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Jan Myers

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Co-operation and Globalisation: The British Co-operative Wholesales, the Co-operative Group and the World Since 1863

By Anthony Webster

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In six chapters, Webster takes us on a whistlestop tour from the 1800s to 2018, the result of five years research and dedication. As the reader moves from Liverpool to New York, Webster both entertains and informs and his enthusiasm for the subject matter oozes from the page. Throughout, we build an appreciation of the international presence of the English and Scottish Co-operative Wholesale Societies and the scale and spread of their global supply chains.

Just twelve years after its establishment, the English Co-operative Wholesale Society (CWS) had set up a branch in North America in the New York Produce Exchange in Lower Manhattan and in chapter 1, as well as an overview of the book and contextual detail, we touch base with William E. Bates, a director of the English CWS as he lands in New York in 1892 as part of a trading tour of North America lasting over two months. Among some of the significant highlights of the tour is meeting and shaking hands with the President of the day, Benjamin Harrison; a far cry from the Rochdale Pioneers' candle-lit store in Toad Lane.

Chapter 2 looks in more detail at just how CWS expanded so quickly on to the international stage. Partly this was in the response to the hold of local suppliers on co-operative societies and the competitive pressures that accompanied that situation in trying to meet the procurement needs of co-operatives, often with societies playing off local private suppliers and the CWS. This was despite the CWS appeals for loyalty, including via society conferences, public denouncements of those societies failing to adequately support their CWS through increased purchases. The CWS also had to up their game and despite the continuing problems with supply to local societies, societies' membership of the Wholesales enabled capital purchase of resources (factories, mills, warehouses, even ships) as well as overseas expansion and trade.

Co-operative historians will doubtless know the key players at that time, including William Maxwell (SCWS), Abraham Greenwood (English CWS and from 1874 CWS banking department); and John T. W. Mitchell. Webster also points to the appointment of "talented and experienced professionals to key permanent positions as CWS employees" as an important development in supporting global expansion, including John Andrew (p. 33). While Andrew had experience of living in Germany, he could not be seen as an 'external' appointment, having returned to England to work both in societies and the CWS but it was this combination that led to his appointment as manager of the CWS in Copenhagen in 1881, strengthening the CWS presence in Scandinavia and the emerging co-operatively owned creameries. Before this, direct purchase of butter through butter-buying branches had come through Ireland; cheese, lard, bacon, and ham from the US, even importing 'own label' brands, viz. tinned meats as part of the 'Pioneer' brand; and dried fruit from across Europe. The CWS also started to supply third party (non-co-operative) firms in the US (Kilverts) and in England (Fowlers and McFie's both of Liverpool, Dixon & Co., Manchester).

The period covered in chapter 3 is 1890 to 1918, a period marked by further geographical expansion (wheat trade with Canada) and also of consolidation (new lines of product with established trade partners e.g., tinned salmon, and fruit; new partners — palm oil and cocoa; withdrawal from others, including CWS shipping). Additionally, vertical integration of its supply chain included butter production in Ireland — an action “roundly condemned” by Plunkett in 1901 and which eventually failed; and for both the CWS and SCWS more successful initiatives such as the purchase of tea plantations in Ceylon and Southern India. The chapter also details the impact on the CWS of war preparations which is further discussed in chapter 4 and the strengthening of the co-operative movement in the inter-war years. There were some striking periods of optimism, more so for the CWS than SCWS, with moves to raise capital investment through the sale of development bonds (£2.5million and £4.5million raised in two rounds, p. 92) that came before the economic downturn in 1921 and the General strike of 1926. As Webster explains, it was also in this period that the CWS Bank became an important actor in international trade development, extending credit to, for example, Russian and Ukrainian co-operatives as well as a joint venture between the CWS and New Zealand Dairy association — both controversial in their own ways. That the CWS refused sanctions on German and Japanese imports received further condemnation due to, as Webster refers, “commercial considerations [trumping] ethical and ideological considerations” (p. 121). Yet, in 1941, the CWS Bank also financially supported local authorities dealing with bomb damage and as Webster remarks, “[w]hile the wholesales did not abandon their international trading activities during the war, they now largely carried them out on behalf of the British state” (p. 125). Post-war, the CWS international trade map continued to change and while there were some positive forays into new developments, there was significant contraction. By the 1970s, most of its overseas facilities had been closed or sold off and chapter 5 explores the reasons behind this and looks specifically at the development and life cycles of CWS palm oil groves and cocoa plantations and tea plantations.

The final chapter brings us almost up to date with a review of the period 1980-2018 and the roller-coaster experiences of decline, resurgence, crisis, retrenchment, stabilisation and recovery. Peaks and troughs include ethical purchasing and fair trade, the Myners report amongst others.

Webster does not fall short of showing the brinkmanship of the CWS operations for example in direct purchasing arrangements and by-passing brokers and merchant suppliers; of speculative ventures and risk taking; of fractious relationships and boycotts; of inferior quality goods; support for free trade (as a pre-requisite for international trade between co-operatives, bolstered in some degree by the formation of the International Co-operative Alliance). While part of a wider social movement, co-operative wholesales as well as promoting the principle of co-operation with co-operatives also entered into ‘protectionist’ deals with private companies as part of navigating its global supply chain challenges. As Webster suggests, additional research into the experiences of how other co-operative and non-co-operative retail organisation developed their supply chains particular during contractions and reconstruction of international trade over time might also be prove useful in a post-Brexit UK.

The Reviewer

Jan Myers is a member of UKSCS and Visiting Fellow at Northumbria University.