

Politics and the Co-operative Movement

THE ROLE OF THE CO-OPERATIVE PARTY

by

T. E. GRAHAM M.P.

(formerly Secretary, Co-operative Party)

Before the end of this article I hope I can show where we have got to; the question to be answered at the beginning, however, 'where did we start from?' To go back to the Rochdale Pioneers may seem appropriate, and certainly with their dogmatic stance on the neutrality of Co-operators in politics (and in religion) this would seem to be a suitable starting-point. A lot of water has flowed under the bridge since Rochdale. I will content myself with going back for at a century.

It was quite impossible for Co-operators not to be involved in politics during the first 50 years after the Pioneers established our modern Co-operative Movement despite a principle enunciated above. As a benchmark to indicate publicly that no particular political philosophy dominated and directed the emerging Movement it served its purpose. Getting help from one's friends, wherever they were, was essential, and this was seen most clearly by those who were the leaders of the Movement, none more so than the Co-operative Union and in particular its Parliamentary Committee which was formed in 1880. Several leading Co-operators were Members of Parliament, Conservative as well as Liberal. It is a sobering thought to recall that long before the formation of the British Labour Party and its base via the Labour Representation Committee at the turn of the century, Co-operators recognised that it was important to have political know-how. The end of the 19th century, however, far from

giving the Co-operative Movement a springboard for political initiative and enterprise into the 20th century is marked more for the confusion which reigned than for the resolute determination of Co-operators to use the political weapon to advance its cause.

To be or not to be

Although later the argument revolved round the triangle of options - affiliation, alliance or separate voice - the first battles were fought around the simple theme of "Direct Representation or not?" Of course, at first there was no Labour Party, and the issue was whether as Co-operators we should rely on our 'friends' in politics at local and national level, be they Conservative, Liberal or Independent, or whether we should 'go it alone'. Congress Reports of the day show that the issue swayed one way then another, with suitable ironies. In 1897 Congress under the Presidency of William Maxwell carried the proposition that the Movement should have direct representation (whatever that meant in practice), yet when Societies were circulated to put their money where their votes had been, a derisory sum was pledged to bring it about! It has to be said, that the Co-operative Movement, whilst appreciating that government could and sometimes did interfere to the detriment of Societies, found this insufficient imperative to drive them into positive action. That is, until during the first world war it felt itself sufficiently threatened by government at both local and national level that it saw no other course open to it but to create an organisation and machinery to put Co-operators into Parliament and on to Councils so as to defend its interests. Hostility from anti-Co-operative forces, particularly at the pragmatic level of scarce supplies and the sense of grievance over unfair discrimination in leaving competitors' employees on the home front while Co-operative employees went to the Front, did more to bring the Co-operative Movement into active political life than any amount of argument from the rostrum of Congress or the pen of Co-operative and Socialist

philosophers!

The Movement had come to realise that if it was to pursue its social objectives it had to recognise that it would not be allowed to do so unimpeded: that whilst the Movement could look upon the State as something apart, the evidence now was that the State did not always look upon it as a benign organisation wishing to harm nobody; that if the State was capable of striking at the Co-operative Movement, then the Movement could not leave to the State's sense of fair play and justice a reasonable allocation of whatever was going. It has been a struggle ever since to get Co-operators enthusiastic about what we are for as opposed to what we are against!

Over the Top

Swansea Congress 1917 when the historic decision was taken to 'enter politics' as it became known is now part of folklore of both the Co-operative Movement and of the Co-operative Party. But it was the Special National Emergency Conference authorised at Swansea and held later in 1917 that set us on the road to where we are today. After debating a motion put down by the Parliamentary Committee and rejecting two amendments, Congress had finally declared:-

"In view of the persistent attacks and misrepresentations made by the opponents of the Co-operative Movement in Parliament and on local administrative bodies, this Congress is of the opinion that the time has arrived when Co-operators should secure direct representation in Parliament and on all local administrative bodies. It therefore calls upon the Central Board of the Co-operative Union to take such steps as may be necessary to put into operation the terms of the above resolution".

It has to be said that in replying to the debate it was made clear "that there is no reference to and no

intention of any alliance with any political party". No alliance. No affiliation. Independent political action. Bearing in mind the general thrust of Co-operative endeavour, particularly in social reform there could never be any doubt that if any alliance or agreement were ever to come it could only be with the newly formed Labour Party. Arthur Hendersor in making a powerful intervention at the National Emergency Conference did much to set the tone and the ambience between the Co-operative Movement and the Labour Party over the next few crucial years. Appreciating that Co-operators still needed careful handling in order not to drive them into damaging action (damaging that is to the Labour Party - and working-class votes) he stressed that as far as the Labour Party was concerned there was no question of Congress and Conference action being viewed as splitting forces. "I would not insult the Co-operative Movement as a whole by suggesting that it should affiliate even with the Party whose Secretary I have the honour to be. What we want is to have you properly organised; and until experience provides us with better means, to have you working with us for the same common cause. Under your proposed scheme it permits friendly relations between us. We, the Labour Party have begun to work with the Co-operative Movement. Think of the possibilities when these parties come together in friendly co-operation for the accomplishment of great social, economic, political, national and international ideals we all adhere to". He was received with tumultuous applause.

It was shortly after the end of the Great War that the functions of carrying out Congress decisions were vested in the Co-operative Party, first named in 1919. Carefully circumscribed as to its freedom of action, and always subject to the over-riding authority of the Co-operative Congress, the Co-operative Party celebrated 60 years of being 'the Co-operative political voice' in 1978. And whereas the refusal of Lloyd George as Prime Minister to see Co-operative leaders in 1917 to hear their grievances led to so much

bitterness (and direct political action) Jim Callaghan as Prime Minister of the Labour Government was the special guest at the Party Diamond Jubilee Celebrations! It is in the history of those past sixty years that we can make an assessment of the wisdom - or otherwise - of those who 'took us into politics'. For starters, we can do worse than recall the words of Jim Callaghan at the above event:-

"The Co-operative Parliamentary Group is of remarkable calibre. You make more than just some exceptional members of the P.L.P. although they are exceptional and they are the people of whom I am extremely proud. We work together; we feel together about these issues and I thank them all for the work and the service they give me and I thank them too, and you will not know about this, when, in a particularly difficult time during the life of the Labour Government, early last summer, when they came to me as a Group and we had a discussion and they gave me fresh courage and heart to go on and I thank them for that great support they gave me at a very critical time indeed". No mean epitaph to a group of 15 Labour Co-operative M.P.'s representing less than 5% of the Parliamentary Labour Party!

Not if, but how?

These past sixty years have seen significant changes in the precise relationship between the Co-operative Movement and the Labour Party. From a situation of running Co-operative candidates against anybody and everybody we have moved to a formal Agreement with the Labour Party which is unique - more of this later. Into the 1920's we go, the relationship loose and flexible and during this time we saw the election of such giants as A. V. Alexander and Alfred Barnes both of whom served in the Labour Government of 1924. Indeed, it was the very fact that prominent Co-operators could rise to such positions without there being a formal agreement with the Labour Party that led many to question why there was a need for one.

Cheltenham Congress 1927 is almost as significant as Swansea 1917, for it was then that a formal Agreement drawn up by the National Executives of the Co-operative Union and the Labour Party was submitted. It provided for the affiliation of Co-operative Parties at a local level to constituency Labour Parties, the payment of affiliation fees as with other bodies and the appointment of delegates. It did not interfere with the right of Co-operative Societies to affiliate direct to the Labour Party, a right which had been taken by very few, the best known of course being the Royal Arsenal Co-operative Society. When this Agreement was put before the 1927 Congress it only just succeeded by 1960 votes to 1843, clearly indicating that although there was solid support for being 'in politics', being allied with the Labour Party was not everyone's idea of the best way to do it!.

In search of a Programme

As one researches the past one has to admit that the absence of a positive programme save that of defending existing trading and commercial interests has been a feature almost always present. In 1921 T. W. Mercer wrote:- "When Co-operators met in 1917 they were smarting under a sense of injustice, yet it may be questioned whether many Co-operators had then considered what the consequences of their entry into politics would be . . . history proves that no political party can live by protesting against injustice . . ." And here, in my view is both the dilemma and the answer. If the Co-operative Party set out to be a separate political party and assert that it had a philosophy distinctive from that of any other Party, it would be prepared to use its resources not only to gain its own ends but in the process to destroy all other parties who opposed it. But - like Topsy - the prominent aspects of what we know as 'Co-operative political policies' have just grown. From time to time, of course, the Co-operative Party has set out a programme which

has been a mixture of philosophy, principles and pragmatism, but bearing in mind the reality that Co-operative political representation comes wholly through the use of the Labour Party machine at both local and national level, it is hardly surprising that note is often taken not to reveal differences of magnitude from that Party. That is not to say that such differences have not occurred. But over the years they have been remarkable for their rare appearances rather than their frequency.

Local Activists - the Bedrock

Much of the credit for avoiding divisive declarations on policy is owed to the way in which the Co-operative Movement has always had men and women active within the Co-operative Movement and at the same time active within the inner circles of the Labour Party. Reference has already been made to A. V. Alexander and Alfred Barnes who dominated this particular sphere between the wars and after. Jack Bailey the Party Secretary did likewise until the 1960's. Jim Peddie walked both sets of corridors. They were supported by literally thousands of Co-operators who served on their local Board of Directors or in the Guild and were the pillars of local Co-operative endeavour - and at the same time were the backbone of the local Labour Party. In this way they were always ready to advocate Co-operative solutions, to defend the local Society from unfair criticism, and to see that the pragmatic needs of the local Labour Party for halls, poster sites and meeting rooms were received sympathetically inside the Co-op Board Room. For these people, it was absolutely natural that their time and effort be thus shared. It was Tony Greenwood who likened Co-operation to 'do-it-yourself socialism' and while many a would-be social engineer saw his or her path via the conference motion or the paper or pamphlet, Co-operators got on with the job of experimenting with the humdrum task of facing the opponents of socialism where they had to be met, and beaten, in the market place as well as on the hustings.

Avoiding Conflict

The crux of the problem as far as Co-operative leaders were concerned lay in encouraging support for the return of a Labour Government and contemplating the possibility that the Labour Government would then proceed to legislate to the detriment of Co-operative interests. At the 1950 Congress a full statement on the place of the Co-operative Movement in a collectivist economy was passed in which it was admitted that "a claim by the Movement to a guarantee of complete immunity from the effects of any action to be taken by a Labour Government would not be practical politics", but there was an expression of regret that the Labour Party published policy statements which were 'unfortunate and embarrassing' because 'the Co-operative Movement was placed in a position in which the fullest expression of its experience and advice could not be made until after the proposals had been officially published. How things have changed! Transport House and the Labour Party National Executive do things differently now. There is hardly a sub-committee study group considering future policy which has not at least one and sometimes more identifiable Co-operators serving on it. The great issue which is used to illustrate the potential clash between Labour and Co-operative interests is that of Insurance in the early 50's. In the 1970's when the Labour Party once more turned to considering nationalising both Insurance and Banking they went about it differently. Both the Co-operative Insurance Society and the Co-operative Bank were invited to submit their thoughts on paper, and subsequently invited to discuss them with the Committee. Nothing has emerged to give rise to 1950's agitation so far into the late 1970's!

Other ways in which the relationship is working pragmatically is seen in the following examples, all taken from experience in the very recent past. When the Prime Minister of India visited Britain, amongst the guests to meet him at No. 10 Downing Street and discuss amongst other things the

Indian economy, was Sir Arthur Sugden with his specialist knowledge of the Tea Industry. When the Prime Minister of Rumania was a guest at No. 10, amongst those invited to discuss matters 'of mutual interest' was John Parkinson then chairman of the Co-operative Party, and a member of a Co-operative Party delegation to Rumania in 1976. When the Co-operative College received a substantial grant to develop its provisions for overseas training and education for overseas Co-operators it was not harmed by the fact that the Parliamentary Under Secretary at the Ministry of Overseas Development happened to be John Tomlinson - who happens to be an ex-student of the Co-operative College. With time one could trace an interesting pattern of what I would call extra para-Co-operative links possessed by many members of the Parliamentary Labour Party. In my experience there are few who have not been active inside their local Co-operative Society, many of them still closely in touch with it. Many have served on Boards of Directors including the Presidency. The President of the London Co-operative Society at the present time is Stan Newens, Labour and Co-operative Member of Parliament. I have found many many times that a way in which I can find common ground with a colleague in the PLP is to talk of the Co-operative personalities I know in their constituencies, to find that to them they are their Labour stalwarts, as well as my Co-operative activists!

Influence more than Determining

When it comes to national policy and possible differences over it the 1976 version of the Agreement with the Labour Party is quite clear and helpful. "It is understood that the authority of either body to reach policy decisions is in no way impaired". How to reconcile different policies which emerge on the same issue is what is called 'the art of the possible' - what politics is all about.

The particular goal and function of a Co-operative Party is to articulate on behalf of a voluntary movement of more

than 10,000,000 Co-operators, those beliefs and ideals which seem to those of them who think about it to represent a state of society to strive after. In practical terms it has been found that this can best be done by being part of the political nexus, and further, that the broad aspirations of Co-operators are so analogous to those of the Labour Party that there is no need for separate machines. Distinctive organisational forms, yes, but not opposing platforms which would cause confusion amongst the same congregation of voters split the vote and let the opposition in.

The case for the Co-operative Party association with the Labour Party lies in the practical realisation that the Co-operative Movement is so amorphous that it would be quite impossible to harness it effectively and cohesively. The case rests on achieving influence rather than determining policy. In this day and age of pressure group politics no one should cavil at the fact that a movement with 10,000,000 members is entitled to enter the political arena. We have come to it in response not to a 1970's irritation but to a century's old social imperative. Although the lone RACS has lately been joined by the London Society in directly affiliating to the Labour Party, the movement is still entitled to feel that it gets 'value for money'. Until last year, there was no direct payment to the national funds of the Labour Party. In 1977 a first payment was made of £10,000, and in 1978 of £15,000. Chickenfeed. I leave to other contributors the task of spelling out the methods of influencing political discussion and action, and to deal with specific significant issues. Much that would be impressive will not see print, but there is sufficient in the Annual Report of the Co-operative Party every year to satisfy the 'value for money' criteria many times over.

Common Cause

Having played a part in preparing the Manifesto upon which the Co-operative Party fought the February 1974 General Election I would submit that the following extract from it would not find disfavour with those Co-operators through the years who have sought to advance the ability of Co-operative strength and resources to change society.

"THE BRITAIN WE WANT

WE WANT to bring about a fundamental and irreversible shift in the balance of power and wealth in favour of working people and their families.

WE NEED to make power fully accountable to the community, to workers and to the consumer.

WE MUST eliminate poverty wherever it exists.

WE SHALL STRIVE to achieve far greater economic equality in our society - in income, in wealth, and in the living standards of everyone.

WE ARE PLEDGED to increase social equality by a substantial shift in the emphasis now put on job creation, housing, education and social benefits.

WE BELIEVE it is vital to improve the environment, so that the workplace is more comfortable, our cities more inviting, and the air and water around us is cleaner.

As Co-operators, we know that the only way these aspirations can be fulfilled is by the return of Labour and Co-operative Candidates and the formation of a Labour Government. We proudly proclaim our partnership with the Labour Party and the Trade Unions. We go forward into the battle - together."