

Can Values Make a Difference? Co-operatives – moving from the Rochdale Pioneers to the 21st Century

Tony Webster

A report of the Can Values Make a Difference? Co-operatives - moving from the Rochdale Pioneers to the 21st Century conference that took place from 1-2 July 2009 in New Century House, Manchester.

At the beginning of July 2009, over one hundred delegates from 32 countries descended on New Century House for a memorable two days of lectures, papers and discussions about the historical development of co-operative values, and their relevance for the twenty first century. There followed two fascinating and stimulating days in which international co-operative leaders, co-operators, academics, teachers, school students and others traded ideas and opinions, literally yards away from the early location of the modern Co-operative Wholesale Society.

The conference was the brainchild of Mervyn Wilson, Principal of the Co-operative College, and a team of academics from Liverpool John Moores University, Leeds Metropolitan University, The University of Central Lancashire and Edge Hill University and was part funded by the Department for International Development. When it was originally conceived in the Spring of 2008, the conference was seen by its organisers as having huge potential significance, not least because of the focus on the evolution of the movement's beliefs and values and their contemporary relevance in an international context. But events quickly began to raise its profile beyond expectations, as the British Co-operative Group seemed to score a string of memorable commercial successes, from record commercial performances, through the mergers with Somerfield and Britannia, to the historic 'Bob Dylan' TV advertising campaign. Even more striking was the global economic context within which these advances were being made. The Global financial meltdown of 2008 brought into question, really for the first time in a generation, the seemingly unchallengeable certainties of the unfettered free market system. Given a fresh lease of life by Margaret Thatcher and Reaganomics in the 1980s, the implosion of the Soviet system in that decade, combined with the

adoption by Communist China of market economics, seemed to mark the final triumph of individualistic corporate business. The more hubristic heralded it an 'end of history' following which private capitalism would rule for ever more; and it was unsurprising that in the privatising and demutualising fever of the 1980s and 1990s, the regrouping and revival of co-operatives all over the world should receive relatively little attention. But the gross excesses of greedy bankers, and the exposure of glaring weaknesses in the deregulated international economy, plunged the world into the worst crisis since 1929. In this context, the pertinence and desirability of the values of a resurgent international co-operative movement were thrown into sharp relief. In the event, the conference caught the *zeitgeist* perfectly, and largely explains the surge of interest which inflated the ranks of attendees.

The conference opened with a masterly overview of the emergence of co-operative values by Ian Macpherson (which forms the basis of an article in this edition of the *Journal*), which set their evolution in the wider context of 20th century intellectual development.¹ Several papers later in the conference picked up this theme.² This was followed by a second keynote from Professor Suleman Chambo which set out the challenges faced by those seeking to apply co-operative values in the turbulent context of modern Africa.³ This was the first of three keynote sessions which highlighted the importance of co-operation in several different contexts. Paul Hazen, President and CEO of the US National Co-operative Business Association spoke about the growing importance of co-operatives in the US context, especially following the election of President Obama.⁴ Alan Burton, Senior Lecturer in Film Studies at the University of Hull gave an inspirational session on the film heritage of the British co-operative movement, showing graphically how film evidence demonstrates that the co-op was

valued by its members as a unifying social institution, as well as a cherished source of the 'divi'⁵.

The rest of the conference consisted of parallel sessions on major themes, interspersed with further keynote presentations, discussion sessions on co-operation in a range of national contexts,⁶ a session and film and a drama event performed by students from Sir Thomas Boughy Co-operative Business and Enterprise College of Staffordshire.⁷ It is impossible to do justice to all of the papers presented, but a selection of some highlights will give a sense of the flavour of proceedings.

One of the most stimulating sessions dealt with 'Co-operation and Education', including papers on the education of co-operative employees in the early twentieth century, the role of the Co-operative College and international comparisons.⁸ These papers showed how the methods for transmitting co-operative values have varied across time and space, involving different strategies for contrasting contexts. Equally intriguing were sessions addressing how co-operation has interacted with the world of politics and the nation state in a number of different national scenarios. The sometimes uneasy relationships between co-operative movements and the state were explored in respect of India and China, while in the British context; the role of the Co-operative Party in the turbulent politics of early 1980s Britain was examined, specifically in respect of its stance in the face of a major realignment of the left.⁹ An important historical paper examined the extent to which the 'associational' traditions of early co-operation are still relevant today.¹⁰

Another important theme was that of the role of co-operative values in shaping organisational culture, on which there were a number of papers in several different sessions, concerning the general application of co-operative principles, and also examining contemporary and historical examples in Brazil, Canada, Italy and France.¹¹ These highlighted the 'co-operative difference' in its ethical approach to managing people, organising production and relating to commercial partnerships. Balancing consumer rights and workers' interests formed the basis of at least one paper.¹² An important aspect of findings was the high degree of

efficiency achieved by co-operatives in very different contexts. Several papers examined more technical aspects of organisational culture, notably the question of corporate governance and the application of global accounting standards to co-operatives.¹³ An important general argument in all the papers on organisation and governance was how co-operative methods and principles of organisations stand up well in comparison with the private sector, in a number of contemporary contexts.¹⁴

An equally ground breaking strand of papers linked the evolution of co-operative values and major current concerns about the environment and urban planning. There were several papers on the role of co-operatives in promoting the international fair trade movement and development, while others examined co-operative initiatives in sustainability and urban planning in Italy and India.¹⁵ These showed that co-operation is leading the way in key initiatives in these areas. Equally, there were papers which highlighted the importance of leading figures in the historical development of the movement, especially in Germany.¹⁶

But perhaps the most germane theme, given the catastrophic economic events of the last two years, was co-operation as an alternative business model, which both historically and in a contemporary context, has shown itself able to weather the most difficult and unstable economic conditions. An important paper recounted the emergence of co-operatives in the USA during the Great Depression of the 1930s, making a significant contribution to the recovery of that decade.¹⁷ Several other papers signalled the importance of credit unions and similar organisations as models for addressing major problems of poverty, and as alternative models of economic organisation.¹⁸ All these set the scene for a general discussion of a project to write the first major business history of the British Co-operative Group, a project led by Professor John Wilson of Liverpool University and Dr Tony Webster of Liverpool John Moores University.

Feedback on the conference from those who attended has been universally positive, and plans are afoot to publish extended version of many of the papers; some in the pages of this *Journal* and others to form the

basis of a major book, potentially to celebrate the United Nations Year of Co-operatives in 2012. It was a significant conference, which came at a time of profound change and

optimism for the co-operative movement. It certainly captured the hope and energy of that very important moment.

Tony Webster is Head of History at Liverpool John Moores University. An economic historian, Tony is currently working with Professor John Wilson of the University of Liverpool on a business history of the Co-operative Wholesale Society and the Co-operative Group, and helped to organise a major international conference on Co-operative values in Summer 2009.

Notes

- 1 Ian Macpherson, *The Values of Co-operation*.
- 2 C Gagnon, *Culture Gap in Co-operatives*; M Boardman, *Co-operative Principles: Confusing the Essential?*
- 3 Prof Suleman Chambo, *The Relevance, Opportunities & Challenge of Co-operative Development in Africa*.
- 4 Paul Hazen, *American Co-operatives: Ethical Business in the Home of Capitalism*.
- 5 Alan Burton, *Co-operation and Film Heritage*.
- 6 National fora sessions were run for China, Germany, Italy, New Zealand, India, Canada, Sweden, France and Brazil.
- 7 This was a drama event organised by Sir Thomas Boughy Co-operative Business and Enterprise College of Staffordshire.
- 8 K Vernon, *Ethics & Expertise. Educating the Co-operative Workforce in the Early Twentieth Century*; L Shaw, *Essentials of Co-operative Education – International Perspectives*; T Woodin, *The Co-operative College & Co-operative Education*.
- 9 M Karthikeyan, *An Assessment of the Impact of State on Co-operative Movement in Tamilnadu State, India*; Prof I G Cook & J Clegg, *Gung Ho in China: Development and Prognosis for Industrial Co-operatives in China*; R Bickle, *An exploration of the Complex Relationship between Academic Research, Political Agendas and Co-operative Enterprises as Agents of Public Policy*; D Stewart, *The Co-operative Party & the Formation of the Social Democratic Party*; N Robertson, *The Co-operative Movement & Political Action*.
- 10 S Yeo, *The Associational Version of Co-operative Politics: using Early Socialism (1827-1848) to Challenge its Later Variants*.
- 11 M Barroso & Prof S B Neto, *Methodology to Analyse Co-operatives Economic Branches in Brazil*; V Perotin, *Capital, Labour & Productivity in Labour Managed & Conventional Firms*; Prof L Theriault, *The State of Co-operatives & Credit Unions in Atlantic Canada*; P Battilani, *The Creation of New Entities: stakeholders and shareholders in nineteenth century Italian co-operatives*.
- 12 K Friberg, *Consumers' Interests & Workers' Rights – a Consumer Co-operative Perspective*.
- 13 J Maddocks & E Hicks, *There's No Accounting for Co-operative Values: The Global Convergence of Accounting Standards & the Co-operative Response*.
- 14 M Barroso & Prof S B Neto, *Methodology to Analyse Co-operatives' Economic Branches in Brazil*; V Perotin, *Capital, Labour & Productivity in Labour Managed & Conventional Firms*.
- 15 V Nabar, *Seeking Sustainability – Mining the Co-operative Advantage: A Review & the Indian Experience*; M Maccaferi, *"A Co-operative of Intellectuals": The Encounter between Co-operative values & urban planning. An Italian Case Study*; L Vickery, *The Co-operative Group & International Development*; S Lacey, *Beyond a Fair Price – The Co-operative Movement and Fair Trade*; M Anderson, *Fair Trade & the British Co-operative Movement*.
- 16 B Becker, *Michaelis and the German Co-operative Movement*.
- 17 P B Teeboom, *"The Economic System for America" Consumer Co-operation and the "Co-operative Moment" in the New Deal*.
- 18 M T Trindade, F de Assis Ferreira Filho, & Prof S B Neto, *Credit Unions & Financial Banks: A Comparison of 10 years Performance in Brazil*; J Myers & J Maddocks, *"The Good Old Building & Loan": Do Co-op Values Make a Difference in Times of Crisis?*; P A Jones, *Can Credit Unions ever Break Through to the Future? An Analysis of the Development of British Credit Unions since 1998*.