# THE UNIVERSITY OF CALGARY

Skills of Survival: a study of the Guatemalan cooperative system and its impact on social and economic power of rural women

by

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Jan Marie Olson

# A THESIS

# SUBMITTED TO THE FACULTY OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF ARTS

# DEPARTMENT OF ANTHROPOLOGY

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Language	
General067	'9
Ancient028	39
Linguistics	ŶĊ
Modern029	וי
Literature	
General040	)]
Classical029	24
Comparative029	25
Medieval	7
Modern029	98
African031	6
American 059	7
Asian030 Canadian (English)035	)5
Canadian (English)	52
Canadian (French)035	52
English	23
Germanic	1
Latin American	2
Middle Eastern	5
Romance031	3
Slavic and East European 031	Ż

# PHILOSOPHY, RELIGION AND

THEOLOGY
Philosophy0422
Religion General
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Biblical Studies
Histopy of 0320
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Demography	0938
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Studies Industrial and Labor	0628
Relations Public and Social Welfare	0629
Public and Social Weltare Social Structure and	0630
Social Structure and Development Theory and Methods	0700
Theory and Methods	0344
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	0475
Nutrition Animal Pathology Food Science and	04/0
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Technology Forestry and Wildlife Plant Culture	0479
Plant Pathology	0480
Plant Physiology	0817
Panao Managomont	0777
Mange Munugement	0711
Plant Pathology Plant Physiology Range Management Wood Technology	0740
General	0306
Anatomy	0287
Anatomy Biostatistics	0308
Botany	0309
Cell	0379
Ecology	0329
Entomology	0353
Genetics	0320
Certencs	0307
Limnology	0/93
Microbiology Molecular	0410
Molecular	0307
Neuroscience	0317
Oceanoaraphy	0416
Physiology	0433
Radiation	0821
Veterinary Science	0778
Radiation Veterinary Science Zoology	0472
Biophysics	J-1/ Z
General	0704
Medical	0/00
EARTH SCIENCES	

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Biogeochemis	iry 0.425
Geochemistry	
Coochemany	

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JUENCES	
Environmental Sciences07	'68
Health Sciences	
General05	566
Audiology	300
Chemothérapy 09	92
Dentistry05	567
Education	350
Hospital Management	769
Human Development07	758
Immunology	/X /
Medicine and Surgery	564
Mental Health	347
Nursing05	569
Nutrition 05	570
Obstetrics and Gynecology03	880
Obstetrics and Gynecology03 Occupational Health and	
lherapy ().	54
Ophthalmology03	881
Pathology	571
Pathology05 Pharmacology	119
Pharmacy	12
Physical Therapy	882
Physical Therapy03 Public Health05	573
Radiology05	574
Recreation05	575

Speech Pathology Toxicology	0460
Toxicology	0383
Home Economics	0386

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#### **Pure Sciences**

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Applied Sciences
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Engineering General Aerospace Agricultural Automotive Biomedical Chemical Civil Electronics and Electrical Heat and Thermodynamics Hydraulic Industrial Marine Materials Science Mechanical Metallurgy	0538 0539 0540 0541 0542 0543 0544 0545 0546 0545 0546 0547 0794 0548 0743
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Enseignement bilingue et	
multiculturel	.0282
Enseignement industriel	0521
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Enseignement printine.	0747
Enseignement professionnel	.0/4/
Enseignement religieux	.052/
Enseignement secondaire	.0533
Enseignement spécial	.0529
Enseignement supérieur	.0745
Évaluation	0288
Finances	0277
Formation des enseignants	0530
Histoire de l'éducation	0530
Histoire de l'education	.0520
Langues et littérature	.02/9

# Lecture ......0535 Physique ......0523 Programmes d'études et

#### LANGUE, LITTÉRATURE ET LINGUISTIQUE

La

Langues Généralités Anciennes	
Généralités	.0679
Anciennes	.0289
Linguistique	.0290
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Littérature	
Généralités	.0401
Anciennes	0294
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Anglaise	0502
Asiatique	.0373
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Canadienne (Angiaise)	.0352
Canadienne (Française)	.0355
Germanique	.0311
Latino-américaine	.0312
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Romane	.0313
Slave et est-européenne	.0314

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Anthropologie Archéologie	
Culturelle	
Physique	
Droit0398	
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Economie agricole	
Economie agricole	
Finances0508	
Listaire 0500	
Histoire	
Études américaines0323	
Études canadiennes	
Études féministes0453	
Folklore	
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Géographie	
Gérontologie0351	
Gérontologie0351 Gestion des affaires	
Généralités0310	
Administration0454	
Banques0770	
Comptabilité0272	
Marketing0338	
Histoire	
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Géochimie	0996
Géodésie	0370
Géographie physique	0368

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Économie domestique Sciences de l'environnement	.0/00
Sciences de la santé	
Généralités	0566
	00000
Administration des nipitaux.	.0/07
Alimentation et nutrition	.0570
Audiologie	0300
Généralités Administration des hipitaux . Alimentation et nutrition Audiologie Chimiothérapie	0000
Chimioinerapie	.0772
Dentisterie	.020/
Développement humain	.0758
Développement humain Enseignement	0250
Enseignement	.0350
Immunologie	.0982
Immunologie Loisirs Médecine du travail et	.0575
Médecine du travail et	
Medecine do navan el	025
Médecine et chirurgie Médecine et chirurgie Obstétrique et gynécologie Ophtalmologie Orthophonie	.0354
Médecine et chirurgie	.0564
Obstétrique et avaécologie	0380
Oshtalasis	
Opinialinologie	. 0301
Orthophonie	.0460
Pathologie	0.371
Pharmasia	0572
Pharmacie Pharmacologie	.03/2
Pharmacologie	.0419
Physiothérapie Radiologie Santé mentale	.0382
Padiologia	057/
Court's martels	.03/2
Sante mentale	.034/
Santé publique Soins infirmiers	.0573
Soins infirmiers	0569
'T	
<sup>•</sup> Toxicologie	.0383

# **SCIENCES PHYSIQUES**

Sciences Pures Chimie	
	~ . ~ ~
Genéralités	0485
Biochimie	487
Chimie garicole	0749
Chimie analytique	0486
Chimie minérale	0488
Chimie nucléaire	0738
Chimie organique	ñ/00
Chimie organique	0470
Chimie pharmaceutique	0471
Physique	0494
PolymÇres Radiation	0495
Radiation	0/54
Mathématiques	0405
Physique	
' Généralités	0605
Acoustique	0986
Astronomie et	
astrophysique Electronique et électricité Fluides et plasma Météorologie	0606
Electronique et électricité	0607
Fluides et plasma	0759
Mátáorologio	0,00
Outimus	0750
Optique Particules (Physique	0/52
Particules (Physique	0700
nucléaire)	0798
Physique atomique	0748
<ul> <li>Physique de l'état solide</li> </ul>	0611
Physique atomique Physique de l'état solide Physique moléculaire	0609
Physique nucleaire	0010
Radiation	0756
Statistiques	0463
•	
Sciences Appliqués Et	

#### Technologie Informatique .....0984 Ingénierie Généralités ..... 0537 Agricole ......0539 Automobile .....0540

Biomédicale	.0541
Chaleyr et ther	
modynamique Condiționnement	0348
Conditionnement	
(Emballage)	.0549
Génie gérospatial	0538
Génie chimique	0542
(Emballage) Génie aérospatial Génie chimique Génie civil	05/3
Génie électronique et	
électrique	0544
électrique Génie industriel	0544
Génie mossifier	0540
Génie mécanique Génie nucléaire	0550
	.0352
Ingénierie des systämes	.0/90
Mecanique navale	
Mécanique navale Métallurgie Science des matériqux	.0/43
Science des materiaux	0/94
Technique du pétrole Technique minière Techniques sanitaires et	.0765
Technique minière	.0551
Techniques sanitaires et	
municipales	0554
municipales Technologie hydraulique Mécanique appliquée	0545
Mécanique appliquée	.0346
Georechnologie	.0428
Matières plastiques	
(Technologie) Recherche opérationnelle Textiles et tissus (Technologie)	.0795
Recherche opérationnelle	0796
Textiles et tissus (Technologie)	0794
realises of moore (realitologic)	
PSYCHOLOGIE	
	.0621

#### PS Généralité

Generalites	
Personnalité	0625
Psychobiologie	0349
Psychologie clinique	0622
Psychologie du comportement	0384
Psychologie du développement	
Psychologie expérimentale	
Psychologie industrielle	
Psychologie physiologique	0989
Psychologie sociale	0451
Psychométrie	0632

"...women may well find themselves socially and economically less independent as well as materially poorer. However, theirs is also a spirit which has survived conquest by outsiders, numbing poverty and major social upheavals. We may find their current jobs only in the archives, but I also have faith in their skills of survival and the tenacious humanity with which they have faced the world" Valerie Estes (1988:154)

# THE UNIVERSITY OF CALGARY FACULTY OF GRADUATE STUDIES

The undersigned certify that they have read, and recommend to the Faculty of Graduate Studies for acceptance, a thesis entitled "Skills of Survival: a study of the Guatemalan cooperative system and its impact on social and economic powers of rural women" submitted by Jan Marie Olson in partial fulfillment of the requirements for the degree of Master of Arts.

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Dr. Jean-Guy Goulet Department of Anthropology

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<u>February</u> 4, 1994 Date

# ABSTRACT

This thesis is a study of the impact of development on Guatemalan women. Cooperatives are often instituted to increase socio-economic opportunities of generally rural people. While this goal may be achieved in some countries or realized for men, women rarely benefit from the process. A four month study of three artesanal cooperatives in highland Guatemala investigated this possibility. Primary information was gathered from female members, their husbands, and government ministers associated with cooperative development.

I have compiled percentages and explained the structure of the Guatemalan cooperative system. Information covers generally all sectors of the cooperative system from highland Guatemala, but centers on artesanal cooperatives.

The thesis is a comparison of the attained social and economic powers of female members in three highland artesanal cooperatives. Each cooperative represents a very different grouping of women characterized by different family structures and cooperative organization. Because of these major differences the types and degree of power vary. The powers of the women, though, remain minimal despite the introduction of cooperatives.

My findings indicate that the cooperative system in Guatemala has not benefited women, but rather may be more damaging to them. Recommendations are made to gather information from other cooperative sectors in Guatemala for a data base from which future changes in development can be made; and to increase the voice of women in the process.

# **ACKNOWLEDGMENTS**

I wish to thank the many people who have helped me during the fieldwork and writing of this thesis. My indebtedness begins with my brother Brian and father Gene who introduced me to Latin America when I was young and who have continually encouraged my research interests in this area. My supervisor Dr. Josie Smart and her husband Dr. Alan Smart whose advice and constructive criticisms were valuable. Gene Olson for his editing expertise. The office staff Myrna, Jill, and May whose smiles and laughter were a source of daily encouragement.

Tom Grauman who helped me find my original contact in Guatemala. Dr. Don and Betty Manuel who offered their computer printer for my numerous rewrites. I am also forever grateful to my dearest friends Laurie, Heidi, Cheryl, David, and to my Aunt Irene and Uncle Bill who gave me strength and support throughout this research.

In Guatemala I received assistance from a variety of institutions and individuals. I am especially grateful to the directors of Cendec, Inacop, Artexco, and Padel who generously shared data, contacts, time, and resources. Hector, Olivia, Juan and Avelino who filled my head daily with history and knowledge of their people and culture.

Above all I am grateful to the women of this study who helped me to understand their lives...their concerns and their hopes. Because of them I returned home with a new strength for and appreciation of being a woman. I pray that their struggles for social and economic justice will be continued by their daughters and sons; and that they never lose their contagious zest for life.

# **DEDICATION**

This thesis is dedicated to my greatest role model and my greatest friend - my mother *Leona*. Her compassion for people and belief in dreams have been a source of endless inspiration in this work and in my life.

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# **TABLE OF CONTENTS**

# FRONT PAGES

Quote Page		
Title Page		
Approval Page		ii
Abstract		iii
Acknowledgments		iv
Dedication		$\mathbf{v}$
Table of Contents	•••••	vi
List of Tables	•••••	ix
List of Charts		x
List of Maps		xi

# CHAPTER ONE

INTRODUCTION	
1.1 Introduction	 1
1.2 Objectives	 2
1.3 Setting	 3
1.4 Methodology	 4
1.5 Outline of Chapters	 9

# CHAPTER TWO

LITERATURE REVIEW	,	
2.1 Introduction	••••••	10
2.2 Development and Political		
Economy Theories		10
2.3 Women's Studies	•••••	13
2.4 Cooperatives		17
2.5 Summary	•••••	25

# CHAPTER THREE

# GUATEMALAN POLITICS/ECONOMICS/WOMEN'S RIGHTS

3.1 Introduction	••••••	26
3.2 Political and Economic History		26
3.21 Recent History up to 1980's		26
2.00 TL 1000		30
3.3 Women's Issues		33
3.4 Summary		38

# CHAPTER FOUR

# HISTORY AND STRUCTURE OF GUATEMALAN COOPERATIVES

4.1 History	•••••••••••••••••••••••••••••••••••••••	40
4.2 Structure	•••••••	43
4.3 Central Services		44

4.4 Confederation 4.5 Federation	 45 46
4.6 Cooperatives	 40 53
4.7 Structure of Cooperatives	 57
CHAPTER FIVE	
HISTORY OF THE CASE STUDIES	

.

5.1 Introduction	 59
5.2 Pueblo Dos	 59
5.3 Pueblo Cuatro	 61
5.4 Pueblo Cinco	 64

# CHAPTER SIX

# SOCIAL AND ECONOMIC POWERS 6.1 Introduction

••••••	66
	67
	68
•••••	71
·····	73
•••••	76
••••••	79
••••••	82
•••••	83

# CHAPTER SEVEN

# ANALYSIS OF SOCIAL AND ECONOMIC POWERS

7.1 Introduction	••••••	85
7.2 Family Structure		85
7.21 Pueblo Cuatro		87
7.22 Pueblo Dos	•••••	89
7.23 Pueblo Cinco	••••••	89
7.3 Cooperative Structure	-	90
7.31 Internal Structure		91
7.32 External Structure		95

CHAPTER EIGHT		
CONCLUSION		
8.1 Artesanal Marketing and		
Development	•••••	98
8.2 Conclusion and Recommendation	ns	. 102
BIBLIOGRAPHY		106
APPENDIX A		116

•

APPENDIX B		117
APPENDIX C		120
APPENDIX D		122

,

.

.

# **LIST OF TABLES**

.

Table		Page
1. Information of the women studied in Pue and Pueblo Cinco	blo Dos, Pueblo Cuatro,	122
2. Education of women		122
3. Ability to read, write, speak Spanish and	count	123
4. Movement in village and other villages		123
5. Public roles (positional authority) outside and political; and voting in national election		123
6. Residences		124
7. Material possessions		124
8. Health		125
9. Knowledge of people and places outside and other cooperative members)	of village (besides family	125
10. Income per month (before and after) in	quetzals	125
11. Increase in percentages of income spent (before and after) and savings per month	on subsistence items	126
12. Comparisons of major factors between I Pueblo Cuatro, and Pueblo Cinco	Pueblo Dos,	126

.

# **LIST OF CHARTS**

Chart	Page
1. Number of medical personnel in Central America	
2. Number of Cooperatives in each federation sector	
3. Federated and non-federated cooperatives	47
4. Active and Inactive cooperatives	47
5. Inactive and Active associates	47
6. Federated and non-federated and active and inactive cooperatives	
7. Concentration of associates per department	54
8. Concentration of cooperatives per department	54
9. Number of cooperatives per year (1979-1991)	55
10. Percentage of cooperatives and associates in each sector	56

.

.

•

# LIST OF MAPS

<u>Map</u>	Page
Guatemala	 5

.

.

•

# CHAPTER ONE INTRODUCTION

## 1.1 Introduction

"The world is becoming a global factory." These words of Michael Blim (1992:3) aptly describe the world economic and social situation in past decades. Since World War II, the explosion of communication and technology advances have aided capitalist systems to penetrate most world areas. Some countries have benefited, while others are still paying enormous economic and social costs for the intrusion.

Economic and social changes experienced by Guatemalans are linked to the rapid growth of this modern world economy. In the 1960's, Guatemala's economy grew rapidly with its Gross Domestic Product rising in real terms from 13% to 18% annually during the decade (Pearson 1982:48) and with the value of its currency (quetzal) achieving parity with the United States dollar. The 1980's world recession, however, did not leave Guatemala untouched. The depressed market for export crops during that period had negative consequences for the entire country. Knudson and Weil (1988:25) wrote that all Latin American countries, except a few including Haiti, Honduras and Guatemala, decreased their dependence on agriculture and increased investment and labour participation in industry. Guatemala's failure to do this, combined with an emphasis on military counterinsurgency, drained its national treasury, deflated the value of the quetzal internationally, (Q5.6 /US dollar May 15, 1993 rate)(See Appendix A for the changes in currency) and caused a serious inflationary crisis internally (Ehlers 1990:160).

The 1980's recession with its accompanying unemployment, inflation, and cutbacks in education and health services has had extreme consequences for the poorest of the poor in the world's low income nations. Poorer women and children have been and continue to be the groups most negatively affected by the current world situation (Bossen 1984, Ehlers 1990, Levy 1988, Momsen and Townsend 1987, Pallis 1980, Stamm 1984, Staudt 1990). Latin American women who live within a cash economy are specifically hard hit by the recession and are economically worse off today than ten years ago (Knudson and Weil 1988:25).

The recent political and economic history in Guatemala has created a country with few fair employment opportunities. The informal economy has not escaped this recession. Traditional weavers and handicraft artisans, whose industry was already in a slow decline, found their market share evaporated overnight. Many crafts and wares were no longer profitable to either manufacture or sell within markets in the face of rising competition and lowering prices.

Bossen (1984:2) suggests that the economic decline has decreased gender equality and transformed women into dependent burdens. Although women generally continue to rely upon men for economic security, responses to economic and social change vary some women respond to local ideas and some to those of foreign design. The use of cooperatives as a development tool to increase local social and economic power in Guatemala is common.

A federation for the cooperatives has risen out of the perceived need to coordinate projects. Coordination, the directors felt, would help the cooperatives to operate and sell in the competitive world marketplace. It is questionable whether this type of development strategy can succeed in a world economy over-stressed with business collapses, illconceived enterprises and unfair exchange practices.

# 1.2 Objectives

The purposes of this research are:

1) to describe the Guatemalan cooperative system and,

# 2) to determine whether this system is improving the social and economic power of female members in artesanal cooperatives.

Laurel Bossen (1984:9) writes of the "sexual apartheid in research". She confronts the research community with the fact that women, especially in Guatemala, have been either ignored or have been briefly examined as a complement to the male dominated subjects. This study attempts to place Guatemalan women at center stage to analyze and explain their experience, and to submit more complete data on the variations in women's social and economic power. The data gathered is from three artesanal cooperatives in the highlands of Guatemala which were formed in response to social and primarily economic crises. Such research can provide insights into whether these domains of power can be secured through a global market setting and within the structure of cooperatives.

# 1.3 The Setting

Field research for this study took place over a four-month period during the summer of 1993 in the highlands of Guatemala. Guatemala is the third largest in size of the Central American countries comprising 70,000 square kilometers of high mountains and volcanoes, jungle plains, and tropical forests. This diversity in climates is expressed in the economy and the culture of the Guatemalans. The highlands occupy much of the country between the Mexican border in the northwest and El Salvador and Honduras in the southeast. This area is comprised of rugged mountains and active volcanic peaks. Structurally, the highlands form part of the great mountain system that encompasses the northern part of Central America and the Antilles. On the south the highlands descend from the volcanic peaks to a fertile 25 mile wide coastal plain that extends the length of Guatemala's Pacific coast. This area is well known for the large export crop plantations (fincas) and its humidity. The largest lowland region, El Peten, occupies the northern

third of the country. It is a sparsely populated area, densely forested and rich in mineral resources (Whetten 1961).

In western Guatemala, the ancient highlands are overlaid by a thick mantel of volcanic ash making for very fertile soil and good farming. Despite possible eruptions and earthquakes, its agricultural advantages have kept this area the most densely populated section of the country. The majority of small indigenous farmers live in the highlands. It is the environment of mountains and valleys that has increased local community identification while inhibiting national awareness (Reina and Hill 1978:9). The physical isolation of many of the indigenous communities permitted them to keep ancient traditions active. This is no longer the case. The highland communities are very much affected by and active in national and world affairs.

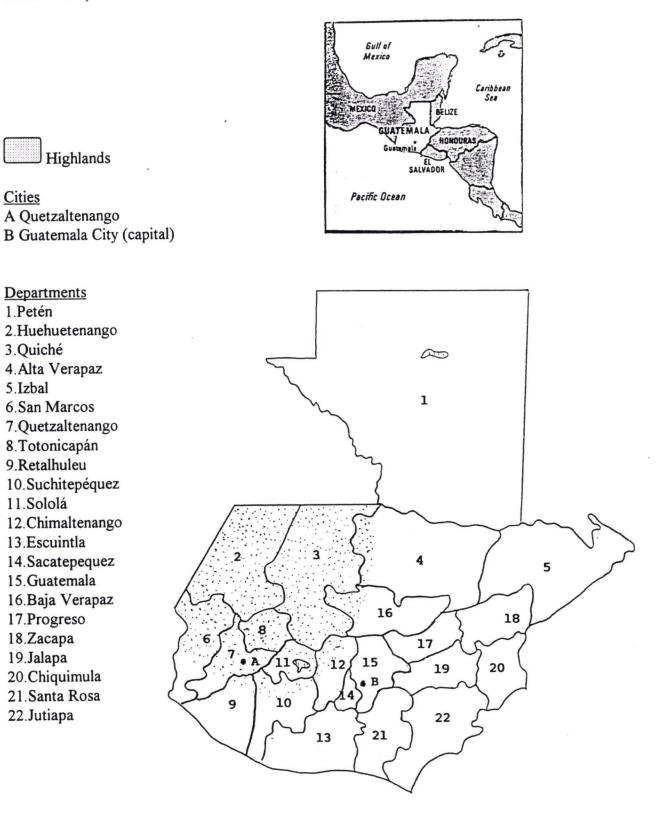
The three cooperatives studied were located in western highland communities: two close to the Mexican border and one positioned more centrally. See map on following page.

# 1.4 Methodology

The methodology employed in this study follows advice offered from the feminist research community. Within the last decade arguments concerning the use of qualitative and quantitative methods have ensued. Much of the debate, generally summarized, expressed the view that quantitative techniques have distorted women's experience and have resulted in the "silencing" of women's voices. Advocates of qualitative methods argued that "individual women's understandings, emotion and actions in the world must be explored in those women's own terms" (Jayaratne and Stewart 1991:84). Kotre (1984:3) further argued that "only qualitative analysis accurately captured the complex pattern of an individual without violating the integrity of life or dehumanizing the individual".

# Guatemala

(Adapted from Frank Blair (ed.) 1993. <u>Countries of the World.</u> Detroit: Gale Research Inc:635-636.)



Defenders of quantitative methods were concerned that qualitative approaches could not protect the data and conclusions from a researcher's biases. I have used qualitative data and supplemented this with quantitative materials, where appropriate, for a balanced presentation. Qualitative and quantitative data were derived from participant observation and semi-structured interviews. These were supplemented by quantitative material from verbal and written documents. Percentages in Chapter Four were calculated from Inacop censuses and those in Appendix D were derived from observations and interviews.

My initial objective for the study was to determine if the cooperative development strategy affected women's position of power. My original intention of studying only one cooperative was modified. After having visited many projects and understanding the fragile nature of relying on one cooperative during unstable political times, I felt that working with additional groups would generate more fruitful data. Although I focused on three artesanal cooperatives I have included information gathered from other projects where appropriate.

In the first research phase I investigated the Guatemalan cooperative system. I spoke with five different governmental ministers to gain their unique perspectives. During this phase I ascertained structural aspects of the cooperative system and the services the ministries offered in support. From field work, I later verified the authenticity of this information. Also, these initial interviews sparked pertinent questions and topics which I discussed with cooperative members.

Two presidential coup d'etats disturbed the first weeks of my study in Guatemala (See Appendix B). The members of my pre-arranged research site understandably became wary of strangers and refused my study. Given the large number of cooperatives in Guatemala I incorrectly assumed that this refusal would not be a set-back. A quick investigation proved that many artesanal locations did not involve women in their cooperatives or that they were also timid of outsiders during this time.

With the help of the ministers and directors I was able to secure as research sites two of the four registered artesanal cooperatives in the highlands that involved women. After political tensions relaxed, I added another site. I chose this third group because it operated outside of the federation of cooperatives (See section on federation 4.5) and would make for interesting comparisons. At this time I returned to many of the highland cooperatives to ask, for a regional perspective, general questions. During the first phase, which further extended into the second, more than forty hours were spent in consultation with the ministers from Inacop regional offices, Ingecoop regional offices, Cendec regional offices, with the directors of Artexco and with the director of the Canadian funding agency, Padel.

The second phase consisted of over 300 hours of participant observation and interviews in the selected cooperatives and over 150 hours of observation in the streets and on the buses of Guatemala. Through interviews with members personal and economic information, involvement with the cooperative, and partial life histories were gathered. As well, I collected information on the histories of the individual cooperatives. I was able to interview most women in Spanish. Some of the women, though, in Pueblo Cuatro presented me with a partial language barrier. These women understood slowly-spoken Spanish and many could only converse in their native dialect. When needed three women, at different times, served as interpreters.

The questions asked and observations noted centered around the theoretical ideas of the literature I read and were all generally modified later while in the field. The questions were considerably aided by a survey previously written by a small Guatemalan women's rights group to study female abuse. This survey included questions pertaining to social status, health, family, economic wealth, jobs, and abilities. Because of this questionnaire, I learned not only the "trade" vocabulary and local terms, but I learned of concerns important to Guatemalan women. This increased my ability to carry on a conversation with the women and thus saved me time. Many of the concepts were not used in my analysis, but were of importance in beginning a relationship with those studied.

Following interviews, participant observation was the second most used technique. I walked with women about their villages as they performed chores, spent afternoons with them as they wove, listened at cooperative meetings, and was personally involved as an active participant in two of the meetings. Observations were made on how women interacted as a group, with their husbands, with people outside of the group, and with their children. General behaviors of Guatemalan social interaction and customs were also noted. Most information offered was confirmed by at least one other source.

Rather than spending one month with each cooperative, I worked intermittently with the three groups. This pattern not only gave the cooperative members a break from my intrusion in their lives, but allowed time for me to think about the information I was gathering in different surroundings; offered the option to re-question cooperatives with newly gathered and relevant information; and provided an opportunity for constant comparison and assessment.

Prior to beginning field research, I conducted an extensive search of anthropological literature to acquaint myself with cooperatives, Latin American history and issues. Literature from Women's Studies, History, Development Studies and Economics were also read to round out my knowledge. Statistical sources used in this study came from Inacop (Instituto Nacional de Cooperativas), INE (Incuestra Nacional Sociodemografico) and from the Bank of Guatemala (Robles et al:1990).

In presenting the Guatemalan cooperatives and members that form the basis for my research, I have used pseudonyms to protect the privacy of the many people who shared personal information.

# 1.5 Outline of Chapters

Chapter Two presents previous research relating to my study. Chapter Three covers the historical background of Guatemala which gave rise to the present Guatemalan society. Chapter Four examines the history of the cooperative system within Guatemala and its current structure, while Chapter Five recounts the history of the three cooperatives studied. In Chapter Six I introduce the data gathered from investigative questions which are analyzed in Chapter Seven. Finally, my thoughts on international artesanal trade are expressed in Chapter Eight and conclusions are drawn.

#### **CHAPTER TWO**

#### LITERATURE REVIEW

## 2.1 Introduction

The beauty of anthropological investigation is that researchers are encouraged to use material from outside the discipline as much as from within. This study is complex in the number of issues it covers: international relations, women's power, development strategies, and cooperative enterprises. To execute the objectives of this study I read theories used by researchers in each of these previously mentioned fields. One could not read all related information on a topic within the confines of the research for a Master's degree, nor do I believe that it is necessary. What is necessary, however, is a confident grasp of relevant theories and concepts.

## 2.2 Development and Political Economy Theories

One of the major interests in economic anthropology has been to determine ways in which development strategies have affected individuals and communities. A concern about the effectiveness of development strategies to combat a loss or restriction of access to power is a natural extension of this interest. This study reflects a concern with the application of cooperatives and their impact on Guatemalan women's power.

After a long period of neglect by scholars concerned with economic development and change, there is an increasing recognition that women are distinctively affected by the process of development. Boserup (1970) proposed that Western colonialization and modern economic development have generally had a negative impact on women's position in Third World countries. In many cultures where women's traditional roles were highly esteemed, Boserup showed that with the introduction of modern technology, export cashcropping, formal employment, and educational opportunities women's activities have decreased in value. Boserup's work stimulated research which re-evaluated the impact of economic development in developing countries

One of the most vocal writers in this area is June Nash. She (1988:42) comments that development projects show "prejudice against women in the redistribution of resources and rewards". This discrimination is exemplified in the access to financial credit. Development agencies expect women to complete applications, to prepare budgets, and to work with foreign business men (personal communication with a director of the Canadian Catholic Organization for Development and Peace). For uneducated women, these tasks are almost unachievable. They remain dependent on persons who are literate, can count, can convincingly prepare a business plan, and who have the time and money to devote to the inevitable negotiations.

Nash criticizes those who use solely economic formulae to pre-assess development strategies and advises that social and cultural variables should also be considered in influencing the outcome of project appraisals. For example, women in Amaltenango, Guatemala respect a culturally prescribed distinction between male and female tools. In this village a development project unknowingly replaced all agricultural "women's tools" with "male tools". Those without male labourers in the household, to work the "male tools", felt obliged to hire outside help despite the cost. Women who could not hire men and who "were rumored to have sneaked out at dark to work in the fields were socially ostracized" (Nash 1988:47). The project coordinators should have included in their proposal the social costs that could accrue because of the decision to improve agricultural techniques and income.

Other case studies show that an increase in women's labour burdens have accompanied development projects. This increase occurs when women continue their traditional female roles as well as engage in wage labour - the traditional male role (Beneria and Sen 1981:280). Black (1988:94) reports that in highland Guatemala this double role is common among women who want to increase their independence within the cash economy. She notes that men rarely cross the traditional sex role boundaries and therefore continue to perform a single role.

Dependency was an important framework for early researchers studying poverty and constraints on economic development in the Third World. The early theories -Dependency Theory (Frank 1967) and Wallerstein's World Systems Theory (1979) proposed that the northern nations actively underdeveloped the Third World. Historically, colonialism has enabled some nations to accumulate capital and develop an industrial technology while directly exploiting those "conquered" societies. With the end of direct colonial rule, dependency theorists suggest that the international markets have replaced guns and slavery as the "exploitive" tool used by industrialized nations.

These dependency theories centered on unequal exchange and regarded persons in the lesser developed countries as occupying passive roles. Stern (cited in Blim 1992:4) criticized these theories on the basis that they a) underestimated the importance of local production conditions and worker resistance to capitalism; and b) ignored the people's participation in the world capitalist system.

My theoretical viewpoint has emerged from and has sided with the literature and arguments of more recent theories proposed by political economists and those with a micro-macro world view (Wolf 1982, Adams 1970, Cancian 1985, Smith 1985). Political economists have criticized the traditional anthropological focus on closed small scale communities. It is this schools' opinion that it is necessary to examine the regional and global relations of a group to understand their local actions.

Gregory Johnson (cited in Cancion 1985:69) wrote that

...communities are almost never effective isolates but are articulated with larger-scale phenomena both spatially and temporally. The community cannot be understood in isolation from the larger system, nor can the characteristics of that system be extrapolated from the community.

This opinion is echoed by Alexander Lesser (cited in Wolf 1982:19):

...we adopt as a working hypothesis the universality of human contact and influence; that we think of human societies - prehistoric, primitive or modern - not as closed systems, but as open systems ... as inextricably involved with other aggregates near and far, in weblike, netlike connections.

Both of these statements intimate a concern for interconnections between units - a concern particularly relevant in studies of today's world.

# 2.3 Women's Studies

Investigations of women's economic and social conditions still form only a small part of all social science research. As women have become conscious of their place in society, especially since the beginning of the International Decade for Women in 1975, a rising number of studies on women's status have been undertaken. Despite this increase in publication, Florence Babb (1990:279) notes that women's studies are generally considered "non-economic and consequently irrelevant".

The image of women as active members of a social system with some amount of control over their situation is a position strongly held not only by political economists, but by feminist researchers as well. Many of their writings criticize the social sciences for depicting women as "unchanging essences independent of time and space" and for neglecting concepts that flow from women's experiences (Westcott 1990:59). Some critical marxist-feminist studies have stated that women's power is universally secondary to those of men and that societal constraints have limited female involvement in "instrumental" (ie. economic) activities. Other feminist research, though, concluded that

women do have specific strategies to operate within societal constraints - that women do have decision making arenas and thus dimensions of power (Scott 1986:1057).

Liesa Stamm (1984:2) argues that the marxist-feminist male/female dichotomy as the authoritative statement about the universal oppression of women must be questioned. She argues (1984:18) that the segregation of male and female roles does not imply a restriction for women entirely, but rather "a different set of concerns". Each gender has a different cultural operation within a community and thus different domains of power. These domains of power require specific knowledge and skills and are rewarded by unique standards of achievement. This study takes this latter view.

Guatemalan families have fairly rigid sex roles. The image of women as the "longsuffering mother, provider of shelter, warmth and nourishment" and the male "machismo" image (See Section 7.2) are traditional Latin-American thoughts (Korrol 1988:47). These images have remained fairly stable throughout history. It is incorrect, however, to depict all Guatemalan women as being constrained only by these sex roles. Glenn's (1984:177) research of racial-ethnic women in the United States, showed that oppression resulted from:

1) primarily being a member of a "colonized minority" and

2) "being female".

These women, she argues, come from a different set of conditions that create a united family unit. Thus, not only are there distinctions between the sexes, but between women themselves. The same can be said of Guatemalan women.

The attributes of the colonial-ethnic-minority woman could not be analyzed accurately by orthodox marxist-feminist theory. Glenn (1984:137) feels that this traditional theory needs to be refined in order to include such women of dual minority.

1) Glenn is questioning the extent to which the marxist-feminist classes of private (in-home) and public (out-of-home) circles are entirely separate spheres. She notes

(1984:137) that women engage in many informal labour activities, such as cottage industries, trading in the informal market, and even boarding tenants. These activities cannot truly be separated into private or public especially when considering the complex ways work and family life interact. Glenn also demonstrates that the private sphere generally extends beyond the nuclear family into kin-networks in many cultures.

2) The marxist-feminist analysis of the family envisions the family as an arena for gender conflict and regards the division of household labour as benefiting men. Glenn (1984:139) remarks

By attending to inequality - economic dependence of women and the inequitable division of labor - marxistfeminists instead see members of the family as divided in their interests, with conflict manifested in a struggle over resources and housework. In this view the conjugal family oppresses women; the liberation of women requires freeing them from familial authority and prescribed roles.

Glenn interprets the family as a source of resistance to outside institutions. The issue then turns from economic equality with a spouse to an adequacy of overall family income. The family also works for common interests - to preserve cultural values, and to maintain family authority and survival.

This thesis uses the concept of the colonial-ethnic-minority woman and also recognized the influence of the Latin-intra-family oppression of women. To look at women's power, I needed a general framework from which to analyze women from either family type. By having a general framework of women's position in the family and in the community, patterns of women's access to, types of, and degrees of power are more apparent.

Power, in much research, has been defined by men. Women have continually battled with the measurement scale devised by men for their achievements. Carol Gilligan (cited in Ryff 1984:67) argues that "we have become accustomed to seeing life through

men's eyes". Men tend to associate and measure individuality and separation from others as the major form of empowerment. Such scales fail to acknowledge women's experiences. In contrast, women place continuing emphasis on relationships, sustaining human community and the growth and well-being of others. These dual definitions create an internal conflict when women try to define themselves as both. Often, women feel that they have jeopardized some part of themselves in attempting to score high on the malescale.

In response to needing a broad definition of women's equality Stamm and Ryff (1984:3) argue that two forms of power exist: assigned positional authority and unassigned personal power. Positional power is generally sanctioned by formal cultural rules and social institutions. For example, the office of mother, mayor, and teacher are all forms of this type of authority. A great deal of power also operates outside of institutionalized positions of power. This power is expressed through individual decision-making or influence and is recognized and/or accepted by other members in the community. Both forms of power can more broadly be defined as

... an element of all social relationships and activities. As such, it can be defined as the ability of an individual to influence or exert control over resources, actions and social relationships which are valued by the community or group in which she/he participates. (Stamm and Ryff 1984:3)

Stamm (1984:18) states that women's power is established more in the personal realm or "interactional" zone than in cultural institutions and that this zone should be the prime area of study. Women's ability to participate in institutional power has generally been limited, but, some researchers are arguing that this situation is slowly changing (Remy and Sawers 1984:183).

Nevertheless, most development projects instigated for the betterment of women's lives are assessed using the male-scale of economic variables. Tadesse (1990:47) comments on an implicit assumption in development. This assumption states "that if only donors and governments were convinced of the pivotal role women played in the economy and society, they would be willing to allocate resources to ameliorate the status of women. In order to sell this to policy makers, there has been a tendency to argue that 'significant improvement can be reached with very meager resources'". Cooperatives are often the strategy used to fulfill the "meager resources" qualification as opposed to high technology industries.

## 2.4 Cooperatives

The idea of people joining together to achieve common aims has a long history dating back to the Babylonian era of 2000 B.C. (Roy 1976:41). In 1992, 500-700 million people in the world, 10% of the world population, were organized in cooperatives (Book 1992: 208). Cooperatives have risen out of

- 1) community devastation following natural disasters, such as, earthquakes and soil erosion,
- 2 )from the characteristic of a crop, for example, one that is bulky and requires a specific storage technique,
- 3) from state intervention (Hirschman 1984:29), and
- 4) as a method to adapt to changing economic conditions (Prattis 1987:577).

For instance, a lobster cooperative in Caye Caulker, Belize, was organized in reaction to global monopolies. The fishermen, who are extremely individualistic, found that they could not earn a sustainable living selling to a monopoly company which imposed a low price per pound on lobster. As a group, the fishermen were able to effect higher prices. In this regard they competed with international companies and at the same time worked for themselves and their community (Sutherland 1986:45). The Mondragon cooperative

in Spain (Bradley and Gelb 1983:7), the Swedish movement (Ames 1971:22), and the shingle weavers in Washington (Aldrich and Stern 1983:382) were organized to redistribute wealth towards members and their community and away from monopoly companies. Some aspects of the Guatemalan cooperative system (Chapter four) have actually disregarded this redistributive goal.

There are innumerable cooperative definitions, but, I found that of Roy (1976:13) to be most useful:

An association, usually incorporated, with economic aims formed by and for persons or business entities having common needs, having approximately equal voice in its management, making approximately equal or proportional contribution to capital and deriving proportional services and benefits from it.

The very flexibility of its organization, which can adapt itself to a variety of different purposes and widely diverging economic and social systems, appears to be the reason for the variation in its definition.

A general point of agreement is that cooperatives are democratic organizations in which each member is equally free to "contribute, discuss, criticize, elect or be elected to office" (Mathema and Staunton 1985:2). It is believed that together members can achieve more as a group than as separate individuals. Joint action offers five advantages (Helm 1968: 21).

- 1) a superior market position and control over prices through accumulated bargaining power
- 2) increased adaptability to market changes
- 3) use of facilities at a decreased cost per unit
- 4) technical advice and specialization
- 5) transfer of risk from member to society (loss or damage is also distributed)

Cooperatives, in using joint action, superficially appear similar to other businesses (save the fifth advantage). They do differ greatly, however, in their intent. The cooperative employees, unlike those in private organizations, own the means of production, decide how and when they will work, and determine how profits or losses will be meted out (Mathema and Staunton 1985:3). The cooperative "firm" more closely resembles a community with a complex system of reciprocal rules, rights, and obligations. The employment 'contract' is thereby enriched beyond merely a wage transaction (Bradley and Gelb 1983:4). In contrast, private organizations have owners who act as employers and make all decisions pertaining to employees. Joint action, in the form of cooperatives, has showed varying degrees of success. Much of the success is determined by the researchers and his/her scale of measurement.

Most researchers state that the success of a cooperative depends largely on how well members work together (Helm 1968, Ames 1971, Craig 1981, Bradley and Gelb 1983, Cooper 1992). Gowenius, who proposed a weaver's cooperative in Botswana, felt strongly about cooperative cohesion. He stated that "through ownership and worker control, workers have the best chance to develop a cooperative spirit, a spirit of self reliance which, in my opinion, is the only force capable of making this country economically independent" (cited in Gayfer 1978:61).

Shared common interests and similar socio-economic and cultural backgrounds of cooperative members are major contributing factors to cohesion. If great variation in status exists among members, then internal identification would be low (Lambrou 1990:147). Furthermore, the leadership would generally be assumed by those with higher status - with class distinctions and internal dissentions as plausible results.

Somjee and Somjee (1986:39) found that women, once they were allowed to participate in the Dudshagar cooperative, increased the group's internal cohesion. The men tended to be competitive, often arguing over politics and creating class distinction; whereas the women were more effective team players. Women stood with the entire cooperative, and over time changed the social economy of the cooperative. This male dynamic was also found in Guatemalan cooperatives, however, female members never were able to effect such a change (personal communication with a regional director of Inacop).

Regional cooperatives, in particular, have difficulty with group cohesion. Sweden combated this problem in developing a common ideology and philosophy - education- to solidify its members. The Mondragon cooperative is an interesting case. Its internal solidarity emerged from a common external threat to the Basque region. Because the Basque peoples were undermined by other Spaniards and other countries for many years, their villages have a congenial relation with each other. Most of the Mondragon cooperatives are located in isolated rural areas with strong community ties. Such ties lower labour mobility and the desire to withdraw capital (Bradley and Gelb 1983:66). The Mondragon cooperative, therefore, is strengthened collectively on two levels - the regional Basque level and the community level. Cooperative spirit or cohesion is also strong if internally initiated (Helm 1968:23).

Each cooperative type is unique. Helm (1968) offers an excellent account of the general categories of cooperatives. These types include agricultural/fishing societies, consumer cooperatives, production cooperatives, and banking unions.

Agriculturalist's and fishermen's work is subject to numerous climatic risks (such as weather, soil erosion and red tides); high fixed costs; a highly imperfect market; difficulties in attaining financing; and potentially low prices due to overproduction. To alleviate these problems many farmers and fishermen have turned to a cooperative style of operation. By combining small farm plots, which individually could not influence the market, they are able to use economies of scale. This is very important in many countries due to the inherent weakness of the agricultural and fishing industries and its low viability in comparison to other sectors of the economy (Helm 1968:30).

For instance, when large international monopolies controlled the world price of lobster, Belizean fishermen were not able to survive on the quoted prices. In forming their cooperative with a strong committee, the men were able to negotiate prices with overseas buyers. The power of this committee was influential with government officials and credit institutions and they thereby gained financial and political support (Sutherland 1986:64).

Latin America has an interesting agricultural cooperative history beginning after the Second World War. The United States addressed social inequalities in Latin America with economic aid, agrarian reform, and cooperatives. In so doing, Lambrou (1990:243) believes that the United States was attempting to secure its influence in the region. Most early cooperatives were further supported by another institution - the national government. Outside imposition, as stated earlier, does not necessarily add to member cohesion.

Many traditional forms of cooperation, such as the Incan mita, were different in many aspects from the European model and could not transform spontaneously, or be converted deliberately, into modern market-oriented cooperatives. In Latin America, the exchange of services or labour was enacted by individuals who operated on social obligation rather than on economic interests. For native Indians, economic relations were intricately linked to their social and personal world (Bossen 1984:16). Cooperatives in Guatemala operate on a foreign-western-economic ideology. This ideology has not been adopted entirely in Guatemala, especially by rural peoples who are the majority of cooperative associates.

Lele (1981:67) has criticized agricultural cooperatives in their dealing with the poor. He feels that such cooperatives only benefit those who own land or have money to rent land to cultivate crops. This is a major problem experienced in Guatemala where the

economic gap between land-less and land-owning widens each year. Benefits to the landless may accrue, however marginally, to the extent that the cooperative can increase jobs and services.

Production cooperatives have had successes similar to agricultural cooperatives in both socialist and developing countries. The society plans and organizes production, buys raw materials, markets finished products as well as other general cooperative activities. Helm (1968:169) identifies two types of production cooperatives:

1) a cooperative that is founded by craftsmen and professionals as a commercial venture to keep abreast with mechanization, mass production and competition, and/or,

2) a cooperative formed to offer entrepreneurial employment. Its philosophy stems from a reaction against capitalism by substituting labour for capital.

Production cooperatives have numerous problems. Generally, they have a low level of organizational power. This power remains low because members often have small financial resources that are seldom adequate to form a sound financial basis for an industrial venture. Therefore, members rely heavily on outside support and reap, initially, low profits (Helm 1968:171). For instance, many (if not most) cooperatives are instigated by development organizations, churches, and governments.

Larranaga, an original coordinator of Mondragon, believes that cooperatives will continue only if they accommodate global trends to achieve economic growth through capital investment. For example, Mondragon's cooperative managers are working on joint ventures and securing beneficial alliances with capitalist firms to operate in the world economy because the cooperative on its own lacks a competitively strong financial base. Larranaga labels this activity "neo-cooperation" (Melnyk 1990:29). Melnyk (1990:29) questions whether the semi-capitalist solutions used by Mondragon are transforming it into an enterprise more similar to other capitalist companies. Latin America was not immune to the global and regional changes leading to Larranaga's "neo-cooperative". Members from the Matahuasi cooperative in Peru found a contradiction between tradition and western-style cooperative mandates.

> The cooperative movement is one of the solutions to our standard of living, but we must leave behind the traditional system which continues to prejudice our economy and social and cultural life (Long and Sanchez 1978: 288)

Some cooperatives, however, have maintained a traditional social behaviour of reciprocity and of placing elders in leader positions. They generally have left marketing, which involved contact with external agents, to be performed through the cooperative association (Lambrou 1990:246). These examples are rare.

Cooperative development has had both economic and social impacts. In San Antonio of Belize, all aspects of community organization have been affected (Gregory 1984:5). Apart from increased incomes and aspirations for non-traditional goods, Gregory noted (1984:8) that the greatest change was in the social ranking within the village. The status criterion changed from sheer age to 1) economic position, 2) political office. 3) advanced education from the cooperative, and 4) knowledge gained of the larger world. Therefore, the rank of the male members was no longer related to the traditional system, but was related to social changes resulting from involvement in the cooperative. Many rapid changes in a social system can have very negative results on women. Development projects which aim at improving the economic position of members can destroy the domains in which women held most of their power- the social sphere.

Secondary economic impacts for communities which house cooperatives are important. Even though a cooperative may fail financially, many secondary benefits can render it a success (Gayfer 1978:66). For instance, building roads and bridges, hiring someone to plough fields, distributing wages to a wider family-related population, and increasing income distribution by the purchase of locally produced products all benefit the community. In El Canaveral, Guatemala, a bus cooperative provided transportation for the entire community. Because the buses transported people from rural areas to town to take advantage of markets, stores, restaurants, and banks the cooperative helped to increase economic activity (Bossen 1984:178). Another example of community improvement is in Lentswe La Oodi, Botswana, where, prior to the founding of its cooperative, most individuals were employed as menial labour or in mines outside the village. The factory cooperative offered increased opportunity in the town (Gayfer 1978:66).

Frequently, women have not been integrated into the administrative level of cooperatives. Bossen (1984:179) found in Guatemala that men with more capital to invest for the initial deposit, more experience in organized groups, and more developed skills and habits of working with others tended to occupy most if not all administrative positions. Women were excluded from decision making roles and thus participated only marginally. Part of this exclusion in Guatemala is due to the fact that Spanish is often spoken at cooperative meetings, a language which not all highland women understand. Cooperatives in other countries have had greater success in this respect, but these were ones organized by and for women. For example, Lentswe La Oodi in Botswana (Gayfer 1978) and the Dudshagar cooperative of India (Somjee and Somjee 1986), both reported that cooperative participation released women from potential insecurities and/or suffering. There was a feeling of increased independence, especially from the authority of men. This was expressed in a growing awareness of their new social and economic roles. Research of cooperatives in "developed countries" also point out that this type of business has helped to alleviate sexual harassment, pay differentials, and restriction of access to management roles (Com 1990, Cooper and Rodman 1992, Ames 1983).

# 2.5 Summary

Women and men are different. Women need to be judged fairly, by rules they understand and in terms of their experiences. This means that a research framework which includes not only economic factors, but social influences would be more enlightening. Further, women are not homogenous. A framework needs to be flexible enough to accommodate the variations between women. I found Stamm and Ryff's definition of power to be most flexible and encompassing.

To determine if cooperatives universally can better women's lives is naive. In some countries the use of cooperatives has been successful, and in others it has not. June Nash (1988) advises that each culture should be analyzed individually to determine whether or not a development project generates the member's desired results. I agree with her statement and feel that research must be carried out on this topic in numerous environments. For instance, it has been shown that in developed nations cooperatives are a viable enterprise for women. These countries have a pre-existing social fabric which supports women and offers access to many forms of power. Research that involves cooperativism in Latin American countries typically discuss men. Men are not only more socially visible, but they are physically more numerous in cooperatives. This thesis fills the gap in the literature on women cooperatives in a turbulent Latin American setting.

#### **CHAPTER THREE**

# **GUATEMALA: POLITICS\ECONOMICS\WOMEN'S RIGHTS**

## 3.1 Introduction

Political economy theory stresses the importance of understanding regional and international factors that affect a study group or groups. Consistently, men have been included in histories and studies that have extended beyond local communities. This type of comprehensive research, I feel, is especially necessary in understanding women in the 1990's. Therefore, much of this thesis examines and interprets the political, economic, and social environment which impinged on the women of this study.

## 3.2 Political and Economic History

## 3.21 Recent History up to 1980's

In the late 19th century, the European desire for Central American commodities instigated considerable foreign investment in Guatemala (Keen 1974:3). The Europeans, in a sense, shaped early Latin American economies to suit their needs.

In reaction against former 18th century mercantilism, Latin American officials adopted the European forms and policies of economic liberalization. These designs bore few positive advantages for Latin America thereby creating an environment of unequal exchange between the continents (Wolf 1982:314). The Latin American economies were further affected by the wars of liberation from colonial Spain and by the chronic political instability that followed. This political fabric did not provide a favorable background for true capitalist development.

By the late 19th century, however, some Latin American nations attempted to industrialize. Their primary interest was with the processing of food products principally

for export and less importantly for local consumption (Burns 1990:141). Guatemala was no exception. This country's government leaders paid more attention to the international economy than to their domestic markets and virtually ignored other Latin American countries as trading partners (Burns 1990:137).

Foreign investment, during this late 19th century period, was primarily spent in coffee producing plantations (fincas) owned by Germans. In 1914 it was estimated that nearly 50% of all Guatemalan coffee was grown on German or German immigrant land (Pearce 1981:13). The European liberal reforms that were adopted in Guatemala allowed for such concentration of land ownership at the expense of community-owned land. The native populations were forced from their land and were driven to work for the European oligarchies. Unfortunately, this early foreign control built an infrastructure more suited to the foreigners specific needs than to the country as a whole (Brass 1984:146). For example, roads and rail-lines stretched from the fincas to the sea ports, but did not really link together the country.

The United States emerged from the Second World War economically more powerful than any other industrialized nation. American capitalists were ready to create and expand export markets and expected to have unrestricted access to key natural resources. To operate in world markets, multinational companies began to dominate as a form of enterprise in the United States. Many multinationals increased investment dramatically in Latin America. In Guatemala this increase was reported as the highest among all of the Central American countries (Pearce 1981:25).

Year	US \$ in Foreign Investment
1940	68 million
1950	106 million
1960	137 million

After years of boom-bust cycles in the coffee markets, and because Guatemala had exported a narrow line of natural products, it was at the mercy of these international companies. The Guatemalan government, desperate for investment in their already weak, export-oriented, and dependent economy, offered concessions to three U.S. companies (Chinchilla 1977:41):

- 1) United Fruit Company
- 2) Electric Bond and Share
- 3) International Railways of Central America.

More importantly these companies, especially the United Fruit Company, dominated Guatemalan economics and politics. The United Fruit Company owned 550,000 acres of the most fertile land in Guatemala, leaving much of it fallow, and was allotted tax exemptions up to 99 years (Pearce 1981:16). This banana company did not differ from its European predecessors and built private railroads linking plantation zones to ports without connecting the rest of the country (Burns 1990:268).

In 1945, Juan Jose Arevalo (1945-1951) overthrew the Guatemalan "puppet" president Ubico. He introduced reforms to convert the semi-feudal plantation mode of production to a modern capitalist one (Pearce 1981:28). Foreign investors were still welcomed as long as they obeyed Guatemalan labour laws. Most people in 1944 worked in traditional industries, such as textiles, food, and footwear. Under Arevalo's progressive government new industries were opened including cement, food processing, and clothing. Growth also occurred in existing tobacco and non-metallic metals sectors (Chinchilla 1977:41). Arevalo's mandate further included the creation of an internal market for industrial development. Taylor (1985:149) noted that because of the low income of most Guatemalans the domestic consumer market was very small. Inadequate markets, he continued, in conjunction with an incomplete infrastructure hindered development. This

small market made Arevalo's plan of industrialization difficult to complete. To this day Guatemala suffers from this historical obstacle.

In 1951, under Arbenz (1951-1954), Arevalo's successor, peasants were allowed to organize into unions and participate in reforms. Large landowners, however, reacted violently against these reforms. The Arbenz government ordered the United Fruit Company to surrender 387,000 of its 555,000 acres of land for one million American dollars in compensation. The United Fruit Company, to retain its holdings, convinced the United States government that Arbenz sided with communist philosophies. In 1954, a United States backed coup overthrew Arbenz and reversed his progressive measures. In 1956, under a new president, 99.6% of all the expropriated land was returned to the United Fruit Company (Pearce 1981:29). The new government further promised free repatriation of all earnings for foreign investors. Profits thereafter soared for the multinationals and diminished any need for the landowners to create a larger domestic This action seriously stagnated the Guatemalan economy market or create jobs. (Chinchilla 1977:44). An assessment by the International Development Bank in 1951 (Britnell 1951:44) suggested that Guatemala should improve agriculture and increase "exploitation". The team of experts felt that a rise in the standard of living could only come from the agriculture sector, especially from the under-exploited cash crops. They argued that it was the one resource capable of renewing itself, if managed properly. Good management, however, did not appear.

During the 1960's, peasant revolutions and guerrilla activities spread throughout Central and South America and the Caribbean. The United States again intervened in the region under the aegis of the Cold War. The United States supported the Guatemalan army, which in turn supported the export-oriented landowners and the multinational corporations, in order to maintain open trade with the country. As peasant uprisings for land access and ownership, for fair wage, and for stable government increased, the Guatemalan government passed legislation (1966) that allowed landowners to administer and enforce their own local laws. The environment was indeed now more repressive for the labourers (Pearce 1981:52). Elizabeth Hoyt (cited in Burns 1990:52) stated that the plantations were less humane towards their labourers than the feudal estates of the Middle Ages.

The end of the post-war world economic boom came in the early 1970's. The price of Guatemala's major export, bananas, fell accordingly. The price also dropped as the United Fruit Company's 75% share in the banana trade faded in the face of competition (Burns 1990:143). While manufacturing goods skyrocketed in other countries and marginally in Guatemala, angry peasants, whose wages had dropped to retain profits for multinational companies, began what has been labeled the Banana Wars. The banana companies eventually won the conflict. In the aftermath the government came to the conclusion that multinational companies had not brought many advantages to the country and thereafter implemented strong import-substitution policies (Scott and Storper 1986:5).

The 1970's Carter administration criticized Guatemala's human rights record and decreased aid to the country. For the Guatemalan labourers this was a time of relative stability (Pearce 1981:116), however, it pitted the Guatemalan government against its former main benefactor, the United States. Manufacturing and construction industries grew as well as the absolute number of jobs. These jobs were primarily filled by men, even in the textiles and tobacco industries which had been traditionally female occupations (Chinchilla 1977:45).

## 3.22 The 1980's

The Reagan administration of the 1980's reversed previous U.S. government policies. American businesses again sought open trading markets for their goods and

inexpensive labour for production. Guatemala continued to be primarily an exporting country with the United States as its major trading partner. The Guatemalan government and the army were therefore compelled to listen to U.S. demands or be entirely cut off from foreign investment. The United States convinced the Guatemalan government that they must eliminate communism and socialist revolutionaries. This latter group consisted of peasants demanding land reform and/or higher wages. The result of "elimination" was devastating. The real per capita income fell by nearly 20% (Blair 1993:639). More seriously, numerous reports stated that the army murdered nearly 50,000 peasants, especially men (Pearson 1986:191-193) and left even more people landless - in 1987 420,000 peasants (Burns 1990:272). This action established more women as heads of households, through widowhood or abandonment. These women were often forced to find wage labour to feed their families. The effects of "la violencia" were felt strongly in the cooperative community. A regional director or Cendec stated that in the 1980's 3-4 members from every cooperative were either killed or registered as "disappeared" (See Section 4.1).

Because of this violence many villages were destroyed and surviving citizens fled to other countries or migrated to the capital city. In 1987, 3.1%-7.5% of Guatemala's population was in a refugee state (personal communication with Dr.Orantes). Guatemala City incurred massive growth, evidence of which is preserved in the disorganization of its overnight neighborhoods (slums) and lack of city planning. This intrusion has lead to a deterioration of living conditions and a substantial number of street children. Guatemala has one of the worst poverty rates in Central America, increasing from 71% in 1980 to 83% in 1985 to 93%, in the countryside, in 1993 (Prensa Libre No. 13401:3).

The situation became grave in 1986 when the inflation rate peaked at 47% annually. The Guatemalan government, using tax remissions, has more recently encouraged industry to expand domestically. Most manufactured products, however,

continue to be imported from mostly the United States. In Guatemala many products are priced at the same figure as if they were for sale in the United States, yet in this country where the average person makes Q15-Q20 per day the prices are overwhelming. The official unemployment rate stands at 6.1% (1990-1993), but the actual unemployed rate is more realistically counted at 35.4% of the population (Prensa Libre 1993 No. 13401:3).

Included in these overwhelming costs is the cost of living. Inflation in Guatemala is in the double digits. Between 1989-1990 cereals and vegetables have increased between 53-82.1%, meat has risen 40-60%, and cooking oil has inflated by 41%. Because of the rise in the cost of bus fare in urban areas from Q.10 to Q.35 between 1989 and 1990 the use of transportation decreased 18.1% in the same year (Robles 1990:35). In recent years, five new hydroelectric plants were built with the promise of cheaper electricity rates, however, in the last year alone electricity costs have skyrocketed. In 1991, rates increased 50% to 70%; in September, 1992, they again increased some 37%. In February, 1993, the government announced that it would raise rates another 50% in order to pay for the repair of electrical towers damaged by leftist insurgents (Berger 1993:4).

Prices rose for another important commodity - fuel. Five years ago three sticks of firewood cost 1 centavo, yet in 1993 one stick was valued at 15 centavos. To combat prices many people lumbered their own land. These actions effectively deforested the countryside and, eventually led to land erosion and to a loss of soil nutrients (personal communication with a regional director of Inacop). In Panajachel, for example I met a woman who daily scoured the beach shore of Lake Atitlan for driftwood because she could not afford cooking wood. The cost of medicine also accelerated upwards in the last five years. Dr. Orantes mentioned that many persons consult herbalists, do not buy medications, use the medications sparingly - often diluting the medication, or buy cheap less effective alternatives.

This instability and violence was not unnoticed by international bodies. In 1976 the Guatemalan quetzal was valued higher than the U.S. dollar (See Appendix A). In 1993, the American dollar averaged 5.6 times the quetzal. Another statistic worth noting is the GNP change. Between 1965-1980 the annual growth per capita (GNP) was 3% per year, while during the "violent years" (1980-1989) the GNP fell by a correspondingly -3% per year. Within this decade the GNP decrease in quetzal terms fell from Q1085 to Q888 per capita and the country suffered from negative trade balances. The disturbances which affected the trade balances are visible in the 1989 external debt of \$2830 million U.S.. This debt is increasing at over 12% annually (Robles 1990:129). These figures are similar to other Central American countries which are infamous for their economic problems. All of these economic figures spell disaster for a country which is wanting to compete more actively in a world economy and for women who need to feed their families.

# 3.3 Women's Issues

The Incuestra Nacional Sociodemografico (INE) (All INE statistics are cited in N.A. 1992:3-5) of 1986-1987 indicated that women comprised 50.6% of the 9 million population (1990 estimates). The social problem in Guatemala is worse for these 4,554,000 women since they not only suffer indirect economic persecution from the government, but also suffer inequality and abuse at the hands of men. Guatemala like most other countries includes a human rights section in their constitution. May 31, 1985 the National Assembly added equal rights in all aspects between men and women in Article 40: (cited in N.A. 1992: 26).

En Guatemala todos los seres humanos son libres e iguales en dignidad y derechos. El HOMBRE Y LA MUJER, cualquiera que sea su estado civil, tienen iguales oportunidades y responsibilidades. Ninguna persona puede ser sometida a servitudunbre ni a otra condicion que menoscabe su dignidad. Los seres humanos deben guardar conducta fraternal entre si".

However, especially when discussing human rights, there is a difference between the official discourse formally intended to demonstrate to the international community that Guatemala is in agreement with international law and its actual effect.

The world economic crisis has affected women around the globe - many women are now forced to work outside of the home as well as within the home. The INE of 1989 noted that 5.9 million, or 67%, of the working age population work. (The working age in Guatemala is 10 years or older). This report further found that female participation in the workforce has increased from 11.9% in 1981 to 24.5% in 1989. These figures do not include the large number of uncounted women working in or out of their homes. Guatemalan women have always worked. One-third of women work in goods and services, another third are employed in commerce (often secretarial), 19% work in manufacturing, and 14% labour in agriculture.

In Panajachel, I spoke with an elderly woman who is employed as a hotel cook. When she was 14 she worked in Guatemala city as a domestic for Q8 per month, now at 60 she is making Q40 per month - when the hotel is in season. With the increase in inflation and the cost of living, this woman must also work in fincas for a very low wage (Q10 per day) outside the tourist season. Over the year she will earn Q1500 or \$340 Canadian between the hotel and the "hated and hot fincas". This widow, whose husband died of alcoholism, is forced to scavenge for food and firewood everyday. Eighty percent of Guatemalan women are classified as poor according to 1986 INE statistics.

Working conditions for women are repeatedly abusive and unfavorable. Factor Mendez (1992:6) states that because of this need to earn a wage young women are often kept from entering and/or continuing school in favor of domestic jobs. This work, which

was noted during my field work, was never credited sufficiently. Dr. Orantes (personal communication) feels that these abuses are fed by the lack of knowledge and lack of self-confidence of these under-educated women. Many of these women do not know how to look for work or do not believe that they are entitled to employment. It is not surprising that out of 1.5 million women enumerated 53% (INE of 1989) work in the informal sector. This sector commands a substantially lower wage than the formal sector and routinely involves longer hours. On the other hand, this sector is flexible enough to allow women to work for a daily wage and to continue to perform the traditional female role in the family. This latter role is unpaid and begins often at 3 or 4 in the morning. The work continues until 15-18 hours later - until it is very dark. Duties include cleaning house and clothes, caring for children, and cooking meals. Within the informal sector, she can perform numerous duties at one time. The formal sector does not allow for this flexibility and is often disruptive to women's traditional customs (personal communication with Dr. Orantes).

A report for el Programa de Naciones Unidas para el Desarrollo (PNUD) (cited in N.A. 1992:3) in 1988 indicated that only 6% of women were divorced. This number was lower than the number of widows at 9.4% and well below that of married women (37.5%), united women (women living with a mate, but not legally married) (24.5%) and single women (22.4%). Women are expected, or are coerced (physically and economically), to stay in marriages despite any abuse that may be inflicted. The few divorced women that I met had all been abused physically by their husbands. Following divorce, most had to leave their husband's village and return to their home villages and to their families.

The INE of 1989 reported that 70% of indigenous women are married at age 17 with 45% of these women having their first child at age 18. It was reported (N.A. 1992:3) that 79.6% of the women bore children between the ages of 15 to 49 with an average of

5.6 children per woman. They further reported (N.A. 1992:9) that 30% of pregnant women were undernourished and, in 1989, 65% did not have access to prenatal care. As a result, many women risk dying from prolapsed uteruses and genital tract infections. Further, there are many deformities at birth. Even with proper medical attention there are many birth defects. Every May the Guatemalan government runs a Telethon for the handicap. In 1993, Q1million was raised (\$227,738 Canadian dollars).

In 1956 maternity rights for women were included in the constitution, however, many women resist health care because (personal communication with Sr. San Turnil)

1) institutions are not trusted,

2) they believe that women should be able to take care of children without outside help and,

3) the cost of medical care is very high.

One reason for the expensive medical care is the lack of competition between doctors in this country. Guatemala has the lowest number per capita medical personnel in Central America (Chart 1) (Caravaggi 1988: 6).

Number of Medical Personnel in Central America			
COUNTRY	DOCTORS/1000	NURSES/1000	
Panama	11.1	9.2	
Costa Rica	7.3	4.6	
El Salvador	6.2	2.7	
Nicaragua	5.5	2.9	
Honduras	4.9	2.1	
Belize	2.4	8.2	
Guatemala	1.3	1.1	

# Chart 1

Dental care in Guatemala is also very poor. People must travel far for both dental and medical attention. Many therefore seek the advice of curadoras (natural healers). The government is opposed to this type of medicine and in some communities have instituted health centers (CONFERENCIA June 18, 1993) to counter alternatives to bio-physical medicine. Although these health centers are less costly, most patients cannot afford the resulting pharmaceutical prescriptions.

Guatemala boasts of 67 development programs aimed at protecting women's rights --13 government, 45 non-government and 9 international (personal communication with a regional director of Inacop). The director mentioned that most rural women are unfamiliar with their rights. Even if they are aware, many women do not exercise rights because of intimidation. Another director further collaborated this statement and noted that women are often not allowed to speak unless spoken to or asked to respond. Consequently, women are often unaccustomed to carrying lengthy conversations and resort to giggling. It is not uncommon to see a woman walking barefoot, a baby on her back, and a load of goods balanced on her head while her husband carries only one package or a machete. The men say that the women are shoeless because of "costumbre" (custom)...the women are in the home and the man works outside in the fields. This may have been a plausible reason in the past, but now most women are involved in work in the fields, outside the home, or partially outside the home.

This is not to insinuate that all Guatemalan men are abusive towards their wives, however, the "machismo" attitude is endemic in this country. In one cooperative the husbands worried that other men would leer at their wives if they came to meetings. In another project, men would not allow their wives to leave for schooling because "who would make the tortillas?". Here the role of women is very concrete - she must perform these traditional roles or suffer social and physical consequences (personal communication with Dr. Orantes). Even women who change from rural to urban settings feel the weight of this cultural imperative. For example, a fairly wealthy woman and her husband moved to the United States from Guatemala over eight years ago. She returned with her husband

for the first time in eight years and wanted to visit her mother in the rural area with her children. However, she was forced to spend all her time with the husband's family in the capital city. When I spoke with the woman she was further distressed because this was the first time in seven years that she had left her children with someone else - a grandmother. The ideals of the "good woman" are embedded deeply into the culture and are difficult to alter or remove. One informant mentioned the predicament of a woman who was robbed. This woman had to make compensation and offerings to her husband and his family or else suffer divorce. This informant noted that in the last few years the abusive situation for women has worsened. This seems to coincide with a downturn in the world economic situation and the need for women to work outside the home or to be away from the home while still continuing the traditional domestic roles.

Guatemalan women have been exercising their right to vote since 1945. The 1990 (March 31) registered electorate, counted 40% of the voting population to be female (N.A. 1992:14). In the cooperatives that I studied, all women voted in government elections, but how much of an influence this has in Guatemala is unknown. The people generally feel little political power in a country dominated by such a strong military presence. Women's involvement in political organizations is generally very low, but, the Minister of Education this year (1993) is a woman. According to the INE of 1989, women are becoming more involved in social clubs, religious organizations and/or schools.

## 3.4 Summary

Guatemala's past history is typical of many Latin American countries. The political and economic conquest by European kings and by American businessmen have made some Guatemalans very rich and others unbearably poor. To retain this economic and social distance, the wealthy have made use of a cruel army. The army has destroyed the homes and crops of many rural people disposing their country to a state of violence and turmoil.

Poverty in Guatemala is not only evident in the lack of food and clothing, but is expressed in the restriction of social freedoms. Guatemalan women do not have access to many forms of social and economic power and their condition appears to be worsening. The rural women are restrained to varying degrees by their poverty as well by their gender. This study and its findings are representative of women working in such a limiting state and in a country with such a volatile environment.

#### **CHAPTER FOUR**

# HISTORY AND STRUCTURE OF GUATEMALAN COOPERATIVES

## 4.1 History

Guatemala's extensive history of cooperativism started officially January 28, 1903 (Muñoz 1984:19). The early cooperative societies were run solely as market enterprises and did not include many of the social activities and benefits that the stable European and North American cooperatives offered. According to a regional director of Inacop the lack of social functions was determined by the political climate of the time. In the early decades of this century, cooperative members did not want to be overtly organized as the label of "socialism" was dangerous (See Sections 3.1-3.3 of the previous chapter).

By 1945, the cooperative phenomenon had gained world wide recognition. The Guatemalan societies emerged and attempted reorganization along the lines of European cooperatives. In 1945, a constitution of laws which preached "that all men/women were equal and responsible for their actions and that all men/women had freedom of movement" was written for the societies. The cooperative system also proposed to teach people how to work as a group, how to attain a "better" life, how to set good examples for children, how to obtain a higher price for products, and how to buy materials using economies of scale (Muñoz 1984:20).

At this time, 1945, the Ministro del Trabajo y Economia was formed. This ministry directed the distinct types of cooperatives, for example, agricultural or industrial. As well, a department was set directly for cooperatives: Departamento de Fomento Cooperativa. This department had existed on paper since 1943, but the laws were not promulgated until two years later. Once the department was legally able to activate and enforce its laws, it was restricted by additional problems. Muñoz (1984:23) noted three reasons as to why the department's power was ineffective:

- 1) it was severely underfunded
- 2) it lacked technical personnel
- 3) it lacked a vision for cooperatives in the future (Muñoz 1984:23).

This lack of vision is readily notable in the comparison of statistics. In 1975, cooperative production's share of national production was 3.5%. In 1985 this number changed to 3.2% and by 1988 had decreased to a mere 1.7% (The percentages come from Inacop Dec 31, 1991). These percentages appear even smaller when one considers that the percentage of economically active people employed by the sector grew from 8.11% in 1989 to 14.58% in 1991. While the rest of the country had mechanized, industrialized and entered international markets, cooperatives in Guatemala generally have remained local and have produced hand-made products.

Much of this underdevelopment has been due to a conflict within the government. From the 1970's to the mid 1980's Guatemalan governments persecuted cooperatives. In 1982, during a military coup, the government intervened in the activities of Inacop (Instituto National de Cooperativas), one of the four cooperative agencies (personal communication with a regional director of Inacop). The four agencies had been organized in 1978 and consisted of Conaco (Coordinador Nacional de Cooperativas), Ingecoop (Inspection General de Cooperativas), and Confecoop (Confederacion Guatemalteca de Cooperativas) in addition to Inacop. The intervention persisted until 1987. During this period the government literally took command of Inacop and instigated conflicts between the directors of federations and Inacop. Consequently, development plans were either not instituted, or were poorly executed. This action retarded the economic advancement of the cooperative sector in relation to the other sectors with which it was in competition for government favor and funding.

Today the government has not been actively persecuting cooperatives, however, there has followed from this past history a sketchy perspective for the future of cooperatives. For instance, Inacop, as stated by some of the federation directors and other associated bodies, has not offered support, has generally maintained the same viewpoint as in the 1970's, and has not conformed closely to the cooperative legislations. Waverings from direct legislation have been noted in many aspects of the cooperative sector. A case in point, as it will be discussed later, has been the conduct of intermediaries who act as middle men between producers and foreign consumers. Intermediaries are not, in theory, permitted to make large gains. In practice, however, the intermediaries' profits have been liberal and often five times their expenditures (personal communication with regional directors of Ingecop, Cendec and Inacop).

In a 1985 study, Lopez (1985:18) wrote that "the government has declared that the artesanal sector is important as it:

- 1) generates employment
- 2) offers personal value
- 3) keeps tradition alive
- 4) diffuses costumbre
- 5) is a complementary activity
- 6) attracts tourism."

In reality, though, the government has given very little support to the artesanal sector. Hence, cooperatives in highland Guatemalan have relied on an alternate body of support - the international community. In the highlands 80-90% of cooperative credit financing and 100% of donations have come from foreign sources (Inacop: 1992 Percentages and Statistics).

Credit	Q4,768,852
Donations	Q5,550,073
Total	Q10,318,925 or \$1,842,665 US

Although both Holland and Germany offered much support, Canada has donated more than any single country. For their credit financing, Canada has written loans at 18% (6% lower than most other countries and international bodies) and are prepared to take some degree of risk in Guatemala's inflationary economy. The breakdown of Canadian financing in the highlands is as follows:

Agriculture	Q1,170,100
Agricultural Stores	Q57,000
Grains	Q167,590
Coffee	Q109,000
Tree	Q197,000
<b>Commercial Stores</b>	Q1,213,000
Buildings	Q124,000
Machines	Q320,000
Fisherman Boats	Q136,000
Total	Q3,494,690 or \$623,873 US

# 4.2 Structure

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The structure of the cooperative movement is multi-tiered as can be seen in the chart below.

COOPERATIVE	See definition section 3.1
FEDERATION	Second level cooperative to fulfill associates' purposes of
	social, economic, and representative activities. (eg. Artexco)

CONFEDERATION	Third level cooperative is the legal representative
	of cooperatives and coordinates all sectors of the federation.
	(eg. Confecoop)

CENTRAL SERVICES	Created to satisfy the needs of affiliated cooperatives in all
	aspects. (egs. Inacop and Ingecop)

The following sections will deal with each of the "tiers" beginning with the Central Services level and ending with the individual cooperative.

# 4.3 Central Services

Inacop (Instituto Nacional de Cooperativas) is a government ministry formally in charge of developments and registration of cooperatives. However, Inacop's activities extend beyond solely secretarial/administrative duties. The institute aids individual cooperatives in securing capital through loans. The interest differential charged is substantial and benefits Inacop. Individual cooperative assemblies generally cannot secure capital elsewhere and are dependent on Inacop for financing.

Inacop loans money only when the finished products are to be sold to the institute. The institute solicits large international orders, contacts appropriate cooperatives, and negotiates a price (See Appendix C for an example of cooperative financing with Inacop). Even though cooperatives are required to sell to Inacop (in part to repay borrowed money) they often sell to intermediaries and later explain to the institute that they could not produce the quota. Therefore, they state that they cannot return the borrowed money. These intermediaries sell the products at double the price paid to the artesanal group. This "underground" movement in the cooperative system rather than activity through formal channels appears to be the norm. The cooperatives are not organized well with knowledgeable personnel, b) they do not have international trade contacts, and/or c) they cannot undertake the transportation for the products.

An exception is the Pueblo Uno cooperative which, according to Inacop, is considered one of the more successful artesanal cooperatives. I was not permitted to study in this cooperative due to political problems in the country, but I was given explanations about its finances and history. (A book has been written in Spanish on this cooperative, unfortunately the citation has been lost.) This cooperative had been a federation cooperative and thus sold mostly through Artexco. Pueblo Uno had gained direct contacts in Germany and other countries, including Canada, by way of its German founder. Artexco did not want this individual cooperative to gain more strength than Artexco itself and tried to keep it economically under control. By not selling through Artexco, Pueblo Uno members could sell their materials at a much better price, for example, instead of receiving Q80, they could receive \$80. This created problems between Artexco and the cooperative.

Inacop laws are perceived by members of the cooperative community to be righteous and meaningful, but as noted by a regional director, are rarely followed. The government has occasionally used Inacop's strategic bureaucratic position for patronage appointments and often these appointees know very little about the structuring of cooperatives. With a change in government, Inacop employees are likely to change.

The second government organization created to aid the cooperative sector was Ingecop (Inspecion General de Cooperativas). Its advertised mandate was to monitor finances, monitor cooperative ideals, and solve legal problems for cooperatives. After an interview with one of the members of Ingecop it was discovered that only the first of these functions is regularly met.

# 4.4 Confederation

Confeccop R.L. (La Confederacion Guatemalteca de Federaciones Cooperativas) was founded May 19, 1977 as a limited corporation to organize and represent the entire Guatemalan Cooperative movement (personal communication with a director of Confeccop).

It now helps guide the affiliated federations. Its three main activities are:

- 1) to represent the Guatemalan cooperative movement before the national and international community,
- 2) to promote organization amongst cooperatives in Guatemala and,
- 3) to help with development on short and long term bases.

Other secondary activities include:

a) helping non-federated coops,

- b) participating in international forums on cooperativeness,
- c) promoting exports,
- d) encouraging education and,
- e) helping members with housing and credit problems.

Within Confecoop R.L. (R.L. signifies Responsibilidad Limitada: the limitation of

individual associate's losses and the transfer of those losses to the cooperative debt) there

are 9 federations.

Number of cooperatives in each federation sector			
NAME OF FEDERATION		NUMBER OF COOPERATIVES	
Fenacoac R.L.	savings and credit	65	
Fedecocaqua R.L.	coffee growers	57	
Fedecoag R.L.	Guatemala agriculture	54	
Fedeccon R.L.	consumer	34	
Fedecovera R.L.	shepherds	29	
Fenacovi R.L.	housing	20	
Artexco R.L.	artesanal	12(23)	
Fencomerq R.L.	marketing(agriculture)	12	
Fecoar R.L.	regional agriculture	06	
Fedespesca R.L.	Pacific fishing	03	

Chart 2

# 4.5 Federation

The federations were formed to aid individual cooperatives by specializing in the needs of each sector. Cooperatives are not required to join federations, but if they lack capital or expertise the federation's help in this manner can be attractive. In 1991, Dec. 31

(all following percentages are from this 1991 date at Inacop), Inacop registered 20.33% of all cooperatives as federated, organizing 79.66% of all associates (Chart 3).

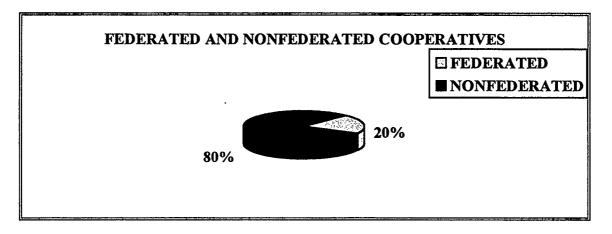
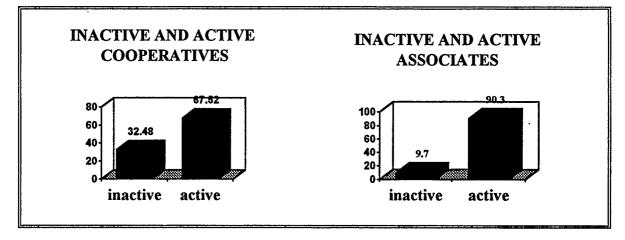


Chart 3

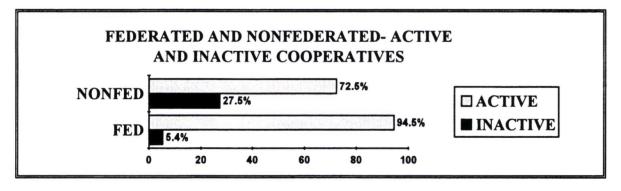
Federated cooperatives tend to be larger than the non-federated ones. The average for non-federated cooperatives is 36.76 associates per cooperative while the average for federated cooperatives is 124.63 associates. Are federated cooperatives more successful, or permanent in the lives of the associates? One indicator is whether the cooperative is active or not. In 1991 Inacop registered 32.48% of all cooperatives and 9.7% of all associates as inactive (Charts 4 and 5).





In no department in Guatemala does the number of inactive cooperatives outnumber the active cooperatives. The problem therefore is not restricted to only one region or jurisdiction. The Department of Quiche, however, has the largest number of inactive societies (45.65% inactive cooperatives and 78.22% inactive associates). Quiche has experienced, in recent years, considerable instability and violence. The military and the guerrillas in this department are in a civil war which has devastated the land and the people of Quiche. This includes the destruction of any business remotely similar to a socialist activity or to a guerrilla activity. The other departments in the country register an average of 36.5% of cooperatives as inactive involving 9.18% of associates.

If one examines Inacop's figures, it appears that federated cooperatives have a longer life. Only 5.45% of inactive cooperatives are federated (Chart 6).





The numbers that Inacop has accounted for ignores the fact that the artesanal federation, Artexco, has recently excluded inactive cooperatives from its list. In reality, 11 of the 23 cooperatives associated with Artexco are inactive. These 11 cooperatives became inactive in 1990-1991. According to personnel at Inacop, Artexco decreased prices by 20% when international demand decreased. Artexco relied heavily (100%) on exportation and the decrease in demand drastically affected the operations of these 11 cooperatives. The remaining 12 cooperatives and their 1371 associates are in various states of productivity. Artexco has six type "a" cooperatives (in good condition), four

type "b" cooperatives (in medium condition) and 2 type "c" cooperatives (in poor condition). The reduction in artesanal cooperatives was not only restricted to Artexco. Non-federated artesanal cooperatives disappeared after 1989 as well. The addition of these 11 inactive Artexco cooperatives changes the percentage for inactive federated cooperatives from 5.45% to 8.08%. In artesanal production only 48.5% of all associates are federated in Artexco (which has been in operation for over 22 years).

There are a number of motives for joining a federation. Many cooperatives do not have the capital to start up a business and are offered aid from federations, such as Artexco. Many international aid agencies donate money to be dispersed through the Guatemalan government or through the federations. Unfortunately much of these funds do not reach the level of cooperatives. An example of a Q500,000 donation by the government of Canada to Guatemalan cooperatives illustrates this type of theft (from a regional director of Inacop). The Guatemalan government, which is generally the first recipient of funds, takes half of this amount (Q250,000); the federations take another half of that amount (Q125,000); and sometimes an "imported" manager of a cooperative might take another quarter (Q31,000); leaving less than one-fifth of donated money (Q94,000) for the individual cooperatives (personal communication with a director of education at Cendec).

Another reason for joining a federation is associated with the buyers of the products. The federation Artexco is a large buyer of goods. In 1992 Artexco exported \$500,000 (US dollars) to Canada, the United States, Mexico, South and Central Americas, Europe, Australia and New Zealand. Mario Lopez (1985:33) found the breakdown of buyers to be:

Intermediaries (other than Artexco)	37%
Artexco	29%
Tourists	34%
Total	100%

He also reported, in 1985, that 57% of all crafts were sold internationally. To fill large international orders a large group of workers is needed to create a standardized product (personal communication with a regional director of Cendec). Artexco operates a tiny school for men and women to learn how to produce articles to Artexco's standards. Many cooperatives have different loom sizes, dye lots and weave widths. A federation can impose standardized inputs. For example, the cooperative members in the artesanal federation buy all material, that is cotton, wool etc., from Artexco and all own looms of a known standard size. The input materials from the federation, however, are considerably more expensive than those from other private venders (personal communication with accountant of a cooperative).

Cooperatives are not always required to sell through Artexco. They are permitted to sell smaller orders directly to other clients as long as they do not steal those clients from Artexco. Pueblo Uno as a former federation cooperative had built up a strong internal organization and lucrative contacts in other countries. It was thus able to build on those clients. Pueblo Uno now sells in Holland, Canada, and Italy. This particular cooperative's greatest asset is the 508 members and, unlike other smaller cooperatives it has the capacity to fill large orders. Recognizing these strengths, this cooperative split from Artexco three years ago. This cooperative as mentioned before stands as a notable exception.

Another federation policy is to place an experienced worker in administrative roles in cooperatives where members may not be able to read, write or count. One organizational director feels that this "gerente", generally a young man, is often an outsider who organizes the cooperative as if it were his own enterprise. Many members from one cooperative stated that the cooperative is then "run more like a finca than a cooperative". Some cooperatives, however, prefer an outsider as "gerente". These officers are given education at Cendec (the school for cooperatives) about cooperation ideals. Fifty percent of gerentes, however, do not perform their functions very well (personal communication with a regional director of Inacop). Their functions include accounting, quality control, exporting products, and acquiring new clients. The greatest reason for this dysfunction is that most gerentes are unmotivated and lazy. This is not only an attribute of the gerentes, but is endemic in the management culture of Guatemala (personal communication with a regional director of Cendec). The second greatest reason is that the job requires expertise learned on the job. There is a high turnover of gerentes. Accordingly, their experience is limited, especially in the knowledge of the associates (members) requirements and desires for the particular cooperative.

Most cooperatives, whether in the federation or not, tend to rely heavily on a person who can read, write and count, especially in Spanish. There is ample room for dependency problems and exploitation. Lopez (1985:19) argued that the artisans never have an exact idea of how much their wares are worth and rely entirely on the judgment of the gerente. In the federation, however, there is theoretically less employee - gerente corruption as the gerente is under the supervision of Artexco.

Six of the federations have developed schools for cooperatives. Cendec was formed in 1979 by Fenacoac, Fencomerq, Fedecocaque, Fedecon, Fedacovi, and Artexco. Technically this action was illegal because all federations should have been involved. No official body, though, has taken notice. It was suggested by a director that it was likely federations paid the government money for their lack of interest. These federations offered Q1,000,000 to start the school. Since that time, they have received funding from Fundacion Naumen - a German organization. In 1992, this money was not sufficient to meet its needs and accordingly it cut services. It was therefore important for Cendec operators to attract funding from international sources. The spring/summer 1992 Cendec newsletter was notably written not for members, but for foreign agencies. It spoke primarily, with embellishments, of how Cendec was the first institution to help indigenous women understand human rights and learn basic skills. According to a director, these formal mandates, as most activities in Guatemalan cooperativeness, have been more honoured in principle than in practice. Cendec has taught some human rights courses, but they have not taught basic skills. This propaganda has worked this year to increase funding from external sources.

Before a cooperative group can join a federation, its members are required to take three main and three optional courses at Cendec. The education does not include the basic ABC's, but offers courses on administration, organization, and cooperative values, such as honesty and how to work together. Many directors state that this is not an easy task (often taking up to three years). The training is especially difficult since rural people do not entirely trust institutions and their programs (See Chapter Nine). Further, a regional director of Inacop explained that many cooperatives dissolve within the first three months of incorporation because members have been lazy and have pilfered cooperative goods.

Benjamin San Turnil, director of CDRO, mentions that when people live in difficult areas or in difficult economic times competition is high. This statement equates with the economic supply and demand curve - less supply equals higher competition for resources. He notes that this competition can cause a breakdown in a community. For development, he suggests that Cendec must disrupt this competitive individualistic custom.

A director of Cendec also argued that if no women in a cooperative spoke Spanish that cooperative would not succeed. Cendec accordingly has only furthered the education of women who already have had some schooling. Educating women posed a problem for Cendec. Typically husbands have not allowed women to leave their villages to travel to the big cities for a week of schooling. Therefore, Cendec directors have on occasion traveled to the small communities and taught the women in their homes. The women have been further restricted (in 95% of the cases) in that they are only allowed to join a cooperative a) if their husbands belonged to some organization or b) their husbands gave permission for the women to join (personal communication with director of Cendec). Cooperative women, therefore, come from a moderately unenlightened level of the indigenous and ladino community. A significant exception to this rule are a) widow cooperatives which run without involvement by men, and b) cooperatives that operate in very poor communities where women are respected for bringing in any amount of money (See Chapter Seven). The directors also suggest that the sexual makeup of a cooperative often determines its success or survival. Some directors suggested that functional success is related to "machismo". Their opinions can be summarized as follows:

Women only	functions
Men only	functions
Men with few women	functions
Women with few males	does not function

## 4.6 Cooperatives

The lowest tier in the cooperative system structure represents the individual cooperatives. On Dec 31, 1991 Inacop (all following percentages are from Inacop Dec 31, 1991) registered 1,174 cooperatives and 277,125 associates (members). The Guatemala department registered the largest percentage of cooperatives with 22.4%. The next two concentrated departments were Alta Verapaz (9.36%) and Quetzaltenango (7.49%). These departments register a larger percentage of associates than cooperatives while the rest of the country shows a smaller average size of membership (Charts 7 and 8).

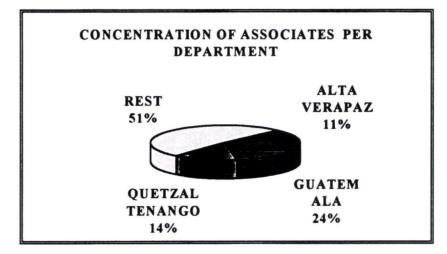
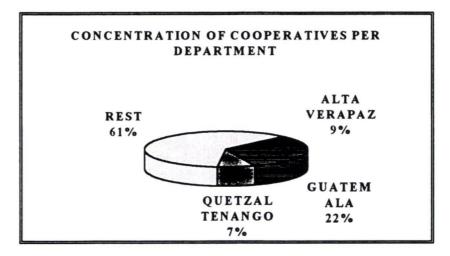


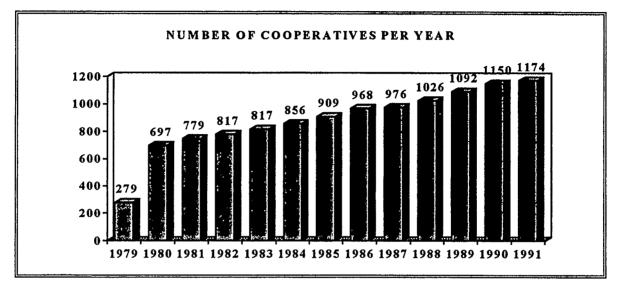
Chart 7





The number of cooperatives grew drastically in the country between 1979-1980 - a 147% increase. In 1991, however, there was only a slight increase of 2.08% (Chart 9). This shrinking increase through the 1980's can be related to the political persecution of cooperatives and to the diminished external markets. The reduction in export markets is a consequence of a) diminished world prices and b) the fact that the world has taken note of the political instability in the country. Artexco directors talked about the serious political problems in the country especially in relation to how this greatly affected their sales. Many countries were against purchasing from a country with such obvious human rights

violations. Therefore, Artexco cooperatives stockpiled their crafts and tried to sell at the international fairs held annually at the mid sized cities of Coban and Retaluehue.

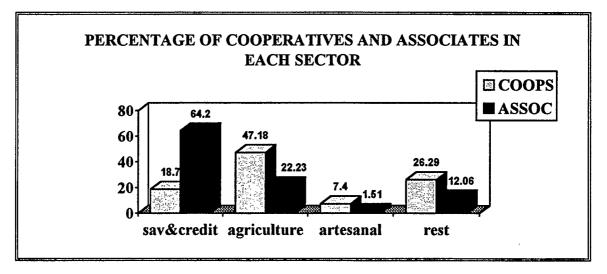


#### Chart 9

Another problem, and one that affected mostly internally marketed cooperatives, was that in 1991 the World Bank, concerned about the falling quetzal, forced the Serrano government to lift the following tax shields: 1.5% utilities, 7% sales and purchase, and 4% rent. The result was that many cooperatives suffered bankruptcy. This is represented in the inactive numbers. For example, in an artesanal cooperative, the inputs [wool-thread-lustina] might total Q100. However, since 1991, the materials have a 7% tax increasing the cost to total Q107. The artisan would also add labour (eg.Q80) and utilities of heat, rent, and light (eg.Q20; with tax Q21.1) totaling Q208. When the artisan sells the product an additional sales tax of 7% is added. Therefore, for a customer to buy the product s/he must pay Q222.66. The same consumer could buy the product from a non-cooperative for Q200, which does not include the Q22.66 in taxes. Foreign markets, where the currency is generally stronger than the quetzal, were not as affected by the new taxes. Foreign markets prefer the standardized materials and bulk quantities generally available

only in cooperatives and many foreign buyers prefer to buy from the "development" projects or cooperatives (communication with foreign buyers). A regional director of Cendec argued that cooperative associates which sold internationally were able to survive this change in tax position slightly better than those that only sold locally.

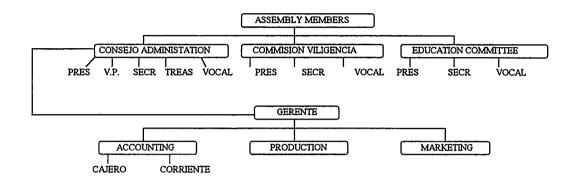
The sector with the largest number of cooperatives is the agricultural sector (47.18%). In this sector there are on average 111 associates per cooperative. The savings and credit sector, however, is much more concentrated with an average of 808 associates per cooperative There are 88 cooperatives with 4,202 associates in the industrial (artesanal) sector. This accounts for 7.4% of all cooperatives but only 1.51% of all associates. This cooperative industry, which is traditionally female, has one of the largest concentration of women, yet the absolute number of women is still low. The industrial cooperative sector needs to be assessed because of this female involvement even though it contributes a mere .78% of the Guatemalan industrial GNP and only 8.01% of all cooperative production. The decrease in cooperative production as noted earlier has affected their GNP contribution: 1975=3.5% GNP to 1985=3.2% GNP to 1988=1.7% GNP (Incuestra Nacional Sociodemografico cited in N.A. 1992:4))(Chart 10).



Char	t 🛛	10

# 4.7 Structure of Cooperatives

The structure of a cooperative varies depending on the size of the cooperative, however, a general plan is recommended by the Confederation.



The general assembly meets annually to elect the consejo de administration (administrative council) and to modify the social structure and/or statutes. In the annual meetings the general assembly discusses and examines inventory and bank balances. The assembly members are the owners of the cooperative. In some cooperatives the accountant must be from outside the membership.

The administrative council is composed of a president, vice-president, secretary, treasurer, and vocal. The president mandates laws, sets up meetings, controls meetings, and assures that all members have an opportunity to speak. S/he also sets the work plans and informs all associates about the cooperative's present status, past activities, future routes, and carries on official correspondence.

The vice-president replaces the president when s/he is absent or when necessary. The vice-president aids the president in organizing the work plans of the cooperative and organizes specific committees.

The treasurer is in charge of accounting, receipts and invoices, and disperses money to associates. The treasurer also relates to the council the economic position of the cooperative. The secretary records all important comments spoken at meetings and prepares all correspondence for the president. The secretary holds the list of active and retired associates, the cooperative's laws, and writes a monthly report of the workings of the cooperative.

As a position, vocal carries interesting responsibilities. The vocal can substitute for any position when the holder is absent. S/he organizes social, sporting and, excursion activities as well as the fiestas for the anniversary of the cooperative, International Cooperativism Day, and saint days. The vocal works closely with the education committee to prepare study groups and educational seminars for the members (Most cooperatives do not perform all of these suggested functions and activities as they spend much of their time facing daily survival).

The education committee, composed of a president, a secretary and vocal, educates new associates, organizes library and study groups, works with other cooperatives and recruits new associates (Many cooperatives are very small and would not have all of the positions filled).

The viligencia commission controls product types and sets inventory. They (president, secretary, and vocal) also act as an internal police to regulate manners of members in a way fitting to the cooperative ideals.

#### **CHAPTER FIVE**

## **HISTORY OF THE CASE STUDIES**

#### 5.1 Introduction

Three artesanal cooperatives in three towns in the Guatemalan highlands were chosen for this study. For purposes of discussion they are identified by their locations as Pueblo Dos, Pueblo Cuatro, and Pueblo Cinco. Also, the personnel involved are given fictious names. None of the artesanal cooperatives are identical in membership characteristics, in history, nor in operations. They do, however, have some features in common which allow for interesting comparisons (See Table 12).

#### 5.2 Pueblo Dos

The cooperative Pueblo Dos is situated very close to the Mexican border in an area infrequently visited by tourists. The headquarters is located in the largest town in the area, but the members themselves reside in two outlying villages with populations of 2500 and 1000 respectively. The cooperative began 14 years ago in 1979. The current president of its education committee (Juan) and his wife (Olivia) were the founders. As educated and politically motivated initiators, they aimed at not only increasing incomes, but increasing awareness of human rights, especially those of women as discussed in Chapter Three. They felt that if this was accomplished their children would learn to treat women with respect. Juan feels that this has been a slow process, but that the occasional policing of men's actions through the cooperative has diminished family abuse.

The professed interest in human rights is in direct contradiction to the group's behaviours. For example, the women are not allowed to attend meetings nor are they, as weavers, allowed to prepare the foot looms (culturally prescribed male tools). Women,

before working in the cooperative, used the traditional backstrap looms. The "male" looms can make products much quicker, but lack some of the technical intricacies possible on a "women's" backstrap loom. This limits the women's involvement in administrative affairs and limits creativity on the loom.

Juan and Olivia recruited 30 friends and their families to join, but one by one they quit. It was suggested that these families did not understand the "sharing ideals" of cooperativism. Later they went to a few small nearby villages to talk to people about the cooperative. They enlisted 28 men, 10 of whom now have families. The families joined mostly because they wanted to even out their earnings over the year. They were all farming families and the cooperative would allow them to earn money when they were not working in their fields. Membership required access to foot looms (which can cost Q400 and last up to 50 years) and the contribution of Q50 into the cooperative fund. This fund was intended for building homes, aiding those who are sick, and sending people for education.

This cooperative belongs to the Artexco federation. A "gerente" was hired by Artexco to perform accounting and administrative activities. This 23 year old man had one semester of accounting at a nearby university and wanted to return to the university, only five months after he had begun the position. The history of the previous gerente was similar. The cooperative sells not only to Artexco, but to two clients in Guatemala City. As with other cooperatives they would prefer more direct contacts as they grossed only Q4000 per month with an average payout, depending on personal productivity, of Q400 per family. I was told that the cooperative sells only 10% of production capability. The cooperative was over-equipped with every family having at least one loom and some families employing additional weavers to work on idle looms. The members are allowed to sell outside of the cooperative and federation when there are no orders to fill, but I was told that the markets were not very lucrative. Their best selling periods are in the tourist months of August to October and March to May.

# 5.3 Pueblo Cuatro

Pueblo Cuatro (1993 pop. is 8500) was settled well over one hundred years ago by the descendants of a nearby village. Just shy of one century ago a drought ruined most crops and the Cuatronians were faced with famine. The nearby village did not suffer to the same degree because they had larger corn reserves and the rains which were more frequent on their side of the volcano ensured a better harvest. Cuatronians were desperate. They asked their neighbors for a short term food loan with land as collateral. That year the Cuatronians went to the coastal finca plantations with the hope of paying back the loan. When they returned, they did not have enough money and lost ownership of their land. Four generations later, Cuatronians are working for wages on land which belonged to their ancestors. They earn very little in wage on this land considering the cost of living. Therefore, large parts of families continue to migrate to work in the coastal finca plantations for 4 to 5 months per year (October - February).

The fincas, as described to me by an elder in the village, are "hated and hot". It is emotionally difficult for the people to leave their village and their families. Every month, however, they return for 3 to 4 days to see loved ones and guard their village. At the Pacific coast they work all day picking coffee and cotton, earning Q7 to 10 per day. The earnings in the 1980's were as low as Q1.5 to 3 per day. The women, with nimbler fingers, often picked 1.5 times that of the men. Nevertheless, picking was not easy for either sex and there was little regard for the welfare of child laborers. Heat, humidity, and mosquitoes were all unbearable factors for workers coming from the colder highlands. Few controls were placed on the use of pesticides. Olszyna-Marzys (cited in Black 1988:93) wrote of DDT levels in mother's milk in the cotton growing areas of the Pacific coast that were are 224 times higher than normal.

At the end of the month a labourer might earn Q150-250, but high room and board charges to the finca would be deducted. Cigarettes and liquor alone could put a worker in debt to the employing finca. While at the fincas, the migrant labourers would eat only frijoles (black beans) and tortillas (a corn bread) with occasional coffee. The housing conditions were primitive. Two hundred people would occupy one bunkhouse. Overcrowding and a lack of family privacy were the rule. Further, the workers coming from different villages in the highlands spoke a variety of mutually incomprehensible languages which kept them from creating a sense of solidarity. This linguistic barrier is lessening as more and more workers have learned to speak Spanish. When they returned to their village, it was not uncommon to be sick for a time. One Cuatronian told me that she would be ill in bed with respiratory problems for up to two months after she returned. This was a result of not only climatic changes and physical stress, but also due to the inhalation of insecticides.

It was in reaction to the harsh conditions of seasonal work on coastal plantations, that the Pueblo Cuatro cooperative was founded. Its president, Maria, wanted to provide an alternative source of income that would allow healthier living in their home town. In the early 1980's business ventures were risky, especially for people with no land as an income support. Every year the price of thread was increasing and Maria felt that if she did not try to form a business in 1983, she never would. One day while visiting a church in a distant highland village Maria saw a replica of an ancient Maya huipile (a ceremonial blouse). She wanted to reproduce the old styles in the traditional manner and encouraged two other Cuatronian women to join with her. These three women asked for money in their village and in nearby towns. Eventually they received Q1000 from Banco Caritas in

1983. With these funds, they bought thread and paid for some living expenses while they began operations.

The husbands were very nervous about the project because their wives, who had contributed to the family income by work in the coastal fincas, were now staying at home. Currently, the women, if they go at all to the fincas, only work for one or two months picking. As will be discussed later, the Cuatronian men traditionally held their wives in high esteem and the women soon won their husbands' confidence.

The women began selling in a nearby tourist towns. It was difficult for them to sell crafts as 1) there were few tourists during the 1980's, 2) they did not speak Spanish and 3) their huipiles (traditional blouses), made with top quality threads and natural dyes, had to compete with inferior quality weavings. Their huipiles and bed sheets were much more expensive than cheaper quality products, which flooded the market in the late 1980's. Very soon five more women from the village wanted to join and every subsequent year membership has grown. After three years, the project formalized and elected a president. Every year the project has chosen Maria as president not only because she now speaks very good Spanish, but because of her business acumen.

The cooperative presently sells Q3000-3500 in a good month. The women of Pueblo Cuatro are under-producing at approximately 30% full capacity. The women members would like to learn how to increase markets. Other projects in their town have received large donations from international agencies. They had received only Q5000 from the Cenat agency. With this support, the cooperative sent five women to Quetzaltenango to learn an ancient dying technique. They were also to receive Q20,000 from the Mission Mondiale in the summer of 1993, however, this donation was allegedly stolen en route.

#### 5.4 <u>Pueblo Cinco</u>

Pueblo Cinco operates in another town no more than a five minute walk from Pueblo Dos. As a cooperative, it began in 1991 with 35 widowed women. Most of these women were previously employed in a Maquiladora factory. Maquiladora plants primarily employ young women with little or no prior experience in the industrial workplace. These "fabricas" are characterized by extremely low wages, hazardous working conditions, high production pressures, and a staunchly anti-union managerial orientation (See Gettman and Peña 1986). The women in Pueblo Cinco worked eight hours a day and made between Q8-10 per day. The closing of the factory and its relocation to another town stimulated the recently unemployed women to organize into a cooperative.

A regional director of Inacop advised the 35 women to form a cooperative. These particular women had enjoyed the constant flow of wages from the factories, but also looked forward to the potential of self management in the cooperatives. Whether both of these goals will be realized in the cooperative remains unanswered. The president, Ana, applied for a donation through Padel (a Canadian funding agency) and received Q48,000. This money went towards the purchase of six sewing machines and materials. To join the cooperative the women paid Q50 per person which sits in a bank account for emergencies. The cooperative could support work for only seven women as there were only six machines and one professional steam iron. After six months 28 women left the organization and were not refunded their Q50 deposit. The remaining widows cut and sewed original clothing, however, their lack of experience made it a struggle to continue. The markets were competitive and their products could only be priced expensively as inputs of thread, cloth, and transportation costs to markets were high. After two years they had made almost no profit after expenses.

In 1993, the women joined with Artexco. Artexco sent the seven women to Cendec in Quetzaltenango for studies, but only four of the women found the school. The

other three women returned home. At Cendec, they mostly learned techniques to operate sewing machines, but the women explained that they went to some administration courses. Artexco does most of their bookkeeping, makes all administrative decisions and is treating the cooperative as if it were a subsidiary and the members as if they were employees. The women are the only sewers for Artexco materials and are not encouraged to create new designs. These women, like those at Pueblo Uno, would like to be independent again or to have secure employment in a local factory.

As can be seen from the study of these three cases, each cooperative has its own reason for being founded, its own peculiar membership and, its own setting within a larger community. What benefits membership in these cooperatives provides in terms of women's personal power and access to economic resources will be discussed in the following chapters.

# <u>CHAPTER SIX</u> SOCIAL AND ECONOMIC POWER

# 6.1 Introduction

Development strategies are often motivated by a desire to reduce oppression and increase economic and social opportunities. Cooperatives in Guatemala are a Western European concept used in a Latin American context. Can cooperatives be used as an utopian plan to relieve tensions caused by internal and external forces? These tensions arise not only from economic depression and the high cost of living, but from social conditions as well. Each gender, each community, and every culture has a specific set of concerns. For example, in rural Guatemala women are traditionally more involved with domestic affairs than men. They therefore need specific skills and knowledge to work competently and to derive a sense of achievement from this work. Women in Guatemala are rapidly being thrust into capitalist cash economies. Their involvement may be due to personal choice, a village's national involvement, or their community's history.

Laurel Bossen noted in her 1984 dissertation that as women become more involved in cash economies, they lose certain freedoms, domains of power, and equalities. The women I studied either stated explicitly, or showed behaviours which indicated that the combination of the traditional role of mother and of labourer in a cooperative does not always decrease social and economic tensions. Nonetheless, changes in various degrees of social and economic power were detected. Power was defined by Stamm and Ryff (1984) as control over actions, resources, and relationships valued by the group and the ability to shape the environment. The groups of women, not unanimously, indicated specific areas that they valued. Significant factors that I found in a Guatemalan questionnaire (See Section 1.4) and in the literature which these women failed to propose were also studied. Although social and economic factors are interconnected in the acquisition of power, for clarity and ease of discussion, I will treat the specific actions, resources and relationships valued by the women under the following main headings:

1) Economic Resources	Income Possessions Health Formal Education and
2) Social Relationships and Actions	Social interactions Roles Self Perceptions

All percentages are listed in the tables of Appendix D. These percentages were compiled from verbal accounts and from observations. Income figures came from an average of the cooperatives' 1992 and 1993 account statements while past figures are from the women members' memories.

# **ECONOMIC RESOURCES**

# 6.2 Income

Income earnings of the members from each cooperative were understandably different in the past and remain varied today. Pueblo Dos is in a wealthier community than either Pueblo Cuatro or Pueblo Cinco for one very important reason--its male inhabitants own land. Most of its families own significant amounts of land to cultivate corn and other vegetables, pasture cattle and grow trees for cooking fuel. Only 10% of the women in Pueblo Dos claim that fuel is insufficient, whereas 97% and 86% respectively of the women from Pueblo Cuatro and Pueblo Cinco (where land is not owned) claim a serious lack of firewood. The cost of living has affected all three cooperatives. Pueblo Dos is affected to a much lesser degree because of the availability of products grown on their land, such as corn and firewood.

Pueblo Dos also earns a greater absolute amount of quetzals than either of the other cooperatives (See Table 10). One hundred percent of the Pueblo Dos cooperative earns more than Q250 per month, with 50% earning more than Q600. On the other hand, all of the women in the Pueblo Cuatro cooperative, earn Q100 or less while their husbands earn an average of Q180 per month as farm workers. Members of the Pueblo Cinco cooperative have incomes between the other two with 71% gaining more than Q100, but no one earning more than Q250.

Only the Pueblo Cinco women had the same or higher income as before the cooperatives were formed. Their Maquiladora jobs were a source of steady earnings. In the cooperatives, however, no income is guaranteed. After forming cooperatives, both female members of Pueblo Dos and Pueblo Cuatro experienced increased absolute incomes. It is interesting to note the women's contribution to their reported family's economy in Pueblo Cuatro increased from 20% to 30% of the total family income. It is impossible to determine the percentage increase in income the women of Pueblo Dos bring to their families as the husbands and wives pool all of their resources. I would suggest that the women make 85% to 90% of the weavings in the cooperatives while their husbands are in the fields (See Table 10).

#### 6.3 Possessions

Even though absolute incomes on average appear greater after participating in cooperatives, one must look at the buying power of that money. It is fortunate that their incomes have increased because of the rapidly inflating costs of living. Table 11, for example, shows that the percentage of income members of Pueblo Dos and Pueblo Cuatro spent on essential living expenses, such as food, utilities, and wood has remained fairly stable. As stated earlier Pueblo Dos does not feel the effects of inflation as badly and its members have on average an excess of Q150 to Q250 to spend on luxuries per month. Because of the current unsteady flow of income, members at Pueblo Cinco have generally less money to spend on necessities than before.

Every cooperative member in Pueblo Dos owns his/her own home. The members of the other two cooperatives live with either fathers or mothers-in-law (Pueblo Cuatro 50% and Pueblo Cinco 100%). Pueblo Cuatro also supports an orphan who floats between the houses of the cooperative members. This floating and/or living with in-laws and parents is talked about considerably by the women of Pueblo Cuatro. They find this situation extremely stressful. Many state that they do not have a home nor privacy for their immediate family. Under the direction of the in-laws and or parents, the women often feel powerless. A woman has little opportunity to be the "mother of the house" and fulfill her traditional role in an in-laws' home.

The housing is different for each group (See Table 6) yet, housing conditions have not changed dramatically since the inception of the cooperatives. The ladino homes tend to have cement floors, the poorer homes have metal roofs and the majority have adobe walls and separate kitchens. For example, with their increased incomes the members of Pueblo Dos did not purchase ceramic roof tiles. Instead, they would purchase electronic goods. The only superficial change was that Pueblo Dos members usually made a special room in their living quarters for the looms. The members in the other two cooperatives did not have the disposable money for such housing improvements.

The level of possessions owned by Pueblo Dos members has remained constant except for the purchases of radios and televisions. The increase in the number of electronic goods is partially due to increased availability, recent installation of electricity in the villages, and an increase in disposable incomes. Cooperative members from Pueblo Dos and Pueblo Cinco are generally able to keep up with neighbours in their acquisition of electronic products. Because there are so few electronic goods in Pueblo Cuatro, the 6% who own televisions and/or radios now have assumed the important role of caretakers of communication and thereby enjoy increased status or notoriety.

Women in Guatemala are preoccupied with their appearance. I was often asked, for example, why foreigners, in particular hippies, had such poor personal appearance despite coming from such wealthy countries. They did not understand this lack of care for appearance. Most women in Pueblo Dos considered that their wardrobe was sufficient in the past and remains so today. It is likely, and mentioned by the women, that additional money is used to purchase electronic equipment instead of clothing. The women from both Pueblo Cinco and Pueblo Cuatro, however, have noted that with their increased incomes they are buying more clothes. Before the cooperatives were set-up, many stated that they seriously lacked clothing. This is especially true in Pueblo Cuatro (See Table 7). The women of Pueblo Cuatro would prefer to wear traditional huipiles, but they have become too expensive to make or purchase. This is partly due to the expensive threads and partly to the rising tourist prices. Foreigners buy the Guatemalan clothing and crafts at a much higher price, well beyond the means of the women who weave them. Thus, most women wear cheap polyester "fancy blouses" and a type of traditional skirt. The women generally have one traditional outfit for special occasions, but have for the most part sold the others they owned for cash. They feel that this is a loss of "traditional balance" since their huipiles expressed where they came from and who they were. Each village has distinct variations expressed in the huipiles (See Petterson 1976).

The relative cost of machine manufactured clothing in recent years has declined and the demand for female labour has increased thus making weavings for home consumption unprofitable (Annis 1987:110). The abundance of cheap factory textiles has also reduced the necessity of hand weavings for home consumption. In catering to a relatively homogenous market in a cash economy, the women have neither the time, opportunity, nor motivation to pursue creativity in their handwork. The women of Pueblo Dos completely stopped creating huipiles to concentrate entirely on weaving for the mass market. Foot looms prove to be much faster and efficient than the hand backstrap looms they had used previously. The women of Pueblo Dos and Pueblo Cinco are not encouraged to design new styles. Thus, women in these two cooperatives have control over an activity that is not as valued as in the past.

Maria from Pueblo Cuatro explained to me that it is important for all of the women to have shoes. Presently 94% of the women, as compared to 75% before, have shoes. It should be noted that there is a strong social emphasis on shoes. In Guatemala shoes have been considered a high luxury. Recently, plastic American sandals have flooded the markets for about Q10-15. This affordable price has made sandals to be a distinctive mark between the poor and the poorer. Wearing sandals is not only a display of "wealth" for the women, but a display of modernism, of "getting out of the kitchen". Women will continue to wear shoes even if they do not fit properly and\or are falling apart. The ladina women of Pueblos Dos and Cinco have always worn shoes.

# 6.4 Health

Money also determines access to health services and education. The health of the women in all three cooperatives is very poor (See Table 8). Much of this is related to overwork and to poor nutrition. The women start work very early in the morning with breakfast preparation; work all day weaving, taking care of children and preparing lunch; and do not stop until the sun sets. The women are working even longer days with the introduction of electricity to all three communities. Both electricity and water programs were brought into its two constituent communities by the Pueblo Dos cooperative members. The government requires that a community prove that it can support ongoing

utilities. The men from the cooperative formed a coalition to present their successful plan. Women, as is custom in this community, were not included in these activities.

Poor nutrition is particularly evident among the women in Pueblo Cuatro. Almost every woman, independent of age, suffers from an illness or a combination of problems. The illnesses range from poor eyesight and blindness to skin irritations to loss of teeth and gum disease to sore joints and muscles. The dental problem is especially dangerous because without teeth the women eat less and the cycle of malnutrition repeats itself. In Pueblo Cuatro a few women saved enough money to have their teeth pulled (at Q50 per tooth), but none of the women had enough money to replace them with dentures. To the women, good teeth are a sign of prestige and wealth. The lack of calcium and fluorides in their diet is another serious problem. No one in town owns a cow and they cannot afford to buy milk. Most children in rural Guatemala are breast fed until age three. The mother thus loses much of her calcium in producing milk and none of it is replaced from dietary sources. The body therefore steals calcium from the bone, particularly the teeth. The deterioration of teeth and gums is not solely due to a lack of food, but to poor food choices. Guatemalans, from an early age, eat a lot of sugar. Their coffee, for example, is unbearably sweet to the western palate. The women in Pueblo Dos and Pueblo Cinco also have poor teeth, but none talk of replacing them but rather are prepared to suffer with the ache. The women in these two cooperatives further suffer from eye problems and heart conditions and many from respiratory attacks. The respiratory problems may be a result of work in the Maquiladora plants and/or of the harsh local climate.

Health problems due to poor nutrition and other ailments are compounded by the lack of money to visit a doctor or buy prescriptions. Pueblo Dos and Pueblo Cinco have access to the Artexco doctor and to prescriptions for Q3, however, at a limit of once a year. As one woman told me, she had been sick most of the year, but when it came time to visit the Artexco doctor she felt well. She considered herself unlucky. Most women said that their health has not drastically improved since having access to the Artexco "medical plan". They stated that their health has the fluctuations of normal life. The women of Pueblo Cuatro, though, are particularly unfortunate. They say that the medical student who runs the town clinic often misdiagnoses and that he does not suggest cheaper alternatives to pharmacy prescriptions. The nearest professionally qualified doctor is quite far away.

The two federation cooperatives, Pueblo Dos and Pueblo Cinco, have funds which are intended to be used for emergencies and fiestas. Pueblo Cuatro, on the other hand, does not have such a fund. They try, however, to help each other as much as possible. One woman in Pueblo Cuatro has five sons, one with polio, and a husband who is ill and cannot work. As such, they are starving. Every month the women from the cooperative bring food for her and each member donates Q0.15 for her in excess of the little amount she earns from work at the cooperative. Even though this adds to very little (Q4.65), she can buy some clothes for her sons or medicines for her husband. But, more so, this offer is not solely money, it is encouragement and hope to a woman in desperate circumstances. Thus, it is important that a cooperative function economically to offer profits for its members because of the social spin-offs it creates.

#### 6.5 Formal Education

The formal education of most rural Guatemalans, as discussed earlier, is at a very low level. Most of the women in the cooperatives did not complete schooling past primary level two (See Table 2). Exceptions exist in both Pueblo Dos and Pueblo Cinco. Pueblo Dos, has two women who were trained to be teachers at the university and Pueblo Cinco has two female members who received basico or secondary training. Women and men of Pueblo Cuatro, the economically poorest of the cooperatives, claim that 44% of

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the women (of all ages) have received no schooling. When asked about education the women of Pueblo Cuatro wanted to have at least one of their children, usually a male, finish primary level six. The women chose sons because they felt that outside their village men have had better opportunities. However, many in Pueblo Cuatro are too poor to sacrifice a son's daily wage that he earns working alongside his father. Girls are also not sent to school on a regular basis because of a lack of money; and because the parents see no future benefit from their daughters attendance due to the perceived sexism outside of the village.

The women in Pueblo Cinco and Pueblo Dos also deem education to be very important and they hope to send their children through school. Some children in Pueblo Dos have already been to university. All of these were sons. It appears that there continues to exist a bias for males to have the available education. A possible reason is the machismo (See Chapter Seven) mentality of their respective communities.

In the Pueblo Dos cooperative, excluding the two university educated women, no woman can read or write proficiently. Pueblo Cinco women, on the other hand, can mostly read and write quite well since their cooperative was formed primarily from factory workers. The factories preferred to hire women who have had some education. Although the women from Pueblo Dos and Cinco all speak Spanish, they have lost their native Mam dialect. I was told that their grandparents had been discouraged by the government to speak their language. Two generations later the dialect has been lost in their respective villages. It is interesting to note that none of the women wished that they could speak Mam. If they had to speak another language most would choose English or German.

Pueblo Cuatro in this respect is quite different from the other cooperatives. The women there, with one exception, primarily speak the native dialect. As mentioned earlier Maria had to learn Spanish because of the business. Only her elderly aunt and mother could speak Spanish before the cooperative existed because they had worked as domestics in Mexico. The rest of the women were unilingual. Presently, less than half of the cooperative membership falls into the category of speaking Spanish, however, slowly. Most can understand the language if it is spoken clearly and slowly. They credit this to working in the cooperative. Additionally, as a cooperative project, five members went to Cendec for training in a complicated dying technique and learned to count very well. The women in Pueblo Cinco and Dos can only count slowly (See Table 3).

Control over these economic-type factors adds to a woman's sense of power--both in her personal sphere and her traditional mother role. Income earnings are at the basis for most of the resources. For example, private housing is not only important because it provides a roof over her head, but because it allows her personal freedom from her in-laws and control over her home. Education is recognized by the women to be important. The women in Pueblo Dos and Pueblo Cinco see education as a way out of the continuing poverty cycle facing their children. They, especially those from Pueblo Cinco, feel that with education their children can find higher paying employment. The problem is money. Schools are expensive and, in the case of Pueblo Cuatro, taking a child away from work in the fields means a loss in income. The women of Pueblo Cuatro, however, would like to sponsor one or more sons to go to university so that they could return and help their village. Maria considered this impossible until they acquire more money through the cooperative. Good health is a resource the women feel is essential. For a few women their poor health is debilitating and they have been bed-ridden. During these times they cannot maintain control over resources nor over social relations and actions which are to be considered below.

# SOCIAL RELATIONSHIPS AND ACTIONS

# 6.6 Social Interactions

The women of Pueblo Cinco are very outspoken. When the women join together for meetings they talk almost purely about administrative matters. Much of this is to repeat Artexco's directives. It is outside of the formal meetings, during their working hours from 8:30 to 3:00 p.m. at the shop, that the women chat about topics ranging from men to fashions. They laugh and are at ease. One woman, Tina, brings her eight month old son to the cooperative and lets him sleep in the corner. Thus she is able to continue breast feeding him. When she worked at the factory, Tina was unable to breast feed her other children and they had to be left with her parents at home. The cooperative gives her the flexibility to be with her child while working and to socialize with fellow women workers. The women enjoy traveling to work every day away from their village and to meet with other women. When the federation, however, has not sent material to be sewn that day the women grudgingly must walk back home.

The women in Pueblo Dos are not involved in any of the meetings. Reasons for this varied from some husbands' fear of another man looking at his wife to other husbands' concern over who would care for the children. Even when I was asked to talk about Canada at one of the meetings, the wives were not invited, despite my request. The women are thus limited in their movement and opportunity to participate (See Table 4). The women in Pueblo Dos work at home and rarely stray from their residences. Isolated women often do not have the opportunity to share experiences and ideas with other women. They consequently lose access to these new concepts with which to shape their environment. One of the regional directors of Cendec commented that women who rarely receive visitors or leave the home tend to giggle. I noticed this to be characteristic of many of the women of Pueblo Dos. Of course, a few were outspoken, but I was struck by the general quietness of the women, especially when around their husbands. The women from Pueblo Dos claim that most of their closest friends are from outside the cooperative membership. The women of Pueblo Cinco echo this statement. This is particularly understandable in the case of Pueblo Cinco members who come from so many different communities. The women of Pueblo Dos, even though they are from only two communities, do not interact to any extent. The women from Pueblo Cuatro, however, call each other "hermana" or sister and are a very closely-knit group. They have achieved, despite their dirth of funds, the most social power of all the groups studied. The women have learned a great deal from each other. Because of their age differences and various talents each Pueblo Cuatro woman has something to offer.

In the other cooperatives (Pueblo Dos and Pueblo Cinco) the women are approximately the same age and perform similar activities. In Pueblo Cinco the women are all learning how to use the sewing machines at the same time. In Pueblo Cuatro, however, the older women teach the younger less experienced weavers and the younger women introduce modern views, such as having fewer children. (The women in all three cooperatives are above the national average age of 18 when they give birth to their first child; and are below the average number of 5.6 children per woman (See Table 1)). The young girls also help with heavier chores and as the aunt of Maria stated the girls bring a "light of youth and are the reason the elderly are here". At their meetings they talk of work and administrative activities, but they also cover social topics. The women speak at random, but it was noticed that the elderly women spoke first and most. They talk about concerns for the future of their children, about who is ill, about special concerns of anyone.

In Pueblo Cuatro they speak of sex and marriage. Lilliana, the only ladina in the cooperative, was from a distant village and does not speak the native dialect well. Her husband began beating her. It was not until she had two children that Lilliana learned that her husband was also married to a woman in a neighbouring village. She was given moral

support by the women in the cooperative to tell the man to leave and never return. Since that time, she has had psychological stress and medical problems to deal with, such as a continually bleeding eye. The women of Pueblo Cuatro have become her family and support group. Another much younger woman is in a similar situation. The cooperative women and her parents are offering her support in her attempt to divorce the husband. Ironically, only the Pueblo Cuatro members, who did not have access to Cendec's supposed teachings of women's rights, understood its concepts and consequences and were willing to talk openly about them. The women of Pueblo Dos were very shy and had no appreciation of women's and children's rights; and the women in Pueblo Cinco were not interested in talking about rights.

Not only are the women in Pueblo Cuatro a cohesive group, but they have also met with people from remote countries and have been to other villages because of the cooperative. The women also know of other places because of the annual migrations to the fincas. This is very different from Pueblo Dos women who have little knowledge of outsiders or foreigners (See Table 9). The widows from Pueblo Cinco are from various villages but, have no contact with each other outside of work.

One aspect that is similar for all women is that if they have young children, they have no leisure time. Working at home or being allowed to bring young children to the cooperative center allows them to fulfill their mother role. This is very important to the women. The younger women of Pueblo Cuatro also feel that motherhood is a meaningful role, but further see the restrictions that numerous children can place on the family. Many of them are speaking about having only one or two children. Their mothers and women in their thirties continue to respond that only God can determine if they will have more children and that it is not in their control. The younger women disagree.

None of the women from any cooperative stated that her domestic role had been challenged nor changed by her experience in the cooperative. In fact, the women often feel more useful because they are bringing money into their poverty stricken homes. Often when women work in cash economies they find a conflict between "home and office". Because these women either work in their homes or can bring their family to work the guilt of being away from house duties is not as dramatic. Mothers in Pueblo Dos mentioned that the work has not been very disruptive and that they have lost no influence in domestic affairs. Members of Pueblo Cinco, who must leave home, often bring their children with them to work. Further, the women from Pueblo Cuatro noted that if a woman must travel to sell crafts they are not criticized by their husbands for neglecting her traditional role.

#### 6.7 Positional Authority

Playing some public role in the community or in the cooperative is an indication of increased control over or influence on social actions. For these women it represents a possible growth in personal self-worth (Ryff 1984:67). Primarily the only public roles or positions held by the women, outside of the cooperative are in the church organization (See Table 5). These women visit the sick and dying, or sing in a musical choir. For the women of Pueblo Dos such an activity is an important outing in the week where they can talk with other women for an extended period of time. Some of the women in Pueblo Dos mentioned that since they have had children they can no longer participate in church associated events. Most women from all three cooperatives consider such involvement a source of pride and a means of feeling useful and important.

On the whole, the women are not deeply involved in political activities. All 45 women, however, vote in government elections. Voting is required of all members in the federation and the women of Pueblo Cuatro feel it is a civic responsibility. They recognize

that their votes may be irrelevant in a country indirectly run by the military, but the women find the act of voting powerful in its own right.

The women in Pueblo Cuatro as a group have undertaken active roles in their community. The women walked as a unit in a procession on the village's saint's day wearing their traditional huipiles and carrying a banner signifying their project. From this display Maria explained that they were trying to express solidarity and gain respect from the community. This is beginning to be achieved. Every day women have come to the cooperative to join, but are turned away. Maria and the cooperative members decided to cap the membership at 32 for the time being since the project cannot support more. They try, when possible, to take the poorest of the poor. The sister-in-law of Maria used to work at one of the other projects in the village. She complained about the male president of that project who stole all the cooperative's funds and now lives in a beautiful home. The women, she explained, were not well organized and thus let the theft pass without confrontation. Even when the project was supposedly running properly the cooperative did not fulfill any of her needs. She sold one piece of cloth and very rarely did that cooperative hold meetings.

The women in the Pueblo Dos and Pueblo Cinco projects have not received the same community support. I feel the reason for this is that in Pueblo Dos the husbands are making all the decisions and are receiving all the recognition. For example, the two communities of Pueblo Dos members are very happy with the new electricity and water, but it is the men who are praised with the accomplishment. One potential reason for a lack of respect or recognition for the women of Pueblo Cinco is that cooperative members do their work outside of their communities and their accomplishments are not seen back home. An additional consideration is that Pueblo Cinco is also a fairly new project.

The women of Pueblo Cuatro and Pueblo Cinco have definite cooperative roles or specialties that are respected. For example, Carla, from Pueblo Cinco, not only sews like the other women, but she has special training for the professional steam iron. The rest of the women sew with the only role differentiation being the administrative capacities of president, secretary, treasurer and vocal. In this small cooperative most of the women (72%) have a specific role. Pueblo Dos women, who produce similar products and are not involved in the administration, have no "special" roles in the cooperatives.

I noted the highest degree of role differentiation in Pueblo Cuatro. There are 16 weavers, 2 sewers, 4 dyers, 6 embroiderers, 1 washer, and 3 thread orderers in addition to four administrative positions. The women, especially the non-weavers, were very proud of their unique skills, but they wished that they could improve their weaving abilities. Maria explained to me that the young thread orderers are learning to weave properly from the more dedicated and experienced weavers. There is subtle pressure to produce excellent weavings. One older woman, who is not particularly an accomplished weaver, admires the other women's skills, but takes personal pride in the fact that she is one of the town's best embroiderers. A blind woman, Aura, who washes the threads knows that the cloth would not be easy to work without her contribution. When she became blind almost overnight from a bacterial infection, she suffered from a profound sense of powerlessness. With her unique job Aura is able to contribute to the overall work of the cooperative and is very talkative in the meetings - offering advice to everyone. Everyone in the cooperative listens, not only out of pity, but out of respect for a wise woman. Being involved in the cooperative has increased many of the women's sense of role and position.

The roles occupied by the women have had an effect outside of the cooperative. Maria's sister-in-law, from Pueblo Cuatro, mentioned that the village council has heeded suggestions offered by herself and Maria. The suggestions were not usually acted on, but during the meeting the women were given a respectful hearing. The rest of the members' roles were not generally noted by the community, however, some women felt that they could hold their head high because they were being productive. A strong sense of competition exists between the cooperative I have termed Pueblo Cuatro and the other cooperative in the same village. To keep peace the women I studied tended to be quiet in the community as to their successes.

Pueblo Cinco members earned greater respect from their immediate families than from their community. They explained that they had been asked by their families to perform certain activities that as women they had never done never before. One woman mentioned that she was asked to write a letter for her grandfather. She took great pride in this and said that it was an indirect complement on her role as secretary in the cooperative.

## 6.8 Self Perceptions

Finally there is the potential sense of achievement and pride that is associated with working in a cooperative. Gilligan (cited in Ryff 1984:67) rightly emphasized that women tend to place high value on social relationships and the well-being of others. Having control over those valued aspects of life offers potential for a sense of personal power. All three cooperatives mentioned that they appreciated working in the cooperative, but for different reasons. The women of Pueblo Dos miss creating their traditional huipiles using a backstrap loom, but are glad to help their husbands and to contribute to the family's well-being. The Pueblo Cinco women spoke mostly of being employed. These women were all unemployed for a period of time and feel the return of personal worth and power when working. They also appreciated the opportunity of running their own business. The women in Pueblo Cuatro offered varying responses. Over half of the women felt pride in bringing money into the family and working, but others (mostly older women) liked the cooperative because they could get support from and contribute to training the other women.

The women of Pueblo Dos and Pueblo Cuatro all enjoy weaving. They find weaving a familiar way to produce things, and they enjoy the mechanics of the work with an end-product they can be proud of. The women of Pueblo Dos, however, preferred their backstrap weaving to the foot loom. The women of Pueblo Cuatro, who continue to use the backstrap loom, are concerned for a balance of colour (important in Mayan beliefs) in their fabrics and have a genuine respect for the tradition of weaving. (See Annis 1987 for a discussion of balance of color in Guatemalan textiles). Pueblo Dos women miss the opportunity of creating that balance in color and design since they must conform to the federation's standard products which cater to the tastes of a foreign market.

## 6.9 Summary

The cooperative strategy, in a sense, has given "legitimacy" to many of the women as well as allowed them to continue and improve social relationships. The strategy has not solved all these womens' social or economic problems, but has offered opportunity for varying degrees of power. Pueblo Dos women seem to have gathered more economic advantages, but this power remains in the hands of their husbands. Pueblo Cuatro women lack significant economic power, but have made great advances in their individual and collective social power in their community. Pueblo Cinco women seem to have acquired a little of both. Guatemala is far from reaching full equality especially when "machismo" exists so strongly in its culture. From socializing, to creating beautiful works, to earning a little money the women are trying to gain a little more control over their lives. This is the true sense of their power.

There are many reasons for the similarities and differences between the cooperatives that I observed and described above (The quantifiable information is summarized in the tables of Appendix D). I will be analyzing these variations in causative

terms: structure of the cooperative including federation involvement, and family structure of the cooperative members.

#### **CHAPTER SEVEN**

# ANALYSIS OF ECONOMIC RESOURCES AND SOCIAL POWERS

#### 7.1 Introduction

Whether membership in a cooperative improves these women's access to economic resources and to social relationships depends on a number of factors. Because of innumerable small differences between the individual cooperatives and within each cooperative's membership an absolute comprehensive conclusion is unobtainable. I found the women within each group, however, to be fairly homogenous. This allowed an analysis of their comments and actions according to their cooperative. I have discussed the government, political, and economic history in Guatemala and its universal effect on all three projects. I would like to suggest, however, that the control women exercise over resources and relationships appears to depend on two specific variables:

family structure
 cooperative structure

#### 7.2 Family Structure

The research written about cooperatives has treated such enterprises as closed corporate communities. In their analyses, researchers have emphasized the structure of the cooperatives and to a lesser degree the general background of the countries' political and economic conditions. These analyses, however, have neglected the structure which is integral in developing behaviours for the acquisition of power by women - the family structure. The family structure influences which women join cooperatives and what kind of behaviour they are likely to exhibit as members.

Firstly, the family type is a differentiating factor. As a regional director of Cendec mentioned, women in Guatemala must be given permission from their husbands to join a cooperative. Consequently the degree of permissiveness and/or of involvement in a cooperative by the husband or father is a powerful determinant of female membership. In Guatemala there exists only a few cooperatives or projects which cannot be explained by the husbands' presence in the project. The women involved in cooperatives, without men in the membership, come from family structures that accommodate independence of women. In this research they are characterized as landless, extremely poor and with a historical expectation for women to work. This is particularly evident in the widowed families of Pueblo Cinco and in the landless women of Pueblo Cuatro.

Secondly, the family structure influences pre-existing behaviours that a woman will bring into a cooperative. There is abundant evidence that the family structure which predominates in Latin America is one of the major institutions contributing to the oppression of women (Karrol 1988: 48). This family form generally embodies the concept that husbands or fathers have supreme authority over other family members especially in terms of financial matters. Bossen (1984:314-318) states that such authority extends to the wife's right to travel, to education, to participation in community events or activities, to hold jobs outside of the home, and to have custody of and exercise discipline over children. This "machismo" authority stresses the individual dominance and autonomy of men and is often combined with sexual promiscuity. In her work in Guatemala, Bossen argues that this pattern of relations is more likely to prevail in a Latin (Spanish-Portuguese) tradition family than a family following the indigenous Central American customs (in Guatemala - Mayan).

Three different family types are used to describe the population under study. One follows strongly the Latin legacy of patriarchy, one follows Glenn's colonial-ethnic people (as discussed in Chapter Two) and the final one is composed of widows without direct

involvement of a husband figure. Each cooperative's membership is distinguished by belonging almost exclusively to one or the other of these family types.

#### 7.21 Pueblo Cuatro

The dominant family type in the village of Pueblo Cuatro follows Glenn's colonialethnic people. The family structure is influenced by two major forces in the history of the village:

1) the people have been landless for many generations

2) the people follow indigenous family patterns

The people of this community were not only oppressed by the conquistador legacy, but also by the neighboring village which now has title to their ancestral land. Since their land ownership has been lost, the families of Pueblo Cuatro must work for below inflation wage as day labourers on other people's lands. This tends to deepen the family poverty. Ironically, a reduction in accessible land can result in a relative increase in female power. The legacy of the Guatemalan colonial labour system which required more than a man's daily wage to support the whole family still affects present day Pueblo Cuatro. Since these men earn less than those in landowning families, the women's income comprises a larger and more important share of the total income. The women now earn 30% of the family income. This 30% is spent primarily on essential food and housing expenses.

The definition of female colonized minorities as labourers in production often took precedence over their domestic roles. Whereas the role of a ladina wife-mother was recognized by society at large, the indigenous woman's traditional role identity as mother was often ignored by the larger society in favor of her role as worker. The women in the Pueblo Cuatro village were never out of public production. They were integrated into production in various ways which included field work at fincas and work as household domestics. This is not to say that these women did not see themselves in terms of their household identities, but that they were not so defined, as previously mentioned, by the larger society.

In Pueblo Cuatro the men supported their wives' and daughters' decisions to join a cooperative. All the men that I spoke with were proud that their wives were working. Two reasons for this support were prominent. First, they were glad that their wives and\or daughters did not have to travel to the fincas any more (except for short periods when in desperate need). This has understandably relieved some stress because their young children have a more stable environment and are less exposed to the health risks associated with the fincas. The men also did not like the fact that their homes were left unoccupied for so many months. Secondly, the men praised the women for their work in the cooperative which brought income into the family while still fulfilling the highly valued role of mother-daughter-wife. The women were recognized as being an integral part of their family's income-making potential. The social aspects of the cooperative are prized less, if at all, by Pueblo Cuatro men. However, many of the men were proud when the women of the cooperative walked together in the village's saint's day parade. Some of them told me how fortunate their wives were to work in a project of which so many other women in the community want to be a part.

The Pueblo Cuatro family unit, because of its poverty and because of special historical circumstances of labour and land tenure, generally worked together in opposition to external institutions of oppression. The men in the families of the cooperative members did not "allow" the women to work in the project, but rather the women exercised their freedom to start and to continue the project. The men did not resist or object strongly to the women's decisions. Naturally, some men were concerned whether the project would succeed. The president Maria, however, argued that they had nothing to lose by this venture and eventually the families accepted their decisions.

#### 7.22 Pueblo Dos

Although Juan and Olivia had organized the Pueblo Dos cooperative with the intention of reducing male oppression and increasing education, these social problems have continued. The prevalent family structure in Pueblo Dos, where land is owned locally by men, is typified by "machismo". My examination of behaviour of the cooperative members showed many restrictions. The men, who went for training at Cendec, were not educated concerning human rights. For instance, the men from Pueblo Dos did not want the women to attend meetings for fear that other men would leer at their wives. The regional director of Cendec mentioned that when the men are in meetings they talk of their wives in inappropriate ways. (I was not privy to any first hand comments against women as my presence as a foreign female was respected.) The women were not afforded the opportunity to go to Cendec.

The strong male presence was also noted when they sat in on conversations between the women and myself. These women immediately spoke less and usually let their husbands answer for them. The women, who are not permitted to attend meetings or to vote in cooperative affairs, do most of the weaving. Ironically, the money that comes through the cooperative is held in the men's name and they reap most of the credit.

# 7.23 Pueblo Cinco

The widowed women of Pueblo Cinco came from households similar in structure to those of Pueblo Dos. Many of their departed husbands drank and were abusive. Since their deaths the widows have had to be creative in finding income to support their families, which generally have included elderly parents and/or grandparents. Their situation is paradoxical--they are lonely without a spouse, but they are at the same time less oppressed and have the freedom to partake in exciting new ventures. When the local "fabrica" closed, the women had difficulty surviving without their factory wages. They ate into the small savings of their parents. As in Pueblo Cuatro, the families were desperate to try anything. Because the widows no longer had a husband to rely on for economic support, their family members did not object to their work at a cooperative. Understandably the emphasis in this cooperative is on economic means of support.

The different behaviours of the women in each cooperative and their experiences of power are partly influenced by the type of family structure. The women from the colonial-ethnic-minority family structure in Pueblo Cuatro experienced freedoms to pursue the cooperative enterprise. Their personalities expressed women who were confident. They were adventurous to try to enhance their existing social and economic resources through the cooperative. The women from the very "machismo" families came to the Pueblo Dos cooperative with the mindset that they were to sacrifice for the family and perform the labour. I am not convinced that they would not appreciate more social freedoms and control over resources, but their surrounding family structure limits opportunity. The widows of Pueblo Cinco, who came from a family structure similar to that of Pueblo Dos, have equally come with a similar perception of what they are allowed. The widows all stated that the cooperative was a means to make money, as was the fabrica, to support their fatherless children. The cooperative, in their opinion, had few other overt significances.

# 7.3 <u>Cooperative Structure</u>

Once women are working within the cooperative system the success of a project in providing a means for acquiring social and/or economic power can also depend on the cooperative's or project's internal and external framework. The structure of the three projects vary considerably as does the quality and degree of their success.

# 7.31 Internal Structure

Several studies suggest that the structure of cooperatives further influences behaviour. The literature, however, has been limited to factors which deal with how people work together towards a goal of efficient economic production. For instance, Helm (1968:23) suggests that whether a cooperative functions effectively depends on how well the members work together. This internal cooperative spirit or cohesion is strong when the following conditions apply:

- 1) the members share similar socio-economic backgrounds
- 2) the members share a common interest, and
- 3) the cooperative is initiated internally.

Cohesion is important in the success of a cooperative. The members must deal with each other, not as employees, but as co-owners. They must have similar interests for the economic continuation of the cooperative. For a study of female empowerment this framework needs to be expanded to include the interactions of people which are not solely production related. My investigation has further identified a number of significant interpersonal behaviours which demonstrate social power and solidarity at work:

- 4) characteristics and intentionality of meetings
- 5) mentorship and friendship of members, and
- 6) number of communities involved in membership.

I will discuss each cooperative in relation to these six factors. It should be remembered that the extent of many of these factors depends on the social "baggage" members bring to their cooperative.

1) the members share similar socio-economic background

Within each of the cooperatives the members share common socio-economic backgrounds which supposedly increases cohesion. The women of Pueblo Cinco are all widows living with their parents or grandparents; the members of Pueblo Dos all own varying amounts of land and have a strong "machismo" history; and the women of Pueblo Cuatro are all extremely poor and have a family heritage in which women are given comparatively much more freedom and respect.

2) the members share a common interest

The members from all three cooperatives stated that employment, "making an income", was the highest priority. Only the women from Pueblo Cuatro added that helping the other women was equally as important.

# 3) the cooperative is initiated internally

A particular problem for Pueblo Cinco is that the idea for a cooperative came from outside of the membership. The other two cooperatives were initiated internally. Comments from Pueblo Cinco members, especially from the vice-president and the secretary, down-played their own involvement. They would have preferred working in a local factory, but, at present none exist in their town. Their group loyalty is questionable whereas that of Pueblos Dos and Cuatro members is more secure. Pueblo Dos and Pueblo Cuatro members not only have an economic investment in the cooperatives, but a social pride in that they instigated their projects.

#### 4) characteristic and intentionality of meetings

Meetings are a particularly important tool for the women of Pueblo Cuatro and Pueblo Cinco (women from Pueblo Dos do not attend meetings). A significant difference between Pueblo Cinco and Pueblo Cuatro meetings illustrates one factor that increases social power. Meetings in Pueblo Cinco covered finances and administrative details, but rarely were personal matters discussed. The women in Pueblo Cuatro, however, did not shy away from social issues. They discussed the concerns of every woman at length. Discussing both social and economic matters, rather than only the latter, can have an empowering effect as the women learn about and depend on one another for mutual support and advice.

#### 5) mentorship and friendship of members

Relationships between women is an important aspect of social power. The mutual acceptance and friendship experienced by the women creates an atmosphere of personal self-worth. Pueblo Dos females have been excluded from the opportunity to create such an atmosphere, whereas those from Pueblo Cuatro have consciously worked at creating one. The Pueblo Cuatro women shared their lives and their knowledge among themselves. Because of the differing non-administrative roles women play in the cooperative there is opportunity for mentors to teach novices. The Pueblo Cinco widows are much more reserved and for the present have not taken advantage of this extended social network.

The roles of leadership status can present problems in cooperatives by increasing distinction between members. Maria, the president of Pueblo Cuatro reads, writes, speaks Spanish and possesses a keen business savvy. She carries more status than the president of Pueblo Cinco since she has unique abilities on which the other members depend. The characteristics of the president of Pueblo Cinco on the other hand differ little from the other women in the cooperative. With the next year approaching there will probably be a new Pueblo Cinco president. Maria, however, is less replaceable in Pueblo Cuatro. This is indicated by the fact that she has been the president since the cooperative's inception and the other women continue to rely on her particular leadership skills and linguistic abilities. In Pueblo Cuatro there were no signs of competition for Maria's position, but in Pueblo Cinco some of the women made comments which may be interpreted as jealousy. This sign of jealousy may be because the women share equivalent skills.

6) number of communities involved in membership

Cohesion is related to community identity. Regional rather than local membership tends to lessen social interaction. It has been demonstrated by my data that if members are from many unrelated communities, identifying with a common history can be low and can decrease loyalty to other associates. This factor was especially noted in the cooperatives of Pueblo Dos and Pueblo Cinco. A member from Pueblo Dos, for example, explained that she was unfamiliar with the women in the cooperative, especially those from the other village. She found it difficult to share with them to the extent that she would share with friends.

Cooperative member concentration also affects their visibility and thus involvement in the community. The women of Pueblo Cinco come from so many communities that their relative concentration and thus group distinction is low. Pueblo Dos associates, on the other hand, are concentrated in two villages. With a larger size of membership and denser concentration of associates, the male members were able to collectively convince government to install electricity and get potable water into their community. The women of Pueblo Cuatro come from one community. This means they are able to work with and for their village more readily and are in contact with each other outside of work and meetings.

Often the impact members of a multi-community cooperative can have is limited because of the residential distance between members. Meeting with women from other villages, however, can help a cooperative member increase her social network--an important element to her sense of social power (See point five of the previous page). The women of Pueblo Cinco leave their villages and come together almost daily at their cooperative sewing "factory". If they were to work at home as the women of Pueblo Dos, I feel they would not otherwise derive the social rewards that might come from a multicommunity cooperative. Cohesion not only creates an opportunity for increased worker production and economic success, but can create opportunities for social interaction. It helps to set a successful foundation. If one looks at structural factors leading to cohesion and thus to social interaction, Pueblo Cuatro is the most cohesive; Pueblo Cinco ranks second; and the women from Pueblo Dos exhibit the lowest level of cohesive behaviours. Cohesion is the major internal structural determinant of success of a cooperative, and of potential power being acquired by its members, but there are also external factors at play.

### 7.32 External Structure

Another important structure is the bureaucratic superstructure of the cooperative system and its relation to the individual cooperatives.

The federation of cooperatives, Artexco, discussed in Chapter Four, affects all cooperative projects both directly and indirectly. Pueblo Dos and Cinco are federation cooperatives. For these two projects, that specific relationship provides both direct advantages and disadvantages. The advantage for the federation members lies in greater access to larger international markets, to administration courses, to federation expertise and to financial help. Male members of Pueblo Dos and female members of Pueblo Cinco were sent to Cendec for education, but the female associates of Pueblo Dos were excluded from this opportunity.

Cooperatives in the federation stand to benefit greatly from foreign aid donations. Some aid organizations, such as Canada's Padel (the largest funding agency for cooperatives in the highlands) are now by-passing the Guatemalan government as its dispenser of funds. Its donations are sent directly to Artexco. This decreases administration costs for Padel and reassures the organization that the government is not using the money improperly. Padel has given Artexco the authority over where and how the funds are to be allocated. Pueblo Cuatro because it is not affiliated with the federation has felt the effects of this administrative procedure. They have received only a few thousand quetzals (from another organization, Cenat) to send women to training, whereas the federation cooperatives Pueblo Dos and Cinco are much more generously funded.

The foreign business contacts of the federation give the individual cooperatives a greater market base to supply. The federation has markets all over the world and many of their orders are large. Only a cooperative with a substantial membership, such as Pueblo Uno with 508 women, or a federation of similar cooperatives would have the productive capacity to fill large orders quickly. This climate of mass marketing has led to numerous problems which will be discussed in the following chapter.

One of the most critical problems faced by federated cooperatives is the concept of project ownership. Even though the federation was created to help the individual cooperatives, Artexco has reduced its federated cooperatives to the status of subsidiaries and its members to employees. The federation secures clients, decides what is to be produced in what fabrics, colours, and sizes and establishes production quotas and delivery deadlines. Many cooperative, feel that in a federated environment they do not have enough control over their destiny. [This is the reason the associates of Pueblo Uno (mentioned in Chapter Three) abandoned their federation membership. This cooperative, however, was fortunate in that it had already established a large enough foreign market base for survival. By selling directly, Pueblo Uno could receive five times as much payment per product unit. Markets are an absolute necessity for any cooperative to be economically active, viable, and prosperous.]

For example, the widowed women from Pueblo Cinco no longer are faced with husbands to guide their every move. These husbands, however, have been replaced by the officers and agents of Artexco who likewise allow these women little say in decisionmaking concerning the cooperative. Without Artexco the Pueblo Cinco cooperative could not survive economically. Economic factors compel the members to stay in the federation. On a social and personal level, the women of Pueblo Dos are being ill-served by Artexco. The federation has not recognized these talented workers as worthy of full participation in the enterprise.

Finally, the managerial make-up of Artexco actually reduces the opportunities of the women in acquiring valued forms of power. All top officials are men making decisions that are valued by men. Women, however, have their own standards of values and criteria for success which are not being addressed on the same level as the economic component. As in the process of weaving, there appears to be in the cooperative management a lack of "balance" (a pervasive philosophical concept highly valued by the Maya personality and culture) which favors men. The principle of balancing and of avoiding extremes would suggest that both men and women should be represented in the administrative level. This "balance" is expressed in my research where I analyze both social and economic factors that relate particularly to the female experience: the domestic family structure, the internal cooperative structure and the external cooperative system.

#### <u>CHAPTER EIGHT</u>

### **CONCLUSION**

#### 8.1 Artesanal Marketing and Development

Cooperatives, as an institution in Guatemala, have been used as a means to advance economic development and social justice. My findings point that such social and economic power has not been achieved for highland Guatemalan women in the artesanal sector. In fact, under the influence of the federation Artexco and with heavy foreign involvement the socio-economic power of women may be decreasing.

Artexco's main objective has been to increase markets, primarily foreign ones. In this regard understanding international consumer behaviour and expenditures are foremost in Artexco's plans. A director of Artexco mentioned that the craft market may have been flat, but that it is increasing. Some Guatemalan craft sellers that I interviewed in Edmonton and Calgary all stated that to the contrary demand is falling. The stores in Edmonton and Calgary require constant variation in their stock to meet the fickle and fast changing consumer tastes in colours, and styles at all price ranges. These constant demands for changes in their distinctive products are quite foreign to the individual cooperative members. The projects are asked to supply socks, shorts, and winter jackets in soft colours of rose, mint, and mauve at inexpensive prices. It is believed that only if artisans change to these styles and colours and products that the market will increase.

Such changes in colour, style, and product type are difficult for artisans whose traditional production techniques have remained relatively constant over thousands of years. The artisans, however, are capable of creating crafts of incomparable beauty. Faced with their current market demand, weavers spend less time on exquisite pieces and with each generation skills and traditions decrease. Many children of weavers do not see hand-weaving as profitable and are resorting to other forms of employment or are surrendering themselves to unproductive poverty. As part of its main market strategy, Artexco has asked artisans to switch to standard-sized looms. The consequences of this new strategy is that Artexco is now composed of a) all-male cooperatives which use the foot loom, b) cooperatives with women who must rely on men to prepare the "male" foot loom, and c) women operating industrial sewing machines.

The foot loom is used because it allows for greater profit-making. Weavers cannot meet the quick changing demands of a mass market using time-consuming backstrap looms. Products of the more efficient foot-loom tend to flood the market and exert a downward pressure on prices. This lowered price directly affects the federation's cooperatives and indirectly touches all other weavers in the country. Weavers outside of the federation are reliant on foreign markets because government coups and political instability have negatively affected tourism and tourists' purchases in the local markets and shops. This heavy dependence on the ebb and flow of the purchase decisions of tourists and foreign buyers has its dangers. Canada, along with the rest of the world, is experiencing a serious economic recession. Because of the recession less money is spent on tourism and crafts - both of which are currently viewed as luxury expenses.

The world recession has also affected the price of cotton. The major material costs for a traditional weaver are good quality cotton and natural dyes. With the abrupt rise in the cost of fine cotton many weavers have switched to poorer quality cotton or inexpensive polyesters. If the Guatemalan government would reduce tariffs on thread and other materials, artisans could create their beautiful traditional pieces at a more affordable price for tourists and for the export market. The present "junk" craft market has only a limited life. The importers stated that they would prefer to sell traditional high quality cotton goods, however, the market tends to bear only the foot-loomed-poor-quality-"touristy" items. Thus, imported Guatemalan crafts to which we are introduced are

misrepresented as "traditional" crafts. For the handicraft industry to continue, it needs educated buyers willing to spend money on "art", that is, on the authentic hand-crafted textiles of the country and not mass produced polyester "knock-offs". Pueblo Cuatro members are outside of the federation and have made the decision to weave by backstrap loom employing good quality threads in ancient Maya designs. This decision, however noble, is very costly as indicated by the low sales made by the cooperative members.

Aid money is generally intended to relieve economic and/or social stress. It appears from my study that women have not increased their social and economic power through participating in the cooperative system- certainly not to the extent that they would have expected. The women of Pueblo Dos have very few forms of social power, with the project actually eliminating the value-laden feminine backstrap loom. The members of Pueblo Cinco feel that they are under the employment of Artexco directors and sense that their expendable income is similar to or less than their pre-cooperative earnings. The women of Pueblo Cuatro, who have more social power constitute an exception to the other two cooperatives. I feel this is due to the fact that they live in a community whose history lends itself more to social equality, and to their group's existence outside of the federation structure. Operating outside of Artexco has hurt their economic market involvement, but has for the time being allowed them the opportunity to produce high quality goods of which they are justly proud.

Nevertheless, the cooperative system is by comparison less directly exploitive than the conditions in the fincas or maquiladoras. Does this achievement necessitate continued external funding? Cooperatives are frequently based on an inadequate knowledge both of the actual constraints faced by the poor and of the steps needed to alleviate these constraints. As a result, there is rarely a critical examination of whether cooperatives are the most appropriate institutions to tackle these constraints. Development agencies continue to support many industries that are not self-perpetuating. In Guatemala, almost every project and cooperative survives by virtue of outside funding. As mentioned, Canada donates more funding to the highlands of Guatemala than any other country. Perhaps the agencies believe that they are helping to save the Guatemalan weaving tradition. My findings suggest that it has in fact hastened the demise of this art through technological substitution, product and style evolution, and dilution in the quality of materials used.

Many Guatemalans that I spoke with do not want to continue in markets that are not profitable for their country. They feel that those cooperatives which are not selfsufficient continue to rely on international agencies for money--keeping them in a dependency situation. One Guatemalan felt indignant towards citizens of developed countries, who "read National Geographic to see primitive Indians, and would like to see that type of culture continue since they no longer have one at home. We are upset that these countries are using Guatemala as a cultural Disneyland for exploitation".

This critique of development extends into the institutionalization of the cooperative system. Rural Guatemalans do not place much trust in institutions. The government, the Catholic and Evangelical churches, and even institutionalized medicine were generally criticized by various individuals. In a country that has such a turbulent socio-political climate, rural Guatemalans appear to rely less on the <u>institutions</u> and more on <u>intuition</u>. In Canada, for example, our behaviours are prescribed by conservative, stable, and enforced laws. These laws balance and moderate our actions. In Guatemala, where the institutionalized rules and power-wielders change constantly, following all laws would generate chaos. In relying on intuition they are able to create a stabilizing force which is still flexible enough to deal with such a changing background.

Dr. Orantes, from the University of San Carlos, heavily criticizes Western development strategies. He spoke of the rural Guatemalan people who equate themselves with their surroundings. "People must be looked at within their context and any development identified from this perspective." He suggests that development agencies have lost sight of true development and are attempting to recreate the industrialized countries' "arboreal forests in our tropical jungles". To secure any development of social and economic justice, the agencies must learn to deal with the rights of these people as <u>Guatemalan</u> women living in <u>Guatemala</u>. Until there is "faith in their skills of survival" and acknowledgment of their wisdom, agencies may well remain blind to the women's fundamental need for a sense of control - control over their lives and the environment in which they live.

## 8.2 Conclusion and Recommendations

The purpose of this research was to describe the Guatemalan cooperative system and to determine whether the system has altered the social and economic power of female members in artesanal cooperatives. In this thesis I have described the social and political background of the lives of these women, the cooperative development system, and provided concrete examples of present social and economic power in Pueblos Dos, Cuatro, and Cinco.

What this investigation in these three highland artesanal cooperatives suggests is that in the Guatemalan setting, the usual objectives behind cooperative organization (ie. economic development and human betterment) seems to have been achieved ( if they are at all) because of local and personal factors rather than (and often in spite of) factors germane to the bureaucratized, institutionalized, and co-opted structures of cooperativism as practiced in that country. The most economically successful cooperative studied was one in which women's work was disregarded as valuable and the proceeds of their labour were spent not on clothes or household necessities for the family, but for electronic "boytoys". The most socially and economically empowering cooperative, Pueblo Cuatro, was independent of the federated cooperative superstructure. It was in that setting, which provided the opportunity to work freely and to achieve, that the subject's sense of power and accomplishment was most pronounced.

It is the pre-existing cultural setting in Guatemalan societies which both defines and constrains cooperative organizations. A group of persons, for example, from a community or family that retains the Latin-machismo idea of the role of women and their access to forms of power, will carry this perspective into the cooperative. Women in Guatemala are often restricted access to cooperatives because of this conservatism. While the women of Pueblo Dos were exposed to a cooperative organization, they were restricted by the history of the male machismo in that project. For women to have the opportunity to increase the range and the depth of their social and economic power in a cooperative, they must work within a community (family) that would be supportive of this type of enterprise. The widows of Pueblo Cinco and the women of Pueblo Cuatro experienced this opportunity.

Once an opportunity exists there are varying degrees of power which members can achieve. The types of power that are attained often mimic those which existed in the woman's world prior to the cooperative. Women from Pueblo Cinco, for instance, were not overly concerned about social issues. They had come from marriages and communities in which women are not encouraged to partake in discussions of these issues. Their cooperative thus has more of an economic mandate. The members of Pueblo Cuatro also reflect a pre-existing bias, but one which encouraged both social and economic power of women. The structures of the cooperative can only aid the women to a limited extent. It is the contributions of the underlying culture that sets the limits. Setting, strength or lack of machismo, strength or lack of bureaucratic control, history of past poverty, presence or absence of alternative employment (fincas or maquiladoras), all seem to be much more the real determinants of human conditions rather than the structure or the philosophy of a fundamentally European economic process (cooperation).

Much research has praised the benefits of cooperativism around the world. Ames (1971:21) writes that in Sweden cooperatives have become the mainstream economic force in the country. Women, he mentions, are very much a part of both the social and economic activities and share in the gains with men. The socio-political history of a country is an integral determinant to whether or not cooperatives can benefit all their people, both men and women. Sweden, as a country with a much different social and political history, is in a position to boast of its record of equality among its citizens. Cooperative benefits to the Guatemalan society, which is so terribly polarized between the rich and powerful on one hand and the poor and powerless (often women) on the other, are quite different. Cooperatives have been studied in countries resembling Guatemala but almost all of that research centered around men.

A considerable amount of cooperative literature, as discussed in Chapter Two speaks of benefits for the community. From the research reported one might believe that the communities studied consisted only of men. The Mondragon cooperative, for instance, boasts of cooperativism as a successful philosophy of economic advancement (Bradley and Gelb 1983:6). In the study they focus on male perceptions. It is possible that Bradley and Gelb did not discuss the effects of women because the women were invisible in that society and its cooperative groupings. This lack of equal information on women was found in other research on Latin American cooperatives (primarily agriculture and non-production cooperatives) which share with Guatemala a Latin-machismo culture. Not all studies, though, have ignored women. The results of benefits for women are varied. Gayfer (1978) remarked of the independence of women in the Lentswe Oodi cooperative. This cooperative however, is located in Botswana, a country which does not share a similar socio-political history with Guatemala. It is therefore possible that family and community structures in Botswana offer primary advantages not experienced by Guatemalan women.

I am suggesting that all cooperatives exist in unique cultural milieus. It is therefore dangerous to generalize that cooperatives are either a universally successful or an inadequate strategy for the betterment of women's lives. Guatemala's particular cultural milieu for the women of the highlands is based on degrees of machismo, illiteracy, starvation, ill-health, isolation, and a strong sense of dependency. This research may be related only to communities which share with Guatemala a culture characterized by Latinmachismo male dominance, extremes of poverty and wealth, strong international dependency, local community isolation, and heavy institutionalization. Not only is this research limited to a cultural setting, but also to a single economic sector. Much research has described benefits of credit unions and agricultural cooperatives (for men), however, handicraft cooperatives represent a unique set of circumstances.

This study attempted to look at the artesanal cooperative system from the viewpoint of Guatemalan women. From this perspective, I believe that new forms of "aid" need to be researched and implemented. I suggest that researchers study other international cooperative industries in Guatemala. A study of the agricultural sector would be particularly worthwhile. Value can be gained in understanding the impact of aid on women's power in this sector as compared to the artesanal sector. With more information women's conditions can be better understood and with that knowledge appropriate policies can be formulated.

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# APPENDIX A

(Derived from McLenaghan, J.B. 1992: 21, 46, 134-135, 244-245 and from May 15, 1993

Year	quetzal /American dollar	quetzal /Canadian dollar
1970	1.0000	0.9889
1971	1.0000	0.9979
1972	1.0000	1.0042
1973	1.0000	1.0042
1974	1.0000	1.0088
1975	1.0000	0.9838
1976	0.9600	0.9909
1977	1.0000	0.9137
1978	1.0000	0.8432
1979	1.0000	0.8561
1980	1.0000	0.8370
1981	1.0000	0.8432
1982	1.0000	0.8134
1983	1.0000	0.8036
1984	1.0000	0.7567
1985	1.0000	1.8308
1986	2.5000	1.7992
1987	2.5000	2.1979
1988	2.7050	2 1979
1989	3.4000	2.8716
1990	5.0146	3.0064
1991	5.0434	4.4020
1992	5.1214	4.2824
1993	5.6172	4.391

## **APPENDIX B**

Tensions in Guatemala, that had existed in a country ruled by an iron fist government and controlled by the army, came to a boiling point in May, 1993. The conflict originated between government agencies and public high school students and was double edged by both politics and economics. Students had protested against the high cost of transportation in the capital city. Guatemala City does not use a transfer system and thus every bus ride costs 65-85 centavos (double that of other cities and towns). With this disorganized transit system, many students must take up to three buses each way to travel to school. The government listened and issued student identification cards for free transportation during school hours. The students felt these cards were one more form of control by the government. Further, these privately owned bus companies did not always accept the passes. On May 10, 1993, a confrontation erupted between high school students and the government army. One student was killed. The next day I noted numerous manifestations throughout the capital as I left for the more peaceful highlands. Very quickly university students became involved and on May 12, 1993 molotov cocktails and tear gas were exchanged between the army and students. Twenty students were injured and one killed when buses near the university were overturned. The schools closed and buses stopped running in the capital. At this time there was an attempted assassination of a congressman with one bodyguard injured. Ironically, this guard was one of four that were suspected of killing the high-school student.

Protests and manifestations intensified with almost 3 to 4 occurring per week. In Quetzaltenengo it is common knowledge that when problems reach this area, the problems in the country are indeed grave. In Quetzaltenango, the army became more visible as truckloads of soldiers cruised the streets and central squares. Also, in the countryside, military were spotted in ravines, on hills, and in flocks of sheep. On May 24, 1993 the president attempted to save his reputation and fired the entire "corrupt" congress and justice bench. These ministries and the president were suspected of pocketing large amounts of money, especially aid money from foreign governments. Because the congress did not exist, neither did the constitution - the "protector" of human rights. In its place President Serrano declared himself to be a dictator. He censored all television and political news in the press. This action was demonstrated against by journalist, especially foreign correspondents, who reported to foreign governments. Canada and the United Nations sanctioned this action and the United States threatened to withdraw \$50 million of aid to Guatemala.

By May 25, 1993 the capital city was void of tourists and I witnessed five or six military personnel of various squadrons on every corner near the city center. This was the day of the first presidential coup. The constitution and justice bench, however corrupt, were reinstituted and a new president was crowned four days later. Espina Salguieron, the former vice-president, was an "army man" and potentially more fierce than his predecessor. As a result manifestations erupted again and the army appeared strong in all areas of the country. Espina remained in power for 50 hours. The United States's threat of withdrawing \$50 million in aid was realized and the Guatemalan government forced Espina to step down. Congress voted for a third president. This man, De Leon Carpio, a lawyer who in 1990 won human rights awards and was voted by the national paper as "Man of the Year", is disliked by the army and the people have been only timidly hopeful.

De Leon Carpio, on June 23, 1993 revealed measures that he attested would serve a new style of government, a true democracy. With the political history of Guatemala the people are not counting on these to be realized.

1) Freedom of speech and press,

2) Security of the people by diminishing delinquency, restlessness and insecurity,

3) Search for peace rather than the armed conflict of the past thirty years.

4) Improve international relations, especially with Central American countries

- 5) National objective is to create mechanisms which will help decrease the poverty rate.
- 6) Rationalization of public expense
- 7) Create a dialogue between students, teachers, and parents to analyze and resolve problems. 8) Investigate a social system.

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9) Legalization of property and modernize and decentralize property registration.

#### APPENDIX C

A regional director of Inacop offered a fruitful example of how a cooperative operates within the system. This example is of an agricultural cooperative. In agricultural cooperatives a member needs on average 5-8 cuerdras of land. This measure is quite small and often members amalgamate their land. Because many members come from other areas, land is often rented or the land is owned far away. The cooperative members need equipment, such as axes, machetes and capital, sometimes in the form of a tractor. The tractor would be shared among the members.

The members pay for rent of land (if needed); agro-chemicals (The Inacop ministers are trying to educate farmers that the chemicals are not needed. Advertising, however, is strongly influencing opposite opinions); non-natural fertilizer (again only needed to make export products visually pleasing); and equipment as exemplified below.

eg.) for each member

Typical Expenditures Per Associate:	
land (5 cuerdras @ Q200/year)	Q1000
agrochemicals	Q3000
fertilizers (150qq@ Q70/qq)	Q10,500
agroequiptment	Q2000
aerating	Q2000
Total	Q19,500/year

A member can earn Q30,000 in 5 cuerdras with 200 stalks per cuerdra and each stalk producing Q150. The profit (Q30,000-Q19,500) is therefore Q10,500/year. However, the cooperative members generally do not have Q19,500 at the beginning of the year. They often borrrow from Inacop.

The ministry (Inacop) dictates how much product is needed in each agricultural group, for example 1 million pounds of corn. The ministry then buys the corn at a negotiated price. In the cooperative each member has different debt needs.

For instance:

member 1	Q19,500
member 2	Q5,000
member 3	Q8,000
members 4-30	Q30,000
total	Q52,000

The ministry loans the cooperative the Q52,000 at an interest rate of 24%. The ministry, however, secures a rate of 18% from other countries (The Guatemalan banks are not very helpful and the ministry finds it easier to borrow from foreign banks). The cooperative members then must pay back their appropriate share (many cooperatives are organized solely for capital loans backing and donations). Often, however, members sell through intermediaries. They later tell the ministry that they could not produce the quota and therefore cannot return the Q52,000. The intermediaries sell the products at double the price and make large profits. If the cooperative does return all the borrowed money the ministry gains over Q3000 as seen in the following calculation.

Q3120 [A Q52,000 @18% = Q61,360] [B Q52,000 @ 24% = Q64,480] [A-B = Q3120].

# Appendix D

(Numbers and percentages in these tables are **approximate** figures which represent information derived from observations of the member women and their families, from interviews with the member women and their families, and from cooperative records.)

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
Number of Members	10	32	7
Age: average	30.5	33.7	37
range	21-43	14-81	21-45
Ethnicity	Ladina	Indigenous	Ladina
Civil Status	Married	Married and Single	Single
Number of Children	4.4	5.0	2.6
Age when gave birth to first child	18.7	19.8	22.8
Household Size (average)	6	10	8

# Table 1. Information of the women studied in Pueblo Dos, Pueblo Cuatro, and Pueblo Cinco

Table 2.	Education	of women

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
None	1 (10%)	14 (44%)	1 (14%)
Primary1-3	4 (10%)	13 (40%)	1 (14%)
Primary4-6	3 (30%)	5 (16%)	3 (42%)
Secondary	0 (0%)	0 (0%)	2 (30%)
University	2 (20%)	0 (0%)	0 (0%)

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
Read	2 (20%)	6 (19%)	5 (71%)
Read Slowly	4 (40%)	8 (25%)	0 (0%)
None	4 (40%)	18 (56%)	2 (29%)
Write	2 (20%)	6 (19%)	5 (71%)
Write Slowly	4 (40%)	6 (19%)	0 (0%)
None	4 (40%)	20 (62%)	2 (29%)
Speak Spanish	10 (100%)	9 (28%)	7 (100%)
Speak Slowly		6 (19%)	
None		17 (53%)	
Count	10 (100%)	5 (16%)	0 (0%)
Count Slowly		18 (56%)	6 (86%)
None		9 (28%)	1 (14%)

Table 3. Ability to read, write, speak Spanish and count.

Table 4. Movement in village and other villages

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
In Village:			
Limited	4 (40%)	1 (4%)	5 (72%)
Good	6 (60%)	31 (96%)	2 (18%)
In Other Villages			
Limited	7 (70%)	23 (72%)	3 (42%)
Good	3 (30%)	9 (28%)	4 (58%)

Table 5. Public roles (positional authority) outside of cooperative; religious and political; and voting in national elections

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
Religious	3 (30%)	13 (40%)	5 (71%)
Political	1 (10%)	0 (0%)	0 (0%)
Votes	10 (100%)	32 (100%)	7 (100%)

## Table 6. Residences

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
Owns residence	10 (100%)	7 (21%)	0 (0%)
Living with In-laws		25 (79%)	7 (100%)
or Parents			
Water Supply	10 (100%)	32 (100%)	7 (100%)
Electricity	9 (90%)	19 (60%)	6 (86%)
Sewage	3 (30%)	0 (0%)	6 (86%)
Floor		· · · · · · · · · · · · · · · · · · ·	
Dirt	0 (0%)	28 (87%)	2 (29%)
Cement	10 (100%)	4 (13%)	5 (71%)
Roof			
Metal	6 (60%)	30 (94%)	6 (86%)
Ceramic	4 (40%)	2 (6%)	1 (14%)
Walls			
Adobe	10 (100%)	29 (90%)	4 (58%)
Cement		3 (10%)	3 (42%)
Hygiene			· · · · · · · · · · · · · · · · · · ·
Good	7 (70%)	12 (37%)	5 (71%)
Regular	3 (30%)	11 (34%)	2 (29%)
Poor		9 (28%)	

## Table 7. Material possessions

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	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
Shoes			
Now	10 (100%)	30 (94%)	7 (100%)
Before	10 (100%)	24 (75%)	7 (100%)
Clothes (Now)			
Sufficient	4 (40%)	11 (34%)	5 (71%)
Insufficient	6 (6%)	21 (66%)	2 (29%)
Clothes (Before)			
Sufficient	4 (40%)	2 (6%)	4 (58%)
Insufficient	6 (60%)	30 (94%)	3 (42%)
Beds	10 (100%)	16 (50%)	7 (100%)
Books	3 (30%)	5 (15%)	2 (29%)
Radios	7 (70%)	2 (6%)	7 (100%)
Televisions	6 (60%)	2 (6%)	5 (71%)
Much Furniture	4 (40%)	0 (0%)	3 (42%)
Land	10 (100%)	0 (0%)	0 (0%)

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## Table 8. Health

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	Pueblo Dos		Pueblo Cuatro		Pueblo Cinco	
Health						
Good	2 (	20%)	3	(9%)	1	(14%)
Bad	8 (	80%)	29	(91%)	6	(86%)
Visits a doctors occasionally	4 (4	40%)	9	(28%)	1	(14%)
Rarely or never visits a doctor	6 (	60%)	28	(72%)	6	(86%)
Buys Medicines	4 (4	40%)	7	(22%)	1	(14%)

# Table 9. Knowledge of people and places outside of village (besides family and other\_cooperative members)

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco	
Places	2 (20%)	15 (47%)	2 (29%)	
People	2 (20%)	13 (40%)	2 (29%)	

# Table 10. Income per month (before and after) in quetzals

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
Now			
Q0-49		7 (22%)	
Q50-79		15 (47%)	2 (29%)
Q80-99		10 (32%)	
Q100-199		(womens cash	2 (29%)
Q200-399	1 (10%)	income	3 (42%)
Q400-599	4 (40%)	contributes	
Q600-649	3 (30%)	around 30%	
Q650-900	2 (20%)	of the family	
		cash income)	
Before			
Q0-29		18 (57%)	
Q30-59		10 (32%)	2 (29%)
Q60-99	1 (10%)	4 (12%)	
Q100-199	5 (50%)	(womens cash	2 (29%)
Q200-399	3 (30%)	contributions	3 (42%)
Q400-599	1 (10%)	around 20%	. ,
		of family cash	
		income)	

 Table 11. Increase in percentage of income spent on subsistence items(before and after) and savings per month

	Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
Increase			
Now	60-70%	75-100%	70-100%
Before	60-70%	86-100%	60-75%
Savings	Q150-250	Q0	Q0

Table 12. Comparisons of major factors between Pueblo Dos, Pueblo Cuatro, and Pueblo Cinco

Pueblo Dos	Pueblo Cuatro	Pueblo Cinco
Two communities	One community	Many communities
Women and men	Women only	Women only
Married women	Married and single women	Single women
Own land	Do not own land	Do not own land
In federation	Not in federation	In federation