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BETWEEN CAPITALISM AND SOCIALISM:
A FRENCH MODEL OF A SELF-MANAGING NETWORK OF COMPANIES IN THE BRAZILIAN INDUSTRIALIZATION OF THE MID-TWENTIETH CENTURY

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Considering things in an earthly logic, this world really seems to be subdued by the devil’s horns. Capitalism and communism are presented to mankind as the extremes of a tragic, hopeless dilemma.

(Friar João Batista Pereira dos Santos – Os Chifres do Diabo (The Devil’s Horns), 1964. p. 155.)
1. Subject, Problems, Objectives

The cooperative networks of small businesses have drawn academic attention since the 1980’s, both as a possible way of facing the capitalist accumulation crisis and as an alternative to the Fordist production model. Current theory, which takes into account the context of globalization, points to the strengthening of the company’s specific competence as a goal for cooperation in networks in order to face increasing complexity in the economic environment. This can foster greater technical and productive efficiency, better organization, and more complementarities in face of more aggressive competition and of the international scale market. In this context, these companies are called global players. (Shiba, 2006, p. 334; Castells, 1996, vol. I, chapter 3).

But this is not so recent a phenomenon, as one verifies in Marshall’s theoretical concept presented in his book Principles of Economics—whose first edition dates back to 1890, and the final edition from 1920. He discusses the advantages, by external economies, of territorial concentration of businesses of the same sector, configuring a trend of mutual help networks (Marshall, 1982, chapter X). Actually, the organization of entrepreneurial networks occurred throughout the twentieth century in several European countries and in Japan, with or without spatial concentration, among businesses from different segments, and at the height of Fordism (Shiba, 2006).

Among the advantages pointed out by Marshall for small companies clustered in the same place, he mentions not only greater efficiency and prosperity for capital— either due to the fact that it is easier to find qualified labor, or because of cooperation to buy and use machinery and raw materials collectively—but also benefits for workers. Among these benefits are the creation of a specific professional culture, informally passed on from one generation to the next, and the social value of well-done jobs, the merit of inventions, improvements in machinery, and of the improvement of the general organization of the enterprise (Marshall, 1982, p. 234).

This article is based upon the questions concerning possibilities and limits of the integration of these two viewpoints—of capital and work—to effectively implement mutual help for networks and for the company’s survival. In order to answer these questions, we analyze the relationship between the doctrinal movement of Catholic action Économie et Humanisme, the French entrepreneurial network Entente Communautaire, and the small furniture business Unilabor,
from the city of São Paulo, in the implementation of a pioneering experiment in self-management by workers in Brazil in the 1950s and 1960s. Therefore, it is an analysis that shows international networks created before so-called globalization, operating in a full-fledged Fordist moment that was crucial for the country’s industrialization. That was the time when the production of consumer durables, including motor vehicles, was established in the city of São Paulo and its outskirts (Szmrecsanyi, M.I., 2004).

We must bear in mind that, when the Cold War set in, the confrontation between the Capitalist and the Communist models caused fierce disputes in Western Europe over the population’s support for each of these two major political and economic systems (Van der Wee, 1987). Latin-American countries were also required to take a stand in face of this competition between the so-called First and Second Worlds. Brazil witnessed, especially with regard to its urban strata, the intensification of the ideological confrontation and the call for class struggle in union and political protests.

In the heat of the warlike conflict, in face of Nazism and Communism, French Catholicism unveiled a third way, endorsing the communal and humanitarian values of socialism, without giving up private property and the right to interest supported by capitalism. Under the leadership of a Dominican priest, Louis-Joseph Lebret, between 1941 and 1943 this stance brought forth Économie et Humanisme, a doctrine and catechetical proposal, the seed of a new political and economical order for the world, scientifically conceived but combined under the aegis of loving one’s neighbors. By encouraging and supporting unprecedented planning and action groups, it aimed at the socially balanced development of nations, or even a consonance among them in the fashion of the European community, which had been already conceived (Pelletier, 1996). In the post-war period, following the international diffusion of the Christian Democratic Parties, Lebret tried to launch his movement in Latin America. It menat winning the support, in each region, from the political, cultural, and economic elites associated with the Catholic Church in order to bring the everyday exercise of solidarity to the ordinary man, in opposition to competition. The movement came to Brazil in 1947.

Within this broad context, this article intends to show how the example set by the French Boimondau factory and the self-managing companies Entente Communautaire, created by Lebret
in 1944, was decisive for the establishment of a project at Unilabor, in São Paulo. This project consisted of the defense of broad workers’ rights to the fruit of their work and the protection of their dignity, both as humans and workers. Unfolding this goal, this article seeks to point out that this had a national repercussion in Brazil and was related to what happened simultaneously in other Latin-American countries.

On the other hand, this article tries to assess, by examining Unilabor internally, how and why its communal ownership and management allowed them to adopt technological innovations regarding design, by directly interacting with artists and intellectuals who had either a formal or an informal educational role. These innovations reached not only the product’s final configuration (furniture), but also the work organization and the production process. Finally, this work aims at understanding how and why this communal experience was fruitful for the company as an economic unity, for their entrepreneurs-workers as human beings as a whole, and for the present Brazilian society.

2. The time of Brazilian industrialization

Brazilian industrialization, as an ongoing process of increasing complexity, began at the end of the nineteenth century with textile centers in different locations of the country. However, from the 1920’s on, it was centered in the state of São Paulo, particularly in the capital city and its surroundings (Szmrecsanyi, M.I., 1993). What mattered for that purpose was the strategic geographical position of the city, at the railway hubway between the port of Santos and the best coffee producing zones, above all from the last quarter of the nineteenth century on. At that time, the government fostered the immigration of foreign workers to replace slave work.

Both the capital market and the job market were created in the city, which profited also from its administrative nature as the capital of São Paulo state. In addition to these aspects, the growth of the consumer market also provided the ideal conditions for industries to establish and develop there. It came to the point when the city and its surroundings were the actual source of over 60% of the domestic manufacture product in the mid-twentieth century (FIBGE).
These socio-economic conditions made 1950’s São Paulo a metropolis where the most powerful business groups in the country, both national and international, were based. Likewise, São Paulo was the core of an industrial zone whose working class surpassed one million people. The textile buildings quickly occupied the area along the railway and new highways, attracting the population to the outskirts of the city and beyond its borders, creating areas of precarious urbanization, jerrybuilt constructions, and pollution. Especially starting in the 1930s, groups of rural populations joined the foreign immigrants and their offspring, adjusting to industrial life and to the modern city. Work was intense and wages were low. Urban life was brutal for workers and manual laborers in general; better, though, than the conditions in their places of origin and consequently attractive.

The anarchist movement brought by Italians and, after 1922, the newly founded Communist Party (PC), both strongly repressed by the State, stood out at the beginning of a century shaken by strikes. After this period, the political organization of workers was carried out by the federal government itself, which had been renewed by the Revolution of 1930. The Vargas dictatorship, from 1937, bypassed the power of the enemy elites and mobilized the urban masses, which consisted of a substantial number of migrants coming from rural areas characterized by dependency and clientelism ultimately redefined by the State. In 1945, facing signs of his own fall, president Vargas organized the Partido Trabalhista Brasileiro (Brazilian Labor Party), whose union leaders remained until the end of his second administration (1950-54) and on up to 1964 with a few replacements. It was then that new dictatorship of clearly elitist characteristics crashed them. Thus, in the populist phase of the Brazilian Republic (1930-64) the working class, having been granted rights and improvements such as minimum salary, shorter working hours, yearly vacation, and job security after ten years of work, functioned as a mass for political maneuvers, claiming for very limited participation in the growing consumer society (Szmrecsanyi, T. e Granziera, 2004).

On the other hand, by supplying an undemanding domestic market, industrialization enabled the creation and endurance of a vast number of small businesses. Some of them were aimed at the direct consumer and many operated under much larger companies, including subsidiaries of the large foreign stock companies. All of them chose the São Paulo region. In this sense, the city featured external economies that favored the organization of low- and high-capital cooperatives.
that brought it close to the characteristics of Marshallian territories—as long as we understand them as spaces that can aggregate numerous businesses of various specialties, many of which related among themselves.

3. The Origins of Unilabor

The UNILABOR company was founded in 1951 in what was then a neighborhood on the outskirts of São Paulo, Alto do Ipiranga. It shared a 3,200m2 plot with the chapel dedicated to Christ the Worker on Estrada do Vergueiro, an old highway to the port of Santos. It was located near the distant zone where the pioneer automotive industry settled in Brazil. The enterprise was the result of a plan and of the initiative of the chaplain, a Dominican priest who had studied in France, where he came into contact with a progressive trend within the Catholic church—which had been concerned about the gloomy atmosphere in the class relations, dedicated to the catechesis of workers. That course of action had been developing for decades, gathering momentum during and right after World War II.

The founder of UNILABOR, father João Batista Pereira dos Santos, born in Franca, a middle-size town in the interior of São Paulo state, joined the Dominican Order—whose superior had had contact with Lebret and his projects—at the end of the 1920’s. Father dos Santos was sent to Biarritz, France, where he was ordained a priest in 1938. Back in Brazil, he stayed in Rio de Janeiro for almost ten years. In 1947 he met father Lebret, who had come to Brazil for two months to teach a course on Économie et Humanisme in a higher education school that was not related to any universities, but to the Catholic church and the business elites. Lebret invited him to see his work in France, where dos Santos worked as a worker-priest and visited Boimondau, learning how the company was organized and becoming acquainted with Entente Communitaire.

These experiences were decisive in the friar’s life, having occurred in a moment when the hardships of the working class—which he had already seen as a seminarian—were aggravated by war, for the recovery of European economy brought about by the Marshall plan had just started. The short period when he worked in factories was useful for him to know, first hand, the workers’ daily way of life, and to be able to exercise the apostolate and catechesis along the lines
of Économie et Humanisme. This was the project he wanted to see fulfilled in Brazil. Unilabor was the answer to this yearning.

4. Économie et Humanisme: philosophical fundamentals

The history of the Économie et Humanisme movement is closely connected to the biography of its founder, father Louis-Joseph Lebret, a Dominican, former member of the French merchant navy, ordained in 1928. Inspired by the French Catholic Action in its branch of the Catholic Workers’ Youth, he started a catechetical work among fishermen and sailors, but was discouraged by its classification as “right wing” by the papacy. Based on new foundations, he started the Christian Marine Youth in 1930.

Seeking to work within the conditions of his time, he planned to publish a magazine to gather groups, both inside and outside the Catholic church, to bring the traditional ecclesiastical thought face to face with sociology and philosophy of sciences (Pelletier, p. 36). “These ideas receded for some years, but were recovered in 1935-36 as a Christian alternative to planism that was in full swing through socialist actions” (Ibidem). In the following years, Lebret found himself involved in arguments in the scope of the Dominican Order, between the goals of a catechesis dedicated to spirituality in itself and his position in favor of a performance dedicated to rebuilding society. On September 24, 1941, he founded the Économie et Humanisme association.

Based on rational Thomism, referring to social sciences for resources, his work aimed at overcoming the crisis in values resulting from the confrontation between Christian and pagan cultures. He considered the strength of the latter so powerful that it would be necessary to use it as a source of renewal to enrich tradition, rather than contradicting it. His goal was to interfere in the secular order in the life of working classes: “La théologie s’étiote qui s’isole de la vie et de son extrême diversité.” (Lebret, apud Pelletier, p. 40). Regarding the recently founded movement, Lebret stated on August, 1941: “Fins: une sagesse constructive: le nouvel humanisme chrétien ‘répensé de toute la théologie et d’une partie de la philosophie en fonction de l’homme et de la société modernes. Un combat décisif: balayer le matérialisme libéral capitaliste et marxiste, et le néo-pagannisme, mais en sauve ce qu’il y a de bon en chaque système” (Idem, p. 43).
The association, created in the city of Marseilles, was composed of 20 lay people and 20 Catholic theologians. This proportion was maintained in its board of directors (Pelletier, p. 44). It tried to establish a relationship with the Vichy government, but this became increasingly distant until it finally broke up in 1943. There are some clues of its connections with the Resistance, an even of hiding Marcel Barbu, wanted by the Gestapo, and other members of the Boimondau community, in the Winter of 1944. After the liberation of France, Lebret’s concerns were directed toward the political and moral situation where the reconstruction would take place, for the materialistic civilization had won: “Le retour à la République est plein de menaces: le retour des indignes que reignaient sous la Troisième, la reconstitution des partis, la fausse démocracie, la poussée communiste, la révéance judéo-maçonne, la colonisation financière. Économie et Humanisme apporte l’une des seules équipes qui soit prête à la réaction intelligente, d’avant-garde, d’au déla (...) Qui va gouverner cette révolution: Moscou ou de Gaulle? De Gaulle sera-t-il plus qu’un Kerenski? (Lebret’s Diary, August 24 and 28, 1944, apud Pelletier, p. 50).

5. Lebret and Brazil

In the political context of the 1945-46, the Catholic church gathered political forces in Christian Democratic Parties in several European countries. In France, the Mouvement Républicain Populaire, MRP, interlocutor of Économie et Humanisme, granted the second highest number of seats at the Parliament, second only to the French Communist Party, PCF. Originating in the ranks of the Resistance, the MPR represented the first Christian-democrat political force capable of really making a difference in French political life (Pelletier, p. 148). However, the MPR adopted the principles of representational democracy by the universal suffrage, to which Économie et Humanisme countered with the idea of an organic democracy, that is, corporative and representative of specific social groups. These ‘bodies’ “would be ‘natural’ communities, such as neighborhoods, rural communities, cantons, villages, regions, and towns, (involving) even the concepts of nations and nations made of nations, always administered by a council endowed with the power of decision” (Pelletier, p. 151). MRP interpreted this position as being close to the fascism inherited from Vichy, and understood that Économie et Humanisme was politically right wing, while socially left. Thus, it was in the heart of international Christian democracy, not in France, that Lebret could exercise a considerable influence.
The ideal of a united Europe was not absent from the Vatican, and it gathered strength in the form of Christian-democrat parties. The task of spreading Christian democracy throughout the world brought Lebret to Brazil. As we have already mentioned, he was invited by a Sociology and Politics school where several Catholic intellectual leaders, including Dominicans, worked. Departing from this first contact, he was able to be in contact with the elite of the Catholic Church in Brazil, and especially with the main regional branches of the Brazilian Catholic Action. Through these contacts, he was received by conservative political and military leaders in Brazil, headquartered in the UDN—União Democrática Nacional (National Democratic Union) party. UDN strongly opposed Getúlio Vargas, a former dictator (1937-45) and future president (1951-54) of Brazil, for they supported an economically privatist liberalism against the nationalization policies operated by Vargas. The cardinals of Rio de Janeiro and São Paulo agreed with those political leaders for fear of communism.

Lebret was convinced that it was possible to promote communal order in the rural areas, ruled by non-democratic or liberal local oligarchic elites that encouraged clientilist relationships. The liberal democracy supported by UDN remained restricted to the elites and far from the Western model that involved popular participation, supported by Lebret.

However, when the Brazilian Communist Party was outlawed, in 1947, and its elected representatives were banned, Lebret countered the bishops’ stand and publicly spoke up against it. According to him, that attitude was inefficient to fight communism: “Il est toujours dangereux pour un État qui se dit républicain de prendre des positions antidémocratiques ... Qui ne fait pas tout le possible pour faciliter l’élévation du peuple est malvenu à condamner le communisme. On ne peut périmer le communisme qu’en le dépassant” (Lebret, apud Pelletier, p. 161). Lebret’s situation became even more delicate after he spoke to the Catholic University Youth, accusing the Brazilian elites of neglecting the poor and exposing the coalition between the Church and capitalist groups, calling for the apostolate among workers and for priests’ internships in factories (Ibidem); hence his support of Unilabor.

\[1\] The Catholic Church, through its internal organizations, is one of the oldest and most international organizations. I believe we must explore the aspect of mutual help by divulging examples, experiences, or other services between Unilabor and French organizations of the 1950-70’s (before the so-called globalization).
6. The Foundation of Unilabor

Back in Brazil in 1948, father dos Santos proposed to the Dominicans a course of action in the heart of the working class. For that purpose, he became responsible for the Saint Anthony chapel in May 1950. Located in the working class neighborhood Ipiranga, the chapel was renamed as Christ the Worker Chapel and quickly turned into a center that gathered the local people for a radical, life changing experience of forming a community devoted to improving their religious experience and enhancing their human lives. The means to fulfill that project were the religious ceremonies, the promotion of cultural activities—such as theater, children’s education, fine arts lessons, film shows, and political debates—and the foundation of a factory. This idea was contextualized in the course of actions since the very beginning.

The priest got a bank loan and spread his idea by means of political and cultural contacts established by other members of his order, including the Brazilian director of Économie et Humanisme. His project was executed as a furniture factory. He invited a fine artist, Geraldo de Barros, to manage the business. De Barros brought the Bauhaus principle, which stated that the shape designed should be the result of a program aimed at meeting the user’s basic needs and rationalizing the production process in order to coordinate lower prices and technical and esthetic quality. An engineer, a metal worker, and a joiner, all of them experienced—Justino Cardoso, Antonio Thereza e Manuel Lopes da Silva, respectively—made these ideas concrete by illustrating the technical knowledge and workmanship that the furniture factory would require. Other workers who could perform those tasks were slowly called by the priest. He, in turn, showed them the social and human concept of the organizational process he had in mind, for he wanted to base it upon the active participation by everyone at all levels of management of the company.

His model, presented by Économie et Humanisme, was the French metal factory Boimondau, structured as a self-managing workers’ community since its foundation in 1941, in the town of Valence, in the southwest of France. It was led by Marcel Barbu, whose communal views originated from his political engagement in the workers’ movement in the city of Bézançon.
7. Statutes of Boimondau and Entente Communitaire

In 1951, Boimondau was regarded as on the level of a “viable industrial business” (Communauté, n.1-2, 1954, p. 22.). It is important, though, to observe that the communal characteristics were not exclusively responsible for achieving this level, but the economic decisions as well, taken by the community leaders on the strictly economic level. The result was the capacity shown by the company to compete with its capitalist counterparts. The figures of 1945 to 1952 show that productivity more than doubled (1.4 to 3.1), considering the ratio between the number of employees and the production volume:

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<td>Producers</td>
<td>99</td>
<td>143</td>
<td>146</td>
<td>150</td>
<td>143</td>
<td>160</td>
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<td>Steel boxes produced</td>
<td>138.000</td>
<td>221.000</td>
<td>327.000</td>
<td>298.000</td>
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<td>420.000</td>
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<td>Ratio</td>
<td>1.393</td>
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<td>2.239</td>
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<td>2.370</td>
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In terms of net income minus taxes, the ratio in the same period is 15.62 times the initial capital gain. In 1952, the volume produced by Boimondau (538,000) was equivalent to 15% of the total French production of watches, which totals 2.8 million. According to company report (Idem, p. 24), that means it holds “one of the first places in the [French] market in boxes for watches.” Its self-assessment, however, puts it in a better position still, accounting for 28% of the supplies for the “fine” French watch industry, for in the company’s own words, “la Communauté de Travail Boimondau ne fabrique que des produits très soigneux, pour les montres de haute qualité.” The total French production in this later sector is 1.5 million; therefore, the share of the community in it goes up to the already mentioned 28% (Ibidem).

In 1944, the company’s president, Marcel Mermoz—who had shared a Nazi prison cell with Barbu, became his partner and followed him in directing the company—felt the need to associate
with some other communal companies of the same size to survive. That occurred in 1947. Therefore, Boimondau led the creation of an original network of small and medium size self-managing companies: Entente Communitaire.

Planned, managed, and operated by manual laborers (their co-owners), the Entente can be seen as based on the mutual help tradition of the compagnons. These had their origin in styles of handmade, itinerant work organized in Europe at the medieval compagnonage. Symptomatically, they were recovered as a way to transform everyday life under the capitalist crisis. The Entente was more directly resulting from the harsh job conditions between wars, as well as from the heritage of socialist thinking and struggles of the nineteenth and early twentieth centuries.

Its statute stated that its main goal, beyond making profit, was human betterment and tightening of the communal bonds that created them—though each company had to be able to support itself and prosper economically. The associated businesses worked with a wide assortment of articles, from decoration pieces and home furniture to housing, agricultural products, and components for hydraulic engineering. Hence it follows that there was no intention to have a vertical productive complementarity. Consumers’ communities complemented the workers’: they were formed along the same lines as those of production communities, but rendered a service instead of producing goods: the distribution of products. Their goal was to complete and give meaning to the production communities, so that they would not have to distribute merchandise through the regular market, guided by the “profit law,” which would solve the problem “only partially” (Comm., Oct-Dec 1950, 1).

The advantages of the post-war market ensured the survival of this ‘Entente’ for a few decades, paving the way for a new conception of the relationship State-Capital-Work, with governments favoring social welfare within the project to recover the consumer economy in Western Europe established by the Marshall Plan. “Thus the war completed a change of mentality in the West. Traditional liberalism was seen to have caused the Great Depression, which in turn was only ended by the catastrophe of world war. The post-war economy had to start anew. The former priority for the balance of payments equilibrium had to make way for domestic interest of the national economy. Social objectives of the economic system were now given precedence, based on the idea of the right to work…(Van der Wee, p.33)”
The Boimondau and *Entente* projects set the goal of turning companies into centers for transforming life in society and making work a means to educate individuals. However, they do not see the proposal of establishing a workers’ community as the ultimate, sufficient phase of the process. There was the strong belief that its goal was not limited to successfully developing one or a cluster of cells, but it unfolded into a political process of national range, aimed at transforming inclusive society.

In the search for allies for such a wide-ranging project, they meet the *Économie et Humanisme* movement. As we have already mentioned, it was a reform movement, both in its theological stands and in terms of social transformations demanded by the historical moment of nazism and war.

Based on this set of ideas, *Boimondau* led the creation of *Entente* , this mutual help network, directing it also in terms of practical administrative practices, such as exchange of knowledge and business management. The *Entente* ’s council was composed of: *Boimondau*, from Valence; *Le Bélier*, from Bésançon, and a company from Nancy. The latter was considered the most important attempt, elected by the 4 most representative community groups (Paris, Nord, Lyon, Marseille) as their ambassador for the *Entente* ’s Council (*Communauté*, Jan 1949, p.3).

The “Inter-Community Economic Commission” (Idem, p. 6) has its goals listed in the first official declaration on October 21, 1948:

- selling products manufactured by the associated communities, privileging the trade among them and centering all the communities’ sales, especially to access the Paris market

- centralizing the buying of raw-materials for better prices and payment conditions, as well as locating raw-materials that were difficult to find

- technical and commercial counseling
The high production rate was one of the additional proofs of human integration in the company: the “human value” was essential, and its improvement through all activities that fostered moral elevation was seen as directly productive and functional. In other words, productivity was not a result of improving the company’s project and management alone, but a direct consequence of individuals’ de-alienation, in the sense that it made them recognize their creativity and effort, featuring in the collective product. Therefore, it was not just a new type of company, but a new way of life.

8. The Unilabor statute

The name Unilabor expressed the ideal of union in work. Lawyer Mário Carvalho de Jesus registered the company as a private limited company with shares. A regulation stated that the company would function internally as a working community, outside the capitalist regime; thus, there was no difference between employees and employers. Moreover, after a year working for the company every worker would have profit sharing—except the initial loan—and the right to participate in the company’s decisions.

The Unilabor statute was a synthesis of those of Boimondau. It featured 39 articles about its purpose, internal organization, and morality that was common to all. This statute enabled the company to be continuously active throughout the 1950s.

Among the articles, nº 2 is worth highlighting, for it stated that everyone would have profit sharing and the right to participate in the company’s decisions. Likewise, article nº 4 stated that participation in the ownership would not grant a single member the right to consider him or herself the owner; this right was granted exclusively to the community as a whole. Article nº 8 was also important: it read that the existing profit should be divided into three equal parts—one for the companions, another one for a reserve fund, and the third one to be used in cultural activities and human and social enhancement.

“Community’ does not mean absence of authority,” read article nº 9. Once more, it assumed the principle established in Boimondau and in the Entente Communitaire by years of experience. Therefore, there should be a director in the community, elected by majority, with a three-year
mandate, who could get reelected. The General Assembly, summoned every three months, was the sovereign office (article nº 11). According to article nº 12, it was responsible for fixating goals and establishing work plans. The director was responsible for the achievement of goals fixed by the companions’ Assembly, as well as for the choice of the best means to do it. Article nº 16 also established a Consulting Assembly whose goal was to implement the exchange of ideas, in addition to be an entrance door for new members or people who were interested in a first contact with the community’s environment.

This regulation also dealt with the moral common to all, which should promote man, family, society, work, and common good as minimum values of life. The respect for individuality and diverse opinions was ratified; at the same time, the community took a stand against the transformation of man in a means to produce wealth, rather than the very purpose of production. Freely accepted discipline was confirmed as the first condition for social life, seen as impossible without love founded on mutual knowledge.

The idea of the future creation of a network and the influence of Économie et Humanisme political principles are presented in article nº 17: “therefore, our work community places itself in terms of social fight as a testimonial cell between individualistic anarchy and the State that usurps people’s the rights.”

9. The Unilabor production

The group that started Unilabor, gathered by the invitation of father dos Santos, consisted of Geraldo de Barros (fine artist), Antonio Thereza (toolmaker), and Justino Cardoso (industrial engineer). Cardoso was part of the group for less than one year. Meetings and experiences took place for a few months, starting in the beginning of 1954. This group of three individuals initially produced lamps, which did not sell. The second attempt, furniture, aimed at taking advantage one of Geraldo de Barros’ recent experiences: he drew the furniture for his new married life and had it manufactured.

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Geraldo de Barros’ projects, inspired by the Bauhaus, were submitted to the others’ practical screening and tested through the experimental use of models. But the principle that guided him in those attempts was overcoming the production schemes of handmade production that regulated furniture production in order to reach, firstly, the manufacturing stage. After that, they would reach the actual manufacturing stage, characterized by mass production and guided not by orders, but for an abstract, general market. This transition happened in the course of some years, having been completed by 1959. The first catalog of produced articles was published in that year. It consisted of a typology of modules and systematized the possible choices of parts to assemble the furniture.

Thus, the structural element of the production process was the drawing, the most sophisticated technology company made use of, which enabled the efficient use of raw material and work. At the production peak, the project was developed for 100 companions on the shop floor, some of which worked as masters and foremen. The division of the work was gradual and followed the increase of the demand. In the course of the expansion process, however, the organizational initiative was kept. Since the very beginning, it proved a principle that encouraged solidarity and kept the interest for work. Every Friday, meetings decided on the course of the work process, both as a set of technical task and as a cooperative social process.

10. Unilabor furniture and the modern project in the arts

One of the pieces that best represent the production system used at Unilabor is the MF-710 bookshelf. It had an iron frame, where formica- or jacaranda-coated wooden boxes were inserted. The iron arches functioned as columns, while horizontal boxes had a locking function. This means that the production was planned on the basis of components that were later articulated to create different types of furniture, such as chests of drawers, *bufets*, different types of tables, beds, chairs, sofas, and armchairs. This systematization derives from the application of principles that reconcile modern rationality in the arts and production.

The modern arts project, in the years 1920-1930, also aimed at the creation of a new man and a new social life, allowing different social strata to have access to consumer goods for daily use,
simplifying their way of life and saving them time for new activities. (In some people’s view, this democratized human advantages brought by industrialization; according to others, though, it aimed at the creation of vast markets for the capitalist industry.) In this sense, the modern arts project tried to solve the contradiction—and compromised to it—between the industries’ vast productive possibilities in the modern world and the limits of mass consumption that still affected Europe in the beginning of twentieth century.

Although the case of Unilabor was part of a context of international growth of the consumer society, it was affected by the contradictory, even deceptive conditions for the spread of modernity itself in Brazil, for the mass market was still restricted to products for immediate consumption. The furniture project was hence inconsistent regarding its purpose of attending the lower class market, which consisted mainly of a poorly paid work force without official credit. The Unilabor furniture was sold, but its consumers were mainly its own members—due to the possibility of buying on credit—or the culturally sophisticated, small middle class that could appreciate the temporal and special elasticity of a piece of furniture composed of modules.

11. Daily life and De-alienation
However, father dos Santos’ attempt to raise the condition human being of the workers was not just about the production process, or his frustrated intent to increase workers consumption. Unilabor was accompanied by initiatives directly aimed at expanding the cultural horizons and citizenship of the members of the community, as well as those of their families and local people. Theater, children’s school, cinema, courses on politics and art history, art for children, fitness, and parties, aimed at fighting the psychological distress of a repetitive industrial work and of alienation. Regarding this aspect, see Szmrecsanyi and Claro (1995) and Clearly (1998 and 2004).

This pioneering experience in freeing the laborer from the injunctions of the manufacturing system had enormous repercussion among intellectuals. It took place at a moment when many of them engaged in a project of modernizing the patrimonialist social structures of the country—a project that was apparently favored by increasing industrialization and urbanization.

Just as the *Entente Communitaire* emerged in particularly difficult years for the French workers, the capitalist reorganization of the 1980s and the difficult neo-liberal years, initiated in Brazil in the 1990s, revived and fomented self-management and the creation of networks of solidary economic associations in the country. Governmental policies that restrained public investment, the very high interests for credit, and measures that liberated imports summed up to the companies’ need for technological renovation. All this led to bankruptcies or to dramatic downsizing. The increase of unemployment rates and the reduction of wages left many families completely abandoned. Starting with the government inaugurated in 1990, these policies last until today, having remained in three other presidential terms. The inability to integrate to the new order through the salary-basis employment on the part of the culturally unprepared added to the structural poverty of certain regions of the country and to the difficulties exercise one’s several rights in a nation that used to be based on slavery. That meant social exclusion to the poorest strata of the population, now concentrated and displayed in the most prosperous cities.

The mobilization of civil society to face this calamitous state happened in three fronts: civil organizations (NGOs), universities, and churches. The Catholic church awakened again to the importance of the self-management of enterprises by its own workers and started to act decidedly in this direction. Among its organizations, the international foundation Caritas stood out. Caritas is guided by new concepts of the Christian charity that bring it closer to policies to fight poverty in the world. Its performance initiated in the 1980s, in the form of funding for Communitarian Alternative Projects (PACs) that aimed at creating alternatives of work and income for the poorer. At the same time, they stimulate communitarian life. Avoiding paternalism and assistencialism, as *Father* dos Santos wished, these initiatives tried to become “citizenship schools” that taught both professional education and politics (Souza, 2006, p. 93).

In the following decade, counting on different types of support, associations of solidary economy spread all over the country. They were almost always very modest and some were not legalized. They reached mainly the rural areas, such as the honey producers network, created in the state of Piauí, one of the poorest in Brazil. When disputing the European market, it congregates very poor, but not starving, “global players.” The urban areas also have examples of this type of
association, such as the ASMARE—an association established in 1990 that gathers homeless people who collect paper, cardboard, and recyclable material. In 1997 it won the Ford the Prize Businesses in Conservation, awarded to non-governmental organizations that contribute for environmental preservation. It later originated a national association, ASTRAMARE.

Following a proposal of the First World Social Forum, occurred in the country, in the city of Porto Alegre, in 2001, the current Brazilian government agreed to create a secretariat for Solidary Economy in the scope of the Ministry for Work. That was carried out in 2003. A recent, admittedly incomplete survey on this type of economy carried through by the Secretariat (MINISTÉRIO DO TRABALHO E EMPREGO, 2005) found 14,954 economic enterprises devoted to production, distribution, consumption, savings and credit, organized and maintained by workers in the manner of self-managing businesses. These organizations are found in 2,274 Brazilian municipalities in all states, predominantly (44%) in the Northeast region.

Seventy-nine percent of them say they carry out regular meetings every of up to 3 months, among which 49.2% hold monthly meetings. This data shows high participation of partners in the businesses’ decisions regarding both daily problems and the choice of the board of direction (Idem).

Between 26% and 41% of these companies, varying according to the region, in an average of 37% of a total 5,500 enterprises in country declared that they hold cooperative actions among themselves, which shows the creation of networks. This cooperation is realized by means of the following: acquisition raw materials from other associates or other solidary enterprises; commercialization or exchange of products and services with other solidary enterprises (Idem).

Therefore, it seems clear that the pioneering example of Unilabor, of its protagonists and mentors, both in France and in Brazil, planted fertile seeds of an alternative economy that sprout among the perverse aspects of capitalist globalization and of the debris of "State socialism" to ensure the survival and human dignity of many Brazilians.
14. Bibliography


