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**Conversation series | Pursuing Tenant International:
Learning from struggles for home in Abya-Yala | Part III
Edited by Ana Vilenica**

Crisis of housing cooperatives in Mexico City: A struggle for Palo Alto

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Abstract

This article features a conversation with Luis Márquez Cruz and Fabiola Carrera from the Palo Alto Cooperative, delving into the history and ongoing struggles of one of Mexico City's oldest housing cooperatives. Formed in the 1980s based on principles of solidarity, mutual aid, and self-management, the cooperative provided affordable housing to working-class families. However, changes to cooperative laws in 1994 halted new cooperative projects and shifted government support to private developers. Today, Palo Alto faces internal divisions as some members push for the cooperative's dissolution and sale of property amidst rising real estate prices, while others fight to preserve collective ownership. The article explores the cooperative's international alliances, political training, and grassroots organizing efforts, highlighting the urgency of defending cooperative housing as an alternative to Mexico City's increasingly commodified and exclusionary housing market.

Keywords

Cooperative housing, gentrification, Palo Alto, Mexico

Housing Cooperative Palo Alto is in the Palo Alto neighbourhood in the western part of Mexico City. It is based on the principles of solidarity cooperativism, self-effort, and mutual aid, with the goal of satisfying the housing needs of the community where its inhabitants currently live. **Fabiola Carrera** and **Luis Márquez Cruz** live in Palo. **Ana Vilenica** is a member of the Beyond Inhabitation Lab, the Radical Housing Journal Editorial collective and the Feminist Autonomous Centre for research (FAC research). **Pedro Montes de Oca Quiroz** is a postgraduate student at the National Autonomous University of Mexico and works at the National Audio Library of Mexico. **Contact:** ana.vilenica@polito.it

Introduction

We meet Fabiola and Luis in the Cento Histórico of Mexico City on the day that the son of Joaquín “El Chapo” Guzman was arrested. Due to the street shooting and his transport to the prison in CDMX the atmosphere in the city was particularly tense. We first went to an old bar and shared traditional *pulque* drink to agree on our plan for the day. We

then continued for a little tour to see and visit a few existing cooperatives in Mexico City. While traveling on public transport changing buses and metro, we talked about Palo Alto and the habitat cooperative movement in Mexico City. We visited a cooperative in the neighbourhood Doctores, where we talked to Carmen. Then we went to buy quesadillas and continued to Fabiola and Luis's home in Palo Alto.

On a bus

Luis: The co-op we are going to visit is a co-op associated to Palo Alto and a member of mutual coordination with six other cooperatives and a co-op coordinator.

Ana: How many cooperatives are there in the city?

Luis: We don't have an exact figure for the city. There are approximately 30 cooperative projects. A cooperative with which we have been organising are eight. There is no Popular Front. There are eight communities that are part of the coordination.

Ana: Is your coordination part of any international alliances?

Luis: We are part of the Latin American Alliance of Cooperatives.

Ana: Which countries are part of this alliance?

Luis: It captivates Bolivia and Paraguay in the south, Honduras, El Salvador. In Colombia there is FARC (Editor's note: Fuerzas Armadas Revolucionarias de Colombia/Revolutionary Armed Forces of Colombia).

Fabiola: Let's go to Palomita in Palo Alto for quesadillas. In Palo Alto we're surrounded by developments. Beyond looking at the negative side of it, the women of Palo Alto saw the positive side of it. Most of the people who go to work in those corporations don't have such high salaries and they can't afford to eat at a MacDonalDs every day. The restaurants

Figure 1
Cooperative
building in Mexico
City. Image: Ana
Vilenica.



are there, in the malls, those are five-star restaurants. So what the Palo Alto women did, and many of them have been violated in many ways, from physical to economic violence. Many of them have children and they need to care for them. The way to generate income for them was to sell food. This generates social fabric and solidarity economy in a way, that is, unintentionally. The women generate this internal economy in the cooperative. The women that start selling food, employ other women in the company. This is helping the women of Palo Alto to have economic autonomy. One of these women is my aunt, on Thursdays she cooks *pozole*, *birria* and *pancita*. They sell over 300 meals per day.

In the cooperative

Carmen: FONHAPO (Editor's note: Fideicomiso Fondo de Habitaciones Populares) gave the money and equipment. From the beginning, people were coming here and worked with the architects to be able to develop a bond along the way. There were 44 partners.

Ana: How about the architects?

Carmen: Well, it was really FONHAPO who hired them.

Ana: How is this cooperative organised?

Carmen: This is how it is organized: the highest authority is always the general assembly.

Luis: The advantage of these houses is that the treatment, the price, the cost to obtain them is lower. There is no profit, it's not about the commodity value. As the financing was provided by the State, it was practically used to build the insurance. There were no intermediaries. What is the difference now? If you do a market study here in this area and

Figure 2

Cooperative building in Mexico City.

Image: Ana Vilenica.



you look for an apartment, these, I assure you, are worth much more. That is the difference, its use value and not its exchange value. To reduce the price, that is the difference. That is the meaning of cooperatives, cooperative housing, that people can have access to housing. This is Pedro's case, Fabi's case, my case. A boy of our generation is condemned to not having a house. I do believe that educational processes are an alternative to solve the housing issue.

Ana: Alternative processes?

Luis: Cooperative processes are the alternative!

Fabiola: So, this is a case, and she [Ana] has been wondering how many cooperatives are there in the city? There really are not many anymore, because cooperativism in the city was stopped more or less around 1994 to date there are none. There are no current processes.

Luis: There was a change of law to the previous cooperative law. It had a social sense and the new law that was published in 1994 gave a mercantile nuance to the societies. There is tension, but it is a dead letter, as lawyers say. That is, it is not used. The government has programs managed by the Mexico City Housing Institute and other housing programs.

Ana: They fill the gap. These programs.

Luis: What is the problem? The problem is that financing is done individually: there are many intermediaries. In other words, the institute conditions you to hire developers and it is also a matter of recovering the financing. They contract specific construction companies. In the case of this one, it did give credit to cooperatives, but we are talking about the 80s.

Ana: Who gave the credit?

Luis: Carlos A. Madrazo began to give credits because the architect Enrique Ortiz, who is an institution in the field of social production of the habitant, worked there. The last year in which they were given was 1992, the last credits for cooperatives. That is why in 1994 they came to a standstill. There has been no more financing.

Ana: What are the alternatives to this type of financing housing today?

Luis: No, there are none. Right now in Mexico there are no alternatives. The housing programs are focused on social housing about and the other part of the housing fund that exists is used for reconstruction. There is reconstruction in all the areas affected by hurricanes and earthquakes. That is where most of the funding is going. One alternative that we have been using in the organizations is pre-savings.

Carmen: But my point is that the price of land in Mexico is high. It is very high and what we manage to pre-save is for the land. On the contrary we would not have enough to buy it.

Luis: There is of course another alternative. It is land occupation. To do that little by little we need to have a strong organization. United, we have to organize in a system. That is

why we are gathering cooperatives, creating new cooperatives. We also have a political training school and that helps us a lot to generate class consciousness among the cooperative membership, which makes it easier for us to carry out concrete actions, mobilizations, blockades also in terms of advocacy.

Ana: How is your Political School organised? What is the pedagogy that you use? Do you have a curriculum?

Luis: The school is organised to address the cooperative members and the new cooperative members. We have three established cooperatives, that are historical, that have been around for a long time, they are Palo Alto, Joaquín Mendizábal and Mathzi, which is in Ecatepec, and we have new cooperatives, which is Yolizcan, Equidad y Desarrollo, and Xochiquetzalli.

Fabiola: There are two super interesting projects. The last one is a cooperative of the LGBTQ+ community. The group is all set up. They are looking for the land. Dream still has to be worked out, but they are already constituted as a housing cooperative.

Luis: On the one hand Equidad y Desarrollo is also a very interesting project because it is women only. On the other hand, Yolizcan members are only academics.

Ana: They are professionals.

Luis: We learned from the Uruguayan Federation of Cooperatives (FUCVAM). They helped us a lot because to build the school, to hire facilitators, that is, teachers, and the basis was popular education, that is, the methodology is popular education.

Ana: How do you do it?

Luis: There is a regional school that is planned in the Latin American Alliance. There, the topics and methodology of the school are defined. The one who taught the school was FUNDASAL, which is the Foundation for the Minimal Housing of El Salvador. They have some compañeros who are dedicated to popular education. They came to Mexico and went to teach it in the various countries of Central America.

In Palo Alto

Luis: Here there are houses that are boarded. It is because of a conflict that took place in the 1990s.

Pedro: And they can't use them?

Luis: They [the houses] cannot be used because people left and the houses were left in the custody of the cooperative. But as a result of the departure of these people, the government suspended operations as a cooperative.

Ana: How many people left?

Luis: 42 partners left. 178 remained. Here we are in the area where we are parking the car, these are vacant lots. These are reserve zones for building more housing.

Figure 3
Palo Alto cooperative.
Image: Ana Vilenica.



Pedro: But it cannot be done for the same reason [as the other boarded houses]. Right?

Luis: The application for certification was suspended. This conflict is a social conflict. At the end the community decided. But there were fights. Stones. Molotov cocktails.

In Uruguay, it's a very beautiful country. It's nice, but cold and a lot of old people. It is a country of old people. Where are the young people? Well, they are there, but they don't get married anymore. There are not many children there. The leadership cadres that they create within the movement are people who are 50 years old, that is, the renewals of their leadership cadres never happened. There are not many young people, among the leaders, but there are many young people living in the cooperatives. In other words, there are young people in the cooperatives, but they are not involved in politics.

Fabiola: The original design of the house is this part and the upper part [Fabiola is showing at the ground floor and the first floor in the house]. However, this design also has a complement of progressive growth design. You can expand the house according to the needs of the family at the time of the building, in the 1980s. The needs of the family are satisfied by this upstairs part of the house. That is the most the house can grow according to the original design. However, because of overcrowding, the growth of the family has been so great that now even the great-grandchildren live in the houses. There are homes where up to 30 people live. This house is the only one that has respected the original design. The only one in the entire part of the project. It was not designed for coexistence. For neighbour to neighbour, everyday interactions. We were sharing the yard. And the changes have somewhat deteriorated the social fabric. Families no longer socialize as much as before, when there were no fences, they don't see each other, they didn't greet

each other anymore. And now the common areas, the playground, the soccer field and the Civic Plaza, are places where normally on weekends people come together and that's when they spend time socializing. In the communal festivities of Palo Alto, which is the day of the taking of the land and the day of the month that is celebrated.

Luis: Rodolfo Escamilla was killed in the Guerra Sucia of '77 in Mexico. He was a social fighter and he brought everything that is in the Liberation Theology. A brilliant theoretician. From Liberation Theology and they implemented it here in Latin America. Yes, mainly the Jesuits and some sectors of religion and, well, of the Association of Religious Associations.

Pedro: Indies or Jesuit Bulger, Jesuit.

Luis: He was from the countryside, he was just another warrior. He worked at Chapingo University. Here we have everything. Here we have classrooms. We have everything. But it's about visiting other places also because we can't centralize everything in Palo Alto. Even more so because Palo Alto, right now, is in a very complicated process.

Fabiola: We are in a crisis. A political crisis. Have you seen where we are? And here the discussion is which is better, to sell or to stay.

Luis: In addition to those who assume the percentage is growing more and more because two years ago, before the pandemic, the gossip started, the rumours that people who wanted to buy, were going to pay, how much, about 6-million pesos. What would it be like in dollars? About \$500,000. No, it is less.

Fabiola: \$250,000.

Luis: The people start with that. This was transferred to the assemblies; it begins to divide people and we begin to have a different situation of what is meant by continuing as a cooperative. So, what happened? A new board of directors came in. We thought that this board had the integrity, because they were convinced that the cooperative had to continue as a cooperative, but it turns out that they did not, that now they are betting on the liquidation of the Cooperative. We are talking about the cooperative. We have collective ownership. At the moment no one can sell even a piece of the cooperative. That is why we are here. This is collective property. When we reach a liquidation, what is going to happen? Will each member be given an individual deed? The cooperative will be individualized, what will happen is that each person will be able to sell to whomever he/she wants or they can stay. The risk is that these people [Editor's note: the investors] will come. If Fabi already has her deed, they are going to come, they are going to say, 'Here are 6-million pesos.' Fabi is not going to think if they are right or wrong. What happens in your mind when they tell you there are 6-million pesos, is not, 'What I am going to spend them on or what will they be enough for?' This is a psychological game. A conceptual one. So that's the risk. We've had a lot of disputes, arguments, disqualifications and bitterness. And at present we are the group, in which there are partners and children of partners, in dispute to prevent that from happening. They try to block us from the spaces, they don't want to let us participate, that is, they don't want us

to be in some of the spaces. There is also a very large group of people who want to continue living in a cooperative.

Pedro: Are the two groups the same size?

Luis: Yes, yes, we could say that right now.

Pedro: More or less, fifty-fifty.

Fabiola: Those who want us out, they are watching us now. I believe that there are more of those who do not want to sell. However, those who do want to sell are doing a lot of work, a lot of convincing. But the sad thing is that this convincing work is based on lies, isn't it? And people believe them.

Ana: The assembly has been working uninterruptedly.

Fabiola: The assembly has been functioning for 50 years on a permanent basis. The General Assembly has not been interrupted. We have the Board of Directors, the Supervisory Board and Commissions, there is a Sports, Culture and Arts Commission, the Technical Commission. We have about eight commissions and everything is still working, but the political dispute for the direction of the cooperative is at its peak.

Luis: It's hot, but that doesn't limit what we did now, because things got very, very tense. What we did was to withdraw and let the tone of the discussion be lowered. And that is where we are going now. In fact, this issue of visits is also very important. They don't like people like you coming to visit the cooperative.

Fabiola: It is very sad. The cooperative was. How to say it? It was isolated. Who does the outreach work of the cooperative? It was the Habitat International Coalition. They did the dissemination of the cooperative all over the world and Latin America and so on.

Luis: Silvia Emanuelli is a friend of ours. That is why the architect Enrique Ortiz had a lot of fame because he participated in the international process, and he was the one who kept the information of each place. The whole world. He was president of HIC (Habitat International Coalition) for many years. Today Enrique Ortiz is old. There was an event organized by the UN and what happened is that we had to present coming from Palo Alto, take a political position of what cooperativism is, and to be the bearers of the struggle against hegemony. So here we are at Enrique's place and there is also Jaime Rello. He is from the Urban Popular Movement. He is also a friend of ours. Well, the joke is that when we came back, we understood that we had to go out and we had to represent Palo Alto, that is to say, to represent it. In 2009-2010, we sat a group of people, our age and younger people of all ages. And there we raised the issue of creating social networks, of starting to link up with other organizations, of going to the Urban Popular Movement and to see how far we will be able to go. So that's when we created the Palo Alto Facebook page, started going to meetings, started taking over political schools and started talking about cooperativism again at the national level. We started to bond. And that is how we did it. I know that with the networks we were building we started to participate in the city, made links with the government. We connected in Central America and then we joined networks of Latin America. Today we have the coordination of cooperatives, we are

defending Palo Alto, but we have also generated a cooperative social movement in Mexico City.

Ana: What connections have you built with other cooperative movements internationally?

Luis: It has helped us a lot to link up internationally, that is, with cooperatives in other countries, because there are processes in other countries that are more advanced than Mexico. We have restarted the process, we are learning from them and we have a lot of memory of the practice to share with them.

Ana: Your international media campaign is also visible.

Fabiola: Around 2015 we took part in Venice Biennial when the focus was more on social architecture. Palo Alto was part of the Mexican Pavilion. We have generated links with reporters. The *New York Times* came. They did a story from Palo Alto. *Jota Plus* and *Al Jazeera*. There is a video about the cooperative.

Luis: We have also had contact with government actors and well, we have started to position Palo Alto more like that. There was a time when we were the Mexican curiosity. Look at the beautiful little boxes that, right? And since people are coming now, we tell them look, it is a complex organization and in the end we are a system that is fighting against capitalism, where low-income families organized themselves and managed to have access to housing. And what do we want now? Now we want the government to replicate this type of project.

Fabiola: Today we have a leadership vacuum, people have no values, because the Political Training was not there. We started political school in 2018, it was the first edition we did. That the generations of the children of members do not have the awareness that the founding members had. And this is how you lose the sense and the cooperativist spirit.

Luis: First being a cooperativist is a way of life. Second, you need class consciousness to know why we are here, because you have to defend it. And third, these community projects are the only way for many people to have access to basic human rights. It sounds like a joke, but human rights are not for everyone.

Fabiola: Human rights exist, but not for women.

Luis: We saw that and that is why we decided to create another approach to the corporativism. 95 percent of the founding members did not understand this. We began to question ourselves, let's see, a journalist from *the New York Times* is going to come. What should we do? Well, look, the cooperative is this. These are the pillars, the values, this represents corporativism, this is our defense and this is how we want to do it. As a result of this change, the cooperative began to have a political presence in the city in terms of the right to housing and the right to the city.

Ana: What does the right to housing and the right to the city mean for you?

Luis: It is about the social protection of habitat, the protection of the right to housing, the right to the city, the defence against gentrification, against everything that is consuming

the cities of the world. This is the difference between the group that wants to terminate the cooperative and those who want to stay.

Fabiola: We have a very big generation gap and something we have been doing a lot is working with young people and children.

Ana: How do you work with youth and children?

Fabiola: On certain dates we organize workshops to make paper masks, to make singing balloons. We organize movies in the evenings and we also organize their participation in the festivities with a play, reading speeches, and other activities.

Luis: We work with children and young people through culture and sports. We use any activity with which we can transmit to the children as a group values and principles of cooperativism.

Fabiola: We have also organized video-making workshops and fashion shows, championships.

Ana: Can you tell us a bit more about your international connections and organisations that you belong to?

Luis: In the Latin American Alliance there is a general secretariat, we meet three times a year. Normally the meeting place is El Salvador. But we have also met in Paraguay, in Honduras, not in Mexico. The federations or organizations send two delegates to the face-to-face meetings. Then, in the country, the organization discusses the positions, the proposals are taken to the meetings, the agreements are made and must be complied with in the country for the regional activities. Here in Mexico the coordinator is called *Chicoave calli*, which means six houses in the water. Because when we started there were six of us, six cooperatives. With this name we show respect to the founders.

Ana: How would you describe the issue with financing in the cooperative movement?

Luis: In Uruguay they receive the funding from the State for land and for building. For the Federation the cooperative members give a fee. And they also donate their work. Militant work is like unpaid work, but you do it because you are a cooperativist. If you go to Central America, for example, in El Salvador, you will find out that the cooperatives and everything they do is connected to NGO funding. There is a risk that if the NGO leaves and takes away the funding, the model will disappear. That is the problem with NGOs.

Fabiola: Here in Mexico they had never been financed before. So, now that we have seen the possibility we need to decide how to do it.

Ana: We need to go now. Thank you so much for your hospitality and for everything that you shared with us. We will be in touch.

Fabiola: Next time when you come we can cook something here. Have a good trip.

About this Conversation's participants

Housing Cooperative Palo Alto is in the Palo Alto neighbourhood in the western part of Mexico City. It is based on the principles of solidarity cooperativism, self-effort, and mutual aid, with the goal of satisfying the housing needs of the community where its inhabitants currently live. **Fabiola Carrera** and **Luis Márquez Cruz** live in Palo Alto.

Ana Vilenica is a feminist, no-border, and urban activist and organizer from Serbia, currently residing in Italy. She is a Post-Doctoral Research Fellow with the ERC project 'Inhabiting Radical Housing' at the Polytechnic of Turin's Inter-university Department of Regional & Urban Studies and Planning (DIST) and a core member of Beyond Inhabitation Lab. Ana is a member of the Radical Housing Journal Editorial collective and the Feminist Autonomous Centre for research (FAC research).

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