

COOPERATION FACING LIBERALISM, CRISIS AND WAR: ONE HUNDRED YEARS OF PORTUGUESE COOPERATIVE EXPERIENCES (1834-1934)

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Abstract: These article highlights how pre-modern social capital shaped cooperative experiences during the Portuguese liberal period. Based on a comprehensive review of cooperative societies' foundation acts and statutes, it illustrates pre-modern networks, norms and codes of conduct resilience. It also explores the exceptional First World War and post-war period, to show how, despite the structural changes to the State and civil society relationships, pre-modern values were present. It argues that one can observe significant similarities between the 'motors', 'conditions' and 'motives' fostering both craft guilds and commons' emergence (DE MOOR, 2008) and nineteenth century cooperative movement. However, by analysing this new wave of institutions for collective action, social capital inheritances seem to have played a new determinant role.

Key words: Cooperatives; Social Capital; Institutions for collective action; Long term

INTRODUCTION

In recent decades, a renewed attention has been given to institutions and their history. Different trends, subjects and authors seek to understand how organised patterns of socially constructed norms and socially prescribed rules and behaviours constrain economic activity and social interactions (GOODIN, 1996). According to neo-institutionalism, these informal institutions evolve incrementally even when there are significant changes to political and administrative organisations (NORTH, 1990). The concept of *path dependence* on institutional theory and the broad consensus regarding the idea that *history matters* (MAHONEY, 2000), have encouraged historians to explore continuities in institutional frameworks and their role in the historical process.

By analysing Dutch craft guilds and rural commons proliferation during the Middle Ages, Tine De Moor presents an analytical framework for understanding the ‘motors’, ‘conditions’ and ‘motives’ for institutionalised collective action. She concluded that its origins are to be found in market and population expansion; that these institutions could spread as a result of legal recognition, the existence of tolerant States and space for non-kinship-based relationships; and that their main objectives were to avoid risks and to take advantage of scale, namely in the reduction of transaction costs (DE MOOR, 2008).

The return of guilds’ studies has also encouraged comparative analysis on a global scale, concluding that State tolerance and legal recognition; the growth of cities and the process of proto-industrialisation; the role of educated strata, particularly merchants; and the weakening of relationships based on family ties were necessary conditions for institutionalised collective action (LUCASSEN, DE MOOR AND VAN ZANDEN, 2008). Recently, these trends have also explored similarities between the medieval and the contemporary wave of new institutions for collective action. Tine de Moor argues that the nineteenth century voluntary associations were founded to replace the pre-modern ones and, as happened in the High Middle Ages, they were responding to the rapid development of the market (DE MOOR, 2013).

With regard to continuities within the sphere of collective action, E. P. Thompson stressed how artisan ethics, centred on the exaltation of skilled labour, autonomy and solidarity, were at the roots of the labour movement (THOMPSON, 1963). The same author also argued that the moral economy of the *Ancien Régime* deeply shaped contemporary mass movements, namely the cooperative movement (THOMPSON, 1971). Moreover, Antony Black has shown how self-determination and mutual values were carried over from the guilds to utopian socialism, especially by Proudhon, himself an apprenticed printer and a *compagnon* from the Jura (BLACK, 1988).

Portuguese historiography, focusing on the transition period between the *Ancien Régime* and modernity, is consistent with De Moor’s thesis, highlighting the market and the expansion of private property as motors for institutionalised collective action. This article will focus on what I consider to be an essential condition for the emergence of a new wave of alliances – social capital resilience and reconfiguration, a process shaped by the nineteenth century ideologies and the increasing State intervention in the economic and social spheres.

Today, the concept of social capital is a ubiquitous but also a blurry one. Taking into account its original formulation, it can be defined as the ‘sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintance and recognition’ (BOURDIEU, 1986: 251). Robert Putnam’s historical approach describes social capital as networks, norms, and trust, and asserts that its preservation and transference are essential conditions for enduring collective action (PUTMAN et. al., 1993). Even Elinor Ostrom, who emphasises institutional designs

(1990), assumes the importance of reliability, social networks and informal institutions such as norms, values and codes of conduct on collective management sustainability (OSTROM, 2008). Social capital theory allowed historians to trace the line that connects traditional solidarities with the nineteenth-century popular associations (ROTBERG et al., 2000).

This article seeks to deepen the current state of knowledge regarding institutionalised collective action dynamics in the long term by tracing social capital transferences in Portuguese cooperative experiences during one hundred years of liberalism (1834–1934). These transfers are observed first, and most clearly, in the two main cities – Lisbon and Porto. In the Portuguese context, however, an urban focus raises some methodological problems, particularly because until the mid-twentieth century the country was predominantly rural. Several authors have argued that prior to that time even the social movements taking place in the cities were deeply shaped by the rural environment (TENGARRINHA, 1992). Moreover, despite the role of urban populations in the emergence of cooperative movements, it is important to understand the involvement of rural populations and their own social capital inheritances because, in 1890, almost a third of the Lisbon and Porto populations had been born in the countryside (TEIXEIRA, 1992).

In the first section of this paper I will briefly describe Portuguese pre-modern institutions in terms of collective action, economic, social and political roles, highlighting how this experience deeply shaped the first attempts to promote voluntary associations after the liberal regime consolidation in 1834. In the second part I will present the results of my empirical research on cooperative societies, their sponsors and aims. Finally, I will explore the exceptional period of the First World War and the post-war years, to show how even during a time of structural changes to the State and civil society relationships, pre-modern values were present.

In the conclusion I will argue that one can observe significant similarities between the ‘motors’, ‘conditions’ and ‘motives’ fostering both craft guilds and commons’ emergence (DE MOOR, 2008) and nineteenth century cooperative movement. However, by analysing the social norms, norms, moral values and codes of conduct involved in this new wave of institutions for collective action, social capital inheritances seem to have played a new determinant role.

1. INSTITUTIONS FOR COLLECTIVE ACTION IN THE TRANSITION BETWEEN ANCIENT REGIME AND MODERNITY

Before the liberal regime consolidation in 1834, the corporative organisation of Arts and Crafts, as well as municipalities, played a prominent role in Portuguese society. As the medievalist António Hespanha argued: ‘The most important result of corporative organization was to succeed in changing the external regulation of craft work - on price, quality, quotes to produce, distribution of raw materials – to a self-regulation done by the craftsmen and therefore more favourable to their interests’ (1982: 195). To belong to these institutions, i.e. to acquire the qualification and authorisation to pursue a trade, craftsmen were also obliged to belong to the craft brotherhood. These latter played an important role in the sphere of social protection and public health through mutual-aid and an extensive network of hospitals (PEREIRA, 2012b). Craft guilds ensured artisans’ political participation, being represented in the municipal councils and an active voice regarding the government of the mechanical trades, but also the supply and price of foodstuffs (LANGHANS, 1942).

Rural communities also enjoyed self-government powers, expressed in the capacity to choose magistrates and local officials and to exercise government over common-pool resources. User groups, such as *concelhos de vizinhos*, survived in the mountain areas until the end of the twentieth century but in most of the country their functions were taken over by the municipalities. Nevertheless, decisions concerning these assets entailed broad consensus obtained in extended

meetings (NETO, 2010: 317-319). In the countryside, brotherhoods and fraternities were responsible for social and spiritual protection (LOUSADA, 1999: 106-108) and also for schools, medical assistance and agricultural credit (LOPES, 2010).

According to Portuguese historiography, at the end of the *Ancien Régime*, the rules and traditions constraining economic activity were challenged by market expansion. This process culminated in the liberal revolution, followed by the craft guilds extinction (PEREIRA, 2012b). At the same time, through successive administrative reforms, the autonomy of the rural populations was progressively subjugated to that of the central government (OLIVEIRA, 1995), whilst common-pool resources were encroached upon by the expansion of private property resulting from population pressure and changes in livestock systems (NETO, 2010: 319). The decline of the brotherhoods and fraternities from the late eighteenth century onwards was intensified by the government's oversight and property confiscation (LOPES, 2010).

Corporate and communitarian bonds proved to be resilient, giving rise to a set of new institutions for collective action based on the same social networks, norms and codes of conduct. The first forms of association to arise at this time were the mutual-aid societies and the mutual cattle insurance associations. Based on ancestral practices of reciprocity, both sought to avert the risks associated with the fragile livelihoods of artisans and farmers.

The first, mainly pursued by craftsmen, were intended to replace the old forms of social protection, clearly inheriting the corporate institutional norms and codes that were reflected in their professional composition, internal hierarchies, training functions, and religious behaviour, among other features (PEREIRA, 2012b). These primordial associations were characterised, above all, by their multi-functionality, sometimes combining mutual-aid with economic cooperation by organising collective work for their jobless partners and by investing their profits in insurance funds (GOODOLPHIM, 1889).

Mutual Cattle Insurance Associations spread out among rural communities replacing ancestral conventions present in the municipal ordinances, under which farmers allocate the value of any ox or cow that died of disease or disaster (LANGHANS, 1938: 372). The mutual cattle insurance associations tended to assume a small size — an average of one hundred members managing a mutual fund that would ensure compensation for the loss of large animals. According to Bugalho Pinto, a contemporary scholar studying these associations, these practices were promoted by floating populations which, in his view 'have a superior intellectual level and illustration ... due to the well-known circumstances of a large number of farmers who are or have been city workers ...' (PINTO, 1920: 464).

Prior to the legal recognition of economic cooperation, a number of mutual banks appeared that inherited a function previously performed by brotherhoods and fraternities. *Montepio Geral* was founded in Lisbon in 1840, followed by some rural banks such as the ones in Serpa (1840) and in Angra do Heroísmo (1845). The latter remained connected to a brotherhood — *Misericórdia* — transferring its profits into social assistance and protection (ROSENDO, 1996).

Among the outbreak of voluntary associations, the *Sociedade dos Artistas Lisbonenses* stood out. It was founded by a heterogeneous set of artisans on January 17, 1838.¹ Under the guise of a mutual-aid association, it established an institutional framework very similar to the ancient corporative organisations. As the original statutes illustrate, the main objective was to replace the House of Twenty-Four,² managing apprenticeships and skills. Yet, and despite the corporate

¹Five carpenters, one shoemaker, three locksmiths, two painters, the glazier, the plasterer, two tinkers, and a cutler. Biography of Alexandre Fernandes da Fonseca, founder of the association of Lisbon Artists (SANTOS, 1865).

²The Lisbon's House of the Twenty-Four was composed of two representatives from each of the twelve crafts guilds and was established in 1383 in order to allow artisans to participate in the city government. This model was replicated in all major urban centres and in the smaller clusters was named the Houses of the Twelve.

legacy, the new ambition for technological improvement and theoretical instruction³ was a common feature with other associations inspired by the Enlightenment — *Sociedade Promotora da Indústria Nacional* (1822), *Associação Industrial Portuguesa* (1837), *Associação Industrial Portuense* (1852), *Associação Promotora da Indústria Fabril* (1860), *Real Associação Central da Agricultura Portuguesa* (1860) — whose primary objectives were to merge the ‘lights of the wise, the practice of the artist, the knowledge of the farmer and the dealer, and in general the unanimous support of all the zealous citizens’.⁴

In addition to the pre-modern legacy in terms of social capital — trust, social networks, norms and codes of conduct — it is also worth noting the involvement of human capital as a condition for the emergence of this movement. The participation of elites was instrumental to the development of new proposals such as the idea of social control over the means of production as a way to achieve a collective independence (THOMPSON, 1963). In the aftermath of the French Revolution of 1848, the views of Louis Blank, Proudhon and Fourier were widely disseminated by progressive intellectuals in Portugal. These philanthropists advertised associations as a way to mitigate the harmful effects of liberalism, namely the concentration of capital and speculation.⁵ They were the founders of the newspaper *Ecco dos Operários* and played a major role in the origin of the *Centro Promotor de Melhoramentos das Classes Laboriosas* (Centre for the Promotion for Improvements of the Working Classes) in 1852.

This new structure, founded in the living room of the old *Sociedade dos Artistas Lisbonenses*, and gathering together Lisbon’s mutual-aid associations, however, was not much different from its predecessor, reflecting once more the House of the Twenty Four institutional design. The objectives of the association aimed: to control apprenticeship and skills management by replicating the corporative practices; to enable access to credit by creating a savings bank; to satisfy the requirements for education and modernisation by promoting art studies, a library, and a museum of machines; to organise mutual-aid in sickness and old age through a *Montepio*; and to provide raw materials and markets for members’ products through its own agency.⁶

Meanwhile, *Ecco dos Operários* and the newspaper *Centro Promotor de Melhoramentos das Classes Laboriosas* were performing an important role in spreading new ideas and international experiences. They publicised cross-border innovation and success within collective action spheres, such as the Parisian workers’ associations. Access to this information was enabled by transnational contacts with similar movements.⁷

These early experiences and proposals played a key role in enacting one of the stated necessary conditions for institutionalised collective action — legal recognition. The legislator himself, Andrade Corvo, was part of this philanthropic movement sponsoring working-class self-help in accordance with the nineteenth-century liberal spirit. The cooperative basilar law of July 2, 1867,

³On the twelfth anniversary of *Sociedade dos Artistas Lisbonenses*, André Fernandes da Fonseca, one of the founders, said to aspire to ‘establish a newspaper of the society, where each month could be transcribed all that is, or may be good, Portuguese or foreign, relating to the arts; to reproduce the manuals of each art, or craft, with the competent tools design; to transcribe the geometry applied to the arts, enhancing a clear adjustment of all capabilities development; to describe and present the designs of ancient and modern machines and the ones to be invented; to publish a monthly review about the society development and the products in its warehouse to be especially mentioned for their quality, wealth, or novelty’. Acta da sessão solemne do aniversario da instalação da Sociedade dos Artistas Lisbonenses, em 3 de Fevereiro de 1851. Lisboa: Typ. de Maria Feliciano das Neves, 1851, p13. Existing until the dawn of the twentieth century, this association continued to operate a primary school and a deposit-exposure of handmade products. Statutes from 1869.

⁴Annals of the *Sociedade Promotora da Indústria Nacional*, 1st year, notebook 1, May 1822, p11

⁵Sousa Brandão, «O Trabalho Social», *Ecco dos Operários: Revista social e litterária*. N.º 1, 28 de Abril de 1850, p5-6.

⁶*Projecto da associação dos operários*, *Ecco dos Operários: Revista social e litterária*. N.º 12, 16 de Julho de 1850, p4-6.

⁷«La Asociación, a sus subscitores, coelegionarios y amigos», *Ecco dos Operários: Revista social e litterária*. N.º 5, 28 de Maio de 1850, p5.

conceived of cooperatives as associations based on the principle of mutual cooperation between ‘classes living of their labour’ but also between ‘those who work in small industry’.⁸ Their specificity, based on the concept of mutuality, justified income tax benefits. Alongside legal recognition, the government, together with the *Centro Promotor de Melhoramentos das Classes Laboriosas*, distributed a collection of documents on cooperatives, including Andrade Corvo’s speech about the new decree, the diploma, the opinion given by the special commission created to discuss the advantages of economic cooperation, and an example of statutes.

2. THE COOPERATIVE MOVEMENT PIONEERS AND THEIR GOALS

If, like Putman (1993) and Ostrom (2008), we consider social capital as trust, social networks and a set of informal norms, the pre-modern legacy and its reconfiguration during the nineteenth century is reflected in the social alliances that emerged at the beginning of the cooperative movement and were also present in the aims of the pioneers. This section will present the results of my empirical research based on the analysis of the foundation acts and statutes of 850 cooperative societies in Portugal dating from the enactment of the cooperative basilar law (1867) to the institutionalisation of *Estado Novo* (1933). These documents, published in the *Diário do Governo*, state the founders’ professions and their central aspirations, thus allowing one to understand the social proximities, as well as the moral values involved in the cooperative movement’s origins.

In order to highlight how the cooperative founders promoted a set of practices designed to re-establish a number of pre-modern constraints to economic activity, I compared the information from the *Diário do Governo* with the *regimentos das corporações de ofício* (craft guild rules), compiled by a public servant in 1572. As mentioned above, alongside the craft guilds, municipalities (where craftsmen were inherently represented) also played a very important role in economic constraint. Therefore, I also compared cooperative statutes with the *posturas municipais* (municipal ordinances) published in the early nineteenth century.

2.1 Social networks and alliances

As **Figure 1** suggests, nineteenth century cooperatives were part of a powerful movement of professional reorganisation. In fact, taking the capital and the country’s most important industrial centre as a case study, a significant number of cooperatives drew pre-existing professional classes into the corporate organisation. This applies to at least 49 cooperative societies bringing together tailors, shoemakers, coopers, and weavers, among others working in the sphere of production. As I will show in the next section, these societies were formed to promote collective ownership and management of the means of production but also to supply small industries and to promote collective trade.

Progressively, other professional classes reproduced these models, adjusting them to other spheres of economic activity such as insurance, people and commodity transport, among others. This emulation process occurred in parallel with the dissemination of other types of institutions such as mutual-aid and class associations, within which ancient artisans networks were also reactivated (MÓNICA, 1979; PEREIRA, 2012b).

⁸Colecção de documentos acerca de sociedades cooperativas. Lisboa: Imprensa Nacional, 1871, p9.

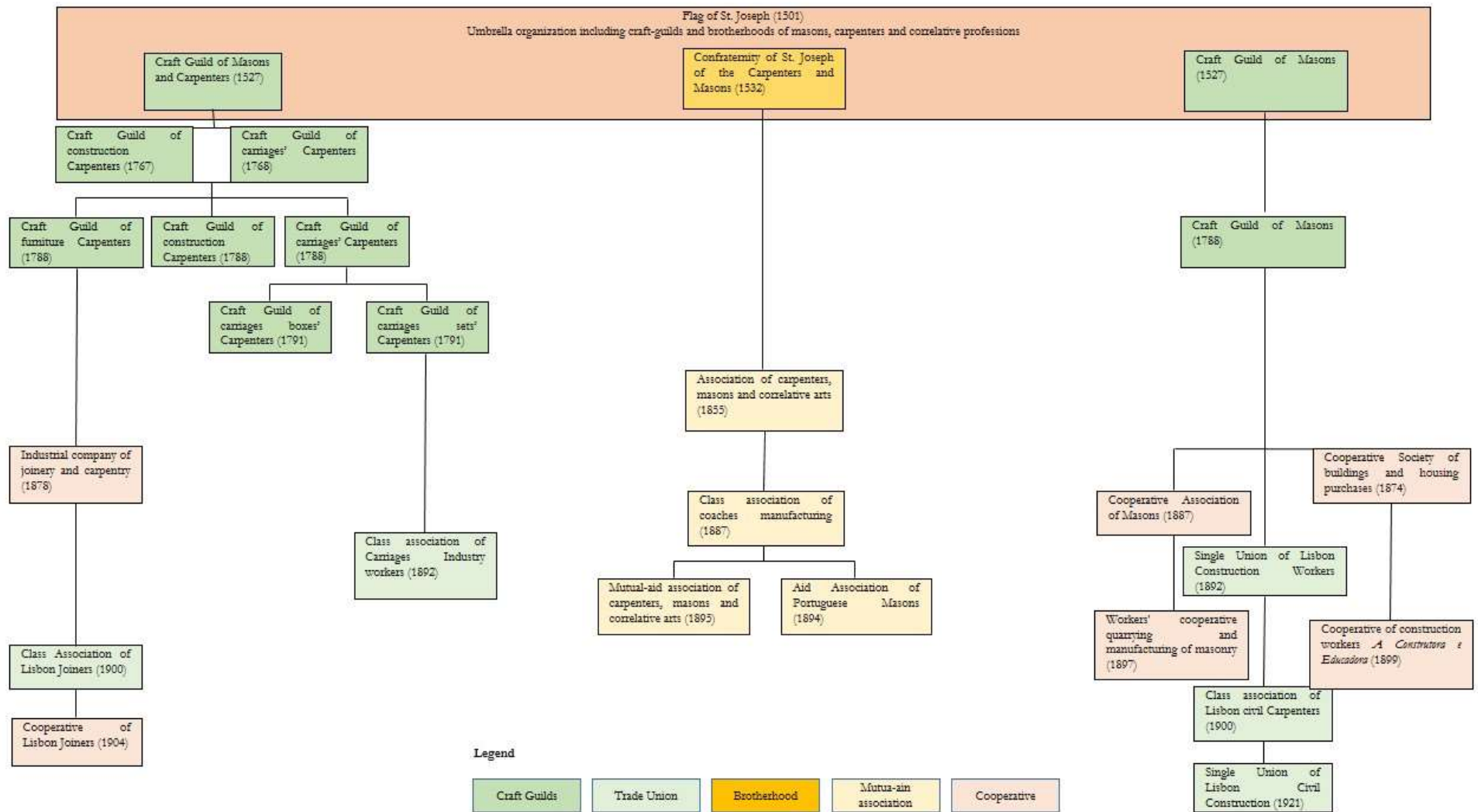
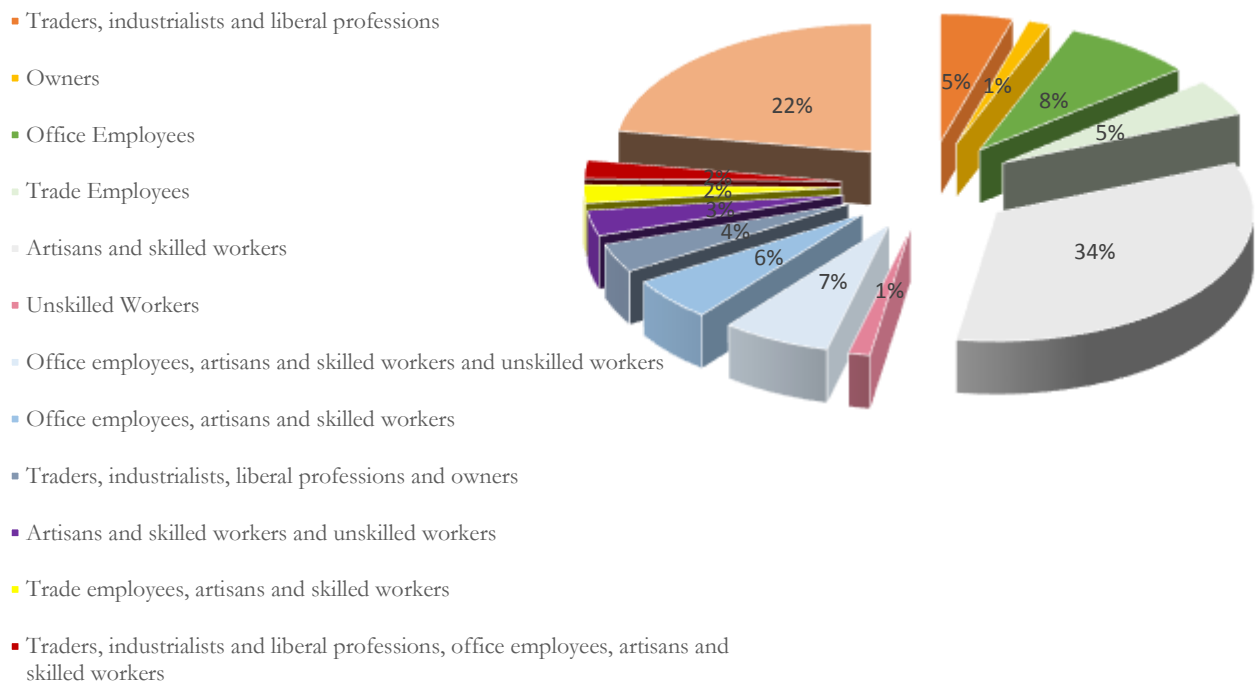


Figure 1 – Genealogy of Lisbon carpenters' and masons' institutions for collective action

The professions listed in the foundation acts of the cooperatives make it possible to glimpse the resilience of specific professional networks, the craft community as a whole, and also broader social alliances. This feature corresponds with different purposes and geographical regions. The old professional communities reorganised mainly in the sphere of production, whilst geographically-based institutions in the sphere of consumption reflect wider social networks. The first were located mostly in two major cities — Lisbon and Porto — the rest were spread across the countryside.

Adapting the historical categories listed by William Sewell (1985), to the set of professions stated in my sources,⁹ I am able to ascertain the strata and social alliances promoting these cooperative experiences and thus, sustain the argument that the social networks empowering cooperative movements were largely inherited from the ancient craft guilds. In fact, despite the country's dominant rurality, cooperative pioneers were mainly craftsmen.

In Lisbon,¹⁰ as **Graph 1** shows, this strata was responsible for the foundation of 34% of all cooperatives. Artisans and skilled workers were also present in 65% of the inter-professional groups promoting these projects. In Porto,¹¹ the findings were relatively different but still the craft community was the sole promoter of 30% of all cooperatives and was involved in over 22% of the projects carried out by different social alliances.



Graph 1 - Professions and social alliances as stated by the Lisbon cooperative founders (1867-1933).

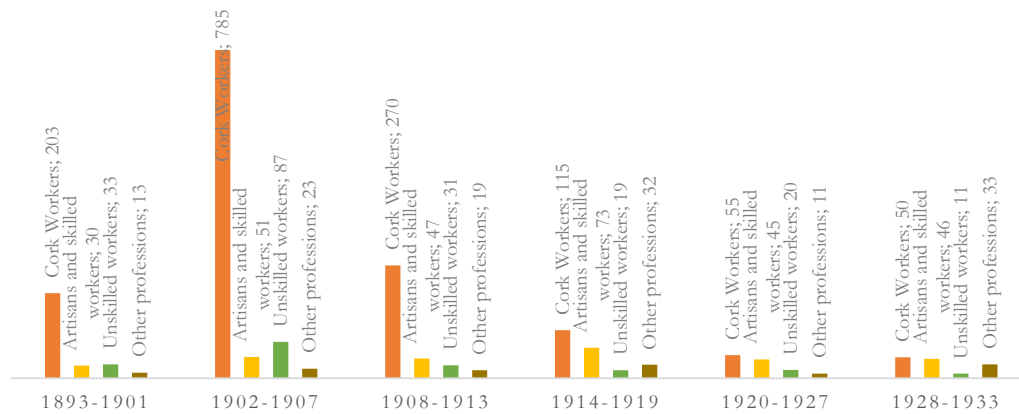
The detailed analysis of a few example cases illustrates (**graph 2**), however, that cooperatives tend to expand and diversify their social bases. In 1893 the *Sociedade Cooperativa de Consumo Piedense* was founded in the Lisbon industrial area by a carpenter, a shoemaker, two coopers, three industrial workers and a trade employee; and this became the largest cooperative in the Iberian

⁹*Businessmen and professionals; rentiers; sales and clerical employees; small businessmen; artisans; service workers; maritime workers; agriculturalists; miscellaneous.* In this analysis, taking into consideration the Portuguese social structure at the dawn of the twentieth century, I grouped: 1) traders, industrialists and liberal professions; 2) Owners and tenants; 3) Military; 4) Office Employees; 5) Trade Employees; 6) Artisans and skilled workers; 7) Maritime and fishermen; 8) unskilled workers.

¹⁰We know the founders' professions of 229 cooperatives out of a total of 298 societies legalised in Lisbon between 1867 and 1933.

¹¹We know the founders' profession for 79 cooperatives out of a total of 121 societies that were legalised in Porto between 1867 and 1933.

Peninsula. The professions stated by the members demonstrate how, in the following decades, this society came to include other socio-professional categories and, in particular, the cork workers, who dominated the local community social composition. This progress is related to the evolution of social relationships within these peripheral neighbourhoods during the industrialisation and urbanisation processes when craft and migration networks were diluted in the broader social relationships induced by the overlap of work, residence and leisure spaces (PEREIRA, 2012a).



Graph 2 - Piedense Consumer Cooperative membership composition between 1893 and 1933.

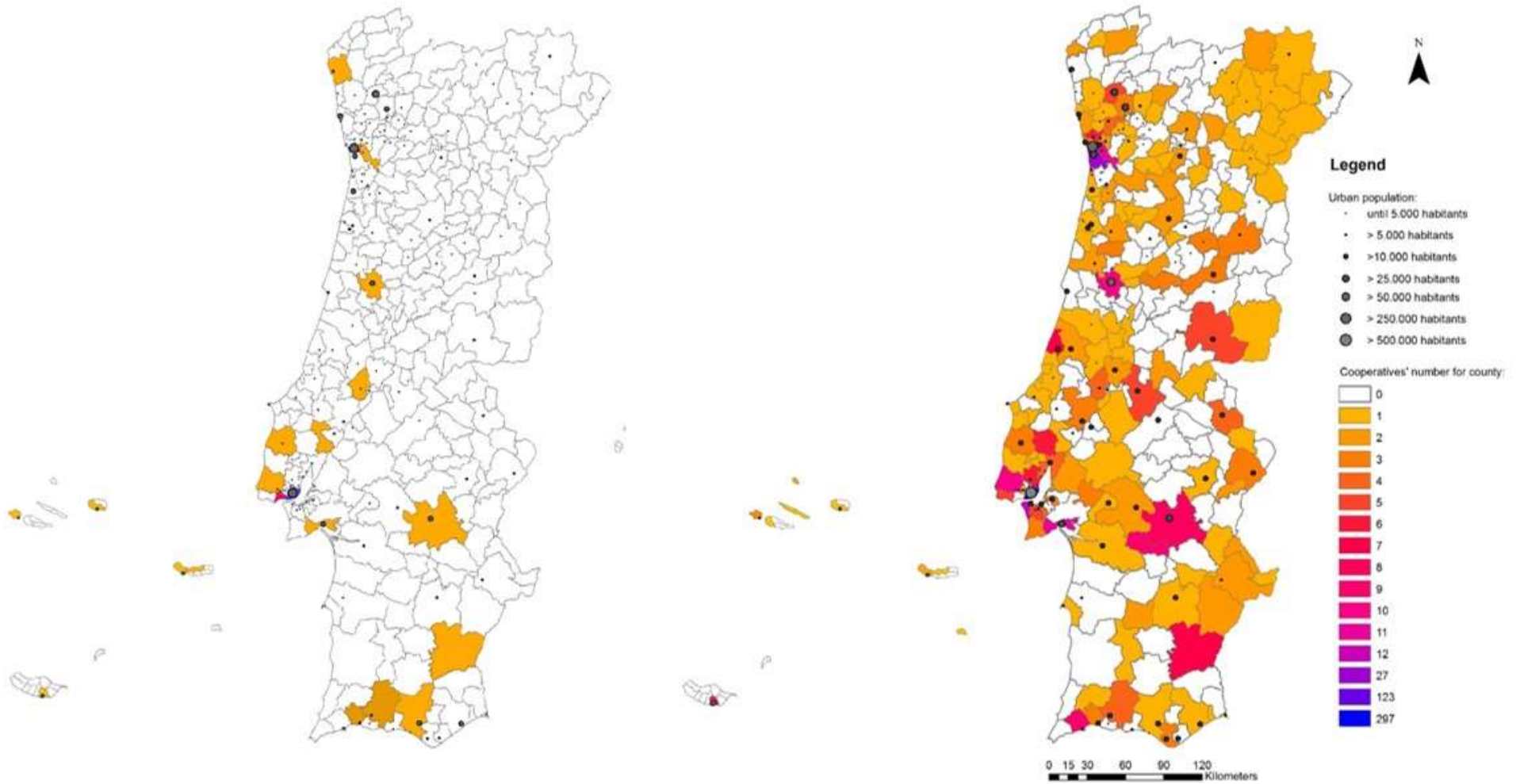
Conversely, there are other examples reflecting the resilience of migration networks. In the *Cooperativa Cultural Operária Barreirense*, founded on February 28, 1912, 84% of the members registered up until 1933 had been born in the countryside. Their membership records show that the partners in that society arrived from specific parishes of the country's northern and central regions. The involvement of these social networks, brought from the rural home communities, can also be related to the pre-modern experience.

Simultaneously, and alongside the growth of small and medium cities, cooperatives spread across the nation. By mapping their dissemination it can be evidenced that it was mainly in the urban contexts that these projects were promoted. As **maps 1 and 2** illustrate, there is a clear correspondence between the increasing number of cooperatives and of the urban population, which in this period of industrial development experienced a significant increase.¹²

As in the major cities, although countryside cooperatives progressively involved the rural population, they were primarily promoted by artisans and skilled workers. Apart from 12.8% which were founded by *proprietários* (owners) — an undefined concept that includes everyone from peasant to landlord — 10.8% of rural cooperatives were exclusively founded by craftsmen. Moreover, they were involved in 46% of the inter-professional alliances sponsoring cooperative experiences.

As explained in the introduction, the distinction between cities and countryside is problematic when referring to nineteenth-century Portugal. The same is true of the urban and rural population. According to surveys of that time, it was very difficult to distinguish the number of families who were exclusively dedicated to agriculture, 'because often they were fishermen and factory workers who, in times of crisis, went to the fields to support themselves' (QUINTAS, 1998: 53).

¹² General census of the Portuguese population, 1867, 1890, 1911 and 1930.



Maps 1 and 2 – Cooperatives founded until 1890 and until 1933 and urban population according to the 1890 e 1930 census.

2.2 Norms, values and codes of conduct

Collected data on cooperative statutes provide additional information on social capital transferences in terms of norms, values and codes of conduct. As I will discuss in this section, nineteenth century cooperatives tried to restore some of the *Ancien Régime* conventions, adapting them to a modern economy based on self-regulated markets.

Urban cooperatives,¹³ like their pre-modern predecessors, were characterised by their multi-functionality. Only 27.5% specialised in only one activity. Production was a purpose of 44% of all the societies founded in Lisbon and Porto. These cooperatives sought to perpetuate the indissoluble union between craftsmen and their means of production; something that corporate regulations prevented by limiting the number of apprentices and officers that each master could employ as well as the number of *lojas* they could manage.¹⁴

Alongside pre-modern social capital resilience, artisans were inspired by the new postulates of utopian socialism which advocated for a collective independence. By comparing cooperative statements¹⁵ with craft guild regulations, one can infer that the collective ownership of the means of production was replacing the collective management of another common-pool resource — skills.¹⁶ The exclusive and valuable character of the latter, however, was still present in the membership requirements, according to which unskilled workers could not join the societies.

Furthermore, the ancient strategies regarding apprenticeship control were not neglected since 17.3% of cooperatives had professional instruction as one of their purposes.¹⁷ These practices were not disengaged from enlightenment thought and the increasing aspiration for theoretical knowledge. Cooperatives with instructive goals also aimed to ensure elementary education for members and their children. Highlighted among these is the *Sociedade de Instrução e Beneficência A Voz do Operário* founded by the tobacco workers in 1883. Created for the ‘professional and moral education of the working-class and the people’s education’,¹⁸ its library became one of the most attended in the capital, and its primary schools spread throughout the city (GALHORDAS and DAMAS, 1992).

Alongside ‘production cooperatives’, a number of societies were formed to acquire raw materials and the instruments necessary for work — a purpose present in 28.4% of the statutes. This goal was normally related to the possibility of small producers jointly selling their products — which includes 27.2% of the objectives statutorily established. These strategies reflect the artisans’ reaction to the spheres of production and trade dismantling, something that corporate standards constrained to avoid competition.

¹³ The most important work on rural Portuguese nineteenth century social movements only excludes from the rural context the urban areas of Lisbon and Porto, considering that in the other cities (like Coimbra, Évora or Braga) the surrounding countryside was dominant (TENGARRINHA, 1992).

¹⁴ On this subject it is important to clarify that in the late eighteenth century, these constraints were already being challenged. Corporative organisation was resisting this process as the Algibebes’ (clothing sellers) regiment appendage of 1792 show: ‘in a meeting of master craftsmen was weighted by all how much was mischievous and scandalous that same members of these corporation purpose to have more than one store’ when ‘all corporations are regulated by the inviolable rule of each master to maintain only one store’. *Livro 3º do Registo dos Regimentos* (Third book of the regiments record), p327-329.

¹⁵ The Lisbon cooperative *Progresso e Trabalho* (progress and labour) of 1876, clearly defined in its constitution that ‘the workshop is considered to be collectively owned by all individuals that, belonging to the class, take part on this society’. Statues of the *Cooperativa Progresso do trabalho*, published on the *Diário do Governo*, July 29, 1876.

¹⁶ As Tine de Moor argues, the ownership and control of knowledge and techniques was a valuable asset that craftsmen’s corporate collective action intended to protect (DE MOOR, 2008: 179-212).

¹⁷ It is the case that *Indústria Social* (Social Industry), founded by Lisbon metalworkers in 1871, intended to provide ‘industrial schools to professionally train partners and employees in manufacturing’. Statues of the *Cooperativa Indústria Social* published on the *Diário do Governo*, September 11, 1873.

¹⁸ As referred to in the journal *Voz do Operário* (the workers’ voice) first published on October 11, 1879.

In order to sustain the relationship established between the purposes of joint trade with the pre-modern experience, it is necessary to stress the corporate practice by which the craft guilds elected *compradores do ofício* (craft buyers) to combat hoarding by acquiring wholesale raw materials,¹⁹ a strategy utilised by most of the cooperatives reorganising pre-assembled professionals.²⁰

As E. P. Thompson argued, pre-modern values of common good and fair price could also be at the origins of the nineteenth century consumer cooperatives (1971), a factor which the comparison of craft guild interventions in the municipal councils and the cooperative statutes may sustain. Actually, consumer societies had as their purpose, to 'provide their members with foodstuffs and ordinary commodities of good quality, exact weight and affordable price'²¹ — this purpose was present in 52% of the Lisbon and Porto societies. The reference to quality and exact weight is related to the municipalities' functions, in particular those required by the guilds representatives. Using the example of bread, it was the craft guild of *Moleiros, Atafoneiros e acarretadores* that asked the King for the creation of special institutions aimed at controlling the weight and quality of cereals and flour.²²

Moreover, cooperation in the sphere of consumption was not independent of collective work motivation, as consumer societies also aimed to 'enable partners to sell their manufactured products'.²³ Among these were the bakery cooperatives. Fifty societies formed in Lisbon and Porto during this time period aimed to 'grind cereals of their own or on behalf of others',²⁴ inclusively planning to 'buy or rent land for farming'.²⁵ In several of the analysed cases, this productive and commercial activity was articulated with mutual-aid, particularly in-kind.²⁶

The profusion of these bakery cooperatives led to the creation of supply societies which provided for the 'acquisition of flour and other foodstuffs related to bakery in order to supply the shareholders' and 'may also acquire and exploit grinding mills'.²⁷ The resistance to the production and trade spheres dissolution, and the ambition to suppress intermediaries, had its highest expression in the *Federação Nacional das Cooperativas* foundation in 1920, in the *União Central de Abastecimentos*, created in 1922, and in the *União das Cooperativas do Norte de Portugal*, dated from 1932. All these structures aimed to supply the cities of Lisbon and Porto with foodstuffs during a period marked by the high cost of living.

¹⁹ The *algibebe*s officials, in the early seventeenth century already complained that 'in this craft there are rich and poor men and since there is this inequality those which are rich buy all the cloths in order to sell in times of shortages'. They reasoned that 'all the craft guilds in the city had *compradores de ofício*, elected all the years ...'. These equality measures were essential to regulate the manufactured products market. As this official argued, in the absence of this mechanisms 'the richer masters may sell their products at any price'. The *Algibebe* official's petition letter, 9 de Janeiro de 1634. *Livro 3º do Registo dos Regimentos* (Third book of the regiments record), p331.

²⁰ As the *Cooperativa Abastecedora de Confeitaria e Doçaria*, following the steps of its predecessor confectioners craft guild, the cooperative *A Construção Civil do Norte* which intended to 'produce and supply the materials of the four arts', united under the *Bandeira de São José*, or the cooperative *Abastecedora de Carne de Lisboa* which sought to ensure 'the supply of its members butcheries', which was the function of the *Homens do Trabalho e C.ª do Matadouro geral e dos Açongues* guild, founded in 1773.

²¹ These is the regular formulation present on the Consumer Cooperatives Statues

²² Regimento sobre atafoneiros e moleiros de 16 de Agosto de 1564. *Livro das posturas antigas* (Book of Ancient Postures), p212-218.

²³ Statutes of the *Cooperativa União Operária de Lisboa* published in the *Diário do Governo* of May 18, 1876.

²⁴ Statutes of the *Cooperativa de Pão A Familiar*, published in the *Diário do Governo* of December 2, 1904.

²⁵ Statutes of the *Cooperativa de Pão A Persistente, auxiliadora da instrução e beneficência*, published in the *Diário do Governo* of March 14, 1900.

²⁶ Statutes of the *Cooperativa de Pão A Alcanterense*, published in the *Diário do Governo* of November 19, 1909; Statues of the *Cooperativa de Pão A Familiar de Lisboa*, published in the *Diário do Governo* of February 26, 1908.

²⁷ Statutes of the *União Cooperativa Abastecedora da Industria de Panificação Independente do Norte*, published in the *Diário do Governo* of April 4, 1924; Statutes of the *Cooperativa Abastecedora da panificação do Norte*, published in the *Diário do Governo* of March 23, 1931.

The above mentioned functions were combined with small capital mutualisation to enable credit accessibility in 36.6% of the Lisbon and Porto cooperatives. The central aim was to guarantee ‘financial independence’²⁸ which was also not a novelty. As mentioned in the previous section, brotherhoods and fraternities played this role during the *Ancien Régime*. The decline of these institutions, as stated by some professional group associations, justified the emergence of new associations for such purposes.²⁹

Finally, the reciprocity principle should be highlighted in terms of providing assistance and social protection, which, during the *Ancien Régime*, the artisan community had provided for its members. In fact, to ‘serve as a breadwinner to members when they need it’³⁰ was a purpose of 30% of Lisbon and Porto cooperatives. These societies intended to provide members with medical care, pharmaceutical products, and mutual-aid in case of illness, disability, unemployment and imprisonment. In some cases pecuniary help included maternity allowance³¹ and lactation.³² Some associations also intended to create nurseries, and sanatoriums³³ and progressively introduced the idea of a pension, an objective present in 19 of the cooperative statutes.

The reorganisation of some professional classes could also be related to these old values of reciprocity in the sphere of assistance and social welfare. The pharmacists, previously organised in the *Corporação dos boticários*, created a set of cooperatives dedicated to medical and pharmaceutical care and old building industry networks sought to respond to the problems caused by industrialisation and urbanisation, namely working-class housing. In the cities of Lisbon and Porto, 28 cooperatives were founded in order to ‘build hygienic dwellings whose collective property will serve as housing for members and their families’,³⁴ most of which involved builders and carpenters. One of the oldest was ‘founded by the class of masons, only for those who have the profession of mason, carpenter and correlative’, a coalition dating back to the *Confraria de São José* and had as its objectives, to ‘help its members through credit, economic housing, and promote them work’.³⁵

Economic cooperation and social protection can be observed in a broader scale in the creation of mutual banks by mutual-aid associations whose aim was to invest the profits in social protection.³⁶ In 1916 this trend gave rise to the League of Mutual-Aid Associations, a cooperative aimed at developing the pharmaceutical industry to provide for its members.³⁷ This model was inspired by the above mentioned *Caixa Económica de Angra do Heroísmo* whose profits were invested in the brotherhood civil hospital,³⁸ a practice dating back to the medieval fraternities which established hospitals and insurance with contributions but also with the profits from their credit operations (LOPES, 2010).

On the matter of associations’ funding, it should be stressed that another purpose, present in 14.5% of the statutes, was to ‘aid new social industries’,³⁹ which can be related to other statutes

²⁸ Statutes of the *Sociedade Cooperativa dos Ourives do Porto*, published in the *Diário do Governo* of March 6, 1875.

²⁹ Statutes of the *Confraria de Santo Eloy*. Porto: Typ. do Commercio, 1869.

³⁰ Statutes of the *Fraternal dos fabricantes de tecidos e artes correlativas*, published in the *Diário do Governo* of June 30, 1874.

³¹ Statutes of the *Cooperativa Auxiliadora Popular de Rio Tinto*, published in the *Diário do Governo* of April 12, 1918.

³² Statutes of the *Cooperativa Caixa de Previdência Popular*, , published in the *Diário do Governo* of January 31, 1910.

³³ Statutes of the *Crédito Português*, published in the *Diário do Governo* of May, 1916.

³⁴ Statutes of the *Cooperativa dos operários construtores civis «a construtora e instrução»*, published in the *Diário do Governo* of April 20, 1899.

³⁵ Statutes of the *Sociedade Cooperativa de edificações e aquisições de habitações*, published in the *Diário do Governo* of November 21, 1874.

³⁶ Statutes of the *Caixa Económica Madeirense*, , published in the *Diário do Governo* of July 29, 1912. Reform of the original statutes of 1907; Statutes of the *Caixa Económica Liberal*, published in the *Diário do Governo* of July 26, 1912.

³⁷ Statutes of the *Liga das Associações de Socorros-Mútuos*, published in the *Diário do Governo* of February 5, 1916.

³⁸ Statutes of the *Caixa Económica de Angra do Heroísmo* , published in the *Diário do Governo* of August 16, 1912.

³⁹ Statutes of the *Indústria Social*, published in the *Diário do Governo* of September 11, 1873.

where it's stated that the initial capital was 'made up of subscriptions and donations from individuals and associations who have not won interests'.⁴⁰ A noteworthy example is that of *Indústria Social*, a cooperative founded with the contributions of mutual-aid associations united in the *Fraternidade Operária* (workers' brotherhood).⁴¹

In sum, the values of cooperation and mutual-aid and their intersection seem to be the most important pre-modern legacy reflected in the emergence of urban cooperatives. This can also be said to be true of rural societies. Curiously, the main difference between urban and rural cooperatives during the liberal period was that the latter intervened mainly in the sphere of consumption, an area of cooperation that many authors consider to be related to the new requirements of the urban populations (HILSON and NEUSINGER, forthcoming). As discussed in the *International Cooperative Alliance Congress* of 1904, at that time farmers were mobilised to meet new consumer needs induced by agricultural modernisation and specialisation, the need to buy raw materials, to sell surpluses and to buy consumer goods previously supplied by subsistence production.⁴²

In fact, 'to provide their member with foodstuffs and ordinary commodities of good quality, exact weight and affordable price'⁴³ was the primary objective of 88.5% of countryside cooperatives. Regulating the quality, weight and measure of commercialised products was also one of the rural municipalities' central functions, namely via *casas do peso* (weight houses), an institution designed to 'prevent fraud',⁴⁴ *casas do Peixe* (fish houses), or *casas da Farinha* (flour houses), 'prohibiting the sale of corrupt products'.⁴⁵ The old municipal ordinances also encoded various measures against hoarding, limiting the amount and timing of foodstuffs acquisition, and ensuring that wholesale purchase could only take place after the 'people are stocked'.⁴⁶ In times of scarcity, as established in some municipal ordinances, 'the Chamber officials could take the bread from owners in order to distribute it between the people'.⁴⁷ It is worth highlighting that the rise of rural cooperatives was associated with these 'moments of crisis and famine',⁴⁸ during war and post-war years when the old codes were no longer effective.⁴⁹

As in the cities, only 28.5% of these societies were investing in a single activity, being multi-functional was the main feature of the cooperative movement in rural settings. Among the different stated purposes were: credit and capitalisation — 37.8%; education — 25%; supply of necessities for production, either industrial or agricultural — 15.2%; collective work — 22.8%; collective trade — 6.3%; agricultural modernisation — 5.1%; mutual-aid — 15.7%; other institutional assistance — 7.8%; and political intervention — 2.5%.

Despite the similarities between urban and rural cooperatives, there are some specific cooperation experiences outside the big cities that deserve to be mentioned. Among those that stand out are the cooperatives that included agricultural insurance, namely cattle. Although not a large number, they illustrate the contacts and transfers between organisations emerging directly from the rural community traditions and the new cooperative proposals. It may be indicative of

⁴⁰Statutes of the Cooperativa dos Chapeleiros Fulistas, published in the *Diário do Governo* of January 20, 1876.

⁴¹Goodolphim, 1889, p52-53.

⁴²International Cooperative Alliance – Report of the proceedings of the sixth congress of the ICA held in Budapest, 5th to 8th September 1904, p82-83.

⁴³Formulation used in several societies.

⁴⁴Municipal ordinances of *Castelo de Vide*, 1840, Art. n.º 97.

⁴⁵Municipal ordinances of *Elvas*, 1853, Art. n.º 29 e 72.

⁴⁶Municipal ordinances of *Borba*, 1855, Art.º 77.

⁴⁷Municipal ordinances of *Pedrógão Grande*, 1858.

⁴⁸Statutes of the *Cooperativa Ancerizense*, published in the *Diário do Governo* of July 5, 1921.

⁴⁹The description of food riots', as reported by the police, lead us to conclude that these old mechanisms were no longer effective since populations were frequently compelling local authorities to punish hoarders (PEREIRA, 2014).

these transfers that the purpose to ‘protect farmers against natural disasters’,⁵⁰ is a function that is also related to the traditional codes of rural communities.⁵¹

In addition to these examples, the experiences that took place on Madeira Island regarding the management of water flows is worth highlighting. The promoters of these cooperatives intended ‘to increase the volume of water and ... to make possible for the *Héreos* to collectively, achieve justice against any offenses made to their acquired rights’.⁵² These purposes clearly reflect *Ancien Régime* heritage when there were specific organisations managing water flows, named *assembleias de levadas* (water flows assemblies), whose components were the *Héreos*.

Finally, the proliferation of the so-called *Casas do Povo* (peoples’ houses), although obviously connected to the transnational phenomenon linked to labour movements, should also be related to the resilience of communitarian bonds. *Casas do Povo* and other cooperatives with similar characteristics were created in several countryside villages accounting for a wide range of functions, some of them inherited from communitarian institutions such as the ‘ancient custom’ of ‘leading the dead to the grave’.⁵³ They also maintained social assistance and protection, like the brotherhoods and fraternities, as well as schools and libraries.⁵⁴ These region-based institutions intended to ‘gradually organize the municipal life under the basis of cooperation’.⁵⁵

Alongside these legacies, and similar to what was happening in the urban context, new organisational models were introduced into the Portuguese countryside, in particular the ones tested in France and Germany. Strongly promoted by the State, agricultural unions and mutual banks spread across the country (GRAÇA, 1999). The cooperatives statutes survey, however, shows that some of the objectives of the agrarian unions, as established by the Decree of July 5, 1894, were first and foremost implemented by cooperatives according to the basilar law of July 2, 1867.

On the basis of their noble titles, cooperatives aiming to organise farmers’ mutual-aid and agricultural development seem to have been promoted by landlords and other members of the local elite and, in addition to economic cooperation, they defended agricultural interests against public authorities, in particular through the *Real Associação Central da Agricultura Portuguesa* (RACAP) (Royal Central Association of Portuguese Agriculture).⁵⁶ RACAP was founded in 1860 together with other associations who wished to promote economic and technological modernisation. Through its newspapers, this institution played an important role in publicising international experiences and debates over agricultural associations⁵⁷ and by participating in the international congresses of agriculture. In addition to the pre-modern legacy, rural cooperative statutes reflect the impact of these contacts and cross-border transfers, particularly regarding the increasing concern over ‘education, especially agricultural’.⁵⁸

⁵⁰Statutes of *Cooperativa de Crédito Agrícola de Loulé*, published in the *Diário do Governo* of January 3, 1888.

⁵¹In fact, and again making use of municipal ordinances, in addition to the collectivisation of the risks related to cattle ownership, rural communities shared the responsibility regarding, for example, fires, with all households’ heads being required to fight them with all their human and material resources. Código de Peniche de 1843, art. n.º 51.

⁵²Statutes of *Cooperativa da Levada do Pico do Arvoredo, da freguesia do Caniço*, published in the *Diário do Governo* of October 31, 1877.

⁵³Municipal ordinances of *Barquinha*, 1837, Art.º 135.

⁵⁴Statutes of *Casa do Povo de Guimarães*, published in the *Diário do Governo* of March 6, 1906.

⁵⁵Statutes of *Casa do Povo da Marinha Grande*, published in the *Diário do Governo* of July 9, 1920.

⁵⁶Statutes of *Cooperativa Associação Agrícola de Torres Novas*, published in the *Diário do Governo* of December 9, 1889.

⁵⁷*O Arquivo Rural 1896-1902, Boletim da Associação 1901-1920 and O Semeador 1911-1912.*

⁵⁸Statutes of the *Cooperativa de Consumo anexa ao Sindicato Agrícola da Caparica*, published in the *Diário do Governo* of October 29, 1920.

3. FROM GRASSROOTS COLLECTIVE ACTION TO POLITICAL INTERVENTION

After the global crisis of 1890–91, national States expressed an increasing interventionist trend regarding civil society (ALEXANDRE, 2012). In Portugal, new legislation was enacted to regulate all kinds of associations, including trade unions,⁵⁹ mutual-aid societies,⁶⁰ agricultural unions,⁶¹ mutual banks,⁶² among others. Furthermore, the social and political impacts of the following economic crisis were reflected in the growing influence of the Portuguese Republican Party (PRP), which in 1891 publicised a new programme announcing the intention to promote cooperative associations, namely granting public credit (COELHO, 1906: 638-642). Over the next two decades the Republican project became hegemonic, announcing the fall of the Portuguese monarchy and the important role that cooperatives should play in the new regime.⁶³ Once in power, the Republicans continued to defend the ‘development of cooperatives ... and the advance by the State of an initial fund’.⁶⁴ Until the First World War, economic cooperation and State funding focused on rural mutual banks, which under the impact of the March 1, 1911 Law had proliferated significantly (SANTOS, 2011).

During the conflict and its aftermath, market disruption, speculation, and the expansion of the black market required escalating State intervention, especially with regard to supplies (PIRES, 2011). At this point, cooperatives tried to fulfil ‘the cooperative principle, which is to confront the particular trade’.⁶⁵ Several case studies stress the effort made by these societies to mitigate ‘the serious crisis ... by loosening credit conditions on the basic necessities’⁶⁶ and reducing their profits to the maximum sustainable to provide foodstuffs of the best quality and at the lowest price possible, thus seeking to combat ‘the vile traders, without scruple nor humanity ...’.⁶⁷ This exceptional period also highlighted new bonds within the cooperative movement at the grassroots level. For example, some cooperatives got together to buy cheaper foodstuffs at the wholesale markets⁶⁸.

As has been argued, the relationship established between State and civil society during this process had an unquestionable impact on cooperatives. As observed in other national contexts (HILSON and NEUSINGER, forthcoming), by resorting to the existing organisational resources to solve the supply crisis, the war and post-war governments induced the expansion of the cooperative movement to an unprecedented, trans-local articulation and politicisation.

At a grassroots level, some municipalities used cooperatives to distribute foodstuffs but it was on a national scale that the State proved to be willing to engage in a deeper collaboration with the cooperative movement. The Ministry of Labour, founded in 1916, had a special responsibility for mutual-aid and cooperation as well as for international relations within these spheres.⁶⁹ One

⁵⁹Decree of February 28, 1891.

⁶⁰ Decree of May 9, 1891.

⁶¹ Decree of July 5, 1894.

⁶² Decree of April 3, 1896.

⁶³The pre-revolutionary programme, in 1906, already provided for the enactment of ‘legislation to facilitate the development of cooperatives’ Congresso geral do Partido Republicano Portuguez [Visual gráfico]: bases de um projecto de reformas sociaes. [Lisboa?]: P.R.P., 1906.

⁶⁴*Diário da assembleia nacional constituinte* of Juin 23, 1911, p6-8.

⁶⁵General-meeting procedures of the *Cooperativa de Consumo Piedense*, October 3, 1915. Archive of the *Cooperativa de Consumo Piedense*.

⁶⁶*O Trabalho*, August 16, 1914, p3.

⁶⁷ Letter signed by the President of the *Cooperativa Sacavenense*, posted at the cooperative headquarters during the War. Archive of the *Cooperativa Sacavenense*

⁶⁸ General-assembly procedures of the *Cooperativa Cultural Popular Barreirense*, March 6, 1915. Archive of the *Cooperativa Cultural Popular Barreirense*.

⁶⁹ Decree of April 21, 1916.

of its first measures was to pass a law respecting cooperatives, according to which it was compulsory for their profits to be used on social protection and assistance.⁷⁰

Social security would become the State's greatest concern after the First World War but until it ended it was the sphere of supplies that most urgently required government intervention. Legal intervention, however, was clearly promoting mutual-aid and cooperative intersection. In November 1917, a special fund was created that was designed to ensure that consumer cooperatives were 'selling to their associated foodstuffs purchased or produced by themselves; distributing their profits among the partners in proportion with their consumption, or, when statutorily stipulated, allocating a portion of these profits to social solidarity'.⁷¹

After the war, the State was willing to fight the rising cost of living and its social effects by deepening its partnership with the cooperatives and mutual-aid associations.⁷² At the root of this policy were intellectuals and political activists working within the new Ministry of Labour who were committed to the cooperative and mutual-aid movements.⁷³ They took a key role in government incentives for the cooperative movement and, in particular, in the 'establishment of a federation of cooperatives, not only for the survey of the national economy, but also for the public defence against speculation'.⁷⁴

For this purpose, ISSOPG (Institute for Compulsory Social Insurance and General Providence) sent an official letter to all consumer cooperatives highlighting the advantages and conveniences of a Federation which, together with the Lisbon Parish councils, could assist the government in the distribution of necessities and foodstuffs. This initiative was the motto for the *Federação Nacional das Cooperativas* (National Federation of Cooperatives — FNC) founded on March 14, 1920.⁷⁵ The FNC began to integrate with the Board of Public Provision and in 1922 created the *Sociedade Central de Abastecimentos* (Supplies Central Society) in direct collaboration with the *Comissariado Geral dos Abastecimentos* (General Commissioner of Supplies).⁷⁶ In 1924 cooperative societies were recognised by the Ministry of Labour as having an economic activity of public utility.⁷⁷ It was during this period, as **Chart 3** illustrates, that membership of the cooperatives movement reached its peak.⁷⁸

⁷⁰According to the technical report number 440, «the idea that inspired the proposal and the purpose it has in view, (...) is to allow more and better development and the intimate connection of the cooperative and mutual-aid movements, these two very important and very interesting ways in which decomposes the great strength of social solidarity, and that, from a legal point of view, need more complete and detailed regulations ... ». As the draft law enshrined, 'it's not easy, say the workers, to pay the relatively high shares of pensioners' institutions, now existing' and 'it's not expected the success of a future pension fund within the state' and, therefore, it is useful to relate 'commercial intention with the mutual-aid intention'. Journal of the Deputies Chamber, May 17, 1916, p15-20.

⁷¹Decree of November 27, 1917.

⁷²*Boletim da Previdência Social*, n.º 4 Sept. /Dec. 1917, p336-337.

⁷³ Among these should be highlighted the case of Andrade Saraiva, member of the ISSOPG's (Institute of Compulsory Insurance and General Providence) direction board and the first president of the *Federação Nacional das Cooperativas* (National Federation of Cooperatives - FNC).

⁷⁴Direcção-Geral de Arquivos. Ministério do Trabalho, Instituto de Seguros Sociais Obrigatórios e de Previdência Geral, Direcção de Serviços da Secretaria Central e Serviços Externos, Conselho de Administração, Actas, Livros de Actas do Conselho de Administração do ISSOPG, 1919. Cota Actual Caixa 7. Classificação Original Livro 1. Acta n.º 5.

⁷⁵'14 de Março de 1920», *Ação Cooperativa*, April 1, 1922, p1

⁷⁶«A obra da Federação Nacional das Cooperativas», *Ação Cooperativa*, January 6, 1923, p1-2.

⁷⁷ Decree of July 17, 1924 and Decree of October 11, 1924.

⁷⁸'Movimento geral das cooperativas desde 1891 até 1930', *Boletim da Previdência Social*, n.º 23 (1932) p54-55.

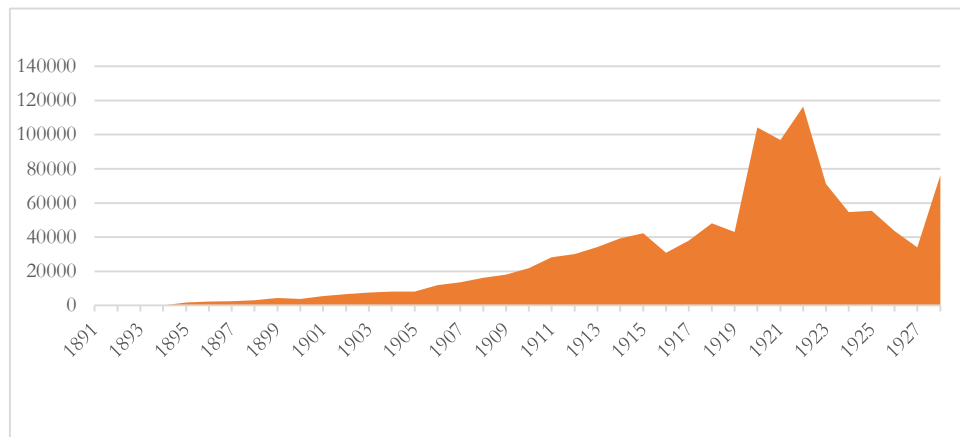


Chart 3 General movement of cooperatives membership (Ministry of Labour and Social Providence)⁷⁹

These proposals and legal initiatives cannot be understood outside of the international framework since State and cooperative movement fellowship was replicated in several countries and the *International Cooperative Alliance* was turning into an important political agent in the global political arena.⁸⁰ These trends were echoed in Portugal, as the FNC official journal, *Ação Cooperativa* and the thesis approved on the first cooperative congress, held in 1921, demonstrate. These latter defended the view that ‘Cooperatives can only annihilate speculation when international organization is complete. Since the major commercial and financial oligarchies are an international gear, cooperatives can only withdraw their varied speculation processes, organizing themselves internationally The complete cooperative organization should therefore take the form of a free federalism that, starting from primary or local cooperatives end, through the National Federations, at the International Cooperative Alliance, and whose ultimate goal is the replacement of the fighting system in economic warfare between individuals and nations, as currently witnessed, by an organization based in science, solidarity and social harmony’.⁸¹

Inspired by Charles Gide’s ideas, the economic control exercised by consumers was a programme based on ancient communitarian experiences (GIDE, 1930) which became one of the models for economic and social organisation debated between the wars. In 1921, the cooperative manifesto of the French university intellectuals was translated in the *Ação Cooperativa*. According to this, ‘War made cooperation an absolutely unexpected demand. The victims of the lack of foodstuffs, high prices, and traders’ exploitation, found in consumer cooperatives hinder places’. Its 64 subscribers recognised consumer cooperatives as providing laboratories of social experience and they were convinced that cooperation could offer a general programme for social reconstruction.⁸²

In their opinion, in challenging the economic and social model in crisis, liberalism, cooperatives had demonstrated that an economic society could live and thrive outside the conditions considered essential for the political economy, i.e. the stimulus of individual profit and the pressure of competition.⁸³ These were also the ideas defended by outstanding Portuguese intellectuals,⁸⁴ who, in 1920, created a highly influential group gathered around the *Seara Nova* magazine. Their economic and financial plan highlighted the role of the social economy, arguing

⁷⁹ Raul Tamagnini Barbosa, *Modalidades e aspectos do Cooperativismo*. Porto, 1930, p220.

⁸⁰ It is worth remembering that the International Labour Cooperative Alliance had deep relations with the International Labour Office from 1919.

⁸¹ *Ação Cooperativa*, May 20, 1921, p1.

⁸² *Révue des Étude Coopératives* n.º 1 Oct./Dec. 1921.

⁸³ *Ação Cooperativa*, September 25, 1922, p1.

⁸⁴ ‘O Problema Nacional e o cooperativismo’, *Ação Cooperativa*, August 22, 1922, p1.

that the state ‘... should foster cooperation and social security institutions, especially savings banks and cooperatives, favouring them with financial aid’.⁸⁵

Exalted as a systemic alternative to capitalism and socialism, cooperative movements assumed a significant political role against trade and industry interests during this period. According to the Ministry of Labour’s journal, the rising prices were due to a speculative manoeuvre organised by the *Aliança do Comércio e Indústria de Portugal* (trade and industry alliance of Portugal), in order to commit traders and industrialists to upholding high prices, and refusing social reforms.⁸⁶ Reformist governments faced not only the political mobilisation of the popular classes but also industrialist and merchants’ resistance to social insurance contributions, the eight-hour work law and, especially, the profits achieved during the conflict limitation.

FNC organised numerous expressions of support for these legal measures, especially the ones sustaining the consumers’ fight against ‘parasitic oligarchies’.⁸⁷ Cooperatives were involved in a series of rallies and protest meetings throughout the country demanding government action against the high cost of living and speculation and hoarding. This process of mobilisation resulted in a demonstration of more than one hundred thousand people in support of a left wing government. This movement, uniting cooperatives, trade-unions, and parish councils, among other institutions for collective action, was proclaimed the *UIS* (Social Interests Union), opposing the *UIE* (Economic Interests Union), a pressure group which also became a relevant political agent (PINTO, 2011).

Although part of a wider movement in defense of social reform, the cooperative movement had a ‘specific target, the distribution values modification, by the remission of intermediaries’ profits’⁸⁸. However, this motivation did not negate the overall aim to ensure better living conditions for the poorest sections of society. The *Ação Cooperativa* advocated that in order to provide greater efficiency to the cooperative movement, profits were to be used to establish more production workshops, to be invested in education dissemination, and in social security, among others collective objectives.

If the post-war crisis led to the cooperative movement climax, the increasing economic crisis caused their decline. The military coup and the dictatorship imposed on May 28, 1926 resulted in a violent reconfiguration of the associative movement. *Estado Novo* imposed its tutelage and doctrine on all spheres of collective life. Cooperatives, being economic societies, preserved their autonomy but were subjected to a new legal framework, the so-called *lei garrote* (tourniquet law), which eliminated all their tax exemptions.⁸⁹

CONCLUDING REMARKS

Considering the collected data on the Portuguese cooperative movement during the liberal period, one can infer that the combination of «motors», «conditions» and «motives» fostering institutionalized collective action (DE MOOR, 2008), displays significant similarities in different historical junctures. As aforesaid, Portuguese historiography sustains Tine de Moor’s proposal regarding the role of markets expansion and privatizations both in the origin of high middle ages and late nineteenth century waves of new institutions for collective action (DE MOOR, 2013). My own empirical research, although oriented to social capital resilience, highlights the

⁸⁵ ‘O Plano Financeiro e económico elaborado pelos Srs dr. Quirino Avelino de Jesus e Ezequiel de Campo’, *A Ação Cooperativa*, August 22, 1922, p3.

⁸⁶J. Andrade Saraiva, «Especulação e Alta dos Preços», *Boletim da Previdência Social*, n.º 7, Oct./May 1919, p315-316.

⁸⁷ *A Ação Cooperativa*, 1922-1925.

⁸⁸ Carlos Rates, «Thesis on Cooperatives and Unions». First Cooperative Congress held in Lisbon on 1921

⁸⁹ Decree of May 12, 1933.

presence of necessary conditions matching with the ones arising from a comprehensive approach to the emergence of craft guilds on a global scale – educated strata participation, State tolerance and legal recognition, cities growth and proto-industrialization, and finally, existing space for non-kinship-based-relationships (LUCASSEN, DE MOOR and VAN ZANDEN, 2008).

By analyzing the Ancient Regime's norms and codes of conduct constraining economy and society, I was able to reveal the role of educated strata. Nineteenth century intellectuals, activists, and philanthropists, concerned with the social impacts of property and capital concentration, publicized new associative models adjusted to artisans' self-determination and mutuality values. Entangling them with the liberal concept of self-help, this ideological trend endorsed a new relationship between public authorities and civil society, namely from within the national State, favouring State tolerance and legal recognition, which came to be critical to the cooperative movement's emergence.

On this subject, however, and as Charles Tilly argues, it has to be stressed that modern State construction had a decisive role in contemporary repertoires of collective action evolution (1977). The centralization of political power and the public authorities' increasing intervention in the economic and social spheres induced an unprecedented jump of scale from local to national institutions (ALEXANDRE, 2012). Furthermore, alongside the global political arena development, transnational nongovernmental organizations multiplied (DAVIES, 2014). In Portugal, as I have shown, it was during the war and post-war juncture especially that the harmful effects of a self-regulated market, already emphasized by the global crisis, combined with the government intervention to mitigate them, highlighted new political instruments to regulate the economy (STOVALL, 2012). The collective perception of this opportunity (TILLY, MACADAM and TARROW 2001) was explored by some of the new institutions for collective action, claiming a new moral economy (THOMPSON, 1971).

On the other hand, by analyzing social networks' resilience, my research also confirms the role of the urbanization process increased since the late nineteenth century. Artisans' leadership, reflected in founders' professions, points to urban context as the test tube of the cooperative movement. Mapping these movement expansions on the countryside reinforces this notion since it illustrates cooperatives' dissemination alongside growth of small and medium size cities. Nevertheless, with special attention to rural populations' participation in cooperatives' promotion, migration and home community networks had an important role in urban cooperatives' development and on the promotion of agricultural-specific interests. If this latter were, once again, widely publicized by the rural elites, peasants' involvement is also reflected in the ethics of reciprocity present on countryside cooperatives' statues.

Furthermore, cooperatives' concentration on the two main industry clusters – Lisbon and Porto regions –, confirms the thesis that the transformations underway on the production process have also fostered institutionalized collective action expansion. As argued for other national contexts, these societies' development was embedded in dense social networks forged preferentially on working-class communities (ROBERTSON, 2010). Although more case studies are required, cooperatives' social basis evolution reveals that artisans and industrial workers' acquaintanceship within the emergent industrial areas favoured these later integrations (PEREIRA, 2012a). Anyhow, and despite any single case's progression, my comprehensive research on Portuguese cooperatives' pioneers confirms the role of non-kinship-based relationships – namely professional and territorial-based – as an essential condition for institutionalized collective action. Thus, social networks, as argued, were an integral part of pre-modern legacy.

Concerning the pioneers' motives, I must say that risk avoidance and advantages of scale were present whenever small producers' interests were involved, which was in the majority of the cases, even when, as abovementioned, other strata came to be included. Artisans and peasants'

institutionalized collective action, before cooperatives' emergence, was oriented to avoid the risks related to the ancient mechanism of reciprocity decay or legal extinction. Confronted with property and capital concentration, cooperative promoters united forces to compete with large scale production and trade and they were able to combine these purposes with the need for social protection, a feature that was common to corporate collective action.

Consumer cooperatives were also shaped by the norms, moral values, and codes of conduct socially constructed and reproduced throughout the *Ancien Régime*. The concept of common good and fair price, although deeply related to craft guilds' political participation within municipalities, was enforced on a wider scale – community. Even cooperative movement political intervention during war and the inter-war periods, claiming for markets social control and social insurance based on mutuality, was meant to avoid risks and to take advantages of scale.

Finally, it must be remembered that, as Lisbon institutions for collective action genealogy may show, cooperatives were part of a wider movement of associative reorganization, sustained by multi-secular social networks and informal institutions, which resisted the liberal paradigm of individualism. Taking this evidence into account, it should be asked if social capital is not an important condition to analyze long-term institutionalized collective action in the economic and social spheres, just as Putman did regarding citizenship by «tracing the roots of the civic community» (PUTMAN et. Al., 1993: 121).

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