

The Pit and the Pendulum; a co-operative future for work in the Welsh valleys

By Molly Scott Cato

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Reviewed by Nadia Johanisova, Masaryk University, Brno, Czech Republic

This is a remarkable book, combining a cool head with a warm heart in assessing the complex phenomenon of unemployment, its causes, effects and remedies in an area crippled by coal mine closures in the eighties and nineties. In an introductory passage, the author states some of the reasons for undertaking her research:

My training in social research, as well as my inherent nosiness, led me to wonder what the people making up the labour force there might think of their situation ... I was astonished to find that nobody had asked them.

So she did ask them, first via questionnaires which drew over 200 responses, then by conducting more informal, in-depth interviews with 47 people. The respondents were drawn from a sample of employees in the study area: public, private, and co-operative, small and large. The questions revolved around the level of satisfaction workers felt with their own jobs, the value they attributed to different types of work and their priorities in choosing their occupations. Other interesting issues arose in the in-depth interviews.

The answers are in Chapters 5 and 6 and form the kernel of the book. We glean a vivid picture not only of workers' attitudes to their jobs, but also of the lifestyle, values and aspirations of a people whom economists are only too apt to place on the scrap-heap for not having adjusted to a globalised world. From Cato's research a more realistic portrait emerges: the typical Rhonda Cynon Taff inhabitant values solidarity, job security and altruism over individualism and quick profit, and might thrive if offered community-focused jobs with an inclusive management structure established along co-operative lines. This impression is further strengthened in Chapter 7, which describes the history and current situation of a local co-operative success story. Tower Colliery was bought out by its workers after facing closure in 1995 and has not only emerged as a successful business, but has significantly contributed to the strengthening of both the local economy and local confidence.

An important theme running through the book is foreign direct investment. While the policy has

met with some success in the number of jobs created, its overall effectiveness has been questioned in recent years, especially after the 2003 scandal featuring LG, the Korean firm which pocketed £248m in public subsidies, then reneged on its promise to provide 6,100 jobs in the region. In Chapter 3, the author provides well-researched information on problems connected with inward-investment job creation in Wales, which include not only insecurity of employment, but also the low-skilled and low-paid character of the jobs and their essential incompatibility with the mentality of the miners, used to strenuous, dangerous but autonomous work with a high degree of mutual support and camaraderie. Less measurable yet very important is the impact on local self-confidence, an attitude of "we need foreign saviours, so are probably too inadequate to resolve our own problems".

While subsidies from the public purse are taken for granted in the case of large foreign companies, they may not be forthcoming for a local co-operatively managed company. At the time of writing, Tower Colliery was deliberating whether to risk a major investment in developing further coal reserves. It was doubtful if the company could afford the investment but non-investment would mean closure, which, as Cato emphasises, would lead to "a colossal blow to confidence in the Valleys". Yet it was far from clear whether a public subsidy would be available. The fact that it seems to be economically acceptable to fund an Asian company but not the expansion of a local colliery highlights the hidden value judgements behind purportedly disinterested economic decisions by government.

In the last chapter, which I personally found very interesting, the author draws on her own values, her economic erudition and the results of her research to suggest some non-mainstream, but credible and achievable answers to the Valleys' unemployment problem. Essentially, she calls for a "Robinson Crusoe approach to policy-making".

When Robinson Crusoe arrived on his island ... he assessed what was available and decided how to make use of these things to

increase his well-being. I suggest that we begin to follow this example in Wales, where the response has rather been to expend most of our effort in building one raft after another, all of which have sunk without trace on the merciless seas of international competition.

South Wales, Cato asserts, has a wealth of resources. The challenge is to tap these resources in the interests of the locals rather than distant corporations, and to go with the grain of the local culture rather than against it. Strategies would include re-evaluating coal, coal, water and renewables as strategic resources rather than market commodities, “capital anchoring” in the sense of converting firms vulnerable to closure to worker ownership, creation of local currencies, emphasis on true local community participation in community regeneration, and providing finance and expertise for small and medium enterprises, the non-profit sector, social enterprises and credit union development. To counter the local problem of a booming black economy, it is suggested

that Rhondda Cynon Taff should introduce a basic income pilot scheme: locals would receive a basic income whether or not they have a formal job. By freeing them from the poverty trap, this might prove more effective in boosting official employment figures than “hotlines to report on neighbours”.

The Pit and the Pendulum is a scholarly publication replete with data, yet one can sense the author’s passion bubbling not far beneath the surface. In fact, her values actually do surface in an initial passage on methodology and broad intellectual scope.

Upon finishing the book I felt that despite the differences between Wales and the Czech Republic, this book might well have been written about us. Yes, over here foreign direct investment is not working very well either. *The Pit and the Pendulum* maps a different route, banking on local land and people rather than foreign companies. Perhaps if we take this path our valleys will also grow greener again.