mészáros puts it, capitalism is a “*historically specific* mediation of the *ontologically fundamental* self-mediation of man with nature.”⁶ In short, capitalism gets in the way of our praxis, and, in the process, it changes who we are. That is, it shapes the distinctively human dialectical relationship between knowing and being to form a historically specific praxis. Allman calls this praxis reproductive, as it does not challenge capitalist social relations.⁷

To expand, capitalist social relations, as Allman argues, produces particular spatial-temporal experiences that mystify the character of the system.⁸ For example, although profit depends on the unity of production and exchange, most workers experience the commodity in the sphere of exchange⁹ and thus workers do not see that it was their labour at the site of production (not some process in the sphere of exchange) that is the source of the commodity’s value and surplus value. In other words, the reality of profit existing as a result of the capitalist paying the worker less than the value the worker creates through her labour is masked given the “disjointed” experience workers have of the unity of production and exchange.

In addition, the experiences workers have within capitalism condition how they resist the system. As Allman notes, in selling their labour in exchange for a wage, workers focus their attention on the exchange value of labour, not its use value, which is the worker’s own labour power.¹⁰ This is because workers do not sell their labour in order to engage in the inherent human capacity to think and act dialectically, as mentioned above, but they do so in order to be able to survive and engage in the system of exchange. Thus, struggles about wages revolve around the wage amount, not around the wage relationship itself.¹¹

But although reproductive praxis is the norm within capitalism, there does exist the possibility for a different kind of praxis, namely one that challenges capitalist

social relations. In his *Theses on Feuerbach*, Marx brilliantly sums up this kind of praxis, revolutionary practice as he calls it, describing it as “[t]he coincidence of the change of circumstances and of human activity or self-change.”¹² As Allman argues, this vision of revolutionary social transformation is as much about “struggling, in collaboration with others to transform ourselves as it is about the struggle to transform our social and economic conditions of existence.”¹³ And what is this struggle striving towards? For Marx, it is to move towards a society from which the following principle emerges: “From each according to his abilities, to each according to his needs”.¹⁴

However, it is at this point that the crucial question is raised: how can people develop a praxis and a learning that is revolutionary in the context of the particular experiences people have within capitalism, which, as noted above, obfuscate the nature of the system? The issue this contradiction immediately raises is whether or not experiences can exist within capitalism that reveal, rather than obscure, the oppressive and exploitative nature of the system, as well as reveal the possibility of a new society. Or, to put it differently, are there experiences within capitalism that challenge capitalist experiences and simultaneously contribute to the building of the preconditions for a society based on people’s needs and abilities? If so what are these? Can cooperativism be the source of such experiences? In order to answer these questions we must first attempt to understand the relationship between cooperativism and capitalism.

In broad, abstract terms, cooperativism can be defined as the democratic production of value. Using this definition, producer or worker cooperatives are the quintessential cooperative space. The first thing that must be said about worker cooperatives is that they exist *within* capitalist social relations of production. This means that cooperative processes take place in a market economy that is comprised of the contradiction between capital and labour in both the spheres of production and circulation and where the goal is the maximization of profits. In addition, worker coops are themselves businesses that generate profits and must compete with traditional businesses as well as with other cooperatives. As Marx noted in *Capital Volume III*, cooperative workers are their own capitalists.¹⁵ This means they have to generate a profit by first employing themselves at the point of production and then valorizing their own labour at the point of sale.

One of the main differences then between worker cooperatives and traditional businesses is that in worker coops capital has been democratized, as each worker is also an owner who has an equal say on how the cooperative’s capital is to be used. This is different from the dominant corporate model in which the

owners are not the workers but stockholders whose voting power is proportional to the quantity of stock each owns. And this difference is important. In the first place, it means that within a cooperative the division between capital and labour no longer exists. In other words, within a particular cooperative, property has been socialized. Secondly, and particularly important from the point of view of praxis, is that worker members of a cooperative have to participate, to some extent, in a democratic process. Thirdly, the worker's own labour process at the worker coop acquires a certain level of autonomy not previously had at a traditional workplace. The reason this is important is because, given our discussion of praxis and learning above, these new experiences raise the possibility for the development of a new praxis and learning that challenges dominant capitalist relations. Nevertheless it is important to remember that the odds are stacked against individual cooperatives as they stand as a tiny sector in comparison to the dominant corporate form.

There is one more important point that is raised regarding worker cooperatives. Given that they represent an end to the division between capital and labour at each individual organization, the primary contradiction within these spaces can be understood as being not that between capital and labour, as is the case with traditional workplaces, but that between wage labour and what Michael Lebowitz calls "non-wage-labour." To expand, for Lebowitz, capitalism must be understood as containing not only the contradiction between capital and labour but also that of wage-labour and non-wage labour. The necessity for this distinction, Lebowitz argues, arises from the fact that "wage labour is merely an abstraction" which "exists only insofar as a living human being enters into this relation."¹⁶ In other words, humans are not only wage-labourers, but much more.

The key point to take from Lebowitz's introduction of the category of non-wage-labour is that people produce themselves as well as use-values in contexts outside of the wage-labour-capital relationship. And it is within these activities that we see perhaps the essential contradiction in capitalism, namely that between the worker as a wage-labourer and the worker as a human being. In other words, under capitalism, as Lebowitz argues, the human being "contains within it the human being as wage-labourer and the human being as non-wage-labourer."¹⁷ This contradiction at the human level was also understood by Paulo Freire, who described the oppressed as divided beings, in part themselves and in part the oppressor whose image they have internalized.¹⁸ It is the added importance that this contradiction takes on at worker cooperatives that raises questions regards their potential for going "beyond capital" as Lebowitz puts it.

And what is the goal of the human being as non-wage-labourer? The answer to this, to go back to our initial discussion, is the free expression of the distinctively

human dialectical relationship between ontology and epistemology, or praxis. It is what Lebowitz calls our human need for self-development.¹⁹ Or, to put it in Freirean terms, it is to struggle to become more fully human.²⁰ So, what we see at cooperatives (and perhaps more acutely than in traditional workplaces) is a struggle between these two parts of the human being. And practically this manifests as the struggle between the cooperative's own needs and goals and those of the market. The more the cooperative yields to market demands, the more it reproduces capitalist social relations of production, and the more it pursues its own goals against those of the market, the more it undermines these same relations while building new ones. This is therefore a struggle between reproductive and revolutionary praxis. The question then is how exactly is this struggle manifesting within the experiences at each cooperative? And, can we say that something about the cooperative experience is conducive to cooperative members learning to better fulfill their organization's goals and needs over those of the market? It is with these questions in mind that we now turn to the concrete experiences in Venezuela.

The “Bolivarian Revolution” and the rise of Venezuela’s new cooperativism

In the 1980s there began a drastic shift in Venezuela's political economy. In previous decades Venezuela had adopted statist economic policies that relied on the revenues from high oil prices as well as high levels of debt in order to achieve some level of economic development and wealth redistribution.²¹ During this period, statist approaches to development were the norm throughout all of Latin America and were part of the broader Import Substitution Industrialization (ISI) strategy employed by most developing countries. The purpose of ISI was to achieve economic growth through the development of domestic markets and the diversification of industrial output, and its application relied on some level of cooperation between labour, capital and the state. But because Venezuela's economy relied so heavily on oil revenues, the collapse of oil prices in the 1980s dealt a severe blow to Venezuela's development strategy.

Tied to the collapse in oil prices was the heavy debt burden that the country had incurred during the 1970s, at a time when oil prices were at a record high. As David Myers notes, during the Herrera government (1979-1984), Venezuela's international debt tripled, reaching \$35 billion.²² By 1984, foreign reserves were drained, the result of capital flight, debt payments, and increased imports.²³ The combination of high debt payments with the loss of revenue from the collapse of oil prices proved devastating for the economy and, in turn, for much of Venezuela's population. As Harold Trinkunas notes, in Venezuela, between the late 1970s and late 1980s, poverty and inequality rose sharply while incomes and

productivity declined. By 1989 the situation had become dire, with the percentage of people living in critical poverty reaching 53.7.²⁴

Elected President in 1989, Carlos Andres Perez sought a solution to the economic crisis through the application of neoliberal policies, a strategy followed to different degrees by all of Latin America with the encouragement of the United States. These policies, first introduced in January, included a reduction of public expenditures, the deregulation of prices, trade liberalization, promotion of foreign investment, and the privatization of state companies.²⁵ This meant less public control over the country's economy, or, to put it differently, a significant reduction of the public sphere in relation to the market, the essence of the neoliberal strategy. The result was a sharp rise in inflation, a 10% decline in GDP and a 14% decline in personal income.²⁶ With this also came the delegitimization of the country's democracy. The policies became highly unpopular and people demonstrated their discontent on the streets. The most dramatic of these demonstrations occurred in Caracas on February 27, 1989, shortly after the implementation of the neoliberal program. The government reacted to the rebellion--known as *el Caracazo*--by sending in the military, which resulted in the deaths of up to 3000 civilians.²⁷

It was in the context of this economic and social crisis of the 1980s that the now President of Venezuela, Hugo Chávez, would begin his rise to power. Following his rise up the military ranks, which culminated in a failed coup attempt in 1992, Chávez, riding on a wave of popular support, decided to pursue the presidential office through the ballot box. In 1998, running on a platform of radical change, including the promise of a new constitution, economic redistribution, and participatory democracy, Chávez managed to win the presidential elections with 56% of the vote.²⁸ The changes the Chávez government proceeded to introduce sparked the beginning of an overt political battle against the politics of neoliberalism, marking the beginning of what became known as the "Bolivarian Revolution."

The rejection of neoliberalism was made explicit by Chávez himself immediately following his 1998 electoral victory. As he stated during one of his election victory rallies:

In Venezuela and in all of Latin America along came the savage neoliberal project. "The invisible hand," "the market fixes everything; it's a lie, it's a lie, a thousand times a lie! Of course there are other ways and in Venezuela we are demonstrating it."²⁹

This rejection of the neoliberal program was also demonstrated in the 1999 Venezuelan constitution, approved via referendum by 70% of the population. As Martha Harnecker notes, the constitution focused on social justice, freedom, political participation, and national sovereignty.³⁰ Michael Lebowitz also notes the constitution's emphasis on human development as evident in the declaration of Article 20 that "everyone has the right to the free development of his or her own personality in a democratic society," or that of Article 299 with its emphasis upon "ensuring overall human development."³¹ In the same breath, as Lebowitz goes on to point out, the constitution retained a support for capitalism, guaranteeing the right of property in Article 115 and identifying a role for private initiative in the generation of growth and employment in Article 299.³² Thus although the new Chávez administration did not offer a break from capitalism, it explicitly rejected neoliberalism as a socio-economic model and sought to give the state a much greater role in the economic and political activity of the country. But these developments do not mean simply a return to the statist policies pursued before the 1980s. This is evidenced by the tremendous changes that are also occurring at the local level. At the center of these more local changes one finds two different spaces: cooperatives and the newly emerging Socialist Production Units.

From cooperatives to Socialist Production Units

Since the Chávez administration came to power in 1998, there has been an explosion of both worker and consumer cooperatives in Venezuela. In 1998, there were 877 cooperatives, while by September 2006 that number had grown to 158,917,³³ an exceptionally large number relative to other national cooperative movements worldwide. But, since then, many of the cooperatives that were first formed were discovered to be non-functioning or simply fronts created for the purpose of accessing government funds. The latest figures estimate that between 30,000 and 60,000 functioning units currently exist in Venezuela,³⁴ numbers that are still very substantial. The majority of these cooperatives, it seems, operate in the services and productive sectors, while those in transportation come at a distant third. In terms of size, over 80% of cooperatives employ 5-10 people while about 15% of them employ between 11 and 50.³⁵

Venezuela has also witnessed the appearance of *empresas recuperadas por sus trabajadores* (worker-recuperated enterprises, or ERTs), a phenomenon that surged in Argentina during its 2001-2002 economic crisis. ERTs began to appear in Venezuela between 2002 and 2003, with their numbers reaching a total of between 20 and 30 by 2006.³⁶ Most of these ERTs, Lucena & Carmona outline, are small or medium in size, employing a total of a few thousand workers. ERTs,

the authors note, emerged as a reaction on the part of workers and the government to the political and economic crisis the country was undergoing in 2002 and 2003, in which many owners, for political reasons, decided to temporarily paralyze their businesses. These actions conducted by the business sector coincided with the government's opposition's attempt to paralyze the country's economy in order to oust Chávez from power. Once the crisis was averted, the government began to take a greater interest in ERTs and began actively expropriating contested enterprises, such as INVEPAL in 2005.³⁷ That same year, the government also hosted the first Latin American Encounter of Worker-Recuperated Enterprises, attended by 400 workers, unionists, and government representatives from several Latin American countries.³⁸ But since then, the ERT movement seems to have fizzled away, having witnessed ongoing conflicts between workers and the government bureaucracy, as has been the case with INVEPAL since 2006.³⁹

What is important to note is that the huge overall growth of cooperatives in Venezuela during the last few years, as Camila Harnecker notes, has been less the result of spontaneous activity from below than of public policy, reflected, for example, in the 2001 Special Law of Cooperative Associations and the Vuelvan Caras cooperative development government program.⁴⁰ The proactive role the government has taken in relation to the cooperatives is also evident in its economic support for the sector, which includes the granting of preferential aid⁴¹ and increased access to government contracts.⁴² This extensive support the government gives to cooperatives is therefore the most important new feature of Venezuela's cooperative sector.

But, in the last two years, due in part to the problems associated with the cooperative sector mentioned above, there has been a shift away in government policy from supporting the traditional cooperative model towards the creation of what is known as Socialist Production Units (SPU). This shift has also been a product of the government's progressive move towards the left, going from an anti-neoliberal stance towards openly socialist politics. As I will outline below, SPUs, designed by the Ministry of Popular Power for the Communal Economy, display a number of unique innovations in cooperativism that go beyond economic support by the state. In addition, their development has been posited by the Venezuelan government as central to the country's transition to "21st century socialism." Currently there are over 3,000 SPUs in Venezuela.⁴³

Praxis and learning in Venezuela's Socialist Production Units: Preliminary findings

As argued in the first section of this paper, using praxis and learning as a theoretical lens with which to examine the potential that cooperative spaces hold for developing social relations that challenge those found within capitalism leads me to ask, (1) how the struggle between reproductive and revolutionary praxis manifests within cooperative spaces and (2) whether or not something about the cooperative experience is conducive to participants learning to better fulfill their organization's goals and needs over those of the market?

Currently, there is very little research that looks at cooperative spaces in Venezuela, and much less that focuses on the above-mentioned questions. However, there is some literature that looks at Venezuela's social or popular economy more generally. A look through this literature reveals that Venezuela's social economy is experiencing tensions in its relationship to the state bureaucracy,⁴⁴ its relationship to competing private firms,⁴⁵ and in the internal organization of particular social economy organizations.⁴⁶ One author that does explicitly look at participation within worker cooperatives is Camila Harnecker. In her study of 15 cooperatives, Harnecker argues that there exists a strong connection between workplace democracy and the development of collective consciousness, which she defines as the understanding of, and disposition to contribute to the interests of others.⁴⁷ Relevant also is her discovery of a continued existence of a social division of labour within the cooperatives she studied.

Below, I proceed to directly address the questions outlined above in relation to SPUs. But before doing so, I provide a brief outline of their institutional position within the Venezuelan state. The preliminary findings I provide below are based on an ethnographic study of three SPUs conducted between June and September of 2009. My data collection tools included textual analysis, semi-structured interviews, observation, informal conversations, and a survey instrument. The survey instrument was based on the work of Daniel Schugurensky and Josh Lerner,⁴⁸ as well as my work with Schugurensky and Marcelo Vieta⁴⁹ in the field of participatory democracy and learning, and was used to assess participants' informal learning over time. A total of 20 participants were interviewed, including SPU workers and members of the state bureaucracy.

An institutional map of SPUs

Venezuela's SPUs are productive spaces dedicated to the generation of goods or services. In terms of personnel, they are relatively small, each being

comprised of about 20 to 100 people. At an institutional level, SPUs are state-owned, nonprofit and managed democratically by a combination of their workers, local communal councils (democratically run neighbourhood associations found throughout the country), and the state. It is these characteristics of SPUs that distinguish them from traditional worker cooperatives as well as from Venezuela's current state-supported cooperative model. This means that SPUs are technically not worker cooperatives in the traditional sense, as their workers are not the owners. However, in practice, SPUs adhere to many traditional cooperative values, in particular, those of democratic participation and concern for community.

SPUs can be thought of as the individual parts that comprise the larger institutional body known as *Empresas de Propiedad Social* (Social Property Enterprises, or SPEs). In other words, each single SPE can and does have several SPUs that constitute it. For example, Pedro Camejo, one of the SPEs that I looked at, has its central office in the city of Barquisimeto, with several SPUs located in nearby communities. At the production stage, SPUs work closely with small and medium local private producers. The goods they produce are then distributed through Mercal, government run discount stores located throughout the country.

SPEs are linked to the state in several ways. First, they are administered by the Registry of Social Production Enterprises (REPS in Spanish), created by the national executive in November 2005 as part of the program of Social Production Enterprises.⁵⁰ The REPS is, in turn, closely linked to the state-owned oil company, PDVSA, whose role as part of the program is to help SPEs through, among other things, preferential contracts and financing. Second, each SPE belongs to one of the many state corporations created by the national executive for the purposes of forwarding the government's economic and development policies that include fostering the country's "popular" economy. For example, the three SPUs that I looked at belong to three different SPEs, which, in turn, belong to one single state corporation, namely the Venezuelan Agrarian Corporation (CVA in Spanish). Third, SPEs (as well as the state corporations they belong to) receive their direct political guidance from the government ministry responsible for the sector of the economy they operate in. In the case of the three SPEs that I looked at, the corresponding ministry is the Ministry of Popular Power for Agriculture and Land.

Reproduction and revolution in the experiences of SPU participants

SPU participants seem to be indeed experiencing a struggle between reproducing capitalist social relations of production and challenging these same relations. This is evident in the way SPU participants experience the struggle between some of their organization's goals and the demands of the market. There are two examples of this I would like to highlight. The first is related to the SPU's internal social division of labour. To some extent or another all three SPUs struggled with this issue. One of the explicit goals of SPUs is to do away with the social division of labour traditionally found in capitalist enterprises, characterized by strict hierarchies, specialized job tasks, and a division between mental and manual labour. This goal is expressed not only in SPUs' official mission statements but also in the comments made by a significant number of the participants I interviewed. One of the main dynamics I found at the SPUs I visited was that better-educated workers felt that because of their education they should hold better-paid administrative or managerial positions than those with less education. In other words, they believed in a system of meritocracy. Meritocracy not only goes contrary to the democratic practices that are supposed to exist at SPUs but, in addition, reinforces the division between mental and manual labour that characterizes work within capitalism.⁵¹

What's interesting is that in at least some cases those with lower levels of education went along with the meritocracy argument posed by those with higher education. But this was not always the case. In all three SPUs, a portion of the personnel wanted to do away with the social division of labour by implementing a new equal wage system coupled with rotating job duties. At one SPU, this desire took the form of the "integral worker" initiative brought forth through the Workers' Council, an SPU's principal space for democratic participation. At another SPU, more drastic measures were taken, as workplace democracy became one of the issues behind a worker-led factory shutdown in mid August, 2009.

The second example of how SPU participants experienced a struggle between their goals and the demands of the market is related to SPU's relationship with *intermediaries*. Perhaps the principle goal of all three SPUs I visited was to provide accessibly priced food to those communities who need it most. At all three SPUs, workers felt that the existence of intermediaries poses a serious challenge to this goal. Intermediaries are basically people that possess relatively large amounts of money capital and are thus able to purchase large amounts of produce from local producers with the aim of selling it in the most lucrative markets.

The activity of intermediaries works to reproduce capitalist social relations in at least two ways. Most directly, intermediaries raise the average price of food. This makes food less accessible to those most in need and in turn forces upon people a greater dependence on the labour market for their survival. Second, as workers at Pedro Camejo realized, SPUs, through the help they provide to small producers, indirectly help the intermediaries who are now able to increase their profit margins by buying from the producers at a subsidized price. This means that while, on the one hand, SPU participants are happy to work with small producers with the purpose of making food more accessible to local consumers (while indirectly also easing their dependence on the labour market), they, on the other hand, confront the reality that at least to some degree it is the intermediaries who benefit from their work. In an attempt to eventually break the relationship producers have with the intermediaries, SPUs are, for the moment, attempting to develop a closer relationship with local producers by, for example, organizing cultural events with them as well as engaging with them in political discussions. However, as some SPU participants revealed, direct confrontation with the intermediaries would be necessary and was likely in the not-too-distant future.

Learning at SPUs

So far, the data reveals two main areas of learning acquired by SPU participants that directly help them fulfill their organization's cooperative goals while challenging those of the market. First is the knowledge acquired by participants about their own needs. Second is participants' collective organization and planning abilities. This learning also indicates a movement towards the building of new social relations based on people's needs and abilities. I now expand on each of these two areas.

Knowledge of own needs

The knowledge acquired by participants about their own needs is perhaps the most important area of learning reported. Out of the 14 areas of learning assessed this one received the largest number of positive responses. Indeed, almost 50% of the 20 participants interviewed reported significant improvement in this area. This is the first area of learning that, I argue, has helped SPU participants fulfill their organization's goals while challenging the demands of the market. In addition, this learning contributes to the building of a new society based on people's needs. To expand, this learning has helped participants meet their own material needs by challenging the state bureaucracy that, to a significant extent, responds to the demands of the world market, due to the

state's dependence on the global sale of the country's oil. As revealed by several SPU participants as well as members of the Venezuelan Agrarian Cooperation who administer the three SPUs I examined, the state bureaucracy is dominated by technocrats who adhere to a social democratic and "developmentalist" model for the country that does not offer a break from capitalism. It is no surprise then that PDVSA openly acknowledges that the help and support they give SPUs is with the final end of developing an industrial sector that is geared towards complementarity with national and international markets in terms of competitiveness and productivity.

One way that SPU participants have acquired this new knowledge is through their participation at the SPU's Workers' Council. This was most evident during a worker-led plant shutdown that occurred in mid-August at one SPU. The plant shut down was carried out in protest against the SPU's new state management who for several months had been doing a very poor job of managing the SPU's health insurance system. For example, according to one participant, management had paid for only one clinic in the state of Lara to provide care to the more than 80 workers at her SPU. In addition, management had not delivered on many of the benefits the workers were supposed to have such as a savings and a housing fund. The situation reached a climax when one of the workers died on the job. Although the reasons for his death were not revealed to me, the Workers' Council blamed management and demanded their rights be returned. When asked to expand on this delicate situation, one SPU participant responded with the following comments:

For example, if one goes to the clinic but does not have an emergency you are not attended to. That's why we are fighting. One has to be dying in order to be attended to. Here [at the SPU] we should have a paramedic.... it has been a week since our friend died. When they brought him here before he died he was choking and here we needed a paramedic.... This is what led us to doing this [the factory shut down] and we [the Workers' Council] all decided this.

These comments give us a sense of how SPU participants were able to use the Workers' Council as a vehicle not only for articulating their health care needs but also for attempting to meet these through collective action against technocratic state managers. For the above-cited participant the capacity to meet needs seems to be one of the most important functions of the SPU. For example, when asked about how success is measured in her SPU, she answered, "little by little we've been making progress. We have managed to satisfy many needs, family needs, personal needs and community needs."

Collective organization and planning abilities

Collective organization and decision-making abilities is another area of learning acquired by SPU participants that has helped them fulfill the SPU's goals while challenging those of the market. Specifically, this learning has helped participants break down the SPU's internal social division of labour. The following comments by one participant give us a sense of this process. When asked what was the most valuable thing he had learned as an SPU participant, he replied:

Organization. That is to say, how to organize production... and advance towards a socialist mode of production! One has theorized a lot, but never practiced. We haven't had practice. This is the first time that I have worked at producing something. And this learning has been very productive. It has been years since I worked. A year and a half ago I had no idea what the Workers' Council was or how it was going to be organized. Maybe I knew what I had read, that the Workers' Council was a tool for moving towards worker self-management. But how it was to be organized, what was its function, what was collective planning... one didn't know. So this learning has been very productive.

When asked about some of the most important accomplishments of his SPU since he began working there, the same respondent replied:

First is collective planning by the workers, which was not an easy process. Neither was it a process that was given to us. It was a process that we acquired through sweat and tears. A process that was extremely difficult. Even the discussions with management, the administration and the presidency in those days were difficult. But it was the most important accomplishment! That workers plan their own work; that the worker arrives on Monday to work already knowing what he is going to do and where he is going to do it... because it was a product of his own intellect.

These two passages reveal a number of things. First is that this one participant felt that collective planning and organization was one of the most important things he learned at his SPU. Second, they reveal how these new abilities were learned, namely through the process of collective planning and organization itself, which included participation in the SPUs democratically run Workers' Council. And lastly, these comments reveal how this learning is helping participants break down the division between mental and manual labour as

workers engage in collective and conscious planning of their workday, a necessary step for the building of new social relations in which people can contribute to society according to their own abilities.

Concluding remarks

In this paper, I have argued that focusing on praxis and learning as a process of production is an important lens through which to assess the possibility of developing an alternative to capitalism. Using this lens, the processes associated with cooperativism take on a particular importance, as these, at least potentially, offer up particular experiences that challenge those found in traditional capitalist workplaces. In the second section of this paper, I outlined how Venezuela's cooperative movement has developed in the last ten years or so. I highlighted two contemporary spaces of cooperation in Venezuela: cooperatives and Socialist Production Units, the latter being at the forefront of Venezuela's new cooperativism for the forms of praxis, learning, and cooperation taking place there, as well as for bringing together workers, local communities, and the state into a democratic space at the point-of-production.

I concluded by presenting preliminary findings based on research conducted at three SPUs. The data analysed reveals two areas where there is a clear struggle between the SPU's own goals and those of the market, namely: the SPUs internal social division of labour and the SPUs relationship with intermediaries. In addition, the data reveals two areas of learning which allow SPUs to fulfill their own goals while challenging those of the market: learning about the SPUs own needs and learning about collective organization and decision-making. Of note is that this learning directly addresses the contradictions experienced by SPU participants in regards to the SPU's internal social division of labour, but fails to do so in regards to the SPU's contradictory relationship to intermediaries. Lastly, these two areas of learning, I argued, also contribute to the building of new social relations in which each person can contribute according to her own abilities and can receive according to his own needs. So far, this learning seems to be, at least in part, the result of the SPU's democratic practices.

The preliminary findings presented in this paper are consistent with some of the literature mentioned above that finds tensions between Venezuela's social economy and the state as well as in the internal organization of particular organizations. In addition, they broadly support the work of Camila Harnecker that, as mentioned above, draws a connection between workplace democracy and collective consciousness. Of note though is that, in comparison to the 15 cooperatives Harnecker studied, the three SPUs I looked at seem to be better capable of challenging the social division of labour that still exists at both

types of organizations. Further research that attempts to more closely compare SPUs to worker cooperatives as well as to other cooperative spaces, such as Venezuela's communal councils, would be most useful. To conclude, these preliminary findings give some weight to the idea that, although contradictory, SPUs are indeed serving as vehicles for the development of a revolutionary praxis necessary for moving Venezuela a step closer to a socialism for the 21st century.

Endnotes

-
- ¹ **Manuel Larrabure** is a PhD student in the Department of Political Science at York University in Toronto, Canada.
- ² Freire, P. (1970). *Pedagogy of the oppressed*. New York: Continuum (p. 100).
- ³ Allman, P. (1999). *Revolutionary social transformation*. London: Bergin & Garvey (p. 40).
- ⁴ Marx, K. (1977). *Capital*, Vol. 1. New York: Vintage Books (p. 283).
- ⁵ Gramsci, A. (1971). *Selections from the prison notebooks*. New York: International Publishers (p. 351).
- ⁶ Mészáros, I. (1970). *Genesis of Marx's theory of alienation*.
<http://www.marxists.org/archive/meszaros/works/alien/meszaro2.htm> (p. 8).
- ⁷ Allman, p. 40.
- ⁸ Ibid., p. 42.
- ⁹ Ibid., p. 43.
- ¹⁰ Ibid., p. 47.
- ¹¹ Ibid.
- ¹² Marx, K. (1994). *Karl Marx: Selected writings*. L. Simon (Ed.). Indianapolis: Hackett (p. 99).
- ¹³ Allman, p. 52.
- ¹⁴ Marx, 1994, p. 321.
- ¹⁵ Marx, K. (1976). *Capital*, Vol. 3. New York: International Publishers (p. 440).
- ¹⁶ Lebowitz, M. (2003). *Beyond capital*. New York: Palgrave (p. 140).
- ¹⁷ Ibid., p. 207.
- ¹⁸ Freire, p. 61.
- ¹⁹ Lebowitz, p. 203.
- ²⁰ Freire, p. 66.
- ²¹ Trinkunas, H. (2005). *Crafting civilian control of the military in Venezuela*. Chapel Hill, NC: University of North Carolina Press (p. 171).
- ²² Myers, D. (1985). Venezuela: The politics of liberty, justice, and distribution. In H. Wiarda & H. Kline (Eds.), *Latin American politics and development* (pp. 259-294). Oxford, UK: Westview (p. 294).
- ²³ Trinkunas, p. 171.
- ²⁴ Ibid.
- ²⁵ Harnecker, M. (2003). The Venezuelan military: The making of an anomaly. *Monthly Review*, 14(8), 14-18 (p. 15).
- ²⁶ Trinkunas, p. 172.
- ²⁷ Ibid., p. 174.
- ²⁸ Ibid., p. 208.
- ²⁹ Bartley, K. & Ó Briain, D. (2002). *The revolution will not be televised* [documentary film]. Marina del Rey, CA: Vitagraph Films/American Cinematheque.

- ³⁰ M. Harnecker, 2003, p. 16.
- ³¹ Lebowitz, M. (2007). Venezuela: A good example of the bad left of Latin America. *Monthly Review*, 59(3), 38-54 (p. 38).
- ³² Ibid., p. 42.
- ³³ Harnecker, C. (2007). Workplace democracy and collective consciousness. *Monthly Review*, 59(6), 27-40 (p. 29).
- ³⁴ Harnecker, C. (2008). Principales desafíos de las cooperativas en Venezuela. *Rebelión*. <http://www.rebellion.org/docs/83458.pdf> (p. 1).
- ³⁵ Diaz, B. (2006). Políticas públicas para la promoción de cooperativas en Venezuela (1999-2006). *Revista Venezolana de Economía Social*, 6(1), 149-183 (p. 176).
- ³⁶ Lucena, H. & Carmona, H. (2006). Empresas recuperadas: Posibilidades y limitaciones a partir de la experiencia con INVEPAL. http://svs.osu.edu/documents/Hector_Lucena_y_HermesCarmona-EMPRESASRECUPERADASCASOINVEPAL.pdf; Vieta, M. & Ruggeri, A. (2009). The worker-recuperated enterprises as workers' cooperatives: The conjunctures, challenges, and innovations of self-management in Argentina and Latinamerica. In J.J. McMurtry & D. Reed (Eds), *Co-operatives in a global economy: The challenges of co-operation across borders* (pp. 178-225). Newcastle, UK: Cambridge Scholars Press.
- ³⁷ Lucena & Carmona.
- ³⁸ Vieta & Ruggeri.
- ³⁹ El Militante. (2008). Venezuela's Inveval workers protest against bureaucratic sabotage. *Venezuelanalysis.com*. <http://venezuelanalysis.com/analysis/4026>; Lucena & Carmona.
- ⁴⁰ Harnecker, 2008, pp. 28-29.
- ⁴¹ Llerena, M. (2006). Empresas sociales y política de competencia. Working Paper. <http://www.redeconomia.org.ve/documentos/mllerena/resuecosocial.pdf>.
- ⁴² Diaz.
- ⁴³ Ibid.
- ⁴⁴ Vera, L. (2007). Venezuela: Encrucijada de un modelo de desarrollo productivo. *Cooperación Internacional y Desarrollo*, 107, 1-6; Jungerman, B. (2008). Organizaciones sociales y anclaje territorial: Escenarios y componentes de la transformación socioterritorial y local en Venezuela. *Cuadernos de Cendes*, 25(67), 1-22; Colina, M. (2006). Cogestión de empresas y transformación del sistema económico en Venezuela: Algunas reflexiones. *Gazeta Laboral*, 12(2), 171-186.
- ⁴⁵ Planes, E. (2003). La economía social en el proyecto bolivariano: Ideas controversiales. *Revista Venezolana de Economía y Ciencias Sociales*. 9(3), 111-143; Llerena, M. (2006). Empresas sociales y política de competencia. Working

Paper. <http://redalyc.uaemex.mx/src/inicio/ArtPdfRed.jsp?iCve=17709306>.

⁴⁶ Diaz.

⁴⁷ Harnecker, 2007, p. 35.

⁴⁸ Schugurensky, D. & Lerner, J. (2007). *Who learns what in participatory democracy?* Paper presented at Participatory Budgeting conference, Rosario, Argentina.

http://www.linesofflight.net/work/presentations/cern_who_learns_what.pdf.

⁴⁹ Larrabure, M., Vieta, M., & Schugurensky, D. (2010, June 1). *Informal learning in "new cooperativism": Socialist production units (Venezuela) and worker-recuperated enterprises (Argentina)*. Paper presented at the XXIX Annual Conference of the Canadian Association for Studies in Adult Education. Concordia University, Montreal, Quebec.

⁵⁰ Arenas, B. (2008). Capacidades societales de innovación. Su desarrollo en empresas de producción social en el contexto del socialismo del siglo XXI en Venezuela. *CIREC-España*, 60, 121-153.

⁵¹ Braverman, H. (1974). *Labor and monopoly capital*. New York: Monthly Review Press; Burawoy, M. (1985). *The politics of production: Factory regimes under capitalism and socialism*. New York: Verso.

References

Albert, M. (2008). Which way Venezuela?

<http://www.zcommunications.org/which-way-venezuela-by-michael-albert>

Allman, P. (1999). *Revolutionary social transformation*. London: Bergin & Garvey. Guía general corporativa para la implantación Programa EPS en PDVSA. (2006). Anexo 12. Gerencia Corporativa de Empresas de Producción Social. Petróleos de Venezuela S.A.

Arenas, B. (2008). Capacidades societales de innovación. Su desarrollo en empresas de producción social en el contexto del socialismo del siglo XXI en Venezuela. *CIREC-España*, 60, 121-153.

Bartley, K. & Ó Briain, D. (2002). *The revolution will not be televised* [documentary film]. Marina del Rey, CA: Vitagraph Films/American Cinematheque.

Braverman, H. (1974). *Labor and monopoly capital*. New York: Monthly Review Press.

Burawoy, M. (1985). *The politics of production: Factory regimes under capitalism and socialism*. New York: Verso.

Colina, M. (2006). Cogestión de empresas y transformación del sistema económico en Venezuela: Algunas reflexiones. *Gazeta Laboral*, 12(2), 171-186.

Diaz, B. (2006). Políticas públicas para la promoción de cooperativas en

- Venezuela (1999- 2006). *Revista Venezolana de Economía Social*, 6(1), 149-183.
- El Militante. (2008). Venezuela's Inveval workers protest against bureaucratic sabotage. *Venezuelanalysis.com*.
<http://venezuelanalysis.com/analysis/4026>
- Freire, P. (1970). *Pedagogy of the oppressed*. New York, NY: Continuum.
- Gramsci, A. (1970). *Selections from the Prison Notebooks*. New York, NY: International Publishers.
- Green Left Weekly. (2008). Venezuelan steel nationalization marks 'new revolution within revolution.' *Green Left Weekly*, 2(23), 1-4.
- Harnecker, C. (2007). Workplace democracy and collective consciousness. *Monthly Review*, 59(6), 27-40.
- Harnecker, C. (2008). Principales desafíos de las cooperativas en Venezuela. *Rebelión.org*. <http://www.rebelion.org/docs/83458.pdf>
- Harnecker, M. (2003). The Venezuelan military: The making of an anomaly. *Monthly Review*, 14(8), 14-18.
- Jungerman, B. (2008). Organizaciones sociales y anclaje territorial: Escenarios y componentes de la transformación socioterritorial y local en Venezuela. *Cuadernos de Cendes*, 25(67), 1-22.
- Larrabure, M., Vieta, M., & Schugurensky, D. (2010, June 1). *Informal learning in "new cooperativism": Socialist production units (Venezuela) and worker-recuperated enterprises (Argentina)*. Paper presented at the XXIX Annual Conference of the Canadian Association for Studies in Adult Education. Concordia University, Montreal, Quebec.
- Lebowitz, M. (2003). *Beyond capital*. New York, NY: Palgrave.
- Lebowitz, M. (2007). Venezuela: A good example of the bad left of Latin America. *Monthly Review*, 59(3), 38-54.
- Llerena, M. (2006). Empresas sociales y política de competencia. Working Paper. <http://redalyc.uaemex.mx/src/inicio/ArtPdfRed.jsp?iCve=17709306>
- Lucena, H. & Carmona, H. (2006). Empresas recuperadas: Posibilidades y limitaciones a partir de da experiencia con INVEPAL.
http://svs.osu.edu/documents/Hector_Lucena_y_HermesCarmona-EMPRESASRECUPERADASCASOINVEPAL.pdf
- Marx, K. (1976). *Capital*, Vol. 3. New York: International Publishers.
- Marx, K. (1977). *Capital*, Vol. 1. New York: Vintage Books.
- Marx, K. (1994). *Karl Marx: Selected writings*. L. Simon (Ed.). Indianapolis: Hackett.
- Mészáros, I. (1970). *Genesis of Marx's theory of alienation*.
<http://www.marxists.org/archive/meszaros/works/alien/meszaros2.htm>
- Myers, D. (1985). Venezuela: The politics of liberty, justice, and distribution. In H. Wiarda & H. Kline (Eds.), *Latin American politics and development* (pp. 259-294). Oxford, UK: Westview.

-
- Planes, E. (2003). La economía social en el proyecto bolivariano: Ideas controversiales. *Revista Venezolana de Economía y Ciencias Sociales*, 9(3), 111-143.
- Ramachandran, V. K. (2006). Land reform in Venezuela. *The Marxist*, 22(2-3), 1-11.
- Schugurensky, D. & Lerner, J. (2007). *Who learns what in participatory democracy?* Paper presented at Participatory Budgeting conference, Rosario, Argentina.
http://www.linesofflight.net/work/presentations/cern_who_learns_what.pdf
- Trinkunas, H. (2005). *Crafting civilian control of the military in Venezuela*. Chapel Hill, NC: University of North Carolina Press.
- Vera, L. (2007). Venezuela: Encrucijada de un modelo de desarrollo productivo. *Cooperación Internacional y Desarrollo*, 107, 1-6.
- Vieta, M. & Ruggeri, A. (2009). The worker-recuperated enterprises as workers' cooperatives: The conjunctures, challenges, and innovations of self-management in Argentina and Latinamerica. In J. J. McMurtry & D. Reed (Eds), *Co-operatives in a global economy: The challenges of co-operation across borders* (pp. 178-225). Newcastle, UK: Cambridge Scholars Press.
-

Manuel Larrabure, "Praxis, Learning, and New Cooperativism in Venezuela: An Initial Look at Venezuela's Socialist Production Units," *Affinities: A Journal of Radical Theory, Culture, and Action*, Volume 4, Number 1, Summer 2010, pp. 288-309.