

Book Reviews

Property for People, Not for Profit: Alternatives to the Global Tyranny of Capital

By Ulrich Duchrow and Franz J Hinkelammert

Zed Books, London - New York in association with Catholic Institute for International Relations, London.
ISBN 1 84277 478 6 cased, ISBN 1 84277 479 4 limp, 244 pages.

Reviewed by Emeritus Professor T F Carbery

Many years ago I had occasion to meet the late Captain John Morrison. Captain Morrison was a Conservative MP - indeed, as I recall it, he was Chairman of the formidable 1922 Committee. He was, too, a substantial land-owner. On one occasion he was asked how much land he owned. He winced visibly, not, I inferred, because of embarrassment but by boredom: he was continually being asked about the extent of his holdings. On this occasion he had recourse to his standard answer: "All I can do is tell you to the nearest 100,000 acres."

Property rights, particularly of land, is always a tricky issue. Thus in Zimbabwe the present administration continues to condone the taking of land from white farmers and redistribute much of it to Africans, especially veterans of the "War of Independence". Recently a BBC News item depicted an African farmer who had very little seed-corn. He had neither adequate capital nor efficient tools. The hitherto fertile productive farm was going back to bush. Was this an improvement? Clearly it did not help the GDP of Zimbabwe. But it is argued it makes the indigenous feel better.

Not dissimilar considerations arise in Ireland, Northern Scotland and elsewhere. Since Strongbow the English have gone into Ireland, taken the land or some of it from the native Irish, given it to their own captains and left them to "run the place". As Shane Leslie pointed out 50 years ago three or four generations later the descendants having married into the Irish and having been assimilated by the rain, led insurrections whereupon other Englishmen came, defeated them, hanged the leaders, re-appropriated the land and again gave it to the captains. The Elizabethan years, the Cromwellian invasion, the 'supplanting' of James VI and I and the post-Boyne redistribution all exacerbated the situation. Land is owned and ownership is resented by the usurped.

This book, which I was invited to review,

deals with property but does not confine itself to property. It goes on to examine international capitalism (the authors are against it) and looks to see what could be done about it and what could replace it. They talk about alternatives but they mean options.

The authors clearly have a great deal of sympathy for liberation theology, a stance no doubt fortified by their writing from Latin America. There is a fleeting reference to C H Douglas, the founder of the social credit movement in Britain in the 1920s. Remarkably and sadly there is only one reference to co-operatives.

In reviewing this book I find myself in something of a dilemma. Thus I understand the motivation of the authors and share their views (dare I suggest prejudices?). Yet I do not like their book.

Experience, and God knows I have a lot of it, tells me that there are two kinds of academics and quasi-academics - those who make the simple complicated and those who make the complicated simple or at least simpler. Here the two authors are very much in the first of these two camps.

True, the authors have done their research but they seem intent on giving the reader full evidence thereof.

When I taught at Trade Union schools I was frequently denounced as a neo-fascist hyena pig. I conceded that I was on the extreme right of the Labour and Co-operative Parties. It is in keeping with that stance that as I see it political realism teaches us that the best we can do in the short-to-middle term is achieve an alleviation of capitalism.

Many of us, not least members of this Society, wish it were otherwise but our more rational selves - however reluctantly - accept its validity.

If "Das Capital", Marx, Engels, Lenin, Trotsky, Stalin, the Communist Party of the Soviet Union, the Chinese, the Vietcong and Castro could not transform the world then these two well-meaning gentlemen are not going to do it.

Development of French Co-operative Thought in Britain: E V Neale and Community-Based Well-Being

By Yuichiro Nakagawa, Professor of Co-operative Studies, Meiji University, Japan

Institute of Social Sciences, Meiji University, Tokyo, Japan. ISSN 0387-835X 40 pages.

Reviewed by Dr Raymond Donnelly, Social Enterprise Institute, Heriot-Watt University

Professor Nakagawa's monograph is concerned with the influence of French co-operative theorists on the development of the British co-operative movement and, in particular, that of J B Godin (1817-1888). Godin was leader of fledgling French co-operative productive societies and supported the utopian ideas of Charles Fourier (1771-1837), particularly those relating to co-operative productive societies.

The monograph is broadly divided into three parts. The first deals with the beginnings of British co-operation before Rochdale and ends with the creation of the Labour Association in 1884. The next section deals with the work of Godin at the Familistère outside Paris while the third compares Godin's thoughts and beliefs with those of Edward Vansittart Neale (1810-1892). Neale is significant in British co-operative history as General Secretary of the Co-operative Union between 1873 and 1891, as a staunch advocate of producer co-operation and as a prime mover in the founding of the International Co-operative Alliance.

Professor Nakagawa concludes that although Neale was influenced by Godin and thus by Fourier, it may not have been for the right reason, or indeed for any clear purpose. We may also conclude that whatever influence Godin had on Neale, it had none whatsoever on the development of the British co-operative movement. Neale, and the supporters of producer co-operation and profit sharing lost out comprehensively to the consumer co-operators led by J T W Mitchell (1828-1895), Chairman of the Co-operative Wholesale Society Ltd (CWS) 1874 to 1895.

For anyone interested in British co-operators of the 19th century this is a most enjoyable read and Professor Nakagawa is to be congratulated on the lucidity of his epistle.

His first section, dealing with the history of the movement from Owen through King, the Christian Socialists, the formation of the CWS and the various bodies supporting the formation of worker co-operatives or Co-partnerships, is entirely within the traditional view of the period. The pre-Rochdale co-operators were aiming for a completely different society, as were the Rochdale

Pioneers. The Christian Socialists were seeking to achieve the same outcome but from a different perspective. The CWS was the bugbear in these plans refusing to grant workers their co-operative rights such as a dividend on Labour, and the whole period ended with the triumph of the CWS over everyone else. Thus worker co-operatives were smothered at birth by the consumerists of the movement at that time. (See G D H Cole, D Backstrom and, of course, Arnold Bonner). They all put it more gently than this reviewer, but I am much more succinct.

Unfortunately for all these above and for Professor Nakagawa, it is a deficient history in that it ignores the most important part of the British co-operative movement namely that it survived, prospered and attracted new members. In doing so the movement was hoist on its petard. From its inception the movement was controlled by one member one vote. Thus when in 1846 the Rochdale Savings Bank collapsed, and many working people lost their life savings, they had to look for a way of recovering their economic lives. What they saw was a section of the working class wearing new clothes all because of a thing called the "Dividend" from the local Co-operative Society. They went in flocks to join the Society. By 1848 the membership was almost 1,000 people, and they were there, not because of Owenite zeal but rather for economic reasons. First for the dividend, and then as a repository for their savings. These new members took control of the Society. The result was that its goal, and that of all the others associated with it, became the creation of dividend. Goal displacement occurred not in 1945 but rather in 1845. When such a change of goal is understood then the subsequent history of British co-operation is more readily understood.

Neale, Hughes and the other Christian Socialists failed to understand the change that had taken place before their eyes. They were the worthy successors of the Owenites but they had lost the battle for the soul of the movement even before they knew that the battle had started, and long before the first modern Co-operative Congress of 1869. Little wonder Neale felt a sense of "frustration and irritation" throughout this period.

He continued to ask throughout the 1870s and 1880s, "What is the true goal of the Owenites and Pioneers?" The few cared. The many controlled the British co-operative movement.

In the light of the above, Professor Nakagawa's study of the influence of French co-operative experience on Neale is therefore an examination of the impact of a mystic experience on a saint when the world is going to hell on a handcart. It is interesting and informative for those of us who are fascinated by co-operation as a theory but it is not central to the development of British co-operation. With that caveat in mind the study is a delight to read and once again recalls to mind what some fine people have suffered within the movement for having the nerve to believe that co-operation was about more than 'mere shopkeeping'.

Neale looked to France to the work Leclaire and Godin to support his own idea of land-based, or at least residentially-based, co-operatives. Leclaire's 'Associative System', and Godin's Familistère inspired Neale's ideas of the Co-operative Commonwealth. Both French experiments stressed the importance of living and working together in order to create an environment in which all the needs of the working class could be provided. Whatever the separate forms these various institutions took be they via ownership of the land or by rental, the final goal was the same; the emancipation of working people from the vicissitudes of life under capitalism. This in turn reflected as Neale and many others have seen it, the goal of the Pioneers to create "A home based colony of united interests." The French provided for Neale towards the end of his life, a renaissance of his belief in the Co-operative Commonwealth. While he believed he could see this being created in France he could not get it started in Britain. No wonder he was frustrated. Neale was tolerated but ignored by those who controlled the many societies of his time. He is not the last co-operator to feel such frustration.

Godin's Familistère is a co-partnership of many classes of member and non-member. It is well described by Nakagawa in his study, including the benefits and drawbacks of its structure. Neale was particularly attracted to the profit sharing among some of the employee associates or partners. For Neale profit sharing had become the defining condition of co-operation. He was also attracted to their communal living, as practiced at the Familistère.

Godin believed that profit should be shared according to a formula which placed as first a claim

the basic needs for life. After that expert labour and capital could have a claim. Today we pay for this through our National Insurance contribution, as that was the purpose to which the first call on profits was directed, social welfare. In addition members who resided in the community received additional benefits. At all times Godin emphasised collective rights as well as individual ones. Ah, it is a pity that he is not with us now!

Nakagawa gives an example of the breakdown of profits from the year 1876 in which after all social welfare claims had been met there was 3/- in the pound bonus on wages paid and a dividend on capital of 8 per cent. Godin referred to this as "Equitable wages."

Godin sought to achieve the humanisation of work, and the extinction of poverty and ignorance, and thought it possible to achieve both through co-partnership, consumer co-operation and collective living. To the extent that these shaped Neale's ideas of the Co-operative Commonwealth, he was thus influenced by Godin.

Much of Godin's work was attempting to develop Fourier's ideas. Nakagawa does a wonderful job of reminding all of us who teach management just how far advanced Fourier was in his thinking. He was advocating job enrichment, job rotation, participation and most other modern Human Resource theories about one hundred years before anyone else. He might even have been arguing for leaderless teams.

Godin strongly advocated associational action to achieve social and economic goals yet his ideas were not necessarily those of Owen to which Neale harked back. Godin considered Owen a communist while he, Godin, was a socialist. He believed in individual right as well as collective ones. He saw Owen's ideas as being essentially antipathetical to the nature of man. It would have been interesting to hear him in the latter half of the 20th century on the nature of the Union of Soviet Socialist Republics.

In conclusion Neale saw in the works of Godin an example of what he sought in Britain, a co-operative movement that went beyond 'mere shopkeeping'. Despite being aware of the philosophic differences between himself and Godin on the relationship between capital and labour, Neale enthusiastically embraced Godin's ideas of a co-operative venture based on profit-sharing and mutual living. Godin gave him comfort and support and reinforced his belief that co-operation on a broader scale was possible than that being established in Britain.

Local Society and Global Economy: the Role of Co-operatives

By Simeon Karafolas, Roger Spear and Yohanan Stryjan

Report of International Co-operative Research Conference, Naoussa, Greece, 2002. ISBN 960-286-8201

Reviewed by Rita Rhodes

To my mind a book review has three main functions. First, to bring to the notice of readers a book that might be of interest to them. Secondly, to outline its contents and thirdly, to assess its merits. Having said that, this review of *Local Society and Global Economy* says much about one and two but fights shy of three. The reason is that the eminence of the writers tends to inhibit criticism while at the same time commending their papers. These were presented at a recent international conference of co-operative researchers and its report usefully complements the Society for Co-operative Studies' ongoing interest in UK co-operative research.

The conference was organised by the Research Committee of the International Co-operative Alliance and the Technological Educational Institute of Western Macedonia in Greece. By way of background it is interesting to note that the ICA's Research Committee has changed somewhat in recent years. First under the Chairmanship of Dr Roger Spear, UK, and more recently that of Akira Kurimoto, Japan, it has widened to include academic researchers as well as the Research Officers of national co-operative organisations who originally comprised it. Its academic researchers come from a wide range of academic disciplines including organisation, management, economics, government, development, the law, history, sociology and geography. All have a strong interest in co-operatives and many are active in them. This increased academic interest has prompted the view that there is perhaps now a need to map Co-operative Studies. This was, in fact, the subject of another ICA Research Conference held last year under the auspices of the British Columbia Institute for Co-operative Studies at the University of Victoria under the leadership of Professor Ian MacPherson. The report of this conference will appear shortly.

Developments in co-operative research are therefore well worth watching and the report of the Naoussa conference gives one such opportunity. Before looking at it in greater detail

we should perhaps note that in terms of organisation, as distinct from subject matter, the ICA Research Committee has now become a global committee. Its conferences, held every second year, are interspersed with regional conferences. However, these are not geographically exclusive. The Naoussa Conference was mainly a European one but also attracted co-operative researchers from Brazil, South Africa, Israel, Iran, Canada and Japan. Such a wide geographical spread was fortunate. It aided the conference's examination of *Local society and Global Economy* by providing accounts from many different countries of co-operatives' attempts to reposition themselves in this period of accelerating globalisation.

Recent ICA Research Conferences have also seen the emergence of distinctive strands of enquiry. Perhaps the strongest is that relating to credit unions and the report of the Naoussa conference includes five such papers. Issues facing Irish, British, Polish and Ukrainian credit unions were examined, while Paul Jones, a member of the SCS Executive, viewed changes in British credit unions against a background of lessons from Latin America.

Co-operative movements in countries in transition were also well represented in a number of conference strands. That studying Co-operatives, the State and Civil Society included papers on Northern Ireland, Poland and Hungary, while that considering Agricultural co-operatives in Transforming Societies included papers from Bulgaria and Hungary. A complementary strand was one dealing with tourism and in this a paper from Israel explored the potentials and limitations of rural co-operatives operating in tourism, while another from Greece traced the problems and successes of Greek women's tourist co-operatives.

A particularly strong strand in the conference in terms of the number of papers presented, was that dealing with wine and olive oil co-operatives, with five papers on the French, South African and Portuguese industries.

However, the group of papers that may be of most interest to British readers was that dealing with co-operative organisation and management. Not only are these relevant to British co-operation at this time of transition, but they also included papers by well-known members of the Society of Co-operative Studies. Roger Spear, current SCS Vice Chair, together with colleagues from the Co-operatives Research Unit at the Open University, presented a paper on the Success Factors in UK Retail Co-operatives, while Johnston Birchall, previous Editor of the *Journal of Co-operative Studies*, together with a colleague from Stirling University, presented a paper on What Motivates Members to Participate.

All in all, this conference report provides much of interest for British readers involved in co-operative studies. It also provides an international perspective that complements well this Society's interest in UK co-operative research.

Readers wishing to obtain copies of the report (free of charge) should contact Simeon Karafolas at skarafolas@yahoo.gr