Cooperatives as a Possible Answer for Women Living with Violence and Poverty on the US/Mexico Border

Nubia Restrepo Collaros

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Latin American Studies/Community Regional Planning

This dissertation is approved, and it is acceptable in quality and form for publication.

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COOPERATIVES AS A POSSIBLE ANSWER FOR WOMEN LIVING WITH VIOLENCE AND POVERTY ON THE US/MEXICO BORDER

BY

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B.A., Graphic Design and Advertisement, 1973

THESIS

Submitted in Partial Fulfillment of the Requirements for the Dual Degree of

Master of Arts Latin American Studies, UNM, 2011
Master of Community and Regional Planning, UNM, 2011

The University of New Mexico
Albuquerque, New Mexico

May, 2011
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This thesis examines the challenges presented to planning practitioners when working with communities in economically disadvantaged regions where external influences create a fragile environment for sustainability and empowerment. Specifically, this thesis looks into the complex interaction between the members of a cooperative and a small, trans-border non-profit within an atmosphere where drug traffic violence and human rights violations are the norm. Additional challenges are how to listen to the community’s voice unfiltered from preconceived ideas of what is best for the community based on one’s own philosophy. The results discovered how the quality of communication, power play and threats can affect a meaningful community transformation for self-sufficiency. Some of the findings of this thesis were predictable, but others were unexpected. It shows how well-meaning individuals created a symbiotic relationship with a community where the perceived benefits were conflictive and have generated unexpected divisions that mirror one another. Moreover, the pervasive dismissals of damaging issues, obvious to a third party, further infringed on the possibility to create an independent sustainable living for this community of women.
Ultimately, this thesis endeavors to provide insight into how economic development and the growth of human and social capital can be planned for alongside significant challenges.
# TABLE OF CONTENTS

**Chapter I - Introduction** ................................................................................................... 1

  - Thesis Statement ........................................................................................................... 1
  - Problem ....................................................................................................................... 2
  - Research Question ....................................................................................................... 3
  - Chapter Summaries ....................................................................................................... 4

**Chapter II - Analytical Method** .................................................................................. 6

  - Conceptual Tree ......................................................................................................... 6
  - Research Protocol ....................................................................................................... 7
  - Organigrama ................................................................................................................ 9
  - Case Description ........................................................................................................ 10

**Chapter III – Literature Review** ................................................................................. 26

  - Introduction .............................................................................................................. 26
  - Development Foundations ......................................................................................... 27
    - Identity making and sense of place ........................................................................ 27
    - Human capital, social capital, and culture .............................................................. 27
    - Poverty, inequality, needs and humans rights ....................................................... 29
    - Economic growth and development ...................................................................... 31
  - Empowerment, Sustainability, and Capacity Building ............................................. 32
  - Cooperative as a Means of Economic Development .............................................. 36
  - The Role of NGOs as an Economic Development Partner ...................................... 37
  - Influence of Local Violence ...................................................................................... 40
Mexican and US/Mexican Border Paradigm

Chapter IV – Findings and Analysis

Stories

First story: Mirror Effect

Second story: Gravity and other Forces

Third story: Gatekeepers and Empowerment

Comparative Cases

DPW and DPT on AZ/Mexico Border

Santa Catalina Center, Women of Faith & Hope on TX/Mexico Border

Chapter V – Conclusions and Recommendations

Conclusions

Recommendations

References

Interviews

Appendices

Chart 1: Organization views

Chart 2: Philosophical Differences

Chart 3: Cooperative as a Possible Answer
Chapter I - Introduction

Thesis Statement

This study is a qualitative evaluation of a Mexican Border Cooperative and its relationship with a non-profit organization from the US border as benefactors. The purpose of this evaluation is not solely to assess this group’s economic issues, but also to consider the importance of human and social capital development for economic empowerment. This region historically has been subject to abject poverty, scarce economic opportunities, education deficiencies, and the absence of political and social safety-nets. The research can bring out constraints and opportunities present in this environment, but most importantly, it can find what the voice of the cooperative members tells us about their real needs and expectations. The foremost questions are “Can this endeavor be successful?”, “What do the members of this cooperative need to do to have a chance for making a living?”, and “How tenuous is the assistance they receive from sponsors?”

The subject groups portrayed in this analysis include a cooperative of women in Palomas, Chihuahua, south of the US/Mexican border and a group of Americans in Columbus, New Mexico to the north. These two border towns are about 3 miles from each other, separated by the US and Mexican customs that have steadily increased border security. The cooperative was founded by a group of American benefactors working as a charitable, non-profit organization. This study explores the economic models the Americans used to help the members of the co-op and how the members responded to the different models. Likewise, it studies if these practices contributed to empowerment and sustainability. The implementation of key operational components of this study’s findings could enhance productivity and also provide remedies for the deficiencies in
communication and cohesion between the NGOs and the cooperative members. Failure to address these realities would continue to foster the pessimistic outlook the women of this group already experience.

It is hoped that the findings of this project will provide information on strategies that the 501(c)3 organization in Columbus, New Mexico, could use in building and maintaining an economic model that fulfills the foundation’s mission: “To empower women and their families to work together, developing skills and using new resources, to improve their lives.”

In addition to the parties’ relationships, an appraisal of two other border towns with similar regional circumstances could aid the evaluation of the Palomas Mexican Border Cooperative’s potential for sustainability and economic empowerment. This study is centered on three premises. First, the inquiry sought to find insights into communications and relationships of the two participant groups aimed at uncovering problems, potentials, and contradictions. Second, it attempted to find a basis for financial stability and predictability, technical assistance, and capacity building from the viewpoint of each group. These capacities cover marketing, distribution, income, and navigating the hostile local environment. Third, the inquiry sought to reveal the participants visions of their future. This would include potential outcomes, planning, strategies, and the implementation of a plan that could make this cooperative successful.

**Problem**

Initial conversations with both non-profit staff and cooperative members indicated that the existing relationship had fundamental shortcomings. Decision making had a tendency to be top down and hierarchical and mutual expectations were not clearly
defined. There was not a clear structural identity for the Mexican cooperative, and the NGO’s role in the community was not clearly understood.

Notably, the socio-economic fabric of small towns south of the US border within a volatile environment had produced barriers to external inputs from NGOs and medical tourism. This adversity compelled the participants of the cooperative to accept a mode of production which met their minimum basic necessities.

**Research Question**

There are daily challenges for this community due to its geographic location on the US/Mexican border, the shortage of public institutions, the sparse natural resources, limited sources of employment and a heightened degree of insecurity. The arrival of the Americans brought hopes and notable enthusiasm among the women, as the NGO demonstrated commitment to this community. They implemented a number of initiatives directed at helping the members of the cooperative develop capacity, such as building a place for the cooperative and bringing in instructors. Over time, however, the emergence of internal power struggles and poor communication undermined productivity. The ongoing threats from local violence made the growth of this new cooperative difficult.

As in any new organization, changes and conflicts were inevitable in developing a workable process that would best serve the interests of the various parties involved. This research began on April 12, 2008 and ended on November 21, 2009. During this period there were changes in circumstances and practices. These shifts refocused the research from how the NGO could improve the utility of the cooperative to capacity building. This new approach came from the members’ interviews and it was seen as more productive in developing essential relationships between the Americans and the members
of the cooperative. Even though the research question evolved during the field work stage of this project, the spirit of the recommendations necessary to accomplish meaningful change was the same:

How can the Americans in New Mexico help build the capacity of the members in the Mexican cooperative, where empowerment could lead to meaningful sustainable changes within this community despite an environment of economic uncertainty and social vulnerability?

**Chapter Summaries**

This work is presented in five chapters beginning with the intent of this work, followed by research methodology, literature review, data inquiry results, and conclusions and recommendations.

Chapter I, Introduction, contains a preface to this work describing this researcher’s involvement with this community, the field observations which ensued, and the initial inquiries formulating this project’s discourse. In addition, it frames the problematic conditions in this border region which influenced the evolution of the research question. It concludes with a brief summary of the document’s chapters.

Chapter II, Analytical Method, concentrates on the diagnostic framework emphasizing the expected findings in the form of a conceptual tree, the thought process for the methods used, and the nuts and bolts of the research protocol.

Chapter III, Literature Review, reflects pertinent texts which query relevant information on advantages and constraints in developing environments such as the region of the US-Mexican border. This chapter highlights linear and incremental examination of the foundations of development, followed by how sustainability, economic empowerment and human rights can be conducive to social transformation. It views, also, what kind of partnership a non-profit can develop with a cooperative as a valid mode of production to
meet the basic needs of a community. Next, it examines the negative influence of local violence produced by drug traffic in the development of the community. Finally, it analyzes Mexican and the US/Mexican border internal traditions and external constraints that have contributed to poverty, and socio-economic inequality.

Chapter IV, Findings and Analysis, includes the narrative analysis in the form of three stories developed around the key themes uncovered during this study, as discussed in the case description. Secondly, this section reveals the analysis of the data collection in the specific region of study and, thirdly includes a comparative analysis between three US/Mexican border regions with similar profiles.

Chapter V, Conclusions and Recommendations, contains proposals that are not meant to be a comprehensive answer for similar regions located on the US/Mexican border, but an attempt to develop ways to improve the lives of communities in similar regions. Socio-economic development is normally variable, and sometimes in unpredictable ways. Planning for a “living” entity, as this study portrays, requires sensitivity and flexibility. Ideally this study’s conclusions could develop frameworks directed at positive and constructive outcomes.
Research Protocol

The research population included the total membership of the cooperative and NGO’s staff, since the number of individuals involved was relatively small. The environment for the interviews and other written communications, like emails, were based in trust and confidentiality, which made the information obtained reliable. The limitations of this research came from the constant organizational changes observed during the field research. The research, however, was people-centered and participatory.

The protocol involved collecting data through personal interviews, observation of meetings, and email correspondence of the study participants, analyzing newspaper articles and text analysis. The primary sources included 22 individuals in Palomas, Mexico, four in the New Mexico cooperative, and six from American Friends NGO and NM Line NGO. Information on the comparative cases were obtained by interviewing three principal actors from similar border settings in El Paso, TX/Juarez, Mexico, and Douglas, AZ/Agua Prieta, Mexico border regions. The similarities were based on geography, cultural constraints, and uncertain economic development in the context of local violence.

The data was collected from the recordings of the subject interviews and compilation of field and reflective notes, which were later transcribed in the language spoken by the interviewees. Data from extensive personal notes observing meetings, e-mail exchanges, and phone conversations were also utilized. In addition, news articles and publications from both sides of the U.S-Mexico border helped to ground the research.

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1 The name of the NGOs, the groups and the names of the Americans and the members has been changed to protect their identity.
Matrices were developed to triangulate convergences and divergences useful for data analysis.

Atlas.ti was the software tool used to analyze the data collected and explore missed or misunderstood elements between the foundation and the cooperative’s relationship and to identify trends, weakness and strengths that could provide recommendations for opportunities, improvements, or changes to the current business model. A narrative analysis was used to interpret the data. The information was backed by Atlas.ti results and supported by quotes from the interviewees, emails, and literature.

The findings help identify problems and opportunities facing the women in the Palomas community. This could be the basis for recognizing processes and strategies best suited for business growth, its relative importance and its applicability to the Palomas community. The comparative results could provide a stronger understanding of the analysis convergences and divergences suggesting what might be beneficial, and underscoring the positive and negative experiences that could be used or avoided. The outcome would identify what practices best substantiate an economic model capable of increasing the member’s capacity in achieving a sustainable and appropriate enterprise.

There is an urgent need to find ways to assist the women in the Mexican Border Cooperative. Local violence imposes tremendous barriers in attracting investment or market venues. This, combined with global trends to find cheap labor but to stay away from places where there is social unrest, directly contributes to continued poverty, increased vulnerabilities and human rights violations. The desire to find ways to ameliorate the negative effects of this toxic environment was not to do an academic exercise, but to hopefully develop pragmatic solutions that could positively impact the

lives of women overtime in this region, and could also be applicable for the US/Mexican border region collectively.

**Organigrama**
Case Description

The 2,100 mile long and 100 mile wide US/Mexican Border has evolved and has been defined overtime mostly by wars, political alliances, and economic interests (2012; Payan, 2006). People come to the border for vacationing and shopping when it is viewed as a friendly region. However, they stop coming when there is the perception of danger. The increased violence in Mexican border towns due to drug trafficking has had a chilling effect on this region. In addition, border security has increased since 9/11. The Palomas’ municipal government primarily depended politically and economically upon the head of the municipality.3 The bureaucracy and red tape in obtaining economic aid for social needs has been prevalent in this area. As an example, the mayor of Palomas received furniture and lockers for the local schools donated from Las Cruces. These basic school items should have been provided by the municipal government. The Mayor stated, “I rely a lot on the generosity of the good people from the north.”4 He was faced with decreased population, diminished resources and high unemployment. Consequently, these barriers have created a harmful environment in this region, particularly for the poor living south of the border that traditionally depend on American consumers. This atmosphere is the scenario where a cooperative has been trying to subsist in a border town of Mexico, with the help of an American Friends NGO located in the USA territory, north of the border.

Unless one lived in the border region, the everyday issues confronting such communities were not a main concern. That was this researcher’s perspective until the summer of 2007 when an academic project revealed a different understanding of this

3 It is located to the South, an hour by car.
4 “Yo dependo mucho de la generosidad de gente muy buena del norte.”
US/Mexican border region. This experience surprisingly turned out to be personally significant because of my Hispanic heritage. This small town felt like walking into any small town in my country of birth, or for that matter, any small town in Latin America. It was a familiar microcosm of sounds, activities, and friendly people. The physical contrasts between the US border town and the Mexican neighboring town were obvious. For example, Columbus, New Mexico had better roads than Palomas. Infrastructure shortcomings are found in a number of small towns in Latin American. There were other contrasts that were not as apparent, which involved socio-economic factors that take more time to uncover.

This researcher received information in the summer of 2007 that a non-profit was considering whether to form a cooperative in this Mexican border town. Four Americans, Esther and her husband Nelson, Ruth and Debbie had an organization registered as a 501(c)3 located in Columbus, New Mexico. Its existence was oriented toward their religious beliefs. This 501(c)3 had two branches, a chapel that was managed by Esther and a retreat house that was managed and run by Ruth and Debbie who were brought by Esther from her place of residence, located in the northern part of the US. Their concerns for the needs of this community inspired the plan to create and sponsor a cooperative in this border region.

Esther conceived of the idea of a co-op in Palomas, but she needed others to help her run this project, particularly because she did not speak Spanish. While in her home town she ran into Sue, who at that time was marketing crochet shoes made by indigenous people from Cd. Juárez. They knew each other but, as Sue put it, that time the encounter was “serendipitous” because Esther was looking for someone who was willing to work in
Palomas to start a cooperative, preferably someone who spoke Spanish. Sue and her husband Henry were already working in Palomas. Additionally, Sue and Henry were looking into creating their own 501(c)3 and had already begun working in this particular town with Alma and her network of friends and family. Out of this encounter, Sue and Henry found what they were looking for: a 501(c)3 that was not evangelical, but that was supportive of their work. On Esther’s part, she found Sue, who knew the language, and together with her husband Henry were dedicated people who already had a group in Palomas that could be the head start for the cooperative.

The other two members of this group of Americans were Amy and her husband Ernest who were involved with Desert Humanitarians. Esther met Amy and Ernest in order to share with them her idea to start a cooperative in Palomas. Esther also mentioned that Sue, who was fluent in Spanish, and her husband Henry were coming to join them to work on the same project. Shortly after, Amy and Ernest joined the 501(c)3 organization. They were particularly attracted by the 501(c)3 status, since they had been thinking of starting one also.

This group of eight people began to form this new organization as a distinctive branch of the existing American Friends 501(c)3, with the objective of forming a cooperative in Palomas called MEXUSA. They developed a work plan and agreed on the mission statement that read: “The mission of [this 501(c)3 branch] is to empower women and their families to work together, developing skills and using new resources, to

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5 This group existed for a year or two in the border region buying meals for immigrants. The last entry on their Web site of their presence in Palomas was Sunday, February 4, 2007. It said that they got a grant, rented a storefront in Palomas (the Migrant Resource Center), and provided a simple, free hot lunch four days a week.
improve their lives”. As the meetings progressed, they created what they called tasks to achieve this mission, which were:

1) Develop economic opportunities through education and training to increase annual income and reduce extreme poverty and hunger. 2) Reduce energy costs through the use of alternative technologies to ensure environmental sustainability. 3) Increase availability of nutritional foods through bio-sensitive gardening and other programs to reduce hunger and improve family health.6

Esther was awarded some grants to fund the cooperative. The non-profit had developed a relationship with some of the people that Sue knew from the Mexican border town who were highly receptive to the development of a cooperative. This co-op, composed primarily of women from the community, was officially founded in January 2008 on private property belonging to the Mexican cooperative’s cofounder, Alma, in Palomas, Mexico. In addition to providing land for the headquarters of this co-op, Alma had an established network of family and friends. Even though the building was a personal asset, she was willing to allow the setting of the co-op with all the dynamics involved in this type of endeavor. The activities included a variety of educational materials and skills training, mostly in craft-making, which had been introduced as a foundation for an economic base. There was a mutual understanding between the non-profit sponsoring the Mexican cooperative and its members that outside help was necessary in developing resources to improve their standard of living. The non-profit’s commitment to the Mexican community was very positive. The American organization also contributed supplies, financial backing, and market outlets.

6 Document provided by original American organization. Annex # 1
By February 2008, this researcher received an invitation from the American group to visit them in Columbus and the nascent cooperative in Palomas, Mexico. Due to local narcotics-related violence, the meeting was rescheduled several times until the final date was set up for April 12, 2008.

The meeting place in Palomas was small for the number of people gathered, and their children were playing in and out with no supervision. Sue was the only person who came from the American group; perhaps because she was the only one who spoke Spanish. Overall, the environment experienced was amicable, and the interaction with Sue was upbeat and positive. However, few people had the opportunity to express their ideas. Some questions were answered and some were ignored, but it was evident that Alma dominated the conversation and influenced decision-making. Other people seemed more interested on sorting through a table where there was yarn and other materials donated by Sue. This researcher had the opportunity to start an informal conversation, which opened a window into seeing just who these women were. The women expressed a variety of reasons for coming to the cooperative, what it meant to them, and their understanding of what a cooperative was. A few women saw it as a way to make a living, but the majority saw it as a way to socialize, make friends, and learn skills. It seemed that a lot of them were widows or no longer had husbands for reasons not mentioned then but revealed later in the interviews. There was a great economic need amongst these women regardless of their varying financial circumstances. This place was especially important for those women who, prior to the co-op, sold what they could on the streets.7 Most of these women were in single-parent households. Some women lost their husbands as the result of the local violence. Others were victims of domestic violence.

7 Like Enid who sold bread. She still does, but the sales now are by orders.
violence or had been abandoned by their spouses. After a while the income from the co-op became the sole means for many members. The addition of spousal income was not significant because this income was still not enough to meet living expenses. One such member was Carol, who stated: “Making the aprons has helped me a lot. My husband is a good worker but his income is not enough.”

There was an attempt to bring some structure to this group with a set of ground rules which were displayed in the room. Some of the rules listed were: “respect for others”, “support for one another”, “respect for the place”, and so on. Where these principles were leading was not obvious to some, as was later expressed by Elsa in the Handcraft Group, who stated: “When I was accepted they made me read the rules, but I didn’t know for what.” However, there was no explicit format or clear direction to the meeting. At the end of the meeting Sue explained to the group that she was planning to get the Border Health Project and the Episcopal Church involved in the cooperative, and expressed her desire to integrate handicapped people, but there was not definitive agreement or a follow up plan.

That same evening, this researcher met with the Americans in Columbus, New Mexico. Esther and Nelson were absent because they had to leave for a family emergency. Each person did have an area of expertise to contribute in the development of the cooperative. Beth had experience working with immigrants and refugees. Debbie had the same experience, but in addition, she was concerned about the inequities and

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8 Spouses who have US work permits at times leave their family for someone in the US as happened to Rocío.
9 “A mi me ha ayudado mucho trabajando en los mandiles. Mi esposo es muy trabajador pero a veces no le alcanza.”
10 “Cuando me aceptaron me hicieron leer las reglas pero no supe para qué.”
11 (Field reflections, personal observation, April 12, 2008).
inequalities of marginalized societies like the community of Palomas, and the obligation they had as privileged people to reach out to them. Sue agreed with the idea to reach out, but cautioned to be aware that they represented the dominant power and that they should try to minimize it by respecting the members’ cultural background. Henry did not speak much, and only at the end made a comment that what they were doing for the community should include the people. Amy was trying to figure out what my contribution would be and had brought the manual “Training for Transformation,”¹² which she liked because it was designed for community workers with a spiritual dimension in mind. Ernest, her husband, was in agreement with the general ideas and was also supportive of Amy’s ideas. There was a consensus that they wanted to start a “cottage industry” in the cooperative, because they had seen other cooperatives succeed with this type of industry. There was not a clear definition of what they meant by “cottage industries,” other than that it was related to manual crafts. The main concerns were about visas for the women to be able to cross the border, the border crossing of the merchandise, how all these issues would affect their income, and how to distribute the money equitably and fairly as there was no bank in Palomas. At the end of the meeting the group agreed to allow me to do this study as a UNM student. Thus, this research began to explore answers to the initial inquiry: a) what is the current relationship and communications between the cooperative and the Americans, b) what is the possible basic approach for stability, predictability, kinds of technical assistance, and capacity building, and c) what the vision for an attainable outcome is and planning strategies for its implementation.¹³

¹² Hope, Anne & Timmel, Sally. (2003). Training for Transformation, ITDG Publishing. This is a book with a series of exercises about how to be a community activist.
¹³ (Field reflections, personal observation, April 12, 2008).
The American’s idea of developing a cooperative was primarily framed as entrepreneurship. It was envisioned as a way that the members of the cooperative could make a living from the manual crafts taught to them. The members of the cooperative saw it as a social occasion with the potential to also earn income. This may suggest a conflict between social and economic cooperative models. The American’s organization had carefully developed a mission and some goals for it. The co-op members, however, only focused on when the next meetings were being held in order to learn and socialize. They did not develop a formal mission statement, nor did they decide what organizational roles they wanted, with the exception of Alma who was the de facto leader.14 It was apparent that the formation and structure of the American group and the formation and structure of the co-op had different purposes. One can speculate that this dichotomy was a product of miscommunication. After the first meeting in both towns, the most striking concern was that, while there was an effort from the Americans to imagine and to plan the development of a cooperative in Palomas, the voice of that community was not present, as there was no desire expressed by the members for an operational model for this cooperative.

As the NGO’s meetings went on, differences started to surface. Between March and September 2008 there were arguments among the original eight people about the *MEXUSA* operations in Mexico.15 As a consequence the *MEXUSA* organization was divided into two organizations due to the differing philosophies. Each of the *American Friends NGO* members called the new *MEXUSA* a different name, but for the sake of

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14 (Field notes, personal observation, April 12, 2008). Alma dominated the conversation and it seemed that she had her own agenda for the co-op. She told the participants that she would be naming the co-op project after her late husband.

15 Note: Ruth left town before this separation because she was extremely disturbed with the border violence.
clarity this study chose Sue’s name, *American Supporters*, as it best represented what they did.\textsuperscript{16} Amy and Ernest announced they were starting their own organization under the name *NM Line NGO*. They were fostering two groups over Palomas. One was managing the *Brand* group and the other was to develop green energy that was managed by Ernest. They ceased their relationships and meetings with the *American Friends NGO* group. At the time of the interview on September 2009, Amy and Ernest already had a board of directors and were applying for 501(c)3 status. This separation made more sense to them because it allowed them to develop their own goals for helping the women in Palomas. They also did not have to deal with the *American Friends NGO*’s vision that they described as “entangled” and giving the women sporadic projects as opposed to what they considered a living wage. Sue complained that, when Amy and Ernest formed the *NM Line* on September 08, “They shunned us. They have never come back to another meeting with us. They don’t keep us informed as what the issues are, except casually. There is no unity since November 08.” The break up was somewhat surprising for Esther and Beth, but for Sue it was personally hurtful mainly for two reasons: first, because Amy and Ernest criticized her vision and approach to helping the women as being wrong, and second, because they “stole” people from the cooperative, “Which caused so much hurt and division among them”.\textsuperscript{17}

\textsuperscript{16} Each member had a different view of the organization. View Chart 1 in the Appendix.

\textsuperscript{17} Sue said that Amy undermined her meetings by pulling out the women from her meetings anytime she felt like it. She was also upset by how Amy’s actions dismissed the Handcraft members. For example, Sue said that when Amy “came back from her two months gone, she came back with presents and materials [for the Brand group from her hometown] walk in front of this entire group [the Handcrafters], she went straight to the back [carrying all the gifts], did not greet this group … They [the Handcrafters] were, as a group, heart broken. I didn’t know that their self worth and their feelings of who they were depended so much of what Amy did”.
In the beginning, the initial cooperative, *MEX Cooperative*, located at Alma’s residence, they gathered to work, learn and socialize on Fridays.\(^{18}\) They were selling products to Americans tourists invited by *American Friends NGO*. Then, they experienced a break up due to general unhappiness and a conflict between Alma and a cooperative member. The women said that Alma kept many of the donations for personal use and kept asking for money for family reasons that had nothing to do with the cooperative. The American reasons for leaving were the mistreatment by Alma of the members, her expectations that she was to be taken care of by them, and feeling pressured by her continued requests for more money. This was regardless that she was receiving monthly stipends to run the co-op and feed the people. In hindsight, the Americans thought that they should have made a formal contract with Alma when the building was completed. At that time there was one group of 40 people attending with their children. They moved to a rental house where they had to pay $100 for rent and utilities. Sue said that a name change would be taking place, since the co-op’s name up to that time was linked to Alma.\(^{19}\) When they moved to the rental house there were no teaching projects or selling because they were trying to figure out a sustainable number of members, how to pay for the rent and utilities, and how to structure the cooperative. After a month, the cooperative was unable to pay the rent or the utilities. Olga and Rubén from the Handcraft group took the initiative to speak to the Mayor. He gave the cooperative an empty building that belonged to the township. The agreement was that

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\(^{18}\) (Sue and Esther, personal communications, Feb 8, 2008 and October 31, 2009).

\(^{19}\) The co-op name had changed from simple Cooperativa to MEX Coopertiva. A sign was made which showed this name, a painting representing a local landscape, and at the bottom there was a dedication to Alma’s late husband. This name no longer could be used.
they could have the building free of rent as long as they were working as a cooperative, and paid the utilities. They moved to the new building on May 2009.

Sue, from *American Supporters*, has been the architect and developer of the cooperative since the beginning and wanted to give the women the freedom to choose what they wanted to do, which is an informal style of production. Her activities involved bringing teachers to tutor different skills leading the meetings where she received products from the members. This meant that each person worked according to her skill level. For example, two of the members knew and liked to make beaded jewelry. Others were good at crocheting, making things like small phone bags and ornaments. Others enjoyed sewing and made shawls, cloth purses, etc. The labor was done at home because, as Olga said, “I have other obligations like taking care of the house, taking care of the children and my husband” 20 This group scheduled their meetings on Fridays to socialize and bring the work they had made. She had brought in several projects to teach new skills. The process of marketing their crafts consisted in each person giving their products to Sue, which appropriately was labeled with their own names. Sue then crossed the border with these items declaring them on the border as gifts. Later, she sold them in different craft fairs or to friends. Every time a sale was made, Sue wrote in a ledger who crafted it and for how much it was sold. The money collected was brought back to the cooperative on the following Friday, distributed in sealed envelopes with an account of what was sold, and for how much. This distribution method, or payment,

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20 “Tengo otra obligaciones, hacer el oficio de la casa, cuidar los niños y atender a mi marido”
concealed the amount of money each person received, but it was disappointing when someone did not get an envelope. She also managed a micro-loan program.\footnote{This program funding was from a benefactor’s grant that helped the women buy good sewing machines because the donated machines were not in good condition.}

Amy, from the \textit{NM Line}, was the motor behind the Brand group working in the form of a business model. Amy established a US market quality criterion for the production of the product, which discouraged some people to try. The women making these products said that when the oilcloth project was introduced, practically no one had the skills to work with this material. Nonetheless, Amy was receptive to those willing to try. Carmen confirmed this when she stated, “Amy invited me to make an oilcloth apron, I don’t think I did a good job but she told me to try again and with practice I could do it”.\footnote{“Amy me invitó a hacer un mandil. Yo no creo que hice un buen trabajo pero ella me dijo que volviera a tratar que con práctica yo lo podía hacer”} Lisa from the Handcraft group said, “I was given the opportunity to make them [the product]. But my sewing machine refused to sew oilcloth. I tried a little but I could not do them”.\footnote{“Me dieron la oportunidad de hacerlos. Pero mi máquina se rehusó a coser el hule, le hice un poquito la lucha y no pude”} Amy said, “We started to work with the women like finding the right needles for the machines and we just keep trying. Finally we had all figured it out.” Only seven women from the cooperative group were chosen by Amy after this trial period, which initially had about 30-40 members.

Amy managed this group under the premise, “We think this product is viable [and] want to teach the women in [the] group to learn accounting principles of inventory, distribution and selling.” Despite this premise there was no disclosure to the women, or the other Americans, as to where the products were sold, or who had placed the orders and that this project had already secured funds from a donor, and that it would become a
source of regular income in the months to come. Additionally, they did not know that the
project was limited by the funds and market availability. The Brand group met on
Wednesdays, and labor began when Amy arrived at Palomas. The first order of business
was to receive the products ordered in the previous meeting. Amy then inspected them to
be sure the products met the US market standards. Then, she gave the group the new
order that should be finished by the following meeting. For example, if the order was for
seven aprons, four shopping bags, two diaper bags and one table cloth, one member was
assigned to divide the order equally among the seven women in the group. In this case,
two items per person. After that Amy paid each one up-front $5 per item. In this case it
would be $10 per person. The next thing the women did was to cut the oilcloth on the
premises with the tools they had for this purpose. A wooden frame was used as a pattern
to cut the aprons, but stayed on the premises for communal use. The oilcloth was
provided by Amy to the women at no cost. Once this was completed, they had some
social time among themselves and with Amy. The pattern of getting together to give
their work to Amy for inspection, to receive instructions, to cut, to divide the order in
equal number for each one, and to receive payment, created a strong bond in this group.
Carmen, from this group, said, “We, thank God, the seven of us are united. We don’t
have problems, we don’t argue. … We bring food, share with Amy and Ernest, clean up
and there are no problems”. 24

Overall, the Americans working in these organizations were motivated by
philanthropic ideals, and were committed to making a difference in the lives of
impoverished communities. They were well educated, and by their own accounts they

24 “Nosotros, gracias a Dios, estamos muy unidas las siete que somos. Nosotros no tenemos problemas, nosotros no discutimos. … nosotras llevamos comida, compartimos con Amy y Ernest, recogemos y no hay problemas.”
were a product of the 60’s generation which challenged the status quo and prevalent institutions. This era had influenced their consciousness in adopting the feminist’s movement ideologies, and they became activists in social causes such as “Peace and Justice”, which had led them to this border region (Damen & McCuistion, 2010). Therefore the desire to improve the quality of life for the women in Palomas was sincere. They considered the co-op to be an effective mechanism in achieving this end.

Most of the women involved in the Palomas co-op had struggled against poor education, scarce resources, and inadequate social institutions. For them the foundation of the cooperative was an extraordinary opportunity. The first experience with the cooperative was to find a place and time where they could come together. These moments became an important part of their lives in sharing, feeling safe and escaping their harsh realities. Several members said that this was their favorite day of the week because Palomas did not have a safe or adequate place where they could go with their children. In addition to providing this important social value, the introduction of learning skills was deemed hopeful in finding ways of earning money.

The journey during this research was full of unexpected developments. Particularly difficult was witnessing the break-up of a cohesive cooperative group. This division created hurt feelings and loss of friendships, the continued struggle to cope with keeping the cooperative going, and dampened hopes in bettering the lives of the Palomas community. And lastly there was the ever present and heartbreaking local violence.

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26 A survey among boomers showed that they are choosing to be more connected to the community, engaging social capital, and giving back in meaningful ways, opposite the old narcissist and consumer’s values. pp 62
After observing numerous cooperative meetings and interviewing all the parties in Palomas and Columbus, there were several patterns that began to emerge. They can be described as falling into three themes. The first theme is called the “Mirror Effect.” At the beginning, the Americans were concerned with the principles of equality and fairness. In the end, however, they appeared to fall short of this goal. It is the contention of this study that the differences and conflicts among the Americans have permeated and influenced divisions among the members of the original cooperative, and that these conflicts affected the achievement of a sustainable enterprise to meet the socio-economic needs of the women. The second theme is called “Gravity and Other Forces”. The topic examined how local violence had affected the cooperative member’s capacity for sustainability and the Americans’ commitment to this group of women. The narrative describes the cooperative member’s needs to build up capacity in order to be able to work toward a sustainable living. It also looks at the kind of work both NGOs brought to the members to find what capacity was actually being established. Additionally, it looks at the American’s commitment in the face of the local violence to determine this organization’s vulnerabilities. The third theme is called “Gatekeepers and Empowerment.” This story explores how empowerment can be an asset to the cooperative members in building capacity. It also addresses how the cooperative as a community understands the differences of being “in-power” versus being “empowered”, based on how the Americans interacted with them. These issues can aid in focusing on what potentially would be more beneficial in achieving success for the women on their own terms.
The compendium of these stories should illuminate what is needed by the cooperative community and how the Americans might focus these issues. They will address the gap between what they already have, and what more is necessary in order to acquire some degree of self-sufficiency by increasing the women’s agency to have a sustainable and appropriate enterprise. Toward that goal, these stories explored how the voice of the co-op community was relevant for the NGO to be more effective, and how this community could be better served with the NGO’s assistance. Lastly, they address the strategies the Americans and the Mexican women can develop to overcome the negative impact of the local violence.
Chapter III – Literature Review

Introduction

The literature and theories chosen were based on readings that reflect the reality of the US/Mexico border region. This review reveals that the foundations of development determine the likelihood of quality of life. The basis of this development starts with identity making and sense of place, which guides which kind of human and social capital and culture exist. The combination of those factors with the practices of economic growth and development determines whether it is an environment of wealth or scarcity. When there is structural inequality there is a tendency to produce poverty and human rights violations. In efforts to alleviate this shortcoming, the literature provides analysis on how sustainability, economic empowerment and human rights can be conducive to building social capital capable of producing fundamental social transformation. Next, it covers the validity of a cooperative’s mode of production as a mean of economic development toward meeting, at least, the basic needs of impoverished communities. This is followed by how NGOs can play a role as an economic partner in the development of a community cooperative. Additionally, it analyzes whether the economic uncertainty and social vulnerabilities in the local environment could be conducive to empowerment and sustainability. Lastly, it examines the Mexican and the US/Mexican paradigms where internal traditions and external constrains have contributed to poverty, and socio-economic inequality. A gender-theory lens was used to understanding these dynamics and the prevalent political and socio-economic conditions.
**Development Foundations**

**Identity making and sense of place.**

The location of a community has been considered by planning practitioners as basic in assessing and implementing any given program. Geography is an important element to understand human and social capital, culture, poverty, inequality, empowerment and sustainability. The sense of place and identity-making are intrinsic in geography and makes it possible to identify the community’s common needs based on what is occurring in their lives. The sense of belonging creates networks around mutual interests (Sargent, Frederic, Lusk, Rivera & Varela, 1991). When the members of a community come from different places, like the MEX cooperative members, their identity is fragmented. In this situation, developing identity is initiated within their social relations (Aggarwal, 2002; Ann, 2010). It is also fundamental to acknowledge how underprivileged communities struggle to secure their basic needs where they live (Singer, 2008). In an environment of scarcity, the introduction of technology to build capacity is necessary, but contemporary methodologies should be framed according to the limitations of location (Friedmann, 1992; Moser, 1999). Likewise, using the geographic and social location of constituent groups may increase women emancipation, sense of belonging, and participation in economic development (Elabor-Emudia, 2002).

**Human capital, social capital, and culture.**

Fukuyama in *Desarrollo* (2003) suggested that human capital produces social capital. This causal relationship determines that developing strong human capital produces strong social capital. Human capital is enriched with capacity building in basic management education, skills training, technical capacities, access to tools of
development like marketing, economic assistance and the ability to acquire external assistance in order to increase capacity (Friedmann, 1992). This research defined social capital, at its most basic, as building relevant social relationships seeking mutual benefits (Field, 2003). These relationships, particularly in rural and small urban towns, revolve around the household (Moser, 1999; Ann & Mahar, 2010). The resulting networks are formed around social norms, class and race, which determine their differences in a direct relationship to their culture. Consequently, social capital exhibits common behavior and observes cultural traditions within the environment, which includes hierarchies, power and inequalities. In gender theory these dimensions are constructed ideas, but in communities they are real (Friedmann, 1992; Seif, 1995; Field, 2000; Ann & Mahar, 2010).

Thus, culture is fundamental in determining the dimensions of class, race and gender differences, and the relationships in the community. Class status plays an important role in the formation of social capital in an environment of scarcity since the interest of middle class people and poor women are in conflict (Moser, 1999). The poor build social capital around survival and are reluctant to accept changes because they can lose some advantages from their local networks (Robinson, Lindon, Siles & Schmid, 2003). De Soto in The Other Path (1989) says that the informal economy, understood as a subsistent strategy by marginalized populations in Latin American, is a bigger revolution than the industrial revolution, which suggests the growth of this type of economy has strong networks for their own survival interests. On the other hand, the middle class interests in developing countries are utilitarian and entrenched in culture (Fukuyama, 2003). Their divisions are centered more in class and race than gender.
These cultural traditions, structurally, can sustain inequalities because the individual goals of a social class surpass community goals (Ann & Mahar, 2010). Women perceived as upper class have more “mobility and freedom … [and the lower class] becomes more invisible” (Seif, 1995: 298). The upper and middle class, additionally, have richer networks having access to legal, educational, and politico-economic resources (Field, 2003; Kahn, 2009). Social capital, therefore, is not equivalent to equality (Field, 2003).

In an environment of scarcity, finding common ground with common interest can be challenging, but it is possible. Cultural identities have elements where individual capacities of social capital, particularly in rural and small urban towns, can become collective actions with a common goal that can lead to justice in the community (Flores, 2003; White, 2004). For example, communities can work together based on the distrust toward institutions, governments, and political corruption prevalent in Latin American’s culture (De Soto, 1989; Fukuyama, 2003). Communities where jobs and resources are scarce can develop networks with people outside their own circle (Flores, 2003). For instance, forming a network with a cross border NGO. The non-profit could provide ways for production and access to markets which generate income for, at least, the community’s basic needs. The role of the NGOs is discussed ahead.

**Poverty, inequality, needs and humans rights.**

The substandard quality of life in scarce environments leads to poverty. This is particularly associated with developing countries like Latin America (Cordera, 2008). Who is to blame for this poverty? Some of the privileged say that the poor are because there are lazy, dirty, dangerous, and addicts (Friedmann, 1992; Robinson, et al, 2003).
Others like Stanley Eitzen say, “The structural conditions of society are to blame for poverty, not the intellectual and cultural deficiencies of the poor” (2009:15). Yet, others think that it is economic forces. However, in a survey by the World Bank the poor defined themselves as not having access to public services, and they felt lack of self-esteem, respect and inclusion (Robinson et al, 2003). It was found in the literature that in countries with a high level of inequality and poverty, the poor have inadequate public services. The “privileged” privatize public goods which increase inequality and segregation. In addition, the poor suffer rejection and discrimination by the well-off creating a negative socio-economic social capital. People living in poverty struggle to secure daily food and shelter and are in constant fear when someone in the family gets sick, when the factory closes, when a crop fails, and they are left with nothing (Robinson, et al, 2003; Khan, 2009). Poor communities have so many problems that choosing a path out of poverty is difficult (Uslamer, 2003). Therefore, it is important when planning to assist communities to secure basic economic necessities, to also include socio-emotional needs.

The promise of prosperity widely accepted from capitalism has been successful for some actors, like China and Vietnam that have high economic progress. However, poverty has not been eliminated in these countries, because the poor are not normally players in this economic system (Robinson, et al, 2003; Kahn, 2009). For that reason, listening to the voice of the people who live in poverty is essential in order to address the alleviation of poverty. It is crucial to establish the Universal Human Rights doctrine as a

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28 Kriemild Saunders in *Feminist Post-Development Thought*, 2002, mentioned that according to Moser basic needs under the welfare approach are those required to physically survive. (p 4)
framework to assess the inequalities and the needs of the poor (Youssef, 1995). Special attention is needed when implementing strategies for development because rights can be interpreted differently by social groups based on culture (White, 2004). Human rights protocols dictate that equity, equality, access to making a dignified living, and personal security are non-derogable rights. They also look at how to navigate through persistent inequalities when there is an environment of scarcity, poverty and local violence. The International Labor Organization (ILO) states that economic growth is essential but not sufficient to ensure equity, social progress and the eradication of poverty. Other than institutional changes, the ILO suggests building up socio-economic policy strategies, like technical and vocation education, for broad-based sustainable development. Lastly, women’s struggle for socio-economic development is a human right under the Convention of Elimination of all Forms of Discrimination Against women (Lillich, 2005). Under this light the cooperatives can perform a role to help the women to reduce costs, avoid the need to have experience, and can be a way to access credit.

**Economic growth and development.**

Economic growth has been considered a main element for development; however, the growth in wealth in developing countries does not necessarily reflect quality of life (White, 2004). Although quality of life is difficult to assess because statistics on income distribution, including the GINI index, does not account for people in subsistence economies. These communities are excluded from policy and the economy (De Soto, 1989, Friedmann, 1992). Nevertheless, the survival economies prevalent in developing countries have formed financial networks and service exchanges as a “clientelistic

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29 Patrice Franko in *The Puzzle of Latina American Economic Development* (1999) states the GINI index measures the difference between hypothetical populations with all income divided equally.
relation of patrons”. These networks include family, friends, and political connections that survive within a hierarchal structure of power and favors (Friedman, 1992; White, 2004). De Soto correctly points out that these economies are a product of elitists and colonial governmental practices that excludes the poor. This inequality escalates social and gender disparities in income, education, and access to basic health and housing. The solution to these inequalities, however, is complex and goes beyond De Soto’s premise of legalizing properties and, least of all, importing capitalistic market principles. In *Lessons from the Field*, (2002), Jane Parpart criticizes the Western and Northern field practice for misunderstanding the view of development and inequality in developing countries. Development in these communities represents the normalization in daily existence, in particular women’s lives, not necessarily a transformation, or the power the international or global forces have (Lazreg, 2002; Kahn, 2009).

**Empowerment, Sustainability, and Capacity Building**

Empowerment and sustainability usually have been goals in order to attain quality of life. This study defines “Empowerment” as the practice of building social capital capable of bringing about fundamental changes. Empowerment creates favorable conditions to meet the community’s needs by accessing social power, finding ways to overcome their own shortcomings, and developing strategies to meet those needs on a continuing basis (Moser, 1999; Sandercock, 1998). The community’s struggle to control its own circumstances starts with the household as the economic center (Friedmann,

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30 The meaning was inspired mainly by the works of Claudia Isaac who cautions in *Promotions of Women Cooperatives in Mexico*, (1996), about undue influences by agencies and NGO’s. Therefore it is paramount to listen to the women’s needs; Leoni Sandercock in *Making the Invisible Visible*, (1998), who advocates taking the local circumstances as the basis to plan any meaningful change; lastly, Caroline Moser in *Gender Planning and Development* (1999), who highlights for Latin communities more than equality the discovery that they can do things on their own is more empowering.
1992). However, the household is not homogeneous, particularly for women that have a triple role, “reproductive, productive, and community management”, that traditionally has no monetary value (Moser, 1999).

General planning evaluations need to be people centered, and the research data obtained should reflect the grass-roots level in a participatory way (Moser, 1999; Parpart, 2002). The right kind of participation is a tool for empowerment and it is a critical requirement for women to develop and challenge patriarchal structures and assumptions, but it has to start with the women’s own strategies (Grasmuck, Sherri, & Espinal, 2000). In developing countries, women’s empowerment strategies include their own patriarchal and cultural class interests, to be able to focus on their children, and economic support (Friedmann, 1992; Saunders, 2002). The voice of the community is an effective participation tool to understand their strategies and needs for self-reliance, equality, and a pragmatic vision of economic sustainability (Kahn, 2009). This voice, however, has different meanings. Some practitioners of Participatory Rural Appraisal (PRA) claim that “the romantic assumption that giving voice to the poor, especially women, will solve gendered power inequalities is questionable” (Parpart, 2002, 54). This raises awareness of the limitations of hearing this voice and reminds us to be aware of the influences that culture, local and national institutions, and the social status quo have on this voice, particularly in public. Women in developing countries adopt empowerment strategies that fulfill their own interests within their own patriarchal and class structures (Saunders, 2002; Elabor-Emudia, 2002). Nevertheless, the voice and visions of women could be the foundation and a key component to empowerment and sustainability.
The central theme of empowerment and participation starts by legitimizing the women’s experiences to be able to engage in democratic elections, to have communications transparency, and to have information necessary for the poor, particularly women, to break down marginalization and oppression (Khan, 2009). Caroline Moser’s statement that gender planning’s goal is the emancipation of women, is excellent but it should be considered a long-range goal to achieve equality, equity and empowerment. The strategies for empowerment may be a short term solution to encourage women mobility and take them out of their every day role, particularly in the context of alleviating shortcomings and barriers to attain basic economic means (Friedmann, 1992; Elabor-Idemudia, 2002). To be more effective in an environment of scarcity, social status should give way to shared decision-making and gender relations rather than equal rights (Elabor-Idemudia, 2002). Additionally, in the relationship of empowerment to development, it is necessary to distinguish between improving efficiencies and actually producing fundamental social transformation. The first is limited to market development that is good for making a living, but not enough to produce economic-social justice (Parpart, 2002; White, 2004).

The meaning of sustainability depends on the focus of each particular discipline. This study defined “Sustainability” as the development of capacity building to ensure a dignified and sustainable way of living aimed at achieving sustainable economic development (Moser, 1999; Saunders, 2002). This definition was modeled after Kathy Sessions addressing the UN Environment and Development Conference about the Agenda 21 Agreement (1993). This includes meeting generational needs, present and

31 The United Nations Conference on Environment and Development (UNCED) was held Jun 3 through June 14, 1992. There were five major agreements signed, two of them were binding (Climate Change &
future, and the right of individuals to freely develop within a balanced society and in
harmony with their environment. The new index report published by Sustainable
Society\textsuperscript{32} in 2006, placed Mexico as the 118\textsuperscript{th} country among 150 countries. While the
indicators used were valuable, the index had serious deficiencies as they did not include
poverty rates or the influence of local violence. In this study these indicators were

Capacity building is a fundamental part of sustainable living that should include
the development of instruments to increase individual skill levels designed to maintain
self-reliance over time. This study defined \textit{Capacity Building} as developing tools to fit
the community interests to satisfy strategic and pragmatic needs (Friedmann, 1992;
Moser, 1999). The instruments used can be based on the community’s challenges and
opportunities. This capacity can be based on economic development rather than
economic growth. Growth can increase dependency from the outside, while development
draws from internal and external sources (Sargent et al, 1991).

Sustainability encourages economic development that allows for a dignified way
of living, over merely the accumulation of capital. The focus on the accumulation of
capital shifts human rights to corporate welfare (Friedmann, 1992). This increases
inequalities and dependency on vulnerable communities in an environment of economic
scarcity and social instability. Therefore, a sustainable project must address the problems
and aspirations identified by the poor. The decision making process and structure must
promote the confidence of its participants in the context of local relationships and culture

\textsuperscript{32}http://www.eoearth.org/article/Sustainable_Society_Index
COOPERATIVES AS A POSSIBLE ANSWER

(Clark, 1991). In addition, it should focus on gender issues of class and castes to identify and address structural inequalities in the market and at home. This approach brings out development that is centered on competencies and capacities reinforcing women’s agency (Aggarwal, 2002; White, 2002).

Cooperative as a Means of Economic Development

Cooperatives have been chosen by non-profits as the preferred source of income for poor communities and for women in particular. Co-ops can be used as a building block for a self-sustaining economic system in developing countries (Clark, 1991; Moser, 1999). They are defined as a business characterized by collective ownership of the members in a non-discriminatory and democratic way (Blakeley, 2002; Fernandez Andrade, 2002; Flores, 2003). The availability of human capital and local knowledge favor cooperative structures for economic development based on democratic and cooperation principles among the members of a community (Wright, 2000). In the broadest sense, cooperatives are businesses with the potential to generate revenues for its members, who are fully vested in its success with a common goal (Morrison, 2000; Nembhard, 2006). As a business, cooperatives encourage production of goods and services for profit in order to, at a minimum, cover the member’s basic needs (Youssef, 1995). Ideally, the products should meet quality standards, preferably the ones that are desirable for their uniqueness, like native pottery or traditional weaving. Crafts are a good source of income, but the return is commensurate to quality because poor women need to develop these skills (Tinker, 2000). The long term goal of such entrepreneurship should be to promote independence, develop agency, and promote sustainable practices (Seyfang, 2001; Blakeley, 2002; Vargas Meza, 2003; Write, 2006).
Cooperatives are a hope to improve the lives’ of the members. However there are many challenges that need to be considered. Specifically, women have challenges of the need to share their time between the household and children with the work in the cooperative, which could bring conflict. The ability of increasing their income has a tendency to help more affluent members due that they have more social capital. For those that are trying to meet the basic needs, it is more difficult to meet the extra time need to invest in the cooperative (Stephen, 2005). This is not to say that the only criteria for opportunity to better one’s quality of life isn this type of entrepreneurship. Nonetheless, cooperative work includes self-interest, perceptions and power plays. These are sources of conflict. Self interests and the well-being of the cooperative can generate a breakdown that can worsen if there are threats or perceived inequality present. Any attempt to solve these differences should include a plan to overcome the causes of break downs, for example training, or developing goals that bring well being to all the members (Sen, 1990). Ultimately, cooperative productivity can provide for pragmatic basic needs, but not necessarily can provide for empowering strategic needs. In order to address both needs the cooperative should focus in the economic and social objectives toward developing economic projects for sustainability (Isaac, 1996). A cooperative can become a transformational space where personal identity, social practice and economic framework can take place (Ann, 2010).

The Role of NGOs as an Economic Development Partner

NGO’s have been identified as the institution for alternative development models because its of their “capacity to be with the people at grass-roots” (Moser, 1999:191). Understanding the role of non-profit organizations and their impact in the development of
social enterprises could facilitate a positive and fruitful relationship between the non-profit and the community they serve (Simonelli, 2000; Gonzalez Dueñas, 2001).

The non-profits in the study can be described as small, transnational, and connected to a religious organization. Small NGOs are considered a better solution to reach impoverished communities and as instruments of democracy; they respond to the needs of the poor better than government policies, the elites, work places, and the financial institutions that do not provide for them (Staudt & Coronado, 2002). Regardless that the small NGOs do not have the same administrative and financial resources as bigger ones they can also build capacities. The NGOs main goal is to at least improve the ability of the poor to meet their basic needs, but they also want to empower them by bringing skills with which to make a living (Clark, 1991). People with no formal education are capable of integrating their skills and knowledge to create their own development, then, non-profits can help them with access to the market and with micro-credit (Parpart, 2002). Even when NGOs have religious affiliations “they should avoid entering the community with preconceived ideas” (Clark1991:49). Cross-border NGOs face the challenges of language and cultural knowledge, but they have the capacity to blur the differences in domestic, political and social struggles (Keck & Sikkink, 1988; Uslamer, 2003).

Small non-profits have several advantages. One is the capacity to bring volunteers, reducing overhead costs. Second, they develop better relationships with the community because they usually are more personable, they are relatively independent, and they have a fair knowledge of the local community. Third, they can be creative in bringing to the community small scale technology, micro-credit and education. Fourth,
these NGOs have a comparative advantage over the government because they can meet
the women where they are, promoting the community’s freedom to organized themselves,
and providing a more efficient and local delivery system (Moser, 1999; Uslamer, 2003).
Small non-profits have disadvantages as well. One is to be able to maintain a pool of
funding and to respond to donor imposed restrictions on how to use the funds. This
accountability can create an environment where checks and balances are sometimes
deficient or even missing altogether when the patrons do not reflect the goals of the
community, and can interfere with transparency and bottom-up ideas (Clark, 1991;
Uslamer, 2003). Second, the use of volunteers sometimes can bring elitist relationships
that can obstruct the women’s empowerment. This can affect how relevant information
comes through, particularly when there is no adequate knowledge of the language, or the
culture (Moser, 1999; Clark, 1991). Lastly, intra staff tensions can reveal the need to
have a clear mission and methodology (Clark, 1991).

Traditional funding and the exploration of new funding sources available to the
non-profit and the co-op are an intrinsic part of short and long-term goal strategies.
Social justice is hard to achieve between cross-border relationships of NGOs and the
community because their agenda is for a regional social justice. Nevertheless, these
relations are an important resource for communities that are in an environment of
scarcity. Therefore, the kinds of relationships developed are critical to bring inclusion
from both sides by listening to cultural perceptions and having transparent
communications (Goerdenker, 1996; Uslamer, 2003). Equality is important in how funds
are distributed and used, including equality of cross-border salaries (Uslamer, 2003).
Likewise, necessary adjustments to a participatory relationship are essential in decision-
making. In addition, the different levels of interventions toward empowerment need to identify and address the strategic needs of the community (Moser, 1999). Equally, it is important to find common ground and interests to foster unity, to build an equitable division of labor, and to plan for local upheavals when there are negative external influences (Lewis, 2003).

**Influence of Local Violence**

The US/Mexican border has become the focus of justifiable negative press that has seriously decreased the amount of regular and medical tourism, which had been an important economic source for border towns. Acknowledging that the local violence is a presence in the region of this study does not suggest that the goal is to find a solution to the local violence because the complexity and the scope of the problem are vast. What this study will explore is how the cop-op members could manage and navigate this environment with the least impact on their economic development for reasonable growth and long-term survival.

Violence, whatever the source, is terrorism. Organized crime like the narcotraffick is personal and social terrorism disrupting social stability and security. There are too many socio-economic and political realities in this trade to narrow it to a simple one (Chriss, 2007). Briefly, in the early 20th century selling all kinds of drugs was a legal enterprise. This changed under national and international agreements when the drug capitalism interests worked through governments to ban some drugs, like heroine and cocaine, while others remained legal commodities like alcohol, tobacco, and psychotropic pharmaceuticals (Fernandez, 2002; Singer, 2008). Illegal activities flourish in areas where the government and social organizations are weak because, as Merril
Singer in *Drugs and Development* states, this is “fertile ground for legal and illegal drug corporations” (2008: 12-13). This environment has been created by external actors where the implementation of Structural Adjustments Policies (SAPs), together with the legacy of colonialism and globalization has weakened the governments of the third world, in particular institutions like the police, the judiciary, politicians and core social services (Payan, 2006). Social and economic development where there is an illicit drug market have serious implications that have been ignored by different theories and developmental strategies like the Millennium Development Goals (MDGs), which that does not consider that the legal and illegal drug trade has a significant negative impact on development (Singer, 2008).

On the border, smuggling drugs has continued uninterrupted. It can be said that NAFTA has helped with the increase of traffic. Millions of trucks cross the border, but only a fraction of the trucks are inspected. The conflict, or drug war, between the drug traffickers and US customs and Homeland security has become more sophisticated through the use of technology by both sides (Singer, 2008). The illicit drugs became an underground commodity that increases in value along the chain of commerce; the farthest from the manufacturers the more money is made. They run this business like a corporation where there is management, transportation and marketing logistics, accounting and quality control. However, due to its illegal nature it uses threats, bribes, intimidation and physical violence (Payan, 2006; Singer, 2008). Increases in US/Mexican border and Homeland security has forced the big cartels to make alliances to maximize their profits and counter authorities, which turned them into sophisticated oligopolies. The smugglers that are caught on the border are minor traffickers (Singer,
2008). The enormous richness of the cartels has created a new emerging socio-economic class consuming all types of entertainment, expending in legal activities and investing in the local economy. The presence of traffickers in small towns benefits the community because their needs of services and goods create jobs and the local business benefit. However, illicit drug violence exists to secure drug domain, for income and to diffuse political conflict for protection from arrest and persecution, which extends to the community, directly or indirectly, by intentionally or accidentally victimizing the same community who are in the cross-fire. This is a dilemma that small towns in the US/Mexican Border face. On the one hand this illegal trade brings some prosperity, but on the other hand this presence obstructs needed resources to social services and job development. (Fernandez, 2002; Payan, 2006; Singer, 2008)

Consequently, border residents have learned to live with the drug war as part of their communities and they hardly pay attention anymore. “On the border, the drug war is part of their landscape” (Payan, 2006:49). Other than affecting the economy, this trade affects productivity, entices youth, and corrupts policy and government, and increases community violence (Singer, 2008). Where there is corruption, the legal and illegal trade of addictive drugs and the socio-politico and economic relationships generate social inequalities, “undercut civil liberties and human rights … [and] support military spread of torture and corrupt political leaders in the same trade” (Singer, 2008: 83). This undermines the quality of life for impoverished people who need an alternative means to make a living in the so call drug war (De Soto, 1989). If there is no alternative the people are more vulnerable to be recruited as sicarios, or paid executioners (Payan, 2006; Singer 2008). The absence of government security makes the people in these border towns
vulnerable to kidnappings and to accept paid protection from these violent groups (Vargas Meza, 2003).

**Mexican and US/Mexican Border Paradigm**

Latin American countries, such as Mexico, have a legacy of unequal and unstable growth. The elites have been privileged by controlling the socio-political structures and great amounts of land from the mercantilism system and colonial period. The resulting Hacienda System contributed to economies of scale where the elite’s interests were to keep the financial and political structures in their own circle, making it difficult for small scale owners and entrepreneurs to succeed (Franco, 1999). The solidification of the elite’s role in economic and political power through land ownership, the monopoly of natural resources exports, and human capital had been exceedingly unequal continuing to favor the affluent over the poor (Pastor, 1994). This hierarchical legacy has produced unequal and unstable growth (Franco, 1999). Moving forward, Mexico had an autocratic government since the beginning of the 20th Century under Partido Revolucionario Institucional (PRI; Institutional Revolutionary Party), by controlling the executive and legislature government bodies. The long supremacy of the PRI was cemented on poverty and inequality. Despite that the economy grew between 1940 and 1980, development was “unequal and unbalanced” (Magaloni, 2005:140). Poverty in Latin America can be seen as largely a distributive problem. “In 1970 [income distribution showed that] the richest one percent of the population made 363 times the amount of the poorest 1 percent” (Franco, 1999: 356). Economic stabilization and growth, then, does not increase

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33 The exploitation of silver and gold was monopolized by the land and mine owners, rewarded by the system of Encomiendas. The Encomiendas had a share of the output, known as the Repartida.
equality because it favors economic polarization where the poor have not benefited due to extremes in the income distribution (Magaloni 2005).

This unequal socio-economic continuum has blocked changes favorable to the rest of the population who do not have needed political and financial connections. The introduction of International economic trade agreements and the external demands for change have greatly changed the economic dynamics in Latin America. Mexico trade liberalization began after 1983 after the failure of Import Substitution Industrialization (ISI) with the falling prices for commodities (Franco, 1999). The reluctance of the Mexican conglomerates sector, owned by the elites, toward liberalization changed when the government accommodated their interests by implementing policies to favor their assets and their ability to take advantage of new opportunities in the free market. The Instituto Federal Electoral (IFE; Federal Electoral Institute) was created by the 1994 reform, which brought and end to the PRI’s power homogeneity and transparency on elections. However, Mexico’s crisis in the same year was largely a result of the political elites keeping control of economic and fiscal sectors. This are vertical relations between them and regions of scarce resources that is unequal in power and economics, promoting clientelistic relations based on social class that have unequal social power (Gomez Cruz, 2005). The PRI bounced back under President Salinas mainly due to the creation of the National Solidarity Program, known as PRONASOL. This is a social program aimed to help the poor that has had relative success in several communities. This plan was designed to cover basic needs, improving infrastructure and the standard of living, and creating new employment (Magaloni, 2005). This gesture allowed President Salinas to get support from the electorate for the systematic market reforms required by neoliberals
and NAFTA. However, the government continued dependency on foreign capital, the resulting fiscal and monetary structural adjustments against inflation, and wage control affected negatively the poor (Cronin, 2003; Magaloni 2005).

The US/Mexican Border has not escape the limitations, restrictions and the structure of unequal growth from the rest of the nation but has added challenges. Almost 12 million people live and work in the 2,000-mile border area between the two countries, with 90% residing in 14 bi-national "sister" cities (Border 2010). The political border, as a construct, does not prevent the regional shared historical roots and environmental resources (Staudt & Coronado, 2002). Borders imply there is something in common but the prevalent quality of life resembles the division between developed and underdeveloped countries, where human rights are violated Staudt & Coronado, 2002). The US/Mexican border during the 19th and the beginning of the 20th Centuries was more symbolic than real, but workers and capital have cross then and continue to do so (Uslamer, 2003; Gomez, 2007). There have been attempts to improve the economic outlook of the border region through various programs. Among them was the Border Industrialization Program (BIP) that introduced the maquilas, particularly on the border, as a way to increase employment in Mexico. The preferred labor had been women who are not considered the main bread-winner, in a sweatshop labor setting and also doing subcontract work at home Marchand, 2002). For this reason, as several women are the household-head in a place of scarcity, this type of salary deteriorates real economic benefits by putting these women in a subsistence way of living (Urrea, 1993; Staudt, 2002). Nonetheless, employment growth in Mexico is less than the demand, creating an environment of poverty and inequality (Cordera, 2008).
Chapter IV – Findings and Analysis

The following analysis was illuminated by the literature presented above, particularly with regards to gender theory; the core concepts of scarcity, sustainability and economic empowerment; and the relationship of these ideas to human and social capital.

Stories

First story: Mirror Effect.

The contestations of the Americans as a result of philosophical differences may have influenced the division among the original Palomas cooperative’s members. Is reconciliation possible? What would be the impact of reconciliation on the economic health of the cooperative?

In merely two years since the foundation of the original cooperative, both the original American group and members of the cooperative have gone through dramatic and unexpected changes. The situation in the cooperative at the time this study concluded was contentious and volatile. This was due mainly to the division from a cohesive group based on interpersonal relationships, into two groups based on income. The structure of the American organization was also controversial. From the group of Americans who worked on the MEXUSA, a branch of the American Friends NGO, one left town, and two of them went separate ways based on philosophical differences, though they still worked with the needy families in Palomas. These divisions were detrimental to the participating women in the cooperative who already had problems of their own. While the American conflicts established their own vision as the correct one, the needs and vision of the cooperative members in Palomas were ignored.

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34 See Case Description
It is the observation of this study that the differences and crisis among the Americans permeated and influenced the division among the members of the cooperative. In an environment of scarcity, it is natural to protect one’s opportunity to make a steady income, but at what cost? The separation created resentment, dismantled their unity and broke friendships. One of the Americans suggested the need for a sincere reconciliation. The question is whose reconciliation? While reconciliation may be beneficial, what kind of changes would it bring to both groups, or to the cooperative as a whole?

In the course of these conflicts, there were three events that changed the direction of the cooperative. The first one was the creation of the *Mesa Directiva*, the second was the separation of meeting days among the members of the co-op, and the third was moving out from Alma’s place to a rental house. The first and the second event happened before the members moved out of Alma’s place.

Sue stated that the creation of the *Mesa Directiva* was a spontaneous decision from some co-op members, while driving back to Palomas, who had the opportunity to go to the Rag-Rug Festival in Las Cruces. A President, a Secretary, and a Treasurer were elected democratically, by voice vote, from the united cooperative group. The purpose of forming the *Mesa Directiva* was to forge friendships and to struggle to become a productive cooperative. Unfortunately, this organization has been a center of controversy.  

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35 Board of Directors  
36 (Sue, personal communication, 16 March 2008). She wrote that the women wanted to form an “organizing committee” with the oldest members of the co-op and who were trusted by Alma. An “organizational meeting” was planned for the following Friday to decide this, to which she would bring some leading questions. Whether the decision was spontaneous or not, it was taken by a few people.  
37 Details in *Gatekeepers and Empowerment*
The separation of meeting days for the apron project, initially, had been for practical reasons due to the size of the room and the number of people coming to learn new skills. Amy and the chosen women needed space to receive instructions and to cut the oilcloth. Rosa, who was recruited by Amy into the group, summarized it,

We separated [the meeting day] for necessity, everybody agreed, Sue was in agreement. Then, a lot of people came and the room was small. We were too many. Then, Amy said how you like if we get together on Wednesday, because when Sue has the meeting we can not meet together. If you are here [in the building] you have to be there [with Sue’s meeting]. Then, if we moved the day is better because you can pay attention here and later can pay attention to Sue over there.

The third event was the move from Alma’s place to a rental house. This move set the stage for a transition from solidarity and unity to separation and ostracism between co-op members. The general explanation for the departure was the unhappiness with Alma’s management of the cooperative. The mounting pressures and discontentment erupted in a personal fight between two co-op members about a third member. Alma intervened and came to the defense of the member who was her relative, and then expelled the other from the premises. The Mesa Directiva chose to be in solidarity with the expelled member, along with all the Brand group and Amy. They decided to move...

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38 Details in the Case Description
39 “Nos separamos por necesidad, pero todas estuvieron de acuerdo, Sue estuvo de acuerdo. … Luego, ya después entro muchas gentes y luego el salón era chiquito. Éramos muchas. Entonces ya dijo Amy, cómo ven si nosotros nos reunimos el miércoles, porque cuando Sue tiene junta, este, no podemos estar juntas porque si ustedes están aquí tienen que estar allá también. Entonces, si nos separamos un día, pues es mejor para que ustedes pongan atención aquí y pongan atención allá con Sue”
40 Details in the Case Description
41 This dispute was brought up by all the members as hearsay but Candy was present and her account was more credible. She said there was a misunderstanding by the third member who thought she was not going to get more work from Amy because her sewing machine was not working well. Then, Edna was trying to explain to Alma’s relative that it was not the case but, somehow, it became a heated discussion. In the middle of the argument, Candy said, “Alma vino y empezó a decir y a echar muy feo, y ya Amy como entendía muy poco decía, pues nos vamos.” (“Alma came and started to say and do bad things, and then Amy who did not understand Spanish well, said, let’s go.”)
out on March 19, 2009, to a rental house. At this point all the women considered themselves as part of one cooperative.

It is worth noting that the choice to move out from the original place was a joint decision between the Americans and the Palomas Cooperative *Mesa Directiva* in a meeting that took place in the Main Store restaurant in Mexico. This had been the only occasion where this researcher learned that these two groups worked together. Had the two groups continued to meet in this way, the outcome could have been more positive and productive with communication, transparency and building strong working relationships. It was a missed opportunity to adopt this setup on a continuous base. It is probable that discontinuing this interaction may have led to the current adversarial relationship between the members who were divided in two groups in Palomas due to income inequality, and the split among the Americans for philosophical differences.

Regardless of these events where the cooperative members were involved in one way or another, there was another cause for the separation within the American group that remained unknown to the *MEX Cooperative* members. As previously noted, Amy and Ernest joined the American group attracted by the 501(c)3 status, because they were already thinking of forming one. At that stage, Sue was in charge of starting the cooperative by working with the people on Palomas and by bringing in projects. Amy was in charge of framing the cooperative, developing goals and how to achieve them.

The biggest discord was, according to Esther,

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42 Details on *Case Description*
43 Olga’s testimony when she was in that meeting in her capacity as Treasurer of the Mesa Directiva. She became a *Handcraft* group member.
44 (Sue, personal communication, March 19, 2009). Explained this decision and added that “We are larger, more organized, more productive than ever and now we just have to weather these changes.”
45 Details in *Case Description*
In the beginning our meetings, our core group meetings of the foundation members, it was always a struggle because of this difference in philosophy … I think they [Amy and Ernest] just think that they set up a program for women to earn money and they have, they’ve done that, but it is the decision making, it is the empowerment piece, we just see it as two different philosophies.

Sue stated that,

They [Amy and Ernest] saw it as a business model and we saw it as a community development issue. Henry said that Ernest thinks just like a businessman, but to him it was also empowering the people … to me I just seen [the members] grow in the ability to take power of their lives, and to make decisions even though it may don’t seem to some people, they are making a lot of decisions every day.

Alternatively, Amy and Ernest were of the opinion that the way to fight poverty and empower working poor was to give them reliable employment that would generate a livable wage. Ernest stated, “About a year ago we decided to go separate ways. We just had different goals and different ways of operating.” (This was about September 08). On the issue of the separation Amy stated, “At that time we were all finding out that we all had different ideas. We had a different focus than Sue, mostly Sue. It seems logical that we, maybe, did not have to all have to make decisions about every thing. And we have different ideas. We all agreed.” However, Sue and Henry thought that Amy had already “wrapped the [apron] project around her, and she let us know we were out of the picture.”

Regarding the concern whether the split was due to communications Amy stated, “One of the reasons that we split was that we had a difficult time communicating with each other. We had a hard time agreeing on priorities and the level of communication felt negative and critical to us sometimes, and I am sure they thought the same about us.” In the mean time, Sue thought that the split was over the control of the Brand group. She said,

Amy had really worked it [the Brand group], and she’s really done a lot with it, and she really worked hard in the selling, and I personally am very
happy for the seven women that they have something more solid. But at the same time, it showed the rift from all the way back from the formation in September, a year ago to now; this rift has been drifting up.

Conversely, the seven women in the *Brand* project considered themselves cooperative members, and as such they continued attending co-op workshops, choosing from the items brought as donations, and giving their work to Sue to be sold along with everyone else’s. Consequently, the women in the apron project were getting a stable income, plus income from the work that they were doing in the cooperative. Everything was going well, until the people of the co-op realized that the seven women in the *Brand* group were making a steady income. Before this knowledge the “other group” had not existed. For the women in the co-op, it was unknown how much the other women were making a week. But regardless of the amount, this awareness created great discontent and a sense of unfairness. This restlessness was magnified because the separate meetings created a physical separation in addition to the lost opportunity to make a steady income. The women from both groups created hurtful feelings that came out as envy, gossip, and lack of respect. All the women had a deep sense of inequality, the *Handcraft* group because the *Brand* group had a steady income and the *Brands* because they were denied access to the co-op’s resources. Overtime, this created a toxic environment for all.

While the *Brand* group argued they still were co-op members and needed more income, the other members resented their presence. The other group decided to call themselves the “*Handcraft*” group in order to differentiate themselves. As a new group they began to shun the *Brand* group members through body language and eventually in verbal remarks. Later, the rancor escalated and the *Handcraft* group told the *Brand* group they were no longer welcomed to their meetings and workshops because they were
already getting money, and that it was unfair that they would take away their work and their opportunity to make money. Moreover, they thought that the *Brand* group had privileges and help from Amy that they did not get. Sue said,

Amy works with [the *Brand*] group and works on their exclusivity with [only the chosen members], [while] they saw me as being for everyone… all the *Handcrafters* saw clearly that Amy was only working with them and that was their view. And I don’t think that Amy knows they perceive it that way.

Lastly, the *Handcrafters* stated that while they were paying a monthly contribution of $1 and 5% taxes from their earnings, the women in the *Brand* group were not honoring this agreement. However, the *Brand* group considered that they received a salary, which was different from craft work where a profit could be made for the 5% contribution.\(^{46}\) Sue estimated that the *Brand* group made a “dependable $120 a month and the *Handcrafters* made $0 to $200 a month depending on sales and when things were operating right.” The *Brand* group members confirmed these earnings.

In addition, the *Handcrafters* became punitive toward the *Brand* group. For example, the creation of the “bodega,” where donations were transformed into income, was an idea that was well received by most people. The women gathered the fabrics, laces, yarns, beads, etc. that the cooperative received as donations. They sorted the items and assigned them a low monetary value to be sold to the co-op members. The income generated covered the cooperative’s expenses like the utilities and food for the meetings. Nonetheless, this became a point of contention. Before the formation of the donations storage room, the *Brand* group’s materials and tools were stored in the same room. A few members of the *Handcraft* group, without any notice, took out their things to

\(^{46}\) Details in *Gatekeepers and Empowerment*
accommodate the donations as a store. This was done harshly. Edna from the Brand group said,

That day when they decided to close [the storage room], by the way they did not ask anybody’s opinion… when we got there the forms [a pattern to cut the oilcloth for the aprons] had been thrown to the floor and they [the wooden patterns] were trampled on.47

Flor, showing her disconcert, added, “When they [Handcrafters] are saying things, I feel that [in the same way] they stomped on the wooden patterns, our things, I feel they are stepping on us”.48 The same group padlocked the storage room, and only the cooperative’s Mesa Directiva had access. They also made a list with the names of the Handcraft group members and a few names from the Brand group who wanted to buy from the donations. This list was displayed on the wall by the storage room door. The list was in alphabetical order with the intention to create fairness and order when entering the storage room. Regardless of the intention, the Brand group women protested that the list was playing favorites because the women from the Brand group were listed last. In the end, the few names from the Brand group were crossed out from the list without notification, and they were no longer allowed to shop there. This only escalated the rift.

The Americans, particularly Esther and Sue, thought that the cooperative’s internal divisions were only among the local participants. They felt that when the Handcraft group people made decisions it was because they were becoming empowered. Esther states “the core group has gotten strong enough to tell us exactly how they want to run the cooperative, this is fabulous”. As to the new set up of the building with the

47 “Pero ese día que ellos decidieron cerrar ahí, que por cierto no le pidieron opinión a nadie… cuando nosotros llegamos estaban las formas tiradas en el piso y estaban pisadas, entonces nosotros decidimos pues llevárnoslas.”
48 “Cuando ellas [Handcrafters] están diciendo cosas yo me siento que [de la misma manera] pisotearon nuestras tablas, nuestras cosas, así me siento que nos pisotean a nosotras”
system of women buying the donations to sustain the co-op operations, Esther thinks “they did that themselves, I am so impressed, and it’s fabulous.” However there was no introspection on how the core group interacts among themselves, and whether if it was a democratic consensus. They did not think that their own break up had something to do with the co-op’s divisions. Regarding the problems the groups had in Palomas, Esther thinks, “It’s because they wanted to be able to express how they felt in the fullness of their passionate Hispanic temperament”. But, through my observations and those of the women from both groups, it was evident that the way Sue, Henry, Amy and Ernest related to each other was no longer amicable, no matter how much they tried not to show it. Henry said it best,

Amy wasn’t coming to the meetings anymore, Ernest either, they were going there [to Palomas] doing their thing, totally separate from us. We didn’t know what was going on. We can go there sometimes and don’t have a clue about them during our Palomas meetings. They [the women in Palomas] can tell there was a split even if they don’t say it.

Consequently, the strained relationship among the Americans conveyed mixed messages to the Palomas women in the two groups. From Handcraft Tina said, “The division was here. Each group has its own ideas of the other. When the Brand group gets together on Wednesday they think one way and when they come here on Fridays they think another way.” In the meantime Elsa, one of the newest Handcraft members, said that she knew there were two groups, but that she was not familiar with the other people. Her explanation for the division was, “It is like there are groups that fit together, we fit together and the other group fit together separately.” Yet, Dora said,

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49 “La división fue aquí. Cada grupo tiene sus propias ideas acerca del otro. Cuando el grupo de los mandilones se juntan los miércoles ellos piensan de una manera, y cuando ellas vienen aquí los viernes ella piensan de otra manera.”
50 “como que hay grupos que se han acoplado, o sea nos acoplamos, y otro grupos que se acoplan aparte.”
There was a person that wanted to join [the Brand group] and Edna told her that they were not going to accept anyone else. The, she went to talk to Amy to ask her why. Amy told her that [the Brand group] was open to anyone that wanted to come. Then, she went in front of the group and told them that Amy said she could join. Another person told her that it was not Edna but Amy who said no one else could join because there was not enough work. I do not know what to think.51

While for the Brand group the practice of meeting a different day started out as a necessity, they were distraught that this was not understood by the Handcrafts. Instead, they assumed the Handcraft group members were jealous because they did not get the same income as their group. On the other hand, Rosa, a cooperative original member, who is in the Brand group, believed the separation was an agreement between Sue and Amy. Raquel from the Handcraft group gave another insight,

There were people that did not do anything. That is the reason they separated, for that problem, and they looked to meet a separate day. Then, I have noticed that more people from the outside go to Mrs. Amy than with Mrs. Sue. Not too many people come here like before. [Sue] used to be joyful, very positive, but not anymore… I don’t know why she changed. Perhaps some people do not understand her because they have not spent time with her like us … I understand the conflict is here or it is because [Sue] is tired. It is one of the two.52

Ultimately, both groups assumed that the other group knew their point of view, but there were no checks and balances in the way they communicated among themselves. The end result was that each group chose to create their own constructs about the other.

Each person blamed someone or something to justify the separation.

51 “Hay una persona que quiso entrar y Edna dijo que no, que Amy dijo que ya no iban a aceptar a nadie mas. Entonces ella fue con Amy que por que. Y le dijo no, si [Brand] está abierto a quien quiera entrar. Entonces delante de todas dijo, Amy me dijo que si podía entrar. Y otra le dijo que no era Edna, no, Amy si dijo eso, y dijo que no iba a entrar ya nadie mas que porque era muy poquito el trabajo. Entonces ya uno no sabe que pensar.”

52 “Habían personas que no hacían nada, Y por eso se separaron, por ese mismo problema de que se separaron entonces buscaron un día separado. Entonces yo me he dado cuenta que con doña Amy llega más gente, mas personas de afuera que a donde doña Sue, ya no viene tanta como antes. [Sue] Era muy sonriente, muy positiva, pero ahora ya no. … No se que ha sido su cambio. Tal vez unas personas no lo entienden porque no han convivido tanto con ella como nosotros. … Yo no se porque yo tengo entendido que el conflicto es aquí o porque ya esta cansada. Puede ser una de dos.”
Consequently, alliances were made between factions of Palomas people and the American benefactors. In as much as the Palomas people did not blame the Americans for their divisions, the true opinion about the Americans that surfaced during the member’s interviews was revealing. The *Brand* group members liked Sue, but their loyalty was to Amy who brought them a steady income. The *Handcraft* group considered Amy a good person, but their loyalty was to Sue because she was always with them, bringing projects and working hard to sell their products to make some money. These allegiances suggested that the divisions of the Americans permeated into the Palomas original cooperative, as their own philosophies imbued the groups they headed. Olga, a *Handcraft* member, said,

> I am interested in the cooperative. But they [the *Brand* group] are only interested in making aprons. But, that is no the ideal. They are making money and we are not. I tell them, lets do something that all of us can earn money, that the cooperative grow and it is not only the *Brand* group that enjoys. We need to make exhibitions for people to come and see, to be open new ideas and make money. But they do not want that, they only want a closed group and only to make what they do.53

Edna, a *Brand* member, said,

> I think that if you make a cooperative where a certain product is made, like the oilcloth, where everyone can make the same income, and all work the same there would not be envy. That is the difference of those of us that work with Amy. In this project all of us make the same, work the same, and earn the same. We never had any problems. We are all equal, respect and like each other.54

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53 “Me interesa lo de la cooperativa. Pero a ellas parece que lo único que les interesa es hacer los mandiles. Pero es que eso no es lo ideal. Ellas están ganando y nosotros no estamos ganado nada. Les digo, vamos a hacer algo para que todas ganen, para que esta cooperativa crezca, para que no sea el grupo de los mandiles que esta disfrutando. Hay que hacer exposiciones para que la gente venga y vea, para que entren nuevas ideas y entre dinero. Pero ellas no quieren eso, ellas quieren un grupo cerrado y nomás lo que ellas hacen.”

54 “Entonces, pienso de que si hiciera una cooperativa donde se hiciera cierto producto, como el producto de hule, donde todas puedan ganar lo mismo y todas trabajen igual y que ganen igual no habría envidias. Quienes trabajamos con Amy es lo único diferente, que en este otro proyecto, todos hacemos lo mismo, trabajamos lo mismo y ganamos, lo mismo. Y nunca a habido ningún problema. Todos somos iguales, todos ganamos igual, y nos respetamos y nos queremos.”
In addition, the poor communication and transparency across the women groups can be seen as a reflection of the failure of communication and transparency between the American leaders of the groups, reinforcing the appearance of a mirror effect.

The allegiances made between the Handcraft group and Sue, and between the Brand group and Amy suggest that the division among the Palomas cooperative women were made on the basis of the American’s production philosophies. It is apparent, then, that the cooperative separation into two groups was mirroring the division of the Americans. In addition, this was a price the women were willing to pay in order to protect what they had in their environment of scarcity. The women from the Brand group were willing to lose friendships and let go of ownership and creativity in exchange for the utility of this work’s steady income, regardless that was less than minimum wage. The ones in the Handcraft group closed the doors to the women in the Brand group to protect sole access to Sue who sold their products, to other projects coming along, and to the income source created by turning donations into commodities.

In reviewing the barriers that had kept the Palomas groups divided, the first area covered was the mirror effect due to the American’s philosophical divisions. Second, it appeared both operating models were creating dependency rather than building capacity. Third, it became evident that there was income inequality between the two groups. Lastly, there were broken communications horizontally and vertically. While all the parties occupied the same space and the same good intentions, it seemed that misinformation was abundant, where each group had formed an opinion of the other.

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55 The minimum wage in Mexico was $5 per day therefore the monthly minimum wage was $100. According to Rosa they used to make $50 per week, but according to Carol it has been reduced to $30, and starting on December the meetings would be every two weeks, which most likely will reduce their income.
based on perceptions. Insufficient transparency or withheld information contributed to tensions. It appeared that the division was difficult to bridge, but not insurmountable. One could argue that the Americans philosophical differences and poor communication could be harder to overcome, but perhaps the groups can as explained later.

In the same manner that these barriers impacted and fueled the apprehension and anxiety of the women of both groups, an important part of this conversation should be to recognize and acknowledge that the help the Americans, provided to them was invaluable. Setting aside the Americans philosophical differences, each one of them impacted the lives of these women in ways that probably the Americans did not foresee. The principles of equality and fairness for this community that the Americans were concerned with at the beginning turned out differently, but not necessarily negatively. For example, Edna in the *Brand* group discovered that she could sew, and Olga from the *Handcraft* group was excited to learn that she could make more money selling than being an employee. Most importantly, the Americans had been these groups only source of income, sporadic or steady, regardless of the amount earned. The Palomas women from these groups repeatedly expressed their gratitude to the Americans.

Likewise, acknowledging that the Americans sincerely wanted to help the same community, and that the women from the two groups, despite their grievances, expressed their desire to move forward as a single cooperative. Then, how might reconciliation have been accomplished? To begin with, the members’ vision was to have a place with an environment similar to the beginning of the cooperative, at Alma’s place, which was amicable and upbeat. The women went there to work and received compliments for their work. This appreciation gave the women satisfaction, pride, and assertiveness that they
could accomplish other work rather than selling on the street or doing servile labor. Like Tina said, “It was more balanced.” 56 Raquel added,  

I would like that they 57 talk to the foundation again and tell them to get together as before and to put forward their ideas and tell us clearly, this is done this way. We want that this function and we don’t want conflicts.58

The wish for one co-op can be the foundation and cornerstone to start a dialogue. The women from both groups can start acknowledging their differences and the Americans willingness to be part of the discussion for the sake of the cooperative as a whole. There are other positive steps to take. First, develop good communications to downplay conflicts and dispel confusion. For example, there is confusion as to what are the interests of the American in them. Some think that the Americans helped them because they have a good heart; others think they represent the donors and have to be accountable to them; and one member thinks they make a profit from the sales of cooperative products.59 Second, there could be a partnership between the Americans and the women to find and understand these groups’ income needs, skills, competencies, and co-op work strategies with the goal of the members’ well being. Some members, other than handcraft knowledge, expressed they wanted to learn social skills such as how to speak, or to work in an assembly line setting. Third, could be examining what works in the formal and the informal labor operations to produce reasonable capacity building for the women. Lastly, would be to make arrangements to secure the building as the

56 “Era más equilibrado”
57 She believes that Sue, Amy, and Debbie work for the foundation
58 “Pero me gustaría que volvieran a hablar con los fundadores y volvieran y les pudieran decir que se juntaran de nuevo como antes y que pusieran sus ideas claras, y decir esto es así. Queremos que esto funcione así y no queremos conflictos.”
59 Ada, a Handcraft group member and former member of the Brand group, believed that the Americans made a profit selling their products. She gave an example, “For instance, a bag is worth $15, they sell it for $20 or $25, and they give us $15” (“Por decir ellos venden una bolsa que cuesta $15 ellos, por decir, la dan a $20 o $25 y a nosotros nos dan $15.”)
cooperative headquarters to have a place to work and socialize in a sustainable way and ongoing basis for all. Above all, it is essential that all the voices of the community be acknowledge and valued.60

**Second story: Gravity and other Forces.**

*How external constraints had affected the cooperative member’s capacity for sustainability and the Americans commitment to this group of women.*

Only three years ago the estimated population in Palomas was 6,000 people 61 and the retail market was bustling. The surge of violence in 200862 had tragic consequences for the people living in Palomas, which are still felt today. There were an increased number of deaths and kidnappings for ransom. Consequently, the Palomas population decreased to an estimated 3,000 due to the crimes and leaving town for security reasons.63 Businesses and professionals also decreased at a substantial rate. For example, out of 29 restaurants open in Palomas, mapped out in the summer of 2007, 10 had closed as of November 2009, and out of 10 dentists, three had left due to threats on their lives, and one was kidnapped recently.64 Pharmacies, dentists and eye care professionals had been

60 See Appendix Chart 2
62 Billie Greenwood, Sunday, March 23, 2008 in *TravelPod.com blog*, “Even in tiny Palomas, Mexico--dirt-road small town 90 miles west--40 murders this year caused all the police force to quit their jobs with the police chief pleading for asylum from U.S. … leaving the town "out of control" according to the neighboring Columbus, NM mayor.” from http://www.travelpod.com/travel-blog-entries/billiegreenwood/borderexplorer/1206298140/tpod.html?tweb_UID=billiegreenwood, Downloaded 10/12/2010.
63 This estimate was given by the member’s themselves. Rodolfo Cruz Piñero on his Bi-natioal Research Paper stated that some border cities had a negative population growth. Janos growth, which is in the same region of the study, was -0.6 percent (April 14, 2009). There is no official Mexican 2010 census published yet. It is difficult to estimate the current population, particularly in the border region, because some people are afraid of violent retaliation and do not want to be counted (Gomez Licon, 2010). The Mexican *Instituto Nacional de Estadística y Geografía* (INEGU) showed that Ascención, Paloma’s municipal head, had 22,392 people in 2005. http://www.inegi.org.mx/sistemas/bise/mexicocifras/MexicoCifras.aspx?e=8&m=0&sec=M&ind=100200001&ent=8&enn=Chihuahua&ani=2005.
64 Data was from a quick economic survey conducted by UNM students under the direction of Dr. David Henkel, Jr.
the main attractions of medical tourism. The abduction and murder of the Mayor of Palomas was one of the most shocking episodes in Palomas during this research, who I interviewed just three weeks before this incident. The amount of violence inflicted on this small town has had enormous negative consequences for the people living in Palomas and for the people who in some way or another frequent, or used to frequent, this border town. This impact surfaced concerns on how this violence can affect the cooperative member’s capacity to build a sustainable way to make a living, and how it can affect the Americans’ commitment to these women.

The community of Palomas, also, had faced a number of external constraints from local, regional, national, and global sources. Additionally, this community has been influenced by the culture of patriarchy, hierarchical institutions, and top-down political decision making. The role of governments, international institutions, markets and nongovernmental organizations had been important in understanding the process of sustainability and how capacities needed to be strengthened. For the most part international institutions had been absent, though non-profit organizations have been present in Palomas for some time. Some of them had disbanded like the Desert Humanitarians. Still others worked in these border towns as part of bigger visions, such as Border 2010 and New Mexico State Border Health Project. The pressures that these organizations fail t address have limited Palomas’ growth and development, and created

65 The women referred to their husbands as “mi señor”, loosely translated “the one that I am under”.  
66 The school system requests additional moneys for things such as taking a test, which should be covered by the tuition, making access difficult and expensive for these families.  
67 This fact is not always a bad thing, for example, the Mayor made the decision to give the co-op the use of the building that facilitated an affordable place for them.
difficulty accessing markets. Local violence and increased security measures from the north side of the border also play a critical role.68

Regarding the issue of sustainability, faced with these barriers its development has been challenging. However, the Americans’ benefactors and the members from both groups have been doing the best they could. This study chose to define sustainability as the development of capacity building to ensure a dignified way of living aimed at achieving sustainable economic development. Capacity building was defined as developing tools to fit the community interests to satisfy strategic and pragmatic needs. 69 This should include ways to increase individual skill levels defined by the needs of the women as to what kind of capacity building they wanted for a dignified way to make a sustainable living. The voice of the cooperative members expressed these wishes and highlighted the importance of both of the American NGO’s assistance in fulfilling those requests.

To begin addressing how the role of these two NGOs would fit the process of capacity building for sustainability; one must observe how each NGO was working toward that end. The American Supporters had contributed to these women building capacity with concrete actions. During the time Esther spent in Columbus, winter and fall, she made the best use of her time by seeking donors, writing grants and going down to Palomas on important events such as the Christmas celebration. She made herself available as a person and as a priest, if any one was interested. She has been careful not to portray herself as a missionary, but as someone that could provide comfort. Esther and Debbie’s main difficulty had been their insufficient knowledge of Spanish. Sue had been

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68 Details in Literature Review Chapter III
69 See Chapter III
the most active and involved with the *MEX Family Cooperative* in Palomas, almost year round with an informal style of production. \(^{70}\)

The *American Supporters* had contributed positively with important tools to developed capacity like teaching new skills, grants, micro-loans and support in marketing the *Handcrafter*’s products. They brought to the woman several workshops to teach new skills. The women have used this new capacity to make products to sell to the US market and sometimes to friends. The most popular workshops were crochet and a ceramic workshop at Alma’s place, \(^{71}\) and a quilt project on October 2009 on the public building. This was the first thorough class taught by an expert to the *Handcraft* group for a total of six weekends. \(^{72}\) The end product was a quilt made and assembled by the women that sold successfully.

Conversely, *NM Line* worked and contributed to their group’s capacity to be self-sufficient in the form of a business model. \(^{73}\) This structure contributed to the women’s capacity by teaching the skill on how to sew products made out of oilcloth, which was challenging to learn but in the long run they had become experts.

Clearly the *American Supporters* were bringing tutors to teach a variety of new skills that have been beneficial; however, there was no feedback from the group if they needed more time to learn the skill, or an awareness of the different levels of skills within the group. This unevenness created inequality in the overall group where the skilful were the ones selling. At the same time the *NM Line* developed expertise in one skill creating a venue for steady income, but the narrow structure did not leave room for learning other

\(^{70}\) Details in *Case Description* and *Gravity and other Forces*.
\(^{71}\) (Amy, personal information, March 14, 2008)
\(^{72}\) This project was brought by Sue who recruited an expert quilter from Silver City, who donated her time and materials. The classes began Sep 26, 2009.
\(^{73}\) Details in *Case Description* and *Gravity and other Forces*
skills. Thus, while the American Supporters had an environment conducive to be creative but did not have a cohesive program for sustainability, the NM Line saw equity because they had an open process, but they were constrained to only one kind of income, and their creativity had been curtailed.

American Supporters and NM Lines different ways and positive contributions to capacity building can contribute to a possible successful model for strong sustainable development. Upon reflecting on their culture, both groups could use the positive traditions of hard work, friendliness, family, hospitality and loyalty as trademarks for their relationships. This would be reflected in a better place to work, and it would likely be more productive. In the same manner, the women could discern when cultural American’s biases could deter progress, like becoming dependent on producing one thing, or using power to divide or diminished others. This approach may bring ways for this group of women to progress toward a sustainable and appropriate enterprise.

Realistically, dependency solely on the US market and the agency of the Americans had impacted their capacity; as a result neither group had been making a sustainable income. This situation combined with a sense of conformity had brought a sense of fragility and un-sustainability, like Gloria said, “With so many conflicts between us, we should accept without complain the projects they [the Americans] bring to us”. The process to initiate a sustainable change should include external and internal sources of income. There is an opportunity that the Americans could encourage and/or teach the women how to operate in the US market, or find an internal market. Consequently, this research showed no clear path regarding which labor production fitted the overarching

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74 “Con tantos conflictos entre nosotros, que estemos mas conformes con los proyectos que nos traen”
member’s needs for self sufficiency, which would lead to a meaningful sustainable social change.

Notably, the members from both groups in Palomas had some good ideas that have a potential for sustainability, like selling the donations to their own members and bringing one project that all could make to generate income equality. Both groups developed strong bonds with each other and worked hard to keep what they considered important to them, including the exclusion of the other group. Some women were aware that some members needed to acquire skills and to practice them in order to increase their income. This group suggested teaching skills until they were learned well. Others thought to take a closer look at the formal labor process to see what was working there.

Regrettably, both groups had been distracted by the bitter relationships among them and were weary and anxious about the possibility that the commitment of the Americans would be affected by their internal problems. The commitment from the Americans to the women of Palomas, as an important issue for capacity building, at least appeared reliable. However, a closer look at this commitment revealed that out of the six Americans directly involved with women in Palomas, Esther only spent six months in Columbus, Debbie, Amy and Ernest spent the summer back in their home towns, and only two, Sue and Henry had been committed year round. The MEX Family cooperative women also sometimes felt that the commitment was uncertain. As has been mention before, they feared that the Americans’ commitment could stop because of the many problems the groups had. The women from the Brand group felt that if Amy withdrew her commitment to them their business would not succeed. The Handcraft group, particularly those women who had been there from the beginning, was concerned that if
Sue ended her commitment to them, their products would not be sold in the US anymore because she was the sole marketing person. Adding to this uncertainty, they had noticed a change in Sue’s demeanor. Tina said, “She doesn’t look happy anymore. She is the essence of the cooperative”.

Perhaps this comment was an underlining perception that Sue had decided, confidentially, to only work with these women for two more years; a fact that was unknown to the other Americans or to the Handcraft’s group. Nonetheless, the women from both groups put their fear aside and assumed that as long as the Americans continued providing sales income, donations, and support, they would remain committed to the cooperative.

The ever present local violence underlines the questionable capacity building and tenuous commitment from the Americans. It has also made difficult to find volunteers willing to go there, and the ones that go quit after one or two sessions. The Americans expressed worry about the local violence in Palomas; it was their number one concern. Another concern that Esther and Sue had was that if the cooperative started making money, these women could be vulnerable to extortion, kidnapping or robbery. This fear raised the question of whether the American effort to help the economic independence of the women had been dampened to avoid harm.

However, for the women in both Mexican groups, surprisingly, violence was not their number one concern. Instead, the top concern for them was the uncertainty about whether the Americans would stop coming to help. The violence issue for the Palomas’s community had been either dismissed or ignored. Setting aside the conversation about the local violence seemed common in this community. These included officials like the

75 “Ella no se ve tan contenta como antes. Es la esencia de la cooperative”
late Mayor who did not mentioned in his interview the prevalence of local violence as being a factor in the development of the town.

All of the women had been touched in some-way or another by this violence. They did not deny its existence but chose not to dwell on it. The women told stories in the interviews that were heart-breaking. Some of the women asked that their stories not be recorded. Of the stories that were permitted to be recorded, one was particularly sorrowful. Enid, from the Handcraft group was a quiet person, and she has been happy learning new things with the hope to make money. Her economic situation was precarious, and she was not very skillful. She had three sons. One was in jail in the US for possession of drugs, and the other two sons were killed in Palomas in 2008. She said, “I do not understand why because they were good kids. One of them had a family with children.” This woman, as was with the majority of the women, could not deny the violence, but had to keep going to survive anyway she could. It had become, in a way, part of their daily life. Moreover, these women did not see the cooperative’s success as a threat to their security like the Americans saw it.

The local violence had clearly impacted the operations of the Americans in Palomas and had diminished their commitment to the community. When local violence spiked the Americans stayed home. Increased security on the American side of the border also had influenced the transfer of products across the border. Ernest and Amy had the fewest problems crossing the products, because they had a volunteer network that picked bags stored in the Main Store and passed them as gifts. The owner made arrangements with Amy that she would keep her products to be sold in the USA in the back, and when her network came to pick them up she would bag them as if they were
bought in her store. On the other hand Sue had been the sole person crossing their products. This prompted the border authorities to search her car often, which made Sue nervous. She felt compelled to have a meeting with some border authorities where she learned that the safest products to cross were those considered art. Consequently, the revenue opportunities for the artisan’s group diminished to those types of items. In addition, the few sales the women did for American visitors had been drastically reduced because tourists had stopped coming to their community. Therefore, as much as the women tried to put aside the issue of local violence, it was clearly affecting them in a direct and negative way.

Overall, the cooperative members have trusted the Americans, and their influence in their lives had been strong. This positive environment could have been the basis of starting a productive dialogue. It is important that the Americans listen to the member’s needs and hopes for the future without overlapping their vision aligned with their own production philosophy. This could lead to discovering the importance of their role in the women daily lives. Additionally, the Americans could start clarifying what has been working and what has not with the different labor processes. Also they could determine what could work from these two models to increase in a productive way these women’s needs for the development of their own capacity toward future sustainability. Particularly, the Americans could give some technical assistance in helping the women to develop other sustainable activities. For instance, several of the Handcrafter’s members wanted to explore starting a local store as a venue to sell their products to tourists and local people, even if it meant less money. Elsa stated that she believes the Americans eventually would stop coming. With the state of the economy and possible fees for
crossing their products, they had to find a way to open a store and, perhaps, sell for less locally. She affirmed that the co-op was the only thing around where she could make money. The idea of the store could lessen the dependency of having only one external sources of revenue. This could be an essential element in developing strategies and instruments to maintain sustainable self-reliance as a measure of social and economic justice. Another possibility is the vision that Henry had that the *MEX Family Cooperative* in Palomas work in a partnership with the *New Mexico Cooperative*. These two co-ops had been founded as sister co-ops. His vision was that the co-op in Columbus market the products in the US and open a bank account for this purpose. The women in Palomas who are able to cross can bring the products and pick-up the money from their sales in Columbus. Naturally, these alternatives should have strategies when there is a spike in local violence.

Equally important, the *Handcraft* group and the *Brand* group should start a dialogue to find common ground, bring out their expertise as residents of Palomas in navigating a fragile environment and a weak economy. This conversation could be a good resource for the Americans in determining how they could best help these women. The flow of the market through the border had been interrupted by flares of local violence. Planning for a continuity of income for these groups during these periods is important. This could be an opportunity for the Americans helping to build capacity for internal ways to navigate this volatile environment, with independent and progressive solutions for the success of the cooperative as a business endeavor. As an added benefit, the community at large could be enriched. As the Mayor said when referring to these two groups of women, he had high hopes and wished that the cooperative success. His
understanding of the operation and role of the cooperative was that, “The cooperative is a group of people that are partners to produce something that can be sold in the US. These incomes indirectly help the community because they will spend their money locally buying groceries and other things they need” 76

**Third story: Gatekeepers and Empowerment.**

*The meaning of controlling power vs. community empowerment was intertwined. Did economic empowerment addressed member’s equality and equity?*

The word “empowerment” has become common terminology, and it is frequently used by planner practitioners, institutions and non-profit organizations when referring to helping poor communities to take care of their needs. However, the same word may be construed by some communities as a different kind of power structure. In particular influences by authority, culture, or by proxy 77 may percolate the power of the status quo into the concept of empowerment. The concept of culture 78 had been central in significant social changes; therefore it should be an important element to consider.

This study defines empowerment as the practice of building social capital capable of bringing about fundamental changes. These changes should be based on the Palomas women’s capacity to develop self-sufficiency in their own terms. In other words, empowerment is not meant as having power over the other but rather as recognizing one’s own capacity 79 to make and do things which would give each woman in this

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76 “La cooperativa es un conjunto de personas que son socias para producir algo que se vende en los Estados Unidos. Esas entradas en manera indirecta ayuda a la comunidad porque se van a gastar su dinero localmente comprando mandado y otras cosas que necesiten.” Interview Sep 11, 2009

77 This could be the influences from outside sources, such as the NGOs that bring their own idea of what empowerment means.

78 Robert White in *Is Empowerment the Answer* (2004) cited Jan Servaes as addressing "culture as the arena of the struggle for empowerment." Info on Servaes can be found in [http://www.umass.edu/communication/faculty_staff/servaes.shtml](http://www.umass.edu/communication/faculty_staff/servaes.shtml)

79 Caroline Moser in *Gender Planning and Development* (1999) recognizes the inequalities between men and women and the cultural subordination of women in the household when planning for poor women in
COOPERATIVES AS A POSSIBLE ANSWER

cooperative value and inner strength. This context could be used as a framework for how these different organizations understood and applied empowerment in building capacity into their cooperative models.

Toward that end, the structures, mission, and perspectives of empowerment of the *American Supporters* and *NM Line* should be reflective of the Palomas women’s needs. Next, they should evaluate how the Americans’ work impacted the cooperative capacity building to develop self-sufficiency within the context of culture and environment. This should be followed by examining how the Americans influenced the members’ understanding of the meaning of empowerment, and how the women understood that meaning, specifically whether it was understood as empowerment or as hierarchical power. Lastly, they should answer whether the work accomplished lead to self-sufficiency.

The *American Friends NGO* in Columbus mission did not change since the beginning of the cooperative, “To empower women and their families to work together, by developing skills and using new resources to improve their lives.” Although, accepting the NGO mission, each one of the *American Supporters* individually shaped the meaning according to their own motivations and their role with the co-op. Esther, the originator of the co-op, had been marginally involved because she only spent six months in Columbus. She said that for her, empowerment was “modeled after the UN millennium goals [of] serving and helping women with economic development, giving [them] voice and choice,” and that it has been inspired by, “A higher source and [my motivation] was more humanistic than feminist.” Her role in the community was to keep

the Third World. However, she also said that equality is not the goal of empowerment but rather the discovery of what the women are capable of doing on their own, which gives them a sense of value and inner strength.
a spiritual connection, to be a peace maker, a cheerleader, a benefactor, and to love the women unconditionally. In the case of Debbie, her idea of empowerment was equal to the NGO’s, but she had been mostly involved with the New Mexico Cooperative that was founded by American Friends NGO as a sister organization to the MEX Family Cooperative in Palomas. Meanwhile, Sue defined empowerment as, “any single decision that [the Palomas women] take and make. It is [the decision] that has permanency and possibilities”. She was motivated by her belief that she was born to serve. Sue defined her role as an American supporter to the co-op. Henry, Sue’s husband, believed that empowerment, “has to have some kind of economic justice to the poor of this world.” His role had been to support and help Sue in all she needs to do her work.

On the other hand, the NM Line NGO mission is to “fight poverty and empowering the working poor.” Their definition of empowerment was that it could only be achieved through the ownership of a small business. Amy said, “our idea has been that the women [in Palomas] themselves could take over most of the aspects of running a business.” Their motivation to do this work was to have an opportunity to impact a community, to have an interesting life and at the same time to have fun. They defined their role as teachers in small businesses operations with the Brand group and the green energy projects, which were aimed at reducing community expenses.

Examining how American Supporters and NM Line worked and contributed to economic empowerment for the Palomas women to gain self-sufficiency could lead to

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80 The new co-op in Columbus was funded by the New Mexico Women Foundation; these funds were restricted to this co-op.
81 He said that he mostly observes and shares them with Sue, searches the Internet for ideas, drives, and carry the heavy things that were brought to the community.
how the members understood what empowerment is. The *American Supporters*, with Sue’s leadership, used an approach to generate income that was laid out as an informal labor production. Their goal was to give the women the freedom to choose what they wanted to do. Its function was flexible, sociable, and the decision making had been horizontal. The members, ultimately, chose what they wanted to produce.\textsuperscript{82} For the *Handcraft* group, the informal labor production has been controversial. There was a feeling of inequality because not everyone made money, and no one made a steady income. The women who were successful already had produced quality work that met the US standards, and they were able to sell the most. Those who were not as skillful were frustrated because they did not receive feedback as to why their products had not been sold. Ines felt that, “There is no direction. People work for their own interests, not for the co-op.” While Lisa said, “The people need creativity… new projects should stay long enough until they can be learned well.”

NM Line NGO, managed by Amy, approach to generating income was formal labor production, hierarchical and supervised. To this end, Amy had been running a highly structured production of oilcloth goods. She controlled the funding, structure, operations, and distributions. Their product was required to meet US market quality standards. The women received $5 per item as a fair wage commensurate for this region.\textsuperscript{83} Amy found a product that she thought was “viable” to be sold in the US. She assumed that wanting ‘to teach the women in [the] group to learn accounting principles of inventory, distribution and selling”, in another words how to run a business, would empower them, foster equality and give them a good living. However, there was no

\textsuperscript{82} Details in *Gravity and other Forces*

\textsuperscript{83} Details in *Case Description*,
Cooperatives as a Possible Answer

disclosure to the women, or the other Americans, as to where the products were sold, or who had placed the orders. Equally, there was no discussion that the project was limited by the funds and market availability. This project had already secured funds from a donor, and that it would become a source of regular income in the months to come was not disclosed to the group or the other Americans. Amy and Ernest believed that the reason they had been more successful empowering the women than the other group was because these women were learning the principles of business ownership. This included dividing their labor equally, which had resulted in income equality.

There were other activities that came from the informal setting of the Handcraft group: a democratically elected Mesa Directiva, the commoditization of the donations, and the freedom to vote out people they did not want in the coop. The election of the Mesa Directiva was particularly important in the process of empowerment, which appeared democratic because the members voted on who the officers were. Soon after this Mesa Directiva, however, took a life of its own. The first elected president, Lisa, had a car accident two weeks after they moved to the rental house. The elected vice-president, Carmen, was to take her position while she was away; however, she was reluctant to take leadership. Most likely she had a personal conflict to which group she was to be loyal. She was working in the Brand group, but being an officer in the Mesa Directiva gave the appearance she was working for the Handcraft group. The secretary, Edna from the Brand group, stopped acting as such because she was the target of

84 (Sue, personal communication, Sep 19, 2009). The 13 members of the general Handcraft group, on Friday’s meeting, without the presence of the Brand group, decided they did not want to work with them on any level. She added that despite her desire for unity for the two groups; she would respect the group “auto determination” to own the cooperative and how to function. Also, she wrote “I witnessed something so powerful” by witnessing them building community, and that will “foster them by complete acceptance of them as they are and of their community building process just as they do it.”
controversies and, for her, belonging to the *Brand* group was more important.\(^{85}\) The accountant, Olga from the *Handcraft* group, has been the constant person since the beginning. Carmen finally decided to quit the presidency and chose to belong to the *Brand* group. This vacuum was filled by the accountant and two other members from the *Handcraft* group, Rubén and Dora, who had strong personalities and both were bilingual. Rubén was the only male in the group. Olga added the presidency to her accounting responsibilities. Dora became the secretary and the manager of the donations storage. These new positions were confirmed in an ad hoc meeting after the regular Friday meeting, with few of members present, which they considered a quorum.\(^{86}\) Rubén was not elected to any position but he became very influential in decision-making. He also kept alive grievances against the *Brand* group in all their weekly meetings. By the time this research was finished, Lisa came back and took over her position as president. By this time the *Handcraft* group had 13 members. During this time the power was in the hands of only 23 per cent of the membership, who acted in the name of the group.

The *Mesa Directiva* became a center of controversies. For the elected members to acknowledge their positions was a good thing, because it gave them personal confidence, assertiveness and satisfaction. The electors had a different take. Some women elected the original members thinking they knew what they were doing, while others, like Elsa, were willing to accept this leadership as long as the board did good work. Others criticized the decisions because they were made based on those who had more power, spoke louder, or knew English. Similarly, others disapproved of the board officer’s

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\(^{85}\) A meeting took place on Saturday, June 27 with a small group of MEX Cooperative. Carmen and Olga from the *Mesa Directiva* were there; Edna was absent, who I had not met. A great part of the meeting was dedicated to complaint against Edna.

\(^{86}\) July 24, 2009 meeting
decision-making because they felt it did not benefit the group. For example, Inés’

confidential opinion of the president was,

I know she is the president, and she is in the board of director. It would be
better that we give her instructions than the ones she gives to us. Then, I
say this is not managed well. If I were the director, even if I was not liked,
I would put a stop to this [chaos].”

Similarly others complained that they were bypassed altogether by the *Mesa Directiva,*
like Sara said, when the whole group left Alma’s place, “I didn’t know they fought, I
thought they found a better place. The thing is that the oldest [co-op] members and the
*Mesa Directiva* have the communications and made the decisions. They didn’t take me
into consideration because I was new”. The *Brand* group thought that creating the
*Mesa Directiva* was the worst thing they had done. Three out of their seven members
blamed the board directly for the break between the two groups, stating that it gave a few
people too much power and they were working for their own interests. This suggested
that despite democratic elections, the women were acquiescent to the customary political
process within their culture, “It is better to keep what you know, even if it is bad, than
trying an unknown good”. The elected group was elite and perceived as those who
knew more despite disagreements.

The *American Supporters* believed the women in the *Handcraft* group were on the
path to empowerment, because they were making labor and decisions on their own. The

*American Supporters* encouraged this behavior. While the *Handcrafter* member’s

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87 “Yo se que ella es presidenta y esta en la mesa directiva, pero mejor le da uno instrucciones a ella, que
ella a nosotros. Entonces yo digo que todo esta muy mal, my mal dirigido. Si yo fuera la directora, pos
aunque no me quisieran, yo les ponía un hasta aquí.”
88 “Yo no sabía que se habían enojado, yo pensé que habían encontrado otro lugar mejor. Nada más las
más antiguas y las de la mesa directiva tienen la comunicación y hacen las decisiones. A mí no me
tomaron en cuenta porque era muy nueva”
89 “Es mejor malo por conocido que bueno por conocer”
90 The elected were the oldest members of the co-op, were more affluent, had higher education or knew
English.
freedom to choose a production mode appeared to be a form of empowerment without capacity it promotes a sense of frustration rather than a sense of value. While it is true that making decisions, using democratic principles for elections and freedom to develop norms and values could be empowering, there was a concern when observing these decisions who was choosing, how it was determined, whose interests were being promoted, and if all MEX Family Cooperative voices were heard. In the developing of the cooperative, the way the officers kept their position and made decisions was problematic. For example, Tina, an original member, 91 said that she did not agree to close the doors to the other group, but chose not to say anything in order not to make enemies. This person was well respected and usually expressed her opinion. This illustration showed an example how elections could be skewed by members who abstained under fear of being misunderstood. Similarly, the decision of the Mesa Directiva to exclude the Brand group from the public building premises and from buying donations was done by a few people, and it had been emotionally motivated.92 Evidence indicates that this choice was made for personal interests rather than the group interests.

On the other hand, the Handcrafter’s decision to turn the donations into commodities had been beneficial to this group of women. This idea was transformative because it generated some needed income to cover the expenses of the cooperative that they otherwise could not afford. In the same way, the decision to charge reasonable membership dues and a percentage from their sales had become an asset to the cooperative and to the members as well.

91 This meant that she was one of the first members of the cooperative back in 2008.
92 The accountant told this researcher that this decision was made by the board of director’s president, the secretary, and herself.
Likewise, for the women from the Brand group the pattern of getting together to give their work to Amy for inspection, to receive instructions, work together and, equally distribute the work and the money, created a strong bond in this group and a sense of equity, equality, security, cohesiveness and homogeneity.

The principles of business ownership were necessary tools for this group and a positive contribution to the future success of the cooperative as a business endeavor. However, some of the shortcomings had been the specialization of the division of labor in such a small group. Among the seven women there were only three women responsible for certain tasks given by Amy. Edna handled the money, the inventory and accounting. The other two were Carol, who distributed the orders equally among the group, and Rosa, who collected money from Palomas’ main store. This had been an impediment to the comprehension of the business process by the rest, even though that was not what Amy had intended.

The positive outcomes of this group’s model had been steady income. The women said that the average amount of money they received per week was $30, but it was not sufficient to cover their basic needs. According to Sara the minimum salary in Palomas was about 140 pesos per day, which was the equivalent of $14. This meant the average intake was about two days worth of work. Even tough the Brand group had a strong sense of equality they did not have sense of ownership. This was how Flor saw her work with Amy, “The work we do is for Amy, not for us”

93 The women working under this model, however, thought that they were Amy’s employees rather than owners, and viewed their income as wages rather than as a business share. The money they received had been considered wages, which was one of the reasons why Flor felt the 5%

93 El trabajo que hacemos no es de nosotros, el trabajo es para Amy”
COOPERATIVES AS A POSSIBLE ANSWER

profit the cooperative imposed on sales did not apply to them, because they received money per item and, ultimately, the items did not belong to them. Accepting Amy as their boss may have influenced them to accept Amy’s leadership and dependency in exchange for income security, rather than initiating how they could make this project their own. It is possibly that this modus operandi was familiar territory from their cultural status quo. This was hierarchical order and acceptance of power from someone who was perceived as a benefactor. Moreover, this situation reinforced the women’s beliefs that a hierarchical order was the correct way to make a stable income rather than to be small business owners. They all agreed that their way was so good that they suggested telling the *Handcraft* group to consider this model.

Regarding the social capital necessary for empowerment, for the women of the cooperative this was complex and took some time to be developed. The older women came to Palomas from different parts of the interior, mostly following their husbands who were already working across the US/Mexican border. It was more advantageous for the family that the husband was paid in dollars while his wife and children lived in Palomas where the standard of living was more affordable. The younger women came when they were children, or they were born there. Before the cooperative was formed, the network among this group of women was weak, or did not exist. Their relationships started after the cooperative was founded. Therefore, the cooperative became a valuable resource, and became the strongest source of social capital they had. It can be said that the arrival of the cooperative produced a meaningful change with the potential of economic sustainability. From the perspective of the *Handcrafters*, the operational control of the cooperative and its decision making authority could become a better tool with the
participation of all the members. From the perspective of the Brand group, their goals of empowerment with this model could be more successful by developing strategies to increase capacities for self-sufficiency.

Conversely, the women’s revenue depended on the amount of income generated by the Americans in the US, regardless of whether or not Sue wanted the women to have freedom of choice, or Amy’s smooth running operation. The women in the Handcraft group inquired why they were kept from a steady income. They did not understand how the Brand group worked to accomplish this steady income. Sara said, “I saw that each week, the women making the aprons… the came with money… then, my question was why we all don’t do the aprons”. In their own environment they saw inequality, Gloria said, “All of us wanted to be in the Brand group and work in both places, because the sales for handcrafts are few, and that with the aprons we saw secure weekly money”. The Brand group women for their part thought their success had created envy, like Rocío who felt that the Handcraft did not like them because of, “envy and a perception of social inequality.” These feelings were so intense they disrupted their unity and made the Handcraft group less productive.

The view and devaluation of the other work between the two American NGO leaders had been directly correlated on how each one believed that their way was the correct one. Sue stated that, although she recognized the income for these women was a positive aspect, her “role in the co-op is of cooperation in the development and function

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94 “Yo veía cada semana, las señoras que hacen los mandiles … ellas salían con dinero … entonces mi pregunta era por que no hacemos todas mandiles y bolsas.”
95 “Y todas queríamos entrar a los mandiles y hacer aquí y allá de los dos, pues porque claro los tejidos es muy poco lo que se vende y los mandiles nosotros veíamos que era dinero seguro por semana.”
96 “Envidia y que ven desigualdad”
of the co-op as the members self-determined rather than a business model that Ernest and Amy have developed.” For her part Amy said,

Our idea has been that the women themselves could take over most of the aspects of running business … the selling in the US I have to do because none of them can cross … anyway we have been fortunate, we have some good places to sell and turn out to be that. This really is one goal of the NM Line NGO, that we want to work with individuals or small groups of people that want to start their own businesses that could make a decent income for them.

While Ernest said that the main problem was “It’s jealousy about money, because, and that I know as a fact, that the Brand group is making money and the Handcraft group are making squat.”

Lastly, could the work accomplished by the Americans lead to self-sufficiency? The notion of empowerment, the motivations, the roles and the implementation of a co-op model for American Supporters and NM Line were fundamentally different. However, one can not draw a conclusion about which approach was better. Both of these approaches had strengths and weaknesses. Comparing the findings with the definition of empowerment in this study as “social capital capable of fundamental change” it appeared that the goals of American Supporters and NM Line both fell short. The American Supporters, contribution to skill building was very valuable. However, the value they gave to the women making their own decisions without introspection resulted in member decision making that was often top-down and actions beneficial for some people or another instead of the group as a whole. The NM Line produced a steady income and equal distribution, including its perception of exclusivity, and made a positive contribution in the lives of the Brand group women, but they were excluded from holistic overview of running a business, leading to the group’s belief that they were Amy’s

97 Details in Gravity and other Forces
employees. Ultimately, it can be said that the activities from both NGO models had been focused primarily on access to income and were driven by the amount of work each women produced to be sold across the border, based on the appeal the products had in the US market.

Likewise, the \textit{Handcraft} group made some decisions that had been clearly empowering, such as converting the donations into commodities, the membership fees and a percentage of the sales as income for cooperative maintenance. One can elaborate that the separation of these groups into the distinctive mode of production and allegiances with the Americans may have contributed to different empowerment goals. The \textit{Handcraft} group secured new projects as a source of income, and the \textit{Brand} group secured the steady income they enjoy. On the other hand, the \textit{Brand} group’s hierarchical processes looked like a power structure similar to the cultural status quo of Mexico rather than empowerment. Also, some of the \textit{Handcrafters} decisions were a mix between empowerment and the power status quo, such as the decision to ban the \textit{Brand} group from their projects. This was presented as the will of the \textit{Handcraft} group but in reality the \textit{Mesa Directiva} made the decision. While other decisions and actions were clearly taken by and for the interest of the few, such as crossing the \textit{Brand} group names from the list to access the donations, which was done by a few that personally did not like them, even if it meant losing revenue.\footnote{See \textit{Appendix} Chart 3}

The next section addresses other two NGOs on the US/Mexican border. A comparative analysis could generate some ideas for the NGOs. In the meantime, addressing the needs of the women in both groups as whole, as a unit, using the positive outcomes from the two philosophies, reassessing the things that were not conducive to
self sufficiency, could lead to an increase in capacity of the community of women to find out what was going to work for them, within their own cultural realm. Again, this conversation should highlight the relevance of the community’s voice and the relevance of the NGOs in continued help to the community.

**Comparative Cases**

These two comparative cases have similar dynamics, geography, cultural constraints, and uncertain economic and social vulnerabilities in the context of local violence. The leadership from two organizations located on the Arizona/Sonora, Mexico and Texas/Chihuahua, Mexico borders were approached, and they agreed to be interviewed. The inquiry covered their thought process into creating their cooperative on the US/Mexican border, the dynamics and evolution of the cooperative, challenges and success stories, and lastly, what advice they had for the Palomas Cooperatives in Mexico and the NGOs in New Mexico.

**DPW and DPT on AZ/Mexico Border.**

**Case description.**

One of the organizations was on the Arizona/Mexico border. These were two organizations working as a partnership. In Arizona it was called *Douglas-Prieta Works* (DPW) NGO, and in Mexico it was called *Douglas-Prieta Trabajan* (DPT) Asociación Civil. These organizations have been working together for five years. The people interviewed were Marybeth Webster and José Luis Ramirez. Marybeth represented the DPW NGO, who was one of the founders, in her role as a liaison, secretary for DPW, and fund raiser. José represented the DPT Asociación Civil, who was also a cofounder from the Mexican side, in his role as the Director, (a paid position by DPW board of directors),

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99 These are the real names; no pseudonyms were used in the comparative cases.
liaison and promoter of the new direction for the cooperative as an educational capacity builder.

DPW/DPT was created specifically to assist the Agua Prieta community in Sonora, Mexico. This was primarily motivated by personal beliefs. Marybeth’s motivation was as follows:

To me is something personal. It is the sadness for the situation of immigrants, loosing their intelligence and talents. To leave their work for something their intelligence and talent do not need. One of my strongest motivations was if it is possible to avoid the necessity to migrate.\textsuperscript{100}

José’s motivation was, “The fundamental idea was to help in any way possible our community.”\textsuperscript{101} The mission for both entities has been, “wanting to promote economic development and self-sufficiency in Mexico.”

The cooperative started after several conversations among six to seven people, including Marybeth and José. At that time they were transporting donations from Douglas for distribution among the needy people in Agua Prieta. After witnessing the waste and misuse of such donations, this group started to form an informal NGO to carry the donations across the border in a way that better served the people of Agua Prieta. The names of the organizations were “\textit{Unidos Podemos}”\textsuperscript{102} in Mexico and “\textit{Compartiendo con Otros}”\textsuperscript{103} in the US. Unfortunately, after awhile one of founders was asked to leave because of his relationship with a young Mexican girl. When he left he took with him the registered names of both organizations and continued to raise funds on the Web. Those funds were being raised for his own purpose, not their community they were intended to

\textsuperscript{100} “Para mi es algo personal. mi tristeza sobre la situación de los inmigrantes, la pérdida de su inteligencia y talento. Dejar ellos su trabajo en algo que no necesitan su inteligencia, su talento. Ser posible para evitar la necesidad de inmigración fue uno de mis motivos fuertes.”

\textsuperscript{101} “La idea fundamental era a ayudar en los que nos fuera posible a nuestra comunidad”.

\textsuperscript{102} “United We Can”

\textsuperscript{103} “Sharing with Others”
help. Following this incident, the cooperative started to have organizational problems. There were struggles with conflict of interests, power plays and hierarchical positioning. Eventually, the people who were creating the most problems left and the situation became better. At the time of the interviews, on August 23, 2009, they were finalizing the Asociación Civil process that would allow them to develop the cooperative as an educational project without too much interference from the Mexican government.

Marybeth said that one of the reasons for this change was that DPW had attempted for three years to manufacture products and promote the NGO on the US side, but without much success. She added that it was difficult to sell the products, and no one from the board of directors in Arizona had business or sales experience. Besides this, many NGOs attempted to sell in the same places in Silver City, Tucson, and Phoenix creating competition. José said that some of the furniture they were making found a local market (making beds for an orphanage). However, once the order had been completed, they were unable to find another local market. Marybeth and José were negotiating with Unpainted Furniture to open another US market for wood working, but that company went bankrupt, closing the doors to that idea.

The new focus on education fit the organizer’s vision and mission for this community. For them empowerment had been focused on social change as a matter of principle. José said, “Personally, I do not agree with the capitalist system we are now living under. This system has taught us, has demonstrated to us, that it is unsustainable. Some people live very well but the majority of people live in deplorable conditions.”

104 “Yo en lo personal no estoy muy de acuerdo con el sistema capitalista que estamos viviendo. El sistema nos ha enseñado, nos ha demostrado lo mucho que es incapaz de mantenerse. Viven muy bien unas pocas de personas pero la mayoría de las personas viven en condiciones muy lamentables.”
Another cause that had reinforced this change in focus was when José’s opportunity to learn permaculture. This made him realize that it was through education which provided the true potential to give individuals life changing skills. Another milestone was a grant used to buy land where they had been building the school on their own. In this school the curriculum will include developing capacities around permaculture, computer learning, and expanding on previous skills in carpentry, sewing, cooking, and English. The new setting also includes a section of the building dedicated to boarding facilities to invite visitors to view their work. This had been planned as a source of income and a learning opportunity for possible donors and the members. There are plans to involve the members in the process of hospitality, all the lodging logistics, and providing food from their own kitchens. This researcher observed a meeting in Agua Prieta with *DPT* board of directors, José, Marybeth, and some others members and guests. The process was like most business meetings. It was structured, followed an agenda that included discussions of current issues and what needed to be done until the next meeting. The meeting agenda was on a blackboard, and the next agenda was recorded on the blackboard as well.

**Comparative lessons.**

The two organizations on the Arizona border believed that empowerment is not possible without fundamental changes in the lives of the individuals. José said that he would like to tell the Palomas members that there are problems in any organization. However, he felt some of the most important things to consider when solving these problems were to have open communications, adding the following:

Material disinterest [it is important], because when there is material interests there is selfishness that disallows being able to work as a team,
because each person selfishness will take over. We had that experience; it was to want everything to one side and not shared. Then, I think that if the selfish sentiment is removed that is a good base, it could be a good start.\footnote{“Desinterés material, porque cuando se presentan intereses materiales hay mucho egoísmo de por medio que permite que se trabe en equipo porque sobresale el egoísmo de cada persona. Nosotros tuvimos esa experiencia y pues se trataba de querer todo para una parte y no compartir. Entonces, yo creo que si se elimina el sentimiento de egoísta es muy buena base, muy buen inicio pudiera ser.”}

Marybeth stated that she would advise Palomas to form a civil entity; the \textit{Asociación Civil} is a non-profit and was chosen because it gave them more organizational options. She also advised them to develop a business plan, to have clear rules including criminal behavior, (due to a couple of experiences both \textit{DPW} & \textit{DPT} had), and follow through with commitments. Both of them also said to seek advice, to look into other models and perhaps to share ideas and experiences with them. Their change of focus from selling to education had been a risk that both groups were willing to take, because they believed it was a better path to empowerment. All that said, other than permaculture which was already being practiced (as observed in some of the member’s houses), after the people learned skills, such as carpentry, it was unclear how they would implement these skills in an environment of job scarcity and social unrest.

There are notable lessons that Palomas could learn from the \textit{DPW/DPT} cooperative experience. They had run into difficulties crossing the products through the border. They assessed that the lack of expertise in marketing and competition from other NGOs doing the same thing decreased their income capacity. They recognized that power plays and personal conflicts were inevitable. They thought a good start would be finding common ground in order to change course. For them, this change fitted their beliefs of what capacity building meant. Despite that there were differences of opinions,
the way the meeting was structured seemed to have diffused personal conflicts. Writing
down the agenda items perhaps could avoid communications gaps.

**Santa Catalina Center, Women of Faith & Hope on TX/Mexico Border.**

**Case description.**

The other organizations were, *Santa Catalina Center* in El Paso, TX and *Las Mujeres de Fe y Esperanza Cooperative* in Colonia Pánfilo Natera, a marginal colonia in Juárez, Chihuahua, México. At 13 years, these organizations were the longest running of
the three US/Mexico regional NGOs. Sister Donna, the organizations’ founder and
director on both sides of the US/Mexican border, was the only person I interviewed. She
is a Catholic nun and bilingual. Each organization has an independent board of directors.
Unfortunately, there was no feasible opportunity to meet with the people from the
Mexican side due to local violence concerns.

Sister Donna’s motivation to be involved with the community in this Colonia was
deeply personal. She said,

> When I met the people who now live in this Colonia, built in the
side of an active municipal garbage dump, and saw the people really
picking the garbage out of the garbage dump, who were mostly women
and children, it just touched my conscience and also my commitment
and also my passion. And I knew that I couldn’t any longer talk about
what it meant to walk with people who are poor for their own human
growth and development, and so, I ended up giving up my
professorship at the university and I left there and came here.

Sister Donna formed a 501(c)3 NGO with the help of another sister and the
backing of her congregation, they were able to get grants to start a co-op in the Colonia.
The NGO’s mission read as follows: “spiritual and economic empowerment of
economically poor women and children.” Sister Donna said that her initial connection
with this community was prayer since these women already had a non-denominational
prayer group. She suggested that they start a co-op, which they agreed to do. They began with the help of an educational grant that paid them to be trained. The women learned how to sew and started making dresses, but could not sell them due to competition. Sister Donna stated that at that point no one knew what to do because neither she nor the women had any experience “on this kind of things.” Sister Donna added that they made tablemats and napkins, but they were competing with Wal-Mart. She stated, “You can’t compete with that, and besides we did not do them very well.” Next, they made piñatas, until they realized that the market in Juarez was flooded with piñatas. After that they made artificial flowers which were offered to the maquiladora’s workers. But this drew little interest, adding, “And then, the mice ate the flowers.” The turn around happened when the group of members and Sister Donna discovered two critical elements. The first was when they had gone to a Parasina. There they discovered a Mexican fabric called Cambaya to make products. Second, they decided to promote themselves and not just their product. They have developed a line of products that are unique because of this new material used, and they add “a little card in that and say whom we are, and how we are struggling.”

Once a product line and identity was developed, they sought advice on developing the co-op structure from an expert. The structure developed consisted of the premise that, “Every person is a member associate, we have a mesa of directors, and we have a finance committee.” The board of directors represented each part of the expanded organization. They served for two years, and then, other people were elected. They also were in charge of the preparation and presentation of the agenda to the group. The group made policy or

106 This is an exhibition event where there are cloth materials and other typical tools to do crafts made in Mexico. For more information go to http://www.telasgrupoparisina.com/awsHome.htm
action decisions. All the decisions had been compiled in a policy book as a guide. There were 29 members at the time of the interview. The labor was structured as well. They did their labor in the co-op headquarters, rather than taking them home. To be able to achieve their income goals, they planned the number and type of items to be sold across the border by an American sister who specialized in marketing. The members worked 3 hours a day for three days, and the rest of the time was for their families. All women participated in the production of the product according to skills, almost like an assembly line. When the money from the sales was received and distributed among them, if the amount exceeded their goal, the surplus was assigned to a co-op fund for maintenance and the acquisition of materials needed for production.

The co-op structure had a mix of a group decision making processes with some hierarchical organization. The labor production also had flexibility to allow the women to choose the part of the work they liked best. It also had rigid element; the work was done on the premises certain days and hours. Other than personal development, financial empowerment was measured in the amount of income earned. However, even with a marketing specialist on their side and a good web site set up, the bulk of their income depended on the Americans selling in the US. This was similar to the vulnerabilities that Palomas community had in terms of dependency on an external market.

**Comparative lessons.**

The organization on the Texas border believed that economic empowerment was achievable only if the women they served developed self-worth. Unfortunately, the lack of feedback from the women in the cooperative hinders exploration into whether they agreed with this philosophy. This model had an overt Catholic influence that apparently

\[107\] The goal at that time was $160 per month per member.
created common ground for the relationship between the Americans and the women in the Colonia, and that had become part of their identity. Nonetheless the cooperative in Juarez had been operating for over 13 years, which suggested they were doing something right. Sister Donna was confident in her approach. She thought their model could be a good example for Palomas, believing that they had overcome similar challenges. One was the group’s cohesiveness despite their cultural shortcomings. Another was finding a product line and how to market it. Additionally it was finding a workable structure and to be financially sustainable. Over the years the initial cooperative has expanded to the establishment of elementary education for children, a four year educational program for the women, a democratic Mesa Directiva, and a career path for members or young girls funded through grants to become teachers in their own schools.

All things considered, some of the experiences the cooperative had gone through were not very different from the trials that the Palomas cooperative have experienced. There was the trial of making different products that were not successful. Their turn around was when they found something that gave their work uniqueness as a marketing tool. The production process was somewhat rigid, but since the model was working, the women had no reason to change it, similar to the Brand group case. An additional benefit to this structure was that they had a time when they got together to work, when they shared time as a group, and the rest of the time was completely free for family time,

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108 Sister Donna believes that patriarchal subjugation of women and power struggles are part of the Mexican culture.
109 Sister Donna said that the women lately had exceeded the income goals and had been able to save over $2,000. She had not requested a grant for a while due to this solvency.
110 The curriculum covers the development of self-esteem and self-determination, the second her role as a woman leader in her family and in her community. The third and forth years revolved around faith, moral problems and spirituality.
school activities, and other personal pursuits. The board of directors had a positive role
to offer to the group, rather than being contentious. This was perhaps because it had
specific duties and the time served was also precise.

Reviewing the other regional cooperative organizations with similar
circumstances to Palomas and Columbus, there were some similarities that may have
contributed to their longevity. First, they defined what kind cooperative they wanted,
educational or production. Second, they found something that gave them identity: what
their curriculum was or what line of production they chose. They used the board of
directors with the specific tasks and responsibilities, in a way that the group as a whole
made decisions. Third, they adopted structural ways to identify what was not working
and what was, and then what was next on the agenda, through monthly scheduled
meetings. Fourth, they looked outside their limited perspective to find other viewpoints
that would end up working for them, such as Permaculture in Agua Prieta, and finding a
unique fabric in a craft/manufacture fair in the Colonia. Lastly, they kept what was
working, such as the assembly work in the Colonia. And were willing to change what
was not working, such as changing from a production to an educational cooperative.
Chapter V – Conclusions and Recommendations

Conclusions

The thesis inquired if a cooperative model was a possible solution to empower marginalized women in a challenging environment on the US/Mexico border. It seemed that the *American Supporters* philosophy resembled alternative development theory thought, which is community centered with bottom-up decision making (Friedmann, J. 1992). On the other hand, the *NM Border* came near to a neoliberal approach, which is market centered and hierarchical (Friedman, B., 2005); however, the models had their own character and did not fit either theory. The salient themes during the research were threefold. The first theme was the division of the American benefactors and the members of the cooperative. This was directly correlated to different business philosophies and weak communications between the *American Supporters* and *NM Line*. This benefactor’s division was mirrored by the *Handcraft* and *Brand* groups due to the income each philosophy produced. This causation was more evident looking at the member’s opinion of the Americans, which were the same. All of them were grateful but considered Sue too lax, soft, and letting others manipulate her. They considered Amy decisive and strong willed. This separation highlighted that conflict and gossip can develop on horizontal relationships, like the *American Supporters* and the *Handcraft* group. The members of such groups can choose to cooperate but when there are personal interests they can create enemies. By the same token, in hierarchical environments there are vertical relationships. These relationships, like the *NM Line* and the *Brand* group, generate solidarity and loyalty, but could also create bickering over differences that are
difficult to overcome, like the discrepancies between the Brand group and the Handcraft group (Staudt & Coronado, 2002).

Second, external constraints obstructed substantial member’s capacity building for sustainability and weakened commitment from benefactors. In particular, the presence of violence due to drug trafficking places small border communities in a dilemma to accept the hazardous economic prosperity these elements bring, or to find help from good sources for economic development with the prospect of been sustainable (Payan, 2006; Singer, 2008). It is worthy of remarking that, for the Americans, violence was unanimously the number one concern. For the members, however, it was not. In the Handcraft group 7 out of 13 did not acknowledge violence. Three acknowledged violence, but did not feel personally threatened. One victim said it was not their fault, another felt threatened as her residence belonged to a doctor who had to flee under threats, and another went to jail for using and dealing drugs. Similarly, the Brand group focused on their own problems and interests rather than local violence, including Rosa who lost her job because of it.

The third salient theme was how empowerment was understood as a source of ideas and challenged solutions in the development of capacity building and social capital and how it was measure and implemented to increase equity and equality. Increasing education and capacity transform social capital into permanent networks capable of develop other internal and external networks for a more successful social capital. This can promote collective benefits across social divisions for a better quality of life (Gomez Cruz, 2005). The process of building capacity became evident in the analysis that had already started. The American Supporters brought tutors to teach a variety of skills, but
they had been challenged to find the one thing they could become experts at. One good exception was the quilt project. *NM Line* honed one skill of the women, becoming highly skilled sewing oilcloth, into a product which met US market standards. This gave them a competitive advantage with other providers who had similar products in the US. The *Handcraft* group displayed these capacities by being able to buy a sewing machine with micro-credit and learning how to use it; also by learning different skills, selling their products, finding motivation and purpose to go to the co-op, having the ability to socialize and interact with other people, and teach their children the value of work. Similarly the *Brand* group exhibited these aptitudes by helping discover their talents, earning a steady income, being able to take care of basic needs, debts and child school expenses. Equally substantial were other capacities not as easy to inventory. They were the excitement experienced at having the opportunity to train, and to discover they were capable of learning new skills. They were also elated earning more money selling than from wages with previous employment. The salaries of women in this community were traditionally half that of the men, which was reflective of the national trend.\(^{111}\) And for those with steady incomes, self-reliance and self-esteem were high. Moreover, the feeling that they had a cooperative was valued as a place they could call their own to learn, and it provided a safe haven, and as a source of social capital.

**Recommendations**

Suggestions cover five important aspects: the needs, concerns, barriers, the vision and the vision of the member’s and the Americans, and the suggestions given by the other two regions.

\(^{111}\) Figures were given by Luisa Fernanda Camberos Revilla, General Director of Secretaria de Fomento Social in a lecture given National Intsitute for Women in the Hispanic Cultural Center. She stated that by 2007 the salaries for women were at the 468,231 pesos while for the men was 918,597 pesos.
In regards of the needs, both American groups wanted to know more about how to develop a micro-loan program. The *Handcraft* group members wanted to learn new things that develop a steady income. They also wanted to stop gossip, improve communications and start quality control. Both groups wanted the meeting place that, above all else, was for social interaction, support and motivation.

There concerns were very similar for the *American Supporters* and *NM Line*: the violence and how to cross the products through the border. Additionally Sue was considering the challenges of selling the products. In the *Handcraft* group one out of 13 were pessimistic about the future of the cooperative without the Americans, and wanted to understand why they could not work in the *Brand* group. The *Brand* group shared the same pessimism that if the Americans left their jobs would end.

The barriers were ever present in all conversations. The *American Supporters* saw the philosophical differences as irreconcilable, while the *NM Line* could see reconciliation with an open dialogue. However, it was observed they also had weak communications, top down decision-making and only one spoke fluid Spanish. The *Handcraft* group started with the co-op coming apart. This division caused emotional conflicts, envy, discontent, friend’s betrayal, ill feelings, rivalries, selfishness, and fear. It also caused consequences of inequity, income inequality, contradictory messages, and an environment of preferences and privilege. Finally, their working environment had problems like no unity, no transparency, some members driven by profit only, inequality in distributing donations, lack of purpose in assignments, and jumping from one project to another too soon. In the *Brand* group, three out of seven believed the division was the creation of the *Mesa Directiva*; while the others thought it was the formation of the
Brand group. The division caused social inequality, uneven power, unstable production and competition among the members. They also had emotional conflicts described as envy and hostility that some of the Handcrafters were instigators of divisions, and others being expelled from the co-op and erased from access.

In regards to the vision of the cooperatives, despite of all the pessimism and problems among all parties, there were high hopes that they could continue looking forward. The American Supporters could bring new skills, and create a working environment between the New Mexico Cooperative in Columbus and the MEX Family Cooperative to create sustainability, in a way that if they were not present the women could continue making a living. The NM Line wanted to develop other projects; among them were solar cookers and water heaters, a bicycle repair shop, classes in nutrition, a community garden and a children playground. The Handcraft group wanted to open a store in the building they meet. This store would become a showcase for their work and for creating exhibitions, inviting visitors, selling the items that were not bought in the US, and reaching out to the local market. The also wanted to invest in a library of learning books, focus on quality and quantity, and new ideas to generate income. They wanted to make a room for a kitchen and another for children. Finally, some wanted a permanent Mesa Directiva. The Brand group instead wanted that the Mesa Directiva did not have any member; it should be made of outside people, preferably the Americans. They did not want any changes in their work environment, but for the contrary they offered their mode of production as a model for the Handcrafters to obtain equality, while they wanted to find other workable projects. However, both groups saw in the future one cooperative. Both groups envisioned a place that had the positive benefits of Alma’s place: they went
to work, they were productive, it was a learning environment where they discovered other
talents, and they shared and received support. There was more communications, it was
harmonious, and a place of joy, friendship, and relaxation. The *Handcrafters* said that
reconciliation and unification is possible using the thread of friendship, and the *Branders*
also said that reconciliation is possible with an open dialogue, without fights, and by
solving problems, providing that everybody is willing to treat each other's equals.

Lastly, they should take into consideration the advice given by the other two
border regions: a) know that personal conflicts are inevitable, b) finding the right
cooperative model takes time, trial and errors, c) define what kind of cooperative they
want, d) consider making the cooperative official, preferably an Association Civil, which
has more advantages, e) find an identity, f) groups must be willing to keep what works
and let go of what does not work, g) keep social activities, and h) look outside their
perspective and reach out to other communities in similar situations.

The central theme of empowerment and sustainability needs to take into account
Palomas underlining violence and scarcity of economic opportunities. Strategies should
be centered in the women’s experience rather than the market in a way that takes them
out their everyday role (Elabor-Emudia, 2003). All the members expressed their desire to
have a place where they could get together. This is a value found in traditional cultures,
which is higher than making more money (Saunders, 2002). Conflicts are assumed in
transformative planning, however, bottom-up mobilization of the women’s agency is
preferable to top-down interventions that reflect domination, power and control (Moser,
1999).
The most remarkable findings were that funding was NGO dependent, the current cooperative model fell short from fulfilling the groups missions, relationships between well meaning benefactors’ idealism and the members perceived benefits was conflictive, and the members dismissal of the effects of the local violence. Given that the cooperative would be a community’s social capital, efforts should concentrate on keeping it vibrant by establishing a clearly defined identity, maintaining both its commercial and social value, having projects revolve around the cooperative, and not other entities or sponsors, restructuring their model in light of successful practices of other regional co-ops with established track records, being willing to reach a compromise, and being willing to think outside the box. Overall, the success of this cooperative, whether maintaining the current production separation or coming up with a nuanced format, still depends primarily on a productive relationship between the Americans and the Palomas’ women from both groups.
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Appendices

Chart 1: Organization views
Chart 2: Philosophical Differences

**Philosophical differences created divisions and broke communications**

**American supporters**
- American Supporters
  - Leader: Sue
    - Members choose
    - Informal labor
    - Horizontal relationships
    - Sales in the US

**NM Line**
- Leader: Amy
  - Business is the answer
  - Formal labor
  - Vertical relationships
  - Sales in the US

**Cooperative Members**
- Capacity Building two paths

**Handcraft group**
- Leader: Sue
  - Irregular income
  - Loyalty to Sue
  - 13 members left

**Brand group**
- Leader: Amy
  - Steady income
  - Loyalty to Amy
  - 7 members
## Cooperative as a Possible Answer

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<th>Models</th>
<th>American Supporters</th>
<th>NM Line</th>
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<td>• Specialization</td>
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<td></td>
<td>– Independent thinking</td>
<td>– Team work</td>
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<td></td>
<td>• Selling donations</td>
<td>– Equality</td>
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<td>• Membership fees</td>
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<td>• 5% sales tax</td>
<td>– Rigid structure</td>
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<td>• Shortcomings</td>
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