

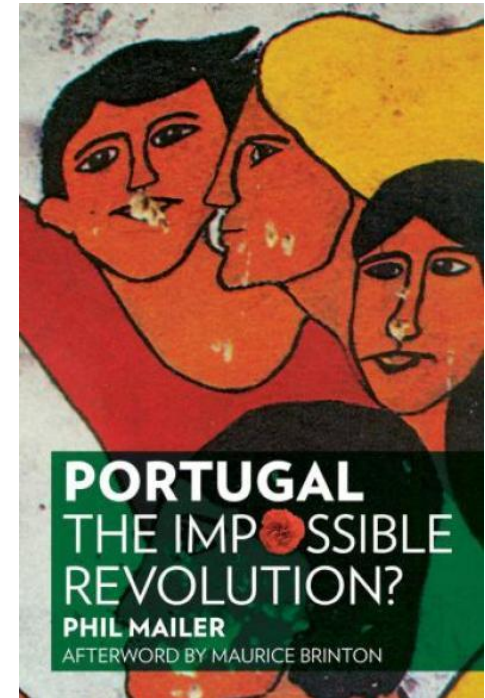
SCiO

The Viability of 'Alternative' Systems



Forming alternatives to established economic, technological or political systems, whatever their composition of organisations or institutions, can feel 'impossible' ...

- Phil Mailer's first-person account of 1970's Portugal is an enlightening and depressing exploration of the events during the peaceful communist/socialist revolution ... but why did sustaining an alternative state become 'impossible'?
- As a European alternative economic and social model, the post-fascist revolutionary movement in Portugal failed ...
 - Stifled by global forces, the power of markets and supply chains,
 - Internal conflicts around values and direction; Socialists vs Communists vs Maoists vs military,
 - Contention around ownership and tenure.
- A question - can we explore the 'viability' of **alternative** systems relating to food and/or co-operatives?



... could we use the Viable System Model as a diagnostic about 'outsider' organisations to evaluate the survivability of alternative 'systems of interest' in their contexts?

Our two food cases ... MUD Group, and Kindling Trust, are both based in N.West England

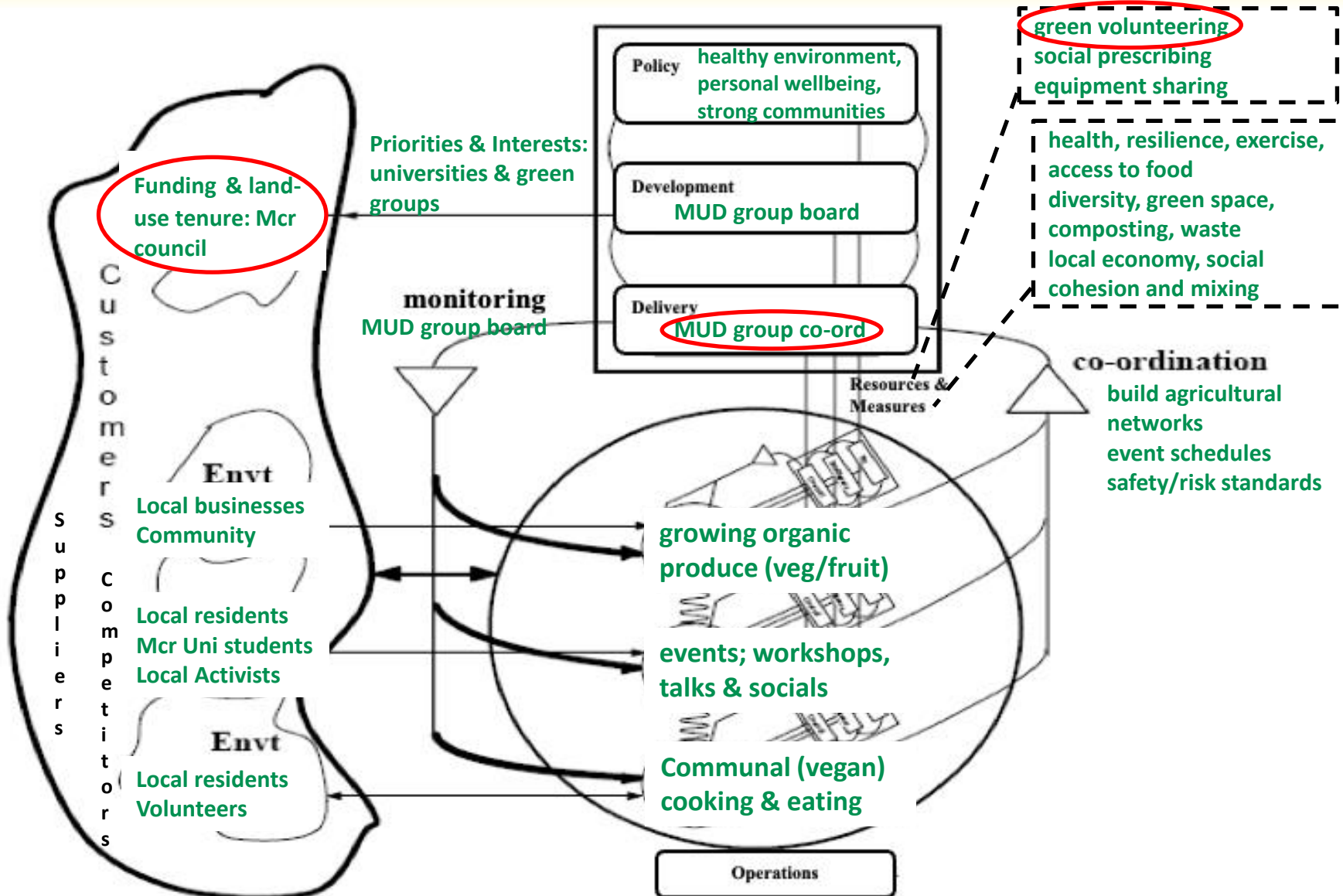


A local food growing space; volunteer led and connected to an urban community



An instinctively systemic approach to connecting environment, wellbeing and community





Kindling Trust is a scaled-up approach to community-based farming,
Working since 2007 with communities, farmers, healthcare, activists and policymakers to challenge and subvert the industrial food system,
Establishing and nurturing initiatives and enterprises to tackle pressing issues in food and farming,
Part of a global movement for Food Sovereignty, rejecting corporate dominance of farming,
Asserting the rights of all people to define and control their own food systems – Kindling is community funded (Ethex).
Belief that a better, fairer food system is possible ...

Kindling Trust's goal is to be part of a food system that values the growers and producers of food, respects and restores the land, putting health and well-being of our communities centre stage.

Kindling Farm is 31-hectares (77-acres) of arable land between Manchester & Liverpool



Kindling's goals:

- Increase availability of sustainable food, ensuring its access becomes a right and not just a privilege,
- Change policy through advocacy and practical examples,
- Build a stronger, more unified voice for the sustainable food movement.

Kindling encompasses a number of 'projects' or activities:

- Sustainable land use, e.g. *AgroForestry, organic production, green manures,*
- Making local organic food a viable livelihood,
 - *Commercial Growers Course,*
 - *FarmStart incubator,*
 - *Volunteering engagements,*
- Supporting innovative and co-operative enterprise,
 - *VegBox organic veg scheme,*
 - *Woodbank Community Food hub (1.5-acre urban site)*

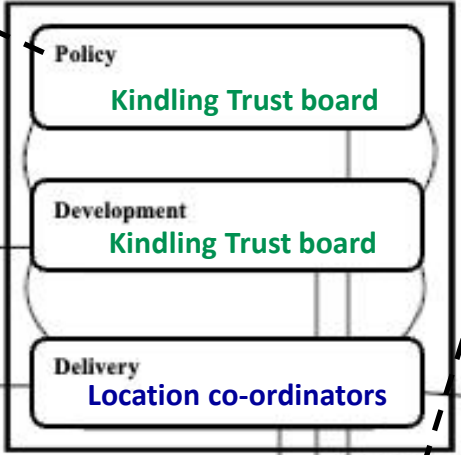


Challenge & subvert industrial food production,
 Establish & nurture organic farming initiatives,
 Policy advocacy for sustainable food

green volunteering
 equipment sharing

access to sustainable food,
 agroforestry diversity,
 green space, composting,
 waste, community and
 volunteer engagement,
 food sales

Funding & land-
 use tenure:
 Investors via Ethex



monitoring
 Kindling Trust board

co-ordination

build agricultural
 networks
 Food Sovereignty
 network
 event schedules
 safety/risk standards
 supply schedules

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VegBox people
 Unicorn retail
 co-operative

 N.W. England
 residents and
 activists

 Einv
 Prospective
 organic farmers

growing
 organic
 produce

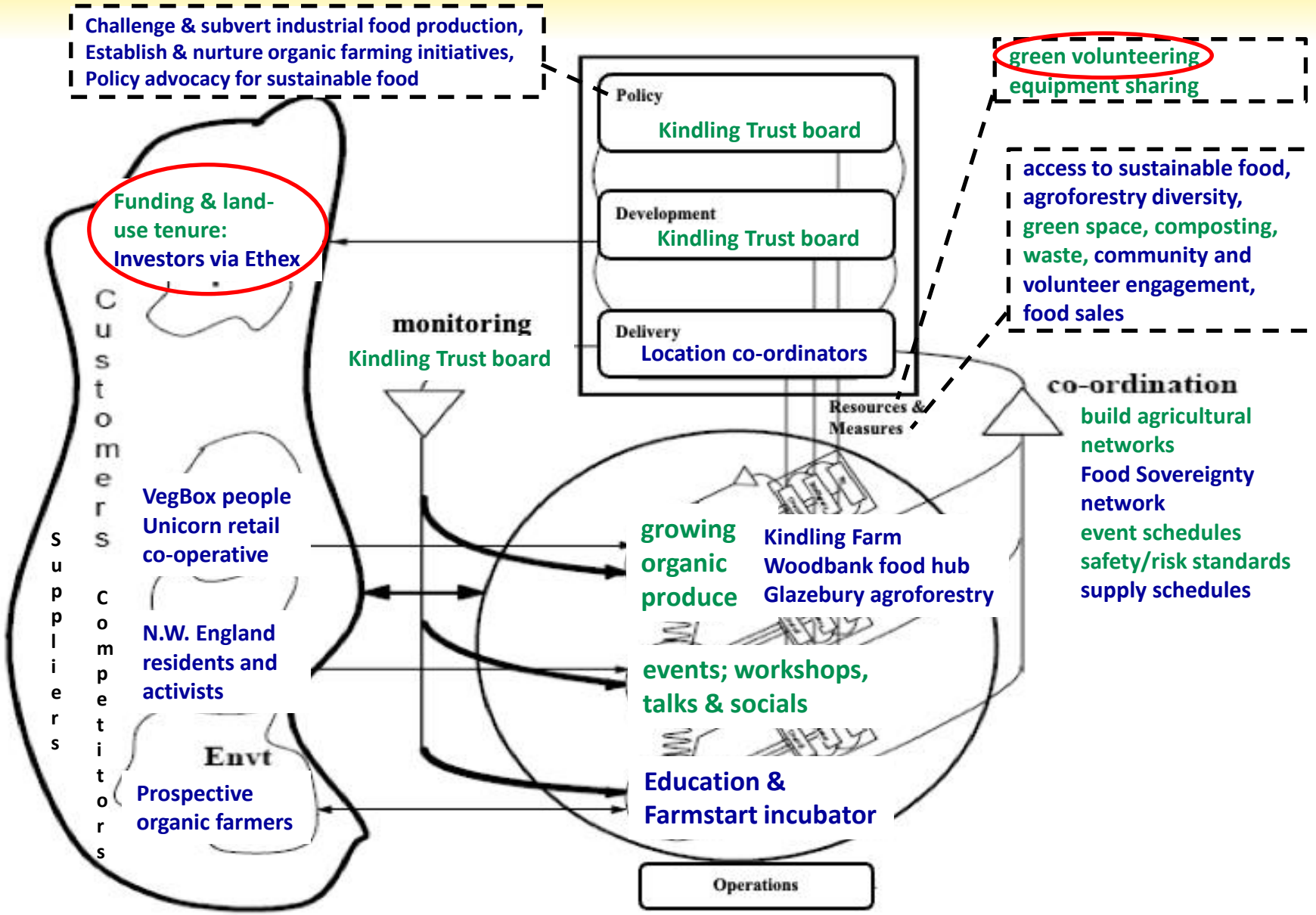
 Kindling Farm
 Woodbank food hub
 Glazebury agroforestry

 events; workshops,
 talks & socials

 Education &
 Farmstart incubator

Operations

Resources &
 Measures





- World-leading co-operative ecosystem
- Founded in 1959, Basque Country, Spain
- “Work dignifies man”



2023

- 10,600 billion Euros sales
 - 80 co-operative companies + 100 subsidiaries
 - 70,000 jobs
-
- Joseph Stiglitz, Nobel Economics prize winner, highlights Mondragon as a benchmark to be followed

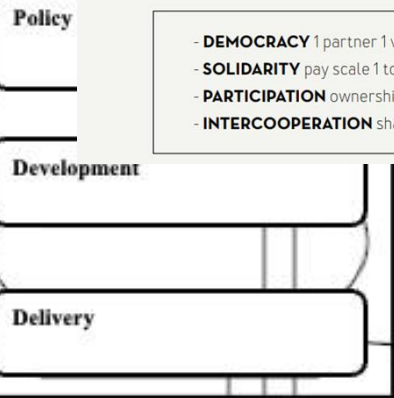
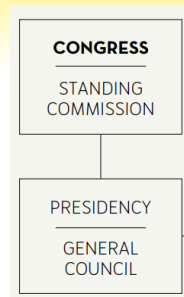


2023

FIRST AND FOREMOST, VALUES

We are an entrepreneurial socio-economic project inspired by the principles of our Cooperative Experience.

- **DEMOCRACY** 1 partner 1 vote
- **SOLIDARITY** pay scale 1 to 6
- **PARTICIPATION** ownership, management and results
- **INTERCOOPERATION** shared funds / relocations



monitoring

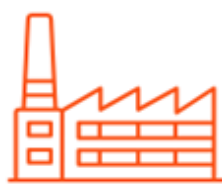
co-ordination

Russia-Ukraine & Israel-Palestine geopolitical impacts
Energy prices high
Inflation high

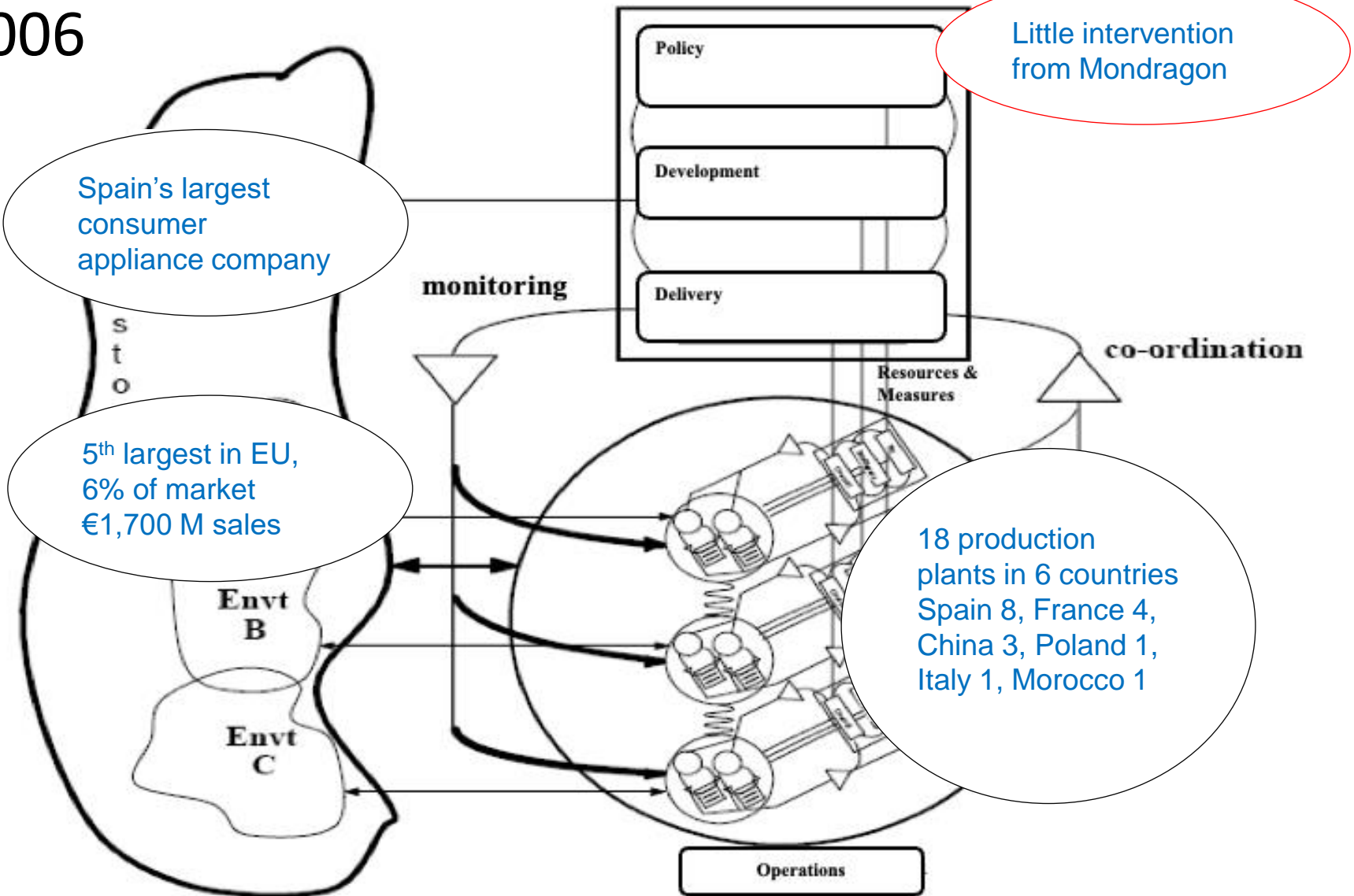


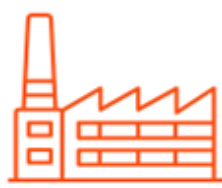
- FINANCE** 3% staff €28,440 M funds
- INDUSTRY** 40% staff €4,850 M sales
- RETAIL** 55% people €5,760 M sales
- KNOWLEDGE** 3% staff 6,300 students + R&D + M4

Operations



2006





2013-14

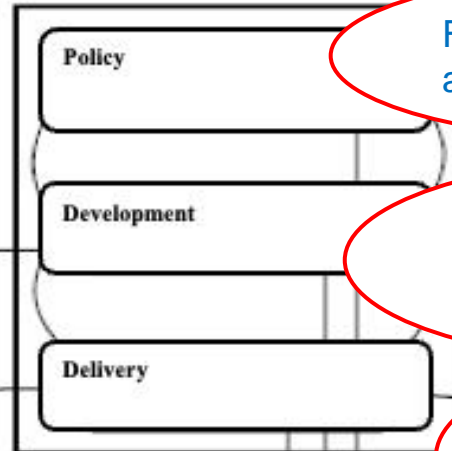
Global financial crash

2008 Spanish housing crisis, housebuilding from 700,000 2007 to 74,000 units 2013, household appliances market collapsed

Competition from Asian markets increased, challenging sales and margins

Fagor small compared with main competitors

Monitoring



Fagor too large to run as an effective co-operative

Brandt acquisition financed through borrowing

15% of workforce temporary with no ownership rights

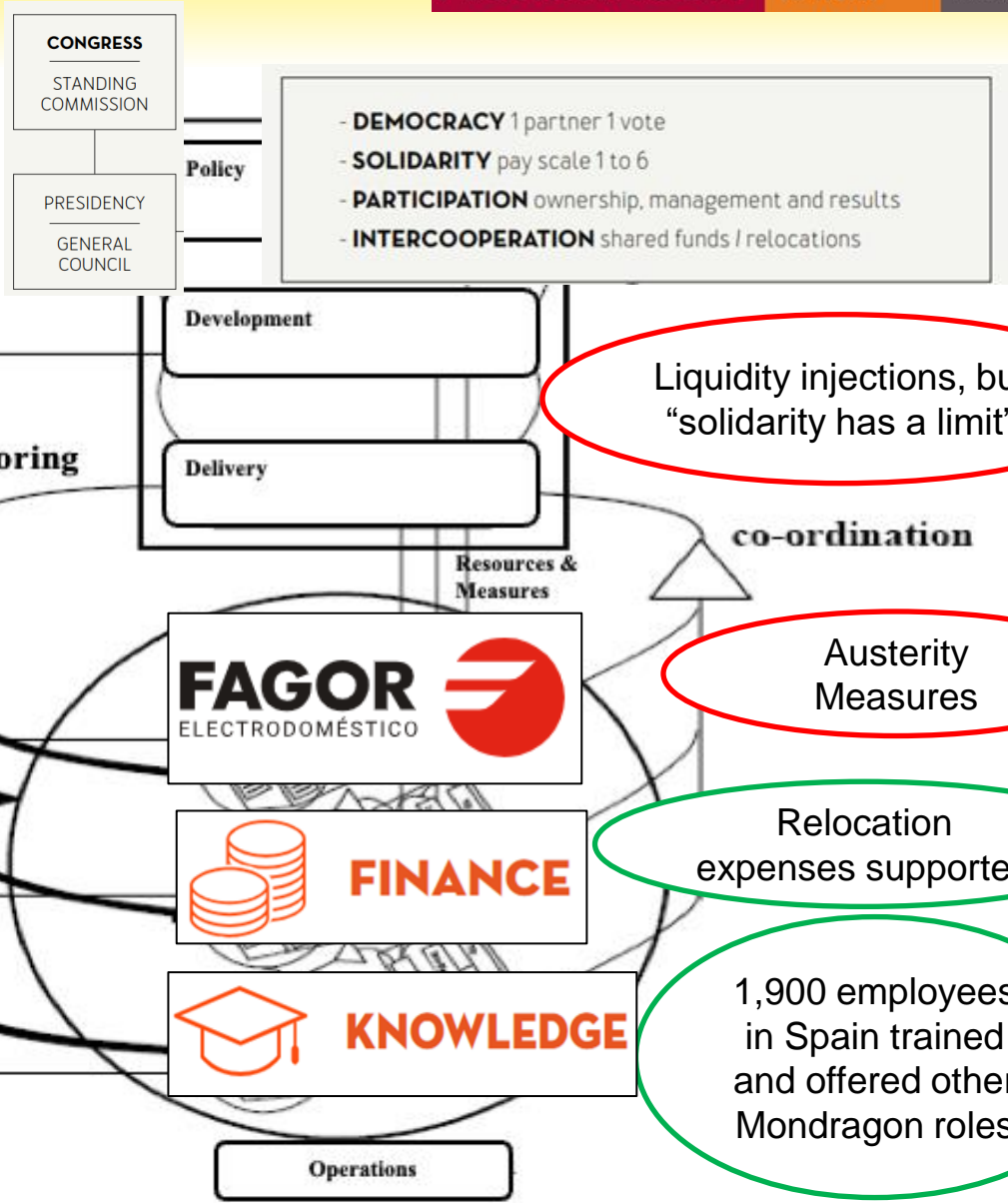
Co-op ownership not offered/taken up by subsidiaries outside Spain

2013 declared bankrupt. 2014 taken over by CATA Electrodoméstico, subsidiaries sold

Operations

2013-14

Global financial crash
2008 Spanish housing crisis,
Household appliances market collapsed
Increased competition from lower wage economies



Liquidity injections, but "solidarity has a limit"

Austerity Measures

Relocation expenses supported

1,900 employees in Spain trained and offered other Mondragon roles

Vulnerabilities of ‘alternatives’

- Whilst it's easy to have a rhetoric about subverting the establishment, this is much harder to actually do – attempting to interact with established systems is fraught with difficulty.
- Resources and resourcing can be extremely difficult, especially people power, as well as security of tenure.
- Authorities and financial institutions are not set up to cater for ‘alternatives’; it can be difficult to access affordable funding, services, support, and to establish confidence.
- Governance and the effect of market forces in alternatives is not infallible, e.g. Mondragon could not prevent Fagor Electrodoméstico being declared bankrupt and sold.
- There are vulnerabilities in maintaining those values, e.g. Fagor Electrodoméstico retaining production in higher wage countries
- There are also vulnerabilities in deviating from collective values, e.g. debt financing Brandt acquisition rather than internal financing.

Advantages of ‘alternatives’

- Individuals and communities engaged with ‘alternatives’ have high levels of commitment to those organisations and their success.
- Actors are not constrained by established paradigms; they feel free to act, organise and behave differently.

Mitigations for ‘alternatives’

- Those at scale can establish sustainable routes to markets and resources, often by seeking partnership, co-operation or collaboration, for mutual benefit, e.g. Kindling Trust with Unicorn Grocery in Manchester.
- In organisations like Mondragon, with a long history and strong collective values, knowledge and finance S1s at scale supported retraining, redeployment and support for transitions.

Find out more at:

<https://files.libcom.org/files/Portugal%20The%20Impossible%20Revolution.pdf>

<https://www.wearemud.org>

<https://kindling.org.uk>

<https://www.mondragon-corporation.com>

[ica-governance-paper-en-2108946839.pdf](#)

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