

Politics and the Co-operative MovementCO-OPERATIVE COMMERCE - AND PRINCIPLES

by

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The Co-operative Movement was founded on a combination of high idealism and down to earth common sense. In a New View of Society, Robert Owen insisted that 'any character from the best to the worst, most ignorant to the most enlightened may be given to any community . . . by the application of proper means; which are to a great extent at the command and under the control of those who have influence over the affairs of man'.

That is a classic statement of Utopian philosophy - the belief that since evil is not inherent in men but the product of the society in which they live, constant improvement is within our power. It is a philosophy based on hope but dependent on action. The New Jerusalem has to be built brick by brick.

Building it brick by brick is often a dull business. Thirty years ago, waiting for the yellow carbon copy of the Brightside and Carbrook Society dividend check seemed simply a further obstacle between me and playing football. The Co-op. was where we brought the groceries. The dividend helped to pay for our summer week at Morecambe or Filey. The groceries, the lino. and the furniture were vaguely connected in my mind with the Co-operative Party and Mr A V Alexander (whom I regarded as my personal representative in the Attlee Cabinet) because our political meetings were held in the disused cobbler's shop. But the essential Co-operative connection between politics and commerce never struck me.

Co-operative Commerce -

It strikes me now as I visit - almost every week - a bright new Co-op supermarket and talk, on both sides of the counter, to people who thirty years ago would have gladly called themselves 'Co-operators'. Now they are not quite so sure. Most customers shop at the Co-op because they get a good deal - sharp prices, a wide range of choice and the sort of atmosphere that makes shopping easy.

We should all rejoice at the improvements in the movement's performance. During the last three decades the trading side of the movement has been transformed. The dingy shops, the old-fashioned window displays and the failure to stock popular products has gone. 'Own brands' are nationally advertised. Self-service has arrived. Most Co-ops are indistinguishable from their competitors who once claimed to be light years ahead of the movement in efficiency and in service.

Those improvements, many of them stemming from Tony Grosland's report to the Co-operative Union, were badly needed. None of us should regret the passing of the ancient attitudes and out-dated practices that typified many Co-ops in the forties and fifties. We want the Co-ops to have prices that are sharper than Sainsbury's and a greater turnover than Tesco's. But we also want our 'caring sharing Co-op' to remember that commercial efficiency is only the beginning. If commercial efficiency becomes the only object of the Society's existence much of what the Movement stands for is forgotten or lost.

- And Co-operative Principles

I do not belittle the importance of a nation-wide network of efficient retailers owned by their customers and run by a partnership of consumers and employees. Add to that the connection between the retail movement and the CWS and what

results is a major economic force, potentially more powerful than any similar combination of commercial and industrial interests. That force ought to be used for the promotion of principles as well as the sale of soap powder. Selling soap powder is important but if that is all the Co-operative movement does it might as well leave the job to Fine Fair. By 'selling principles' I do not simply mean the financial support of Co-operative Party candidates and the moral support of the Labour movement. I mean putting into commercial practice the principles that guided the founders of the co-operative movement. I give the two following examples.

When the new Price Commission was formed in 1976 with new powers to investigate proposed price increases and to prevent or modify them if, in its judgement, they were not in the national interest, it was extraordinary that the Co-operative Union should number itself amongst those critics of the extension of government power. I understand why sections of private enterprise, ideologically opposed to anything other than laissez-faire, rejected the whole concept of government intervention. But the Co-operative movement was based on the principle that there is a public interest which transcends sectional advantage. For the movement to oppose the extension of that public interest into commercial policy was a denial of many things for which the movement stands.

Fortunately, that is not the most recent experience of the Co-operative movement's attitude towards prices and the public interest. A year ago the Price Commission examined the retail price of tea. It reported that the tea blenders operated a pricing system which was, in the Price Commission's words, 'excessively gentlemanly'. By that they meant the retail price of tea was kept artificially high: when import prices rose the cost of the packet in the shop increased; when import prices declined there was no corresponding deduction. Thanks to the CWS that 'excessively gentlemanly'

arrangement was ended. The CWS agreed to reduce the retail price of tea and the other blenders were forced to follow suit. As a result of the co-operation between CWS and the Government competition returned to one important aspect of high-street sales. The housewife benefitted, the Co-op prospered, the Government's policy was vindicated. Most important of all the concept of public interest was given a practical meaning. There was a renewed acknowledgement that what people buy and the price they pay is not simply a matter of hard economics and careful accountancy. It is concerned with public welfare and a public policy. The Co-operative movement was founded to emphasise that simple point.