

# New Life for Co-operative Structures?

by Dr. Robert Briscoe

*This is the winning essay in the 1986/7 Project promoted by Co-operative Retail Services Ltd in association with the Robert Owen Museum. Participants were invited to discuss whether and how effective approaches to the contemporary problems of Co-operation could be derived from Owen's ideas.*

If Robert Owen were to visit the consumer Co-ops of the twentieth century, he might well be saddened to find that one of the key objectives of the Rochdale Pioneers has been overtaken by events. The Pioneers, inspired by Owen's vision of a new world, dreamed of setting up their own "self-supporting home colony of united interests". This dream has long since been lost in the struggle to run successful superstores in a competitive market. Owen would have been even more alarmed to find that most of today's members seem to regard *the Co-op* as just another retail giant and see little reason why they should spend any of their time helping to shape its policies.

His response to such a sad situation might have been to search for ways of breathing new life into our Co-operative structures, by making them more accessible and more relevant to people's everyday concerns. My proposal outlines how we might go about doing this, without massive upheaval or huge investments. And who knows, if members found it easier to get involved in issues they really cared about, we might well end up with Co-ops which have a lot in common with Robert Owen's Villages of Co-operation?

## 1. The Essence of Co-operation

The first step in revitalising Co-op structures is for us to be very clear about what we are trying to do. If most members seem to have only a fuzzy image of what Co-operation is all about, it may be because we who are active in the movement have failed to think carefully about the distinctive characteristics of a *Co-operative approach* to getting things done.

We tend to have a static image of Co-operation. We assume that because we have a democratic voting system, limited interest on capital and 'divi' stamps, *Co-operative principles* have been taken care of. All that then remains is for us to get down to the business of copying our competitors.

The early, Owenite pioneers developed the Co-operative as a technique for involving people in the solution of their mutual problems. It was a method for redesigning the economy, piece by piece, in the interests of the people who used the goods and services generated by society's organisations. The Co-op was revolutionary because i) *it actively involved users* (who were kept passive and dependent by all other forms of organisation); ii) *it encouraged them to engage in mutual aid* to develop collective solutions to problems (instead of requiring people to relate to the firm as isolated, competing individuals); and iii) *its agenda was the redesign of the organisation itself, in the interests of the people who used it* (instead of designing it to maximise profits or promote the well-being of a small elite).

### **Members as Decision-Makers**

The Co-operative approach is based, then, on the assumption that an organisation will do a better job of meeting people's needs efficiently if it treats its members as potential decision-makers (instead of passive objects), encourages mutual aid (instead of isolation and competition) and involves them in designing products and services for use (instead of for profit).

Time and again, this unique strategy for getting things done has proved to be far more efficient, in terms of meeting people's needs, than more orthodox approaches. The Rochdale Pioneers designed a retailing system which delivered better foods at a lower cost; peasant farmers and industrial workers across Europe and North America developed their own banking system (the credit union) to get cheaper credit to the needy people who were dismissed as impossible risks by the professional financiers of the big banks; car drivers in Sweden redesigned their own service chain to provide the do-it-yourself facilities and technical expertise they needed to cut the costs of motoring; groups of Canadian consumers, often in relatively remote areas, developed the direct-charge approach to retailing which enabled small, locally managed stores to beat the chainstores at their own game; citizens in the Puget Sound region of America designed their own health care system to foster preventative medicine and eliminate unnecessary operations which are so much a feature of conventional fee-for-service medicine.

The three Co-operative precepts (listed above) not only summarize the essential ideals of Owenite Co-operators, they are also the key to the special *efficiency* of the Co-operative as a strategy for addressing the needs and problems of ordinary people.

### **2. Transforming our Co-ops: The Practical Steps**

But how can such Co-operative ideas be implemented in the world of hypermarkets? What might Owen have suggested as a methodology for

reviving the Co-operative character of our retail societies? Here are some suggestions.

The main focus of members relations and Co-op education could be to show members how they can use the Co-operative approach to address their own problems and needs. This might be done most effectively by helping to create special interest networks within the membership of a given Co-op.

On joining a Co-op, a member will be given the option of also signing up for the local *Co-op Network*. This will be seen as a privilege of membership but no one will be required to take part. To join the network, members fill in a questionnaire identifying their needs, interests and concerns, as well as the skills and resources they are willing to contribute. With the aid of a computer, this questionnaire data will generate (rapidly and inexpensively) lists of people with common interests and concerns. Through the Member Relations office, members will be able to link up with others who have needs similar to their own.

### **A Local Co-op Network**

Over time, many different kinds of Co-operative activity should emerge from such a network, for example:

*Money management* - groups concerned with making the most of limited incomes, perhaps leading eventually to the setting up of an independent credit union;

*Housing* - groups exploring housing problems and the Co-operative options available to them;

*Employment* - self-help groups of unemployed people who might develop an agenda of training needs or explore the possibility of viable worker Co-ops;

*Transportation* - groups worried about cutbacks in public transportation, out of which might emerge social car schemes or a community-managed bus service;

*Economic development* - groups concerned with developing the back-up resources needed to boost the local economy;

*Special needs* - mutual support groups of handicapped people and others with special needs, who might identify ways in which their Co-op can

provide them with better services - through redesigned facilities, or one-day-a-week food Co-ops in village halls, etc.;

*Health* - groups tackling health issues, which might range from nutrition to alternative health centres, as well as the role their Co-op can play in promoting healthy living;

*Conservation* - groups interested in protecting the local heritage and other environmental issues;

*Education* - people with skills they would like to exchange or groups with common cultural interests who would like to find ways of broadening their knowledge and skill (perhaps through setting up a branch of the University of the Third Age).

Such examples are only a sampling of the many possibilities which might emerge. People will be learning about Co-ops by co-operating. The skills and confidence they acquire in their special interest groups will have an impact on the larger Co-op in terms of increased member involvement and loyalty. Such mutual aid groups are, of course, already springing up with or without the aid of the established Co-op movement. By actively supporting this trend, our Co-ops can provide valuable leadership and support, as well as making people aware of the philosophy and achievements of the wider movement, an awareness which will in turn give new impetus and purpose to established Co-ops.

### **3. A Role for Member Relations**

The role of the member relations officer or education secretary will be crucial to the success of such a network. The role will not be one of masterminding events or laying on activities for passive spectators. Instead, it will centre on:-

- identifying common concerns and interests;
- bringing together people who have similar problems and needs;
- helping them organize and manage their own affairs more efficiently;
- providing necessary back-up resources;
- informing groups of the Co-operative options available to them;
- identifying resource people, from within the Co-op's staff, committees and auxiliaries, who are willing to make an active contribution to the solution of members' problems.

### **Shoppers or Shapers?**

This simple strategy of fostering a network within each Co-op society will have the effect, over time, of reviving the democratic life of our Co-ops. It

will demonstrate that *Co-operation* is vitally relevant to current concerns and that a Co-op society can provide a structure through which people can take an active role in shaping their world.

Instead of merely condemning members to the relatively passive role of *shoppers*, it will make it possible for us to be *shapers* of our own future. Eventually, the typical Co-op society will be transformed into an integrated, co-operating community, which might look very much like a computer-age version of one of Robert Owen's Villages of Co-operation.

### **The Author**

Dr. ROBERT BRISCOE (yes - son of the R.B. warmly respected in Co-operative education) was educated at Exeter, Manchester and Harvard Universities. For his doctorate of the Harvard Business School his thesis was entitled 'Traders and Idealists' and dealt with the management dilemmas of consumer Co-ops. His work experience has included periods with the C.W.S., University College of Cape Breton and the Bank of Ireland Centre for Co-operative Studies at University College, Cork. He is currently Head of Management and Public Administration at the University of the South Pacific.