

COME BACK, CONSUMER CO-OPERATIVES

by

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On the window ledge above the ancient desk in my "study", stands a bust of one J. T. W. Mitchell. It was he, by his insight, dedication, force of personality, and by virtue of his office as Chairman of the C.W.S. from 1874 to 1895, who inspired Carr-Saunders, Florence and Peers, in their "Consumer Co-operation in Great Britain", published in 1938, when describing the remarkable advance of our movement during the last quarter of the 19th century, to write:

"its implications, however, remained hidden from the vast majority of those who were responsible for it. The outstanding exception to this latter statement was J. T. W. Mitchell - perhaps the only prophet produced by the modern movement, and certainly the greatest. He it was who gave new meaning to the growing Co-operative enterprise, who saw clearly that the profits of such enterprise, at whatever stage they arose, must return to the ultimate consumer if the ideal of direct production for use, in opposition to the system of production for private or sectional profit, was ever to be achieved. He had tremendous faith in the future of this new conception of Co-operation. If it was "loyally supported and indefinitely extended", it would "solve all social problems, destroy poverty, eradicate crime, and secure the greatest happiness to the greatest number":

Distribution, of course, was merely one link in his chain of production.

While one might now, at a century's distance, question the sweep of his vision; the power of his advocacy and single-mindedness was sufficient to rout the powerful supporters of producer controlled co-operatives, and bring to his aid some formidable allies. One of the greatest of these was Beatrice Webb, who, writing in 1889, as the late Arnold Bonner reminds us in his "British Co-operation"; found nothing ethical in producer Co-operation. Producers' societies were associations of profit makers and "an industrial organisation which substitutes for one profit-maker many profit-makers is not a step forward in the moralization of trade"!

By the turn of the century, the role of the British Co-operative Movement as the true voice and expression of the consumer's dominant place within the economy was well established; unquestioned by its leadership and its supporters. In 1951, nearly ninety years after its establishment, the C.W.S. gave emphasis to the general acceptance of that role, by a well illustrated history of its progress, with the title, "A Consumers' Democracy".

Seven years later, in 1958, the Independent Commission could report of the consumers' societies that, "today nearly 60% of all self-service shops are Co-operative. It is leading the retail trade in the development of supermarkets; and, in one of its own traditional fields, it is building, notably in the New Towns, some of the most impressive department stores in the country."

Time of Decline - and the Marks

Little could the Commission have suspected that, even as their Report was being written, the erosion of the power, will and influence of Co-operatives as the self-appointed champions of the consumer had begun. The verdict of those self-same consumers had been given. The decline in market

share, peaked in 1957, had commenced.

Not that there was a total lack of awareness that all was not well with the Movement. The decision, in 1955, to create the Independent Commission, was adequate evidence of a certain unease and an absence of complacency among a section of the leadership. On the other hand, the Commission was, to many, merely a concession to tradition - the history of the Movement being littered with similar such investigations and reports and with the acceptance of the conduct of the survey as being, of itself, the solution to the problem. (See that penetrating Survey of 1918-19, and ask what matters of substance have been uncovered by similar endeavours of later date).

Indeed, should one care to re-read the Independent Commission's Report, the overwhelming impression emerging is not that it has anything revolutionary to say; but that it is a sensible and forthright statement, and re-statement, of the known and obvious. It did not challenge the basic principle or methodology of the Movement; nor its innate value to the community. What, then, was its weakness - if any?

Its weakness rested, I believe, as in almost all subsequent pronouncements upon and pre-occupation with the Movement, in its almost total concentration upon structure; the apparent belief that the mere reformation of constitutions, groupings and areas of responsibility will achieve the miracle of a re-acceptance by the community of the Movement, as something of worth and essential to its well-being.

Most subsequent "Reports" are typical examples of the failure to give due and equal weight to both objective and subjective considerations in an evaluation of an expression of human association. The paradox is that most of the, superficially, objective proposals; i.e., those concerned with constitutional, organisational and financial

relationships, and capable of being presented by means of graph, chart, structure and definition - often bearing a resemblance to and obviously derived from the Commission's recommendations or Col. S. J. K. Hardie's Minority Report - are themselves subjective in origin; stemming from notions of power and authority (embodying, in many cases, clear evidence of personal aspiration).

Lack of Self-Understanding and Self-Confidence

Without in any manner rejecting that which was instructive and relevant within the Commission's Report, other voices were raised calling attention to aspects of Co-operative consumer organisation indispensable to its health and prosperity. For instance, in 1958, coincidentally with the publication of the Commission's views, we find the late Jack Bailey (later, Sir), writing in the now defunct Co-operators' Year Book:

"Task For All Of Us"

"If Co-operation must stand or fall purely as a business institution, I doubt if it will weather the stormy controversies of the next two decades. That does not imply that we shall fail because we have been unable to use our capital wisely, or because we shall not be able to unify our productive resources or 'co-ordinate' the demand of retail societies for Co-operative and other productions. Democracy is not an inevitable growth in modern society. We may preserve its forms long after we have destroyed its substance. When people care deeply for an institution they will fight to preserve it; when they lose interest in it the institution is already on its way out. Many of the signs of our times are ominous. It is doubtful if the report of the Independent Commission can do much about them - they are not within its terms of reference.

They warn the Co-operative educationalist and politician but they concern the business leader too if he believes as much in Co-operation as in its material expression. We are interested mainly in the influence of Co-operation on the lives and behaviour of men and women. Far from growing tired or cynical about our real task the question we should ask ourselves is how and when we are to begin it."

In the same issue of the Year Book, another, much smaller and less influential voice, that of this writer, was drawing attention to the "serious breach in our Co-operative service and profession", due to the disastrous fall in the real value of education department grants; claiming that the sums then allocated were "so small that they cannot attract a proper service and so are dissipated through lack of efficient administration."

This writer pointed out that per capita grants, in real terms, had fallen by no less than 61.6% between the years 1936 and 1956. (The response of the movement to that call for remedial action has been clear and unmistakable. As the writer informed the 1977 Education Convention, the succeeding 20 years - Jack Bailey's two decades - saw a further fall of 62%, in real terms, in the Movement's per capita allocations to member education!).

A comprehension and acceptance of the full implication of consumers' Co-operation, its rationality, relevance to and advantages for human society, cannot be assimilated nor adduced from bright and engaging slogans and jingles. Nor is it within the scope of admen and political demagoguery. However necessary to society they may be, to provide the materials and opportunity for study, evaluation, comparison and, it is hoped, eventual conviction of the correspondence of consumer Co-operation to one's own and the community's interests. Such ends are attained only as the product of long and deep study. Yet, at a time and in an environment

demanding the best possible informed and convinced lay and professional leadership, the Movement has contrived to sever its lifeline to understanding, inspiration and continuity of purpose. No wonder it finds itself at the mercy of quacks, complete with miracle nostrums, leeches and strange incantations.

How easy it has become to discard the Movement's distinctive features, even as the flapper with last summer's dress, so that the Movement stands exposed like the idiot king with no clothes. Who could now believe it was only in 1961, a fleeting seventeen years ago, that the then President of Congress, Mr (now Lord) J. H. Jacques, could state:

"The return of profits to customer by way of dividend upon purchases is the only thing the Movement can do that its competitors cannot do. They might indeed make a return to customer by way of imitation, but they are in business to make a profit for their shareholders, not a surplus for their customers. Dividend is the Movement's greatest attraction and subject to satisfactory service and reasonable prices a society's efficiency in the public mind is measured by the rate of dividend it pays."

Changes around Us

Of course times have changed. The total environment in which we live and work and which conditions our thoughts, attitudes and relationships has witnessed some dramatic transformations this past half-century. This is not a matter for dispute. Nor would one challenge the proposition that those changes have brought their own problems, demanding adjustment and responses from the consumer Co-operative Movement.

We can readily identify just a few of the changes deeply affecting our individual and community attitudes and relationships. The decade preceding the second world war, for all its tribulations, one of great stability - for better or worse - for the vast majority of the population. On left school, entered into employment and looked forward to a lifetime's career within that trade and, frequently, with the firm or organisation offering the initial job opportunity. Mobility was for the fringe element; the exception. This extended even to the area in which one lived. Children of the family married; but sought accommodation as near to their parents as circumstances permitted.

Relationships with class, family, firm and local community were deep, real and reassuring. They were the condition and guarantee of happiness and fulfilment, and succour in times of distress.

In pursuit of career and the prospect of realising some modest ambitions and expectations, one applied oneself to the acquisition of skill and knowledge and, perhaps even more, to the hope that such efforts and endeavours would adequately equip one to earn the respect and approval of fellow workers. Pride in skill was all-pervading.

True to their nature and professions, the majority of Co-operative societies responded to and faithfully reflected the demands imposed by that environment. They were exceptionally good employers, providing educational courses; career opportunities, and conditions of employment almost unique in retail distribution; matched, in my observation, perhaps only by Sainsbury's at that time.

From that environment and its related attitudes, together with its own commitment, the Movement derived enormous advantages. Not only did it have access to the multitude of the educationally frustrated, the cream of the available

labour; but its training courses were strongly laced with instructions in the history, nature and purpose of the Movement. It inevitably created its own group of Co-operative cadres; not just employees improving their skills in order to advance their career, but a small army of converts to a cause.

Beyond the shop flourished the community activities: the guild movements, men's, women's and mixed; the Pathfinders the B.F.Y.C.; the sports club; the members' quarterly meetings; the drama society, choir and classes; the week-end schools, conferences and summer schools. One could easily fill the whole of one's leisure time involved in some Co-operatively associated activity.

For the employee, the ultimate, glistening prospect was a spell at the residential college and the possession of a Co-operative diploma. (The alternative being years of hard slog at night school and by correspondence course). Few of the prizes were gained except on the basis of personal sacrifice. No time off with pay to study! (My own two years at the college cost me, a married man, some £200 - a fortune in hard-earned savings - in lost wages and in other ways). But such was our commitment and conviction, that these "sacrifices" were accepted without complaint.

What happened to all that human capital and goodwill? Where has disappeared all the enthusiasm, the belief, the dedication, the skill, the reservoir of talent, the human resources, the impact upon the community, the will and the affection?

Reliance on the State

The war, of course, was a major catalyst; disturbing and disrupting the flowing tide in favour of the Movement. A significant proportion of its most able employees discovered

themselves and their latent talents during their period in the services. For perhaps the first time, they were able to match and compare themselves with their contemporaries. As a result, many of the most able never returned to the Movement or, if they did, it was with a new and much enhanced appreciation of their own merit and ability; coupled with a new and unihibited attitude towards mobility.

For most societies, the war had bred an (unrecognised) attitude of complacency. Rationing had undermined competitive virility. In a State controlled economy, surpluses were readily available. Effort was unnecessary. Constraints and restrictions of all kinds remained well beyond the cessation of hostilities. For a dozen golden years, mediocrity was cossetted, encouraged and thrived. The State had arrived.

Lulled into a false sense of security, large sections of the Movement were to prove incapable of re-asserting themselves and re-capturing the spirit that had informed, sustained and driven the movement forward until the war years.

Faced in the fifties with the rapid removal of protective legislation and State intervention, the Movement fell into disorder. Commissions, enquiries and surveys followed in breathless succession. Principles and practices providing the foundation of past achievement were disowned and discarded overnight. The broad-based appeal to public, members and employees, alike, disappeared. "Economies" striking at the very roots of mass "education" and member involvement in co-operative sponsored activities were the order of the day. Away with those useless appurtenancies, was the watchword. We are only concerned with commercial success, was the cry. The State will now provide those "fringe benefits". And the State did!

Gone are the co-operative's own structured training schemes. And gone with them the instruction and introduction to the history, nature and purpose of the Movement. (Find me, today, the young employee who knows anything of the significance of J. T. W. Mitchell).

Gone is the sense of purpose, enlarging and heightening the role of employee far beyond that of mere wage earner. Indeed, gone are the students, too!

Gone is most of the sense of pleasure and positive participation once enjoyed through membership of the auxiliaries.

Gone is the role of lodestone and aspiration held by the College, as the ultimate goal of the striving student.

Gone is "the only thing the movement can do that its competitors cannot do" - the dividend.

Gone is the conscious role of a voluntary, self-governing association of consumers, bent on securing a dominant role in the economy.

Welcome to the State. Away with caveat emptor! Let the consumer place himself in the welcoming arms of the politicians; the repository of all knowledge!

Away with Herbert Spencer. Who was he to claim, "The ultimate result of shielding men from the effects of folly, is to fill the world with fools"?

And who, in the Co-operative Movement is to complain of social emasculation when, from the politics of protest of the 20's and 30's, we moved so eagerly and uncritically into the Politics of subordinate participation from the 50's, onwards?

(I well remember, at a meeting held in Nottingham in 1947, putting to the late Charles Shepherd, an excellent fellow, then Midlands Organiser of the Co-operative Party, the question of how we reconciled voluntary Co-operation with an exclusive association with a political party committed to State Socialism. Somewhat non-plussed, he replied, "It is not beyond the wit of man to resolve that problem". I still await a clear demonstration of that "wit").

The Call to Action

Do we wish to be recognised and accepted as a voluntary association of consumers? Do we really aspire to fulfill the role history has assigned to us? Do we in fulfilment of that role, wish to attract public sympathy, support and confidence? Of course, the answer must be in the affirmative.

If so, however, we must heed the lessons of the past two decades (as Jack Bailey put it) and swiftly reverse the self-destructive trends and attitudes we have adopted in that time.

Let us take heed of J. T. W. Mitchell. Let us clearly and unambiguously identify and boldly proclaim our role, purpose and principles. Let us set our compass bearing back on the course we once successfully steered. Only that way we reach our true destination. Should we remain on our present course, we founder on the rocks of our own creation.