
**Putting Purpose into Practice:
The Economics of Mutuality**

Oxford University
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*“MONDRAGON: Maintaining
Resilience through
Cooperative Strategies”.*

BY JUSTINE ESTA ELLIS, ALASTAIR COLIN-JONES AND IBON ZUGASTI.

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MONDRAGON, created by and for people.

When the Spanish priest Father José María Arizmendiárreta started a small workers' cooperative in his local community, he can hardly have predicted that his humble venture would grow into a business of global scale. Founded in 1959, MONDRAGON today is a federation of industrial cooperative associations with over 260 companies and subsidiaries in thirty-five countries—although it remains close to its roots in Spain's Basque Region. Overall, the federation brings in revenues of approximately \$14 billion and employs over seventy-five thousand workers worldwide in the finance, manufacturing, retail, and consultancy sectors.

MONDRAGON is, in its own words, **“created by and for people”** and aims to generate **“wealth in society through business development and job creation”**. It derives its strength both from the breadth of its activities and its emphasis on employees' professional development and technological research. The federation funds training and innovation, supporting fifteen of its own research and development centres. This investment has yielded over 460 groups of patents.

Previous research into MONDRAGON's structure has provided insights into the opportunities and challenges associated with operating member-owned businesses. This case, however, focuses on the relationship between mutuality and resilience in MONDRAGON's performance.

Resilience, defined here as 'the ability of firms to sustain employment and growth during difficult economic conditions,' is an underappreciated aspect of company performance.

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