

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

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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 residually-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.