

Society for Co-operative Studies

Bulletin 17 January 1973

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Society News and Notes

First of all a greeting of both farewell and hail in the editorial room. Mr. J. R. Hammond has had to withdraw from the Joint Editorship, and we thank him warmly for all that he has done. His place has been taken by Dr. T. F. Carbery, Senior Lecturer in the Department of Economics at Strathclyde, who has, of course, been active in the Society since it was formed and served as its chairman in 1969/70. The other Joint Editor readily acknowledges that if things get better this will be due to the entry of Dr. Carbery and his success in developing the good work of Mr. Hammond; and if they get worse or stay the same, this will be due to the retention of Mr. Marshall.

Annual General Meeting and Conference

We are able to confirm the advance notice that this will be held at the Co-operative College, Stanford Hall, on 27th/28th April 1973; the inclusive charge will be £4.50; please keep the date free and look out for further details of the programme.

Research on Capital Resources

The enquiry into the Co-operative Movement's use of its capital resources initiated by the Central Executive of the Co-operative Union following the 1972 Congress will not be the only item of research in that field.

AT STRATHCLYDE

Almost coincidentally the University of Strathclyde has embarked on a similar project. The work, which will be supervised by Professor Alan Tait of the University's Department of Economics, will be mainly undertaken by Mrs. Pamela T. Wanless, who was recently appointed a Research Fellow. The work is being financed by the money from the S.C.W.S. scholarship granted to the University by the Society at the time of its centenary.

Mrs. Wanless read Economics at York from which University she graduated with a First, this year. She was the only 'First' of her class of eighty. The basic approach of her research will be on the attitudes of various business organisations to the treatment of capital in the inflationary conditions experienced in recent years. It would appear that much of the information provided by companies and other business organisations on this subject is not as valid as it might be.

Once the general situation has been determined Mrs. Wanless and Professor Tait will 'move in' and examine the situation prevailing within the S.C.W.S. in order to see how it compares with the apparent norm. In particular they will be looking at how the S.C.W.S. deploys its capital and to what extent sources of co-operative capital have changed in the post war years.

AND AT LOUGHBOROUGH

The project at Loughborough University of Technology which appointed a Senior Research Fellow to examine the long-term problems of financing Co-operative retail societies in times of inflation has come to a stop or at least changed down in gear through the resignation of the Fellow, He is preparing a report outlining his impressions as far as the investigation had gone: and in particular two supporting pieces of research in the Ipswich and the Birmingham Societies have been written up in more detail. This information is being made available to the capital resources study group of the Co-operative Union, and the University and the College are considering whether anything can be done to carry the project to any fulfilment.

West Midlands' Group of the Society

A West Midlands' group of the Society for Co-operative Studies was formed at an inaugural meeting at Fircroft College, Birmingham, on October 18th at which both academic and co-operative circles in the area were well represented. Mr. A. J. Corfield, Principal of Fircroft College, acted as chairman and Mr. D. C. Mordaunt agreed to act as convenor for the group, with Mr. S. Martin of the Co-operative Union as Secretary. Three discussion papers were presented and considered fully, then the group decided to commence operations by conducting a survey of the information published by retail societies in the area for the benefit of members.

Reports from the Regions

Midland

Joint Convenors:

MR. M. GIBSON, •
Department of Economics,
University of Leicester.

MR. LLOYD A. HARRISON, C.S.D.,
Chief Executive Officer,
Greater Nottingham Co-operative Society.

A small group of enthusiasts have formed a group meeting in Birmingham based upon the West Midland area. Mr. D. C. Mordaunt has been responsible for the initiative and acts as convenor with Mr. A. J. Corfield (Principal of Fircroft College) as its chairman. Areas of future study have been determined and a further meeting has been fixed for the end of November,

North

Joint Convenors:

DR. J. STEVENSON, PH.D., IUR.D., B.A.(HONS.),
Principal, Monkwearmouth College of Further Education.

MR. W. WILSON,
Member Relations Officer, North Eastern Co-operative Society Ltd.

There have been no activities since the issue of the previous *Bulletin* but Mrs. Mary Mellor, BSc., is presently engaged on a research project which it is hoped will be ready for presentation to the Branch Meeting in February/March 1973. The theme is "The Role of the Auxiliaries within the North Eastern Co-operative Society Ltd." Two types of questionnaires are being distributed, one to Guild Branch Secretaries and the other to Guild Members and it is anticipated that the resulting information will prove not only to have academic interest but will be of practical value both to Guilds and the Member Relations and Education Committee of the North Eastern Co-operative Society Ltd.

Yorkshire and Humberside

Joint Convenors:

MR. T. E. STEPHENSON, B.A. (DUNELM)
Department of Management Studies,
University of Leeds,

MR. S. P. CLARKE, C.S.D.,
Secretary and Chief Executive Officer,
West Yorkshire Co-operative Society.

The regular meeting of senior officials at Leeds University, under the guidance of Mr. T. E. Stephenson, has resumed its activities for yet another academic

year. It is evident that this group will again be a thriving and useful one. The convenors and secretary are considering further initiatives to be made in the Region.

Scotland

Joint Convenors:

DR, T. F. CARBERY, M.SC.(ECON.), D.P.A.
Senior Lecturer, Department of Commerce,
University of Strathclyde.

MR. G. R. GAY, J.P.,
President, St. Cuthbert's Co-operative Association.

Further to the mention in Bulletin No. 16 of Mr. F. D. Boggis, Strathclyde University, suggesting that the Branch might initiate some research into "Manpower Planning in the Co-operative Movement", permission has since been given for a small Research Grant to be available. Mr. Boggis has been in contact with Paisley Co-operative Manufacturing Society and the Scottish Co-operative Wholesale Society both of whom expressed willingness to co-operate.

Mr. Boggis has just completed, in collaboration with Cardiff University, a research project on "Co-operative Co-Partnership".

A successful joint meeting with P.A.C.E. (Public and Co-operative Enterprises) on V.A.T. was held. The Speaker was Professor A. Tait, the Strathclyde University expert on National and Local Government Taxation.

To keep in line with the National Consumer Conference the Branch, in association with the Strathclyde University Department of Marketing, is holding an eight weeks' Course "Consumer Affairs - an Appraisal", which will be staffed by well known experts in this field (see below, p. 8). Plans are also proceeding for a Consumer Course to be organised in association with the Edinburgh University Extra-Mural Department and the East of Scotland Co-operative District Council.

Consumer Affairs: A Scottish Initiative

Members will have learned with interest of the Movement's plans for a Consumer Conference in 1973. This arose from a resolution passed by the Education Convention of 1971 which met in Skegness. The resolution called on the Education Executive to initiate moves towards a National Consumer's Conference.

It now looks as though the Conference will be held in London in the early summer of 1973 when it is hoped the bulk of the delegates will emerge from local discussion groups which will be held in the first quarter of 1973.

The vast majority of these groups will meet under the sponsorship of the local Co-operative Society or of groupings of such societies or, again, under the jurisdiction of a local Federation. Such groups will probably base their deliberations on a Discussion Guide being prepared by the Education Department of the Union.

Collaboration with Strathclyde

In the West of Scotland, however, the Society for Co-operative Studies has hopes of arranging what could perhaps be seen as a much more venturesome effort. The Society's Convenors in that region have joined forces with the Department of Marketing of the University of Strathclyde and it is hoped that jointly they will be in the position to offer a six/seven/eight-week course on Consumer Affairs, which course would run from late January into March.

The topics to be covered in this course would include:

- The Consumer and the Welfare State
- The Consumer and the Retailer
- The Consumer in the High Street
- The Consumer and the Law
- Marketing and the Consumer: can they be reconciled?
- The Consumer and Politics

the course terminating with a final session reviewing the position of Consumer Affairs in the United Kingdom.

It is hoped that not only will such a course materialise but that the speakers will include:

- (1) *Mr. George Gay*, President of the S.C.W.S. and Chairman of the Scottish Committee of the Post Office Users Consultative Committee.
- (2) *Mrs. Janey Buchan*, former member of the Consumer Council; best known champion of Consumer Rights in the West of Scotland; Labour Councillor on Glasgow Corporation; wife of Norman Buchan M.P.
- (3) *Mrs. Kay Carmichael*, by far the most articulate spokeswoman on the social services in Scotland, and by now a leading Scottish television personality; wife of Neil Carmichael, M.P.
- (4) *Professor Michael Baker*, Head of the Department of Marketing at the University of Strathclyde whose D.Phil. is from the Harvard Business School.

- (s) *Dr. Campbell Burns*, author of the leading work on Commercial Law in Scotland and consultant on marketing and business matters to a number of trading organisations.
- (6) *Dr. Tom Carbery*, former National Chairman of the Society for Co-operative Studies and author of "Consumers in Politics" published by Manchester University Press.
- (7) *Mrs. Jennifer Jenkins*, National President of the Consumers Association and wife of the Rt. Hon. Roy Jenkins M.P.

While it is true that those attending this course may have to pay a little more than their counterparts at the Discussion Groups in other parts of the country it is believed that the quality of the speakers will be seen as more than justifying the additional expense.

Again we see this as an activity which epitomises all that the Society was conceived to do i.e. bring the Universities and the Movement into closer collaboration doing so to the benefit of both.

T.F.C.

The Co-operative as Employer

by

ESTHER QUINN

(Miss Quinn is a graduate of both the Universities of Glasgow and Strathclyde. She is increasingly specialising in industrial relations and the role of trade unions in society and their pressure-group activities. She is a member of U.S.D.A.W.)

In the Moscow department store, behind the wooden counter, with its sparse array and poorly laid out merchandise, the assistant gazed nonchalantly at the customers. Her characteristic response to queries was an apathetic "Het", and an expressive shrug of the shoulders.

"Reminds me of Mrs. ----- in the Co-op" quipped one of the English group.

Such comments on the indifferent service provided by Co-op assistants, along with those on the unattractive lay out of the stores are to be met with fairly often and more often than one would wish. To verify the accuracy of such statements would require extensive knowledge of the co-operative stores, but a cursory look round the stores would seem to indicate a predominance of older, more settled (possibly apathetic) employees than exists in other chain establishments.

After an U.S.D.A.W. branch meeting a not too serious discussion arose on what made people choose to work in a co-op store rather than elsewhere. The remarks ranged from "Nobody else would take them" to others based on the idea that they were attracted through a background of Co-op loyalty and a belief in its principles. This idealistic approach was somewhat marred by the cynical U.S.D.A.W. member who preferred the term "Co-op connections" to explain the presence of certain employees. Yet in some respects the Co-ops may well be getting the type of staff they deserve, and there is much that a trade unionist can find to criticise in their approach to labour relations. In a conversation with a now full-time trade union officer he explained his gradual disillusionment with the Co-op setup. As a young boy he had entered co-op service. Being bright, alert, and no doubt anxious to get on he took full advantage of the Co-op educational facilities. At such courses he was inundated with the Co-op principles of common ownership, community of interests, non-profit-making organisation, and democratic structure, whilst at work he felt at the mercy of what appeared to be the autocratic decision-making of the Board of Directors. It is difficult not to agree with his opinion that the status of Co-op workers should be markedly different from those in "capitalist" stores. It was after all one of the oft expressed objectives of the Rochdale pioneers and their followers to break the capitalist framework by the gradual development of a democratic Co-operative Commonwealth. * Nor is it hard to understand why bright, enthusiastic workers may be less than eager to

*Such sentiments however should not be overvalued. As Cole and Postgate point out in "The Common People": "Necessarily and naturally, men who were chiefly occupied in the practical details of successful commercial trading came to the top, and the belief that the Movement would peacefully put an end to the competitive system, while never formally abandoned, became more and more a pious hope which clearly had no relation to everyday affairs".

remain any time within the organisation. All those involved in the Co-op movement are aware of the difficulty of attracting and keeping suitably qualified personnel.

Relations with the Unions

At Labour Party and trade union conferences the co-op fraternal delegates often reiterate the plea that all those in the Labour Movement also be co-operators, but this is less likely to be the case than formerly. In the early 20th century the Co-op movement and the trade unions were at times depicted as twin sisters on the road to socialism. In a pamphlet published by the Co-op in 1904 entitled "Should Trade Unionists be Co-operators?" one of the reasons for an affirmative answer was "The men and women who join the co-operative stores, and make their purchases there, and allow their dividend to accrue will find that their little savings in the co-operative bank will increase more and more until the time comes when they will need it most in the long lockout or the continued strike." Such were the harsh realities of industrial relations some seventy years ago. Nor should it be forgotten that the Co-operative movement was fundamental to the strength of U.S.D.A.W. Until the introduction of the Industrial Relations Act, those accepting work in a co-operative society were bound to join their appropriate trade union; failure to do so within a reasonable time could have led to dismissal. Where the movement failed was in the failure to pioneer and implement a new status for workers in the retail industry generally.

Anyone who approaches the co-op in the expectation of finding the "model employer" is bound to meet with derisive comments from employees and trade union officials alike. U.S.D.A.W. has the same fight "to maintain and improve the conditions of their members' working lives" as they have in other retail establishments. As a discreet observer put it "Relations have at times been less than harmonious". This dates back to the early years, as for example in the period 1891-1914 when the shop assistants' union laid down a national minimum for Co-op workers and then had to struggle to get the Co-op societies to pay it. In more recent times the idea of "employee representation" has never had widespread support. Many societies are content to make do with the one or two token representatives from the shop floor, and this at a time when workers are demanding, and in some instances obtaining, more control over their working conditions. To return to the image of the dowdy, unaware co-op shop assistants - so long as their apathy exists, so long indeed as these workers are not in the vanguard for real improvement of their lot, so too will the Co-operative Movement be failing to live up to its ideals, and condemnation from trade unionists will be justified.

Projecting Co-operative Principles

REPORT FROM A WORKING PARTY

(The Education Executive set up in 1971 two Working Parties-one to consider the problem of projecting Co-operative principles and the other to deal with the role of the Movement in consumer affairs. The first of these has now reported and the Education Executive will be taking the Report to its Easter Conference in 1973 and, no doubt, adding its recommendations on any action to be taken. In the meantime, we are printing the Report and a comment on it from Professor J. Banks at the University of Leicester.

The Report on consumer affairs has not yet been completed but we hope to publish it also in a later Bulletin and with it comments from Mrs. Jennifer Jenkins, Chairman of the Consumers' Association and from Dr. T. F. Carbery, author of "Consumers in Politics.")

1 Introduction

In the autumn of 1971, the Education Executive decided to take the initiative in bringing together a Working Party with the following terms of reference:

"To consider and make recommendations on the methods and techniques through which Co-operative principles may be projected most effectively among members and the public today."

The Executive noted the relationship between this Working Party and a second one reviewing the role of the Movement in consumer education and protection and acknowledged that these were interdependent.

2 Membership

The Composition of the Working Party was as follows:

Central Executive	MR. D. AINLEY and MR. K. HULSE, J.P.
Co-operative Wholesale Society	MR. W. G. GIBSON and MR. G. E. PAGE
Scottish Co-operative Wholesale Society	MR. S. J. D. DAWSON and MR. S. C. GASTON
Co-operative Press	ALDERMAN A. S. SHELTON, J.P.
Co-operative Education Secretaries' Association	MR. H. FAIR and MR. K. PIKE
Co-operative Publicity Managers' Association	MR. A. DOBBIN and MR. L. J. ROBSON
Education Executive	MR. W. E. LAWN and MR. R. A. REED

Mr. Lawn was elected to the Chair.

In attendance from the College and Education Department were Mr. R. L. Marshall, O.B.E., M.A., Chief Education Officer, and Mr. J. R. Hammond, Officer for Member Education. Mr. Hammond acted as Secretary to the Working Party.

3 Documentation

In addition to taking into account publications, articles and motions adopted at recent Co-operative conferences, which were generally available, the Working Party reviewed the following documents specially prepared for them:

- "The Projection of Co-operative Principles", a background paper submitted by the Co-operative Union Education Department.
- "Some Notes on Co-operative Membership and Dividend Stamps" by Mr. C. Cross, Manager, C.W.S. Marketing Services.
- "Co-operative Dividend Stamp Scheme" by Mr. C. Cross.
- "Communications: Some suggested Bases for Discussion" by Mr. R. A. Reed, Public Relations Officer, South Western Region C.R.S.
- "Co-operative Content in Society Publicity" by Mr. H. A. Fair, Education Secretary, London Co-operative Society.

4 The Projection of Co-operative Principles

At the outset, the Working Party wish to emphasise the following points as being of particular importance at the present time:

(a) CO-OPERATIVE PRINCIPLES

The essential condition and support for the projection of Co-operative principles is convincing evidence to the consumer of the effectiveness of Co-operative practice-in range of services, quality, prices, design, and standard of service. This assertion of the importance of what *the Movement does* compared with what *the Movement might say* is in our view of crucial importance. In relation to it we urge:

- (i) That the two aspects are inter-dependent.
- (ii) That if a comparative assessment of their importance has to be made then priority would go to the first.
- (iii) That while there are obviously imperfections in Co-operative practice (though possibly not as many as we sometimes confess) it is still necessary and valid to concern ourselves with the projection of Co-operative principles-and indeed that projection might well have an influence on the improvement of the practice. The necessity for the projection persists even if it has initially an impact on only the active minority of the membership.

The task, therefore, of the Working Party, while acknowledging the relationship between practice and principles, was to define these principles and essentially to suggest specific ways in which they could be effectively communicated.

(b) THE PURPOSE OF A CO-OPERATIVE SOCIETY

We accepted as an adequate working definition the following statement based on the Report of the Working Party on Democracy in Regional Societies:

"That a society should exhibit certain principles of organisation, viz: *voluntary association of consumers, social ownership and democratic control* to reconcile and serve the interests of the members, and *distribution of the trading benefits of the enterprise* among the members

in accordance with their transactions, and the society should do all this so effectively that it achieves economic success and social vitality and encourages the application of the same principles to other areas of the community's activities."

Beyond that we stress:

- (i) That while in accordance with our terms of reference a distinction has to be made between the members of the Co-operative Movement and the public—a membership of eleven million in fact represented a very large market indeed for any projection that might be attempted.
- (ii) The relation to our terms of reference of the pre-occupation of the Working Party on the role of the Movement in consumer affairs is clear but while the two efforts are complementary, we have felt it incumbent upon us, as argued earlier, to make certain recommendations within the terms of our remit.
- (iii) That in particular while a very important feature of the Co-operative purpose is that of protection and service for the consumer this does not represent the entire scope of Co-operative ambition which also includes aspects of social ownership and democratic control.

5 "Communications: Some Suggested Bases"

A discussion paper under this title was submitted by Mr. R. A. Reed and this was generally reviewed by the Working Party. We note the following points for further action or exploration:

(a) SCHOOLS

In connection with the engagement of the interest in the Movement from teachers and pupils in schools, attention was drawn to particular possibilities in "participatory" techniques such as those of the Jackdaw Kit, and the possibility of extending the service of wallcharts which was already carried out by various societies, and the value of a film—all of these requiring to be well done. We have asked the Education Department to seek advice from the National Union of Teachers and similar organisations on the conditions and the content that should be sought if further engagement with schools is to be achieved.

(b) UNIVERSITIES

We felt that Co-operative principles could be attractively related to the idealism and interests of many University students. In particular the question was raised of the absence from the University scene in Britain of "students' Co-ops". Again, we have asked the Department to seek the advice of the National Union of Students about the lines of approach and service from the Movement that might be most effective. Immediately, however, societies which operate in university towns could usefully take the initiative in offering material and information on the Movement to students' unions.

(c) "A NATIONAL VOICE"

We regret that there is no agency within the Movement which has the

authority to respond quickly to any need for the declaration of a Co-operative consensus-including declaration of the Movement's positions on issues of broad concern to the community. While appreciating the difficulties about the establishment and operation of such an agency, we feel that the case for it should be kept under continuing consideration.

In this connection, we again draw attention to the statement in the Report of the Working Party on Democracy in Regional Societies about the importance of relating Co-operative principles to wider national and international issues and the argument that such extension is essential but must conform to certain conditions:

- That the extension must clearly be a logical projection of Co-operative principles.
- It must seek to avoid contradiction between the profession of the Movement and its practice.
- It must not weaken attention to the necessity for trading leadership, and service to the more long-term and general projection of principles must not mean sacrifice of effort to realise them convincingly in immediate and specific trading practice.

6 Additional Lines of Action

We wish to put forward the following additional suggestions, not as an exhaustive list, but as practical lines of action which could be put into effect by the Movement at the present time:

(a) MEMBERSHIP LITERATURE

We urge the preparation by societies themselves of a simple but attractive leaflet emphasising the advantages of Co-operative membership. Such leaflets could be produced in large quantities and made available at check-outs, new members' meetings, etc. Central advice could be made available, and, in this connection, we noted the publicity leaflet which is issued by C.R.S. nationally. In reviewing this we emphasised again:

- (i) The effectiveness of the Co-operative symbol particularly when boldly displayed.
- (ii) The necessity for achieving a statement of purpose that is both accurate and attractive.
- (iii) The case again for a slogan that will represent the Movement effectively and engage the eye or the ear of the membership and the public.

(b) SLOGANS IN DIVIDEND STAMP BOOKS

In considering the use of stamp books as a vehicle for the communication of basic Co-operative ideas, the Working Party appreciated the development on those lines already achieved and urged:

- (i) That the wording in the stamp books should be constantly reviewed with a view to securing, if possible, fewer, and more emphatic slogans.
- (ii) That, since customers must fill in their name and address before redeeming the stamp books, the books represent a valuable means of contact with non-members and new members. In particular public relations or member relations departments of societies should be urged

to contact any non-members handing in completed books for redemption, inviting them to make application for membership.

(c) INFORMATION SERVICE TO SCHOOLS

A statement was submitted to the Working Party by Mr. H. A. Fair, Education Secretary of the London Society, describing the information service to schools provided by that Society's Education Department. Following consideration of this memorandum and of the supporting material provided by Mr. Fair the Working Party reaffirmed:

- (i) That, when seeking to interest children in Co-operative ideas and organisations, such practical and "participatory" ventures as painting competitions and collecting dividend stamps for specific projects are likely to be more effective than formal education.
- (ii) That engagement has to be sought with the student and 'young adult' age range. This age group is concerned about consumer topics and moreover is increasingly articulate and active. The need-and the opportunity-to engage effectively with them becomes greater as the school leaving age is raised.

(d) CO-OPERATIVE CONTENT IN SOCIETY PUBLICITY

A memorandum prepared by Mr. Fair on 'Co-operative Content in Society Publicity' was considered and arising from the discussion on this paper we recommend:

- (i) That societies should insert references to the principles in appropriate literature and local press advertising. Advice is available from C.A.P.R.A. in this regard.
- (ii) The value of a set of slides, with accompanying commentary and matter of practice as well as precept. Experience in a Co-operative shop-including the response of the staff-should encourage confidence in Co-operative principles and identification of the individual with his society.

(e) THE MEDIA

We have acknowledged from time to time in this Report the importance of the media as agencies for the communication of Co-operative principles, and specifically recommend:

- (i) The urgent need for a 16 mm colour film of 20-30 minutes duration, depicting in an attractive way the Movement's principles and activities. The case for such a film has been urged at a number of recent Co-operative conferences.
- (ii) The value of a set of slides, with accompanying commentary and notes, describing the Movement's aims and organisation.

We stress that action under (i) and (ii) need not depend entirely on central agencies but can be achieved by collaboration between local societies and the national Co-operative organisations.

(f) ACTIVITIES WITH KINDRED ORGANISATIONS

The projection of Co-operative principles can often be effectively achieved by Co-operative participation in joint activities with kindred

organisations, e.g. the Workers' Educational Association, Consumers' Association, etc. Joint conferences and day schools, for example, can obviously assist in bringing the Society and its significance to the attention of members of other bodies.

7 Research

The basic Co-operative principles-voluntary association, democratic control, social ownership, fair distribution of the economic benefits-remain as valid in the 1970s as they were when first formulated more than a century ago. The best testimony for them is effective trading leadership. At the same time, the vigorous projection and communication of the principles to members and the wider public is constantly needed, so that the differences between Co-operative and non-Co-operative enterprise can be widely understood.

The problem is one that needs continuing attention-and continuing research into methods of projecting Co-operative principles in modern circumstances. Our final recommendation is that provision should be made centrally for the techniques employed by the Movement in communicating its principles to its members to be kept under analysis and reassessment.

8 Conclusion

We acknowledge that the problem we have faced consists largely of demonstrating the tangible as distinct from the theoretical benefits that the principles, as such, bring to the consumer. The varying practices of societies in such areas as the issue and redemption of dividend stamps, the provision of member bonuses, the availability of credit facilities, etc., etc., intensify the problem and have the effect of making it more difficult for the Movement to utilise opportunities for using national publicity to foster a greater awareness of its principles of consumer participation.

Our recommendations have to be based on the situation as it exists and on what is immediately practicable. For this reason, they are modest in scope. They cannot be exhaustive. Most societies will have other opportunities, peculiar to themselves, for projecting Co-operative principles and of identifying them with their own local activities.

This report is therefore not intended to be a final document. It is a report to the Education Executive-and it will be the responsibility of that body to identify the most urgent priorities within our recommendations and to determine the lines of action arising from them.

Projecting Co-operative Principles

Comments on the Report

by

PROFESSOR J. BANKS

Professor Banks was a member of the Education Committee of the Enfield Highway Co-operative Society towards the end of the war years and also Editor of Comrade for the B.F.Y.C.; a student, with his wife also an Ex-B.F.Y.C. member, from 1947-1952 at the London School of Economics and for part of this time Hon. Secretary of the Southern Co-operative Education Committees Association; became Assistant Lecturer in Sociology at University College, Leicester in 1952 and stayed there until 1954, working with Geoffrey Ostergaard in a study of Nottingham Society Co-operative Democracy, Co-operative College Papers No. 2; then went to the Social Science Department of the University of Liverpool until 1970 when he returned to Leicester as Professor of Sociology; publications include most recently, The Sociology of Social Movements, 1972, which uses information from the history of the Co-operative Movement to illustrate some of the points.

Perhaps the most important single point made in the Working Party's Report is to be found in Section 4 (a), the emphasis on the interdependence of Co-operative principles and practice. In this section the comparative assessment of their relative importance gives priority to 'the projection' of Co-operative principles, but however, not solely in order that these principles may be intellectually understood but because they may 'well have an influence on the improvement of practice.' Of course, the reference here is to the range of services, quality of goods, prices, design, and standard of service, that is, to Co-operative trading practices. I should like to see this notion extended to cover *all* aspects of co-operative practice, including management-union relations and board-member relations. It is also important to emphasise whenever educational activities are being organised that one of the chief aims of such activities is the improvement of practice in the light of these principles. This means, I think, that more attention must be paid than is apparent in the Report to the promotion of those forms of education which are practical rather than theoretical. Some of the imagination which has gone into employee training for the rather limited aim of improving shop service should be applied to the 'training' of members in the *art of participating* in a mass movement in place of their merely giving it their theoretical support-and it should be understood that I do not regard shopping at the Co-op as participating in this sense.

Training the Activists

Section 4 (a) (iii) touches briefly on the possibility that the projection of principles may initially have an impact 'on only the active minority of the membership.' The significance of this remark, I think, needs further exploration. From what is known of all voluntary organisations, especially once they are too big for every member to be personally acquainted with every other member,

only a minority will ever participate in the actual running of the organisation. There is always a distinction between the active minority whose efforts give that organisation its special quality and the passive majority who are the recipients of whatever the activists achieve. Education Committees have, in fact, always been aware of this within the Co-operative Movement but they have also always believed themselves somehow to be failing in their duty to the membership because their efforts have reached only a tiny section of that membership. I believe that it is now time openly to recognize and to admit that minority participation is all that they can ever hope to achieve and for them to give rather more attention to improving the quality of this minority participation, even if this is at the immediate financial expense of the majority. In the long run raising the standards of co-operative practice will benefit all.

To my mind, moreover, it is important to emphasise in this connection that this minority must always be thought of as *emerging* within the membership itself. While a case can be made for the Working Party's views about communicating with schools and universities-and I certainly would not want to see such communication cease-far more important, it seems to me, is the need for communicating with potential activists within the membership. The Youth Sections and the Guilds have always found recruits for the Movement in this way and so, incidentally, has U.S.D.A.W. through its shop-stewards. What I am now suggesting is that the Movement should intensify its attempts to encourage such recruits to improve the quality of their participation through the organisation of activities which give them direct experience in forms of such participation. This means *more* practical classes in public speaking and chairmanship, *more* mock Congresses and Easter Conventions, run locally, and *more* practical training in the art of arguing a case and negotiating with another Co-operator with a different point of view on an issue. Why not organise mock disputes, for example, where U.S.D.A.W. shop-stewards may be trained to put a case and potential management committee members may be trained to deal with it in terms of co-operative principles and their application? How such principles may be shown to apply in such cases would seem to me to be a much better form of education than formal lectures on the Rochdale Principles and what has happened to them since 1844.

Appeal to the Majority

None of this precludes the necessity for making some appeal to the passive majority. The Working Party suggests 'a simple but attractive leaflet emphasising the advantages of Co-operative membership,' slogans in the dividend stamp book, films, slides, and the plethora of long used methods which have for so long been more expensive than effective. These will have no more impact on co-operative *shopping* than more conventional forms of advertising that management committees will employ in any case and there is a marked scarcity of evidence that any co-operative *participant* was ever recruited in this fashion. Indeed, the recognition that only minorities will ever participate requires a radical re-orientation to the general membership. How have the participants been recruited in the past? Surely the best people ever to bring in active participants were the active participants themselves,

Women's Guild members who brought their children, U.S.D.A.W. shop-stewards who persuaded a fellow worker to stand for office in the union, activists of one kind and another who brought in their friends and neighbours. Personal, informal efforts at recruitment of this kind are more likely to be effective than the impersonal impact of a leaflet-if it gets read at all-or curious experience of sitting in the dark, cut off from other people, watching a film show. If I am right in this assumption, what the Movement needs to concentrate on is ways and means for helping its activists to bring in recruits. This is why the summer schools, and the week-end schools have been so important in the past-not, that is to say, for the lectures as for the social and informal activities in which members met members as participating *people*. Of course, I am not suggesting that such a minority should be treated as an elite. Everything organised for activists should be open to *any* member to attend, but the assumption that only activists and potential activists will attend might relieve some Education Committee members of their guilt that they are not doing enough for the rank-and- file. What active Co-operators should be much more conscious of is the possibility that they may sometimes stifle incipient activism in others by putting difficulties in their way and not encouraging them enough.

These remarks are written, of course, in the attempt to strengthen rather than to denigrate the work of the Working Party. Their report, they say, is 'not intended to be a final document.' This means, I presume, that it is open to revision. In the process of revision perhaps the Working Party may be induced to consider some of my ideas.

Developing the Society A Personal View

by

ROGER MITCHELL

Roger Mitchell is employed as a Tutor at the Post Office and Telecommunications Management College; a member of the Co-op (Plymouth and South Devon) and Labour Party for 13 years; formerly chairman of the South Western Regional Committee of the Young Socialists and chairman of Wembley North Constituency Labour Party; currently on a Members District Committee of the London Society and on the Executive Committee of the Co-operative Members Association in London; special interests in the development of Co-operative trading growth strategies and the fostering of closer links between the Labour Party and the Co-operative Movement.

For some time now there have been views expressed on the role of the Society in relation to the contribution made by other agencies within the Co-operative Movement. The usefulness of the Society in providing a medium for the interchange of ideas between academics, lay members and Co-operative professionals has not been in any doubt at the national level, although the question has been asked 'Are we getting returns in proportion to the administrative effort?' Further, with an almost static membership, all the opportunities that do exist for extending the influence of the Society-and thereby increasing its value to the Movement as a whole-have not been realised. At the lower level, with a few notable exceptions, the role of Regional Groups cannot be regarded as entirely successful.

Little purpose is served, however, by an introverted reflection on the past performance of the Society alone. It is much more important to consider the wider environment in which the Society operates, and to assess the needs of the future. Only then will a determinate future role, if any, be identified.

In essence, *what is the real problem, and how best should it be solved?*

The Problem

Without labouing the debate on the many elements that have contributed to the declining Co-operative influence on the British social scene-these have been discussed at length both within and outside the Society-it is useful to reflect on just a few.

Although the galloping decline in Co-operative trading performance of the 1960s has been arrested, it would be foolish to ignore the continuing current trends that still show a decline in our trading fortunes. Added to the mix is a declining and aging membership and a reduced level of interest and participation by those members that remain. In this respect the recent analysis by John Hughes stimulated some very useful avenues of thought.

As Socialists* we have three mutually compatible-indeed integrated-choices to bring about change in our society. Politically we can achieve some progress through the Labour Party in both local and national government. Similarly

through industrial efforts we can, as trade unionists, help promote our aim to create a better and more equitable way of life. The third choice is to initiate change through consumer action—namely that of trade by Co-operative Societies. We can be justly proud of our record in earlier years, but in the contemporary period this has not been sustained in contrast to performance in the Political and Industrial fronts. The Co-operative contribution is more appropriately measured in terms of its potential rather than by its current performance. In these days of apparent ideological vacuum most people are not necessarily attracted to action in the manner which prompted our forefathers to create and develop the Co-operative Movement. Rather, they are more likely to associate with organisations that practice a philosophy which is seen to operate in a discrete and commercially successful manner.

Thus, to make the progress that we all desire, the paramount need is to improve our trading performance, thereby earning the commitment of the consumer through demonstrating that Co-operation is not a spent force but a truly viable alternative to the grasping and self-centred example of private enterprise. Extending the theme of Alfred Wilson's address to this year's Congress at Scarborough, "Once we have demonstrated that we are the best retailers in the country, no Government can afford to ignore our views." *When we are the best retailers in the country, this is when people will want to associate with us and the way of life that we hold so dear!*

The Society's Role

If achievement of commercial success is the prime need, how can this be best brought about?

To supplement the talent that already exists within the Co-operative Movement, we need to involve a lot more of our traditional friends from the Labour Party and the trade unions. Here the Society has an important role to play by providing a forum through which friends of the Co-op, both within and outside the Movement, can examine the problems and opportunities that face it. The most significant contribution will come from our ability to harness the interest and expertise of not only academics, but the many Socialists who are accomplished in the diverse specialist areas of business and management. Latent potential is in our midst as exemplified by the setting up of the *Labour Economic Finance and Taxation Association*, and the likely formation of Lord Brown's *Labour Managers' Group* and a *Society for Labour Accountants*. Socialists such as these, if attracted to our SOCIETY could provide an outward looking and innovative stimulus to the Co-operative Movement.

This is all very well, but what practical steps should we take to increase both the membership and influence of our Society?

Just as the Movement itself has problems in communicating effectively with its actual and potential membership, so too does the Society. Many people who could make a valuable contribution are unaware of the Society or its aims. Prospects (potential members) may fall into one or more of the following five categories:

- (1) Lecturers and Students at Colleges and Universities

- (2) Officials and Directors of Societies,
- (3) Co-operative Membership,
- (4) Labour Party Members, and
- (5) Trade Unionists-including Full-time Officials and Research Staff.

Support from All Categories:

Of these, only the first and second categories seem to be involved in Society activities-then on a rather limited scale. There is scope through existing contacts to develop this much further.

The third category could be cultivated by officials and directors of Societies, with backup support from the Co-operative Union educational organisers, and perhaps by more references in Co-operative News and in perhaps Co-operative consumer publicity.

For the last two categories, in which exists our greatest void, there is scope for the use of advertisements-nothing too elaborate-and feature articles in Labour Weekly, Tribune, the New Statesman, Socialist Commentary and selected trade union journals, particularly those whose members have a stake in the Movement. Prospects in the earlier categories too would be reached by this means.

Another potentially rewarding activity would be for existing members through their knowledge and experience to prepare 'Prospect Lists' and to adopt inertia selling techniques by arranging for Prospects to receive invitations to attend regional group meetings. Similarly, Prospects could be sent copies of Committee Papers with the appropriate interest appeal (i.e. finance to accountants, and personnel to trade unionists and personnel managers).

As for regional groups, the problems of travel rule out for most the holding of frequent meetings. However, life need not stop because of this. Reproduction facilities could be utilised in the preparation of Committee Papers for discussion by post. Indeed, postal consideration of issues could well lead to more action centred discussion at group meetings. In themselves the Committee Papers need not be too detailed or lengthy; their main purpose would be to identify new areas of risk and opportunity.

Summing up, the Society does have an important part to play in cultivating the interest of Socialists who are at present for one reason or another not involved in Co-operative affairs. The Co-op to regain the growth initiative, needs these people. We are unique in that expertise and knowledge are free for the asking. No other commercial undertaking has such latent strengths nor our ambitious aims to effect social change through trade. Our role in the Society is complementary to that of other Agencies. Our own market segment is potentially very fertile, let's sharpen the teeth of our appeal.

**Without distracting attention from Mr. Mitchell's argument-a small editorial caution: there is no obligation, of course, for members of the Society to be Socialists and, no doubt, there are differing views on where the line of duty or logic lies.*

Developing the Society A Personal View

by

DAVID MORDAUNT

(David Mordaunt is a Birmingham schoolteacher and convenor of the recently formed West Midlands Group of the Society for Co-operative Studies. He has led a course on "The Role of the Co-operative Movement in the 1970s" at the Birmingham Co-operative Society and will be giving a second course on the Movement at the Society in early 1973).

1 Regional Organisation

To an interested newcomer like myself the Society for Co-operative Studies appears to be an organisation capable of offering immense benefits to the Co-operative Movement firstly by conducting towards it an invigorating breeze from the direction of academic ivory towers and secondly by inspiring within it informed, lively and intelligent debate amongst managerial and lay leaders of the Movement. Its present situation, however, seems unsatisfactory and discouraging; the enthusiastic period after its launching appears to have given way to a period of static or falling membership and uncertainty about how to consolidate its success at national level and make its patchy regional network into a stronger and more systematic network.

The organisation at the level of Co-operative Union Sections seems too remote. The basis for organisation for the next stage of the Society's development (not, I trust, its ultimate organisation which would be even more local) should be a centre, or group of centres, within an area of thirty miles radius. In the Midlands, for example, Leicester, Nottingham, and Loughborough would form one such area and Wolverhampton, Coventry, and Birmingham another such area. The organisation should have not simply joint convenors, as at present at sectional level, but representatives of each interested educational institution and each interested co-operative society forming an executive committee which would meet perhaps six times a year. Without such a "dense" organisation as opposed to the present thinly spread regional system, the society will be unable to develop from its present vulnerable position.

2 Character and Role of the Society

The Society has not coherently developed a view of itself which will give it the necessary confidence and flexibility to act as an effective catalyst as possible in the bringing together of academics and co-operators. It struck me as being a diffident hybrid, straining on the one hand to imitate a learned society and on the other to serve as intellectual handmaiden to the Co-operative Movement. It may well be that these roles are compatible but each needs to be developed independently so that interchange of personnel and ideas from a position of strength can be achieved.

Within the regional branches I envisage above, there could be three types of activity:

- (a) groups and courses within an academic discipline open to both educational and co-operative people, e.g. managers, versed in that discipline,

- (b) groups and courses centred on co-operative societies for the intelligent layman (and even academics are only intelligent laymen outside their own field) interested in the systematic but non-technical study of co-operative matters. Such activities should involve advanced study rather than introductory level study,
- (c) joint activities of (a) and (b).

At national level, the annual conference should reflect a similar three-pronged approach. Obviously, there is a danger that the discipline-based groups and the lay groups would not interact enough; but setting up such a functional division is a necessary prerequisite for growth. Really effective interaction will come only when some independent growth within a joint framework has been achieved.

3 The "Bulletin"

With a more vigorous approach the "Bulletin" could be a major influence for establishing a prominent place for the Society within the Movement. It needs to be greatly expanded and developed and should become a major platform for the best thinking in the Movement. The primary editorial aim should be to set in motion a continuing dialogue in its pages for the benefits of all intelligent Co-operators and on a more sustained and strenuous level than is possible with "The Co-operative News". The articles published would also provide material for the regional groups.

Secondly, it needs to give information about current academic work relevant to the Movement-perhaps offering abstracts and reviews.

Thirdly, it needs to give information about current activity in the Society.

The second task calls for more than the lists as at present given under the heading of "Current Co-operative Studies and Research". The third task calls for more than the present bare and dull reports given under "Reports from the Regions." "The Bulletin" should become a quarterly publication, twice as long and four times as expensive and be advertised widely in Co-operative circles for sale to non-members.

4 On Fostering Academic Study of Co-operative Matters

In the academic field the Society should act as sponsor of articles in learned journals (which its own "Bulletin" should not seek to emulate or include but rather to complement) and perhaps in conjunction with University authorities as sponsor of a series of books offering academic studies of the Co-operative Movement. Some of the books might be collections of articles sponsored by the Society itself; others might make available research by academics sponsored by the Society and given facilities by Co-operative Societies; others would be suitable for a more general readership like the excellent "Power in Co-operatives" by Ostergaard and Halsey and "Consumers in Politics" by Carbery. With an able and vigorous general editor and willing support from the Movement such a series could do much to promote academic and intellectual interest in and understanding of the Co-operative Movement.

5 Follow-up

A welcome response to these thoughts would be a critical rejoinder from someone more or less in disagreement with me, -it would be a sad reflection on the health of the Society if there were no such response,

The Münster Conference

by

DESMOND HOPWOOD

(Mr. Hopwood is a Lecturer in the Department of Marketing at the University of Lancaster and Vice-Chairman of the Society, which assisted his participation in the Conference)

This report covers selections from the 7th International Congress of Co-operative Science which was held in mid-September 1972 at Münster in Westphalia, Germany. Although a very interesting conference from many aspects it is best seen as a West German conference which also dealt with issues concerning Co-operatives in other countries and continents. Sessions were so organised that it was rarely possible for delegates from other countries to contribute to the many debates that followed each conference paper. Personally, I am strongly in favour of international conferences on topics of common interest to both academics and executives concerned with Co-operative organisations but it must be recognised that this was not such a conference even though topics of international interest were widely covered. If the organisers of the 8th International Conference to be held in three years time take the trouble to get a truly international organising committee they may well achieve their apparent objective of making this the recognised international forum for interchange between academics and practising executives in the Co-operative sector. This next Conference is to be held somewhere in Germany in three years time and hence this issue will need attention in the near future if it is to take on a truly international aspect.

Having started with this rather direct criticism of their conference attitude, may I nonetheless congratulate the organisers on the set of papers that were presented to this very well attended conference. We as yet have no similar forum on these lines in our own country. Again, bodies such as the International Co-operative Alliance fail to organise international conferences at all except for practitioners and elected representatives and in this way seem to be shy of contact with different academic interests who do show concern with some issues of relevance to the Co-operative sector.

Given this existing gap in the international interchange of ideas the Munster Conference did however provide a useful forum for international contact and the provision of simultaneous translation of the conference proceedings in English, French, and Spanish languages was particularly appreciated by the overseas visitors.

"Co-operatives and Democracy"

The main theme of the conference was 'Co-operatives and Democracy', and this was taken as the title of a very stimulating paper presented by Rolf Eschenburg. In general, Mr. Eschenburg discussed the difficulties that can arise between qualified professional managers and elected consumer representatives over matters seen by managers as part of their professional function. Defining "direct democracy" in the sense that all management decisions are taken by the general meeting of members, he stresses that its abolition involves a considerable

reduction in decision-making costs. However, he stresses that co-operators run the risk that decisions might be made contrary to the best interests of a majority of the membership. But the membership presumably want highly qualified managers, and in order to get them will have to make concessions and give them considerable autonomy in terms of decision-making authority. Managers are judged outwardly by the success they make of their particular co-operative and if others participate also in aspects of the decision-making process, their contributions to the success or failure of the enterprise cannot be clearly seen. It is suggested that when things go wrong, the manager tends to collect the blame but that when business is good, others involved in decision making (presumably the board in the British context) also claim part of the credit. First class managers are scarce, and in this situation they tend to go for those positions of senior management where they are given considerable autonomy to exercise their management skills. There is a dilemma for Co-operatives in that if they press for too much member involvement in the running of their societies they will only end up with second-class management executives. Co-operatives exist in a strongly dynamic economy where innovation is the rule, and second-class managers will not bring about good economic results. In this context it is important that the members clearly specify their economic and social objectives to the top management.

Mr. Eschenburg then discusses whether the members of a Co-operative can get information to check on the alternatives before senior management, in order to judge whether the right decisions are in fact being made. It is suggested that the senior management in their own interests are very selective about the data presented to the membership. Mr. Eschenburg takes comfort in the belief that senior management should be concerned about the image of the society within a general business context and hence will not for reasons of professional standing want to be associated with an enterprise that is clearly going downhill into economic decline. He therefore seems to be satisfied that because societies exist in a competitive trading sector there is every incentive for them to pursue efficient trading policies.

In a selective summary of this nature, it is not possible to do justice to a very interesting paper but some of the issues he raises are very pertinent to the problems of some sectors of co-operative enterprise in our own country.

In the Under Developed Areas

Turning to a different theme-co-operatives in under developed areas, Herbert Bergmann gave a paper entitled "Co-operative Democracy between Traditional Powers and Development Administration." In general, it was a depressing paper indicating quite strongly that the structure of co-operative societies in areas such as Africa had in general not come up to the expectations of their originators. In particular much benefit had been expected in international economic planning circles from the widespread introduction of agricultural co-operatives into peasant economies. The possible influence of historic tribal hierarchies of chiefs and their immediate families and followers within the democratic structure of a peasant co-operative had been underestimated. Very often the chiefs dominated the local co-operative either directly or via

followers or relatives whose first allegiance in practice was to favour the interests of the chief rather than to consider the other members of the co-operative as well. In the ideal co-operative society as Mr. Bergmann stresses "nobody will be able to distinguish between a person being the chief and the same person being a member of a co-operative." His study in Senegal "shows that traditional authority, even informal influence in the traditional structures, can easily be transformed into formal authority or informal influence in the new structures of the co-operative." In his study, 25 per cent of the co-operatives examined were directly managed by local chiefs, and in a further 30 per cent the local chiefs had more or less close relationships with the chairman of the co-operative. The chiefs often intervene to decide conflicts between the members in the running of their co-operatives. To quote Mr. Bergmann again "in the by-laws of the co-operatives which are almost always based on foreign models, no provisions are made for mechanisms for solving conflicts other than the discussion in the general meeting and the subsequent vote. But as unforeseen conflicts may arise in the running of the co-operative, the services of the chief in settling them become important for the co-operative." And finally, "for the local chiefs, the co-operative consequently, is an instrument of obtaining a position in the modern field and of drawing all material benefits resulting from it. Once the pre- eminent position of the chief is secured, there are less chances for internal democracy because the chief has gained greater control over the co-operative." Although mainly concerned with Senegal, Mr. Bergmann stressed that similar problems took place in other African countries and also in developing countries in other continents. He quoted from a wide range of authors in the discipline of anthropology to prove his point. The problem is particularly acute because so often rural peasant co-operatives lack well qualified staff, are short of funds and resources, and members tend to see situations in terms of their own personal interests rather than viewing the problems of the co-operative from a wider and more altruistic angle.

Mr. Bergmann ended a lengthy paper by concluding that Western models of co-operative behaviour were inappropriate for peasant societies overseas.

In the U.S.S.R.

I must confess that I had not expected the paper by Mr. Khvostov of the Soviet Union to be so interesting. Though avoiding certain delicate issues that might otherwise have aroused controversy he nonetheless provided a good factual account of the current scene facing Russian co-operatives today. The latter trade mainly in rural areas and the smaller towns leaving the state sector to control trade in the cities. In recent years Co-operatives have been allowed to develop specialist stores in the cities as well provided they restrict their lines of activity to produce they have mainly obtained from their grower members. Fruit and vegetable produce is one such line of activity. An example was also given of Moscow where bear and deer meat, and wild fowl etc. were only to be obtained in specialist co-operative stores.

The co-operatives have done well in recent years partly due to a more relaxed attitude on the part of the central government and also because of the rising living standards of the Russian peoples. Apparently incomes have risen fastest in the rural areas-where the Co-ops have their strength-and this

has benefited local societies in terms of sales increases and also profits. The Co-op share of the Russian retail trade now stands at 39 per cent. Readers of my articles in "Co-operative Management and Marketing" will be well aware of my theme that the progress towards regional societies in Britain forms part of a wider European trend. The same movement is also to be observed in Russia. To quote Mr. Khvostov "the experience of Soviet co-operative organisations has shown that large co-operatives are the most viable and financially profitable." He went on to stress that "large co-operatives have sufficient circulating capital, they can make bigger and more effective investments and accumulate the necessary funds to do so." He also put great stress on the theme that regionalisation reduces administrative overheads.

An example was given of the Chuvash autonomous republic which in 1969 experienced a number of unsuccessful loss-making enterprises. A series of mergers since that date has resulted in improved profitability in that republic. I was interested to hear that bigger economic groupings in Russia can get "higher price allowances" from their suppliers. I had not previously envisaged the existence of price discounting in the Soviet Union.

"Enlarged co-operatives make it difficult to hold general membership meetings. That is why in the co-operatives of the U.S.S.R. in addition to district membership meetings (direct representation) there are meetings of representatives elected at the district meetings (indirect representation)." Mr. Khvostov went to some trouble to explain the ways in which they tried to maintain member interest in the running of larger co-operatives. I found myself thinking of Mr. Eschenburg's paper and wondering what constituted success in the eyes of Soviet management opinion. Mr. Khvostov emphasised the existence of the member shop committees as one way to overcome the loss of identity as larger groups takeover from local co-operatives. Their local criticisms have to be taken into account and presumably they can encourage innovation in the way that new developments by Asda and Tesco and Marks and Spencer etc. encourage innovation in our private retail economy today. Altogether it was an interesting paper with a well-presented series of themes.

Other Papers

Other papers presented include one on "Co-operatives and Competition" by Gerd Fleischmann, a short statement on Co-operatives in Latin America by Fernando Chaves which had similarities to the paper by Mr. Bergmann, and a paper by Erik Boettcher which raised issues similar to those dealt with by Rolf Eschenburg. Mr. Chaves argued the need to develop special forms of co-operative society in rural South America. He commented that "in many instances, foreign, middle-class types of co-operatives have been transplanted and given high priority when the population of Latin America is largely rural." Bolivia with over 60 per cent Indian population had cultural values different to the rest of the population and this should be taken into account when new co-operative structures were being planned.

Mr. Boettcher discussed the possibility that Co-ops tended to attract second rate managers because of the requirement to share some decision-making powers

with the membership or their representatives. He suggested that if this was the case, younger and more efficient personnel on the staff of co-operatives would be attracted away to work for rival organisations. He also commented that weak co-operatives tend to survive for a time by selling their real estate property during years of bad trading performance.

Collectively the papers set a high standard of presentation, and I am sorry that I found it necessary to make some critical remarks about the organisation of this conference. Suitably amended, this series of conferences held every three years could be a regular international event that academics and professional managers alike from a wide range of countries would be keen to attend.

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