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SUSTAINABLE RURAL FUTURE

**ECONOMIC SUSTAINABILITY IN RURAL COOPERATIVES: MANAGERIAL
PROFITABILITY AND CHALLENGES FOR A SUSTAINABLE RURAL
FUTURE**

Victor Nunes Marques (victor.nunes@sou.unifal-mg.edu.br)

João Marcos Caixeta Franco (joao.mcfranco@unifal-mg.edu.br)

Rural cooperatives play a central role in rural development by combining economic, social, and democratic objectives. However, recent literature highlights a growing tension between the pursuit of profitability and the preservation of cooperative principles and equity among members. This study examines how the prioritization of economic performance and professionalized management affects the cooperative essence and may contribute to internal inequalities. Based on a qualitative review of national and international literature, the analysis shows that the adoption of managerial practices and competitiveness strategies has brought cooperatives closer to conventional business models, often increasing decision-making centralization and weakening internal democracy. Nonetheless, the literature emphasizes that balancing economic performance and cooperativism depends on specific

institutional conditions, including democratic governance, supportive legal frameworks, public policies, and cooperative education. The findings suggest that while an excessive focus on profitability can undermine the socio-economic nature of cooperatives, this outcome is not inevitable. Profitability can coexist with cooperativism when subordinated to democratic and egalitarian institutional arrangements, enabling cooperatives to contribute effectively to a sustainable rural future.

Palavras-chave: cooperativism; profitability; economic performance.