

Politics and the Co-operative MovementIN PRINCIPLE AND PRACTICE

by

DAVID WISE

(Secretary, Co-operative Party)

My distinguished predecessor, Sir Jack Bailey, said that "the real beginnings of a Co-operative Movement existed only when men and women - mostly men - combined to find an alternative to competitive industrialism. They had to see, however dimly, that capitalism was made up of a series of related processes and could be replaced only by another such series. Under the capitalist system this relationship was more the result of fortunate social accident than of intelligently directed human effort; under the Co-operative system forethought and planning would achieve it."

Times change. The economic and social conditions of the Industrial Revolution and those that operated when the British Movement entered politics in 1917 are no longer valid today. To an extent Co-operative institutions are no longer seen as instruments of change but rather as slow moving and even reactionary brakes which impede the development of new (sic) forms of co-operation. But it is still the case that it is the belief (however dimly held!) that Co-operation is an alternative, a different way of ordering our social and economic affairs, that motivates most of us who call ourselves Co-operators.

And it is this belief which forms the basis of our case for being involved in politics and which determines the method for our political expression.

Original Case for the Party

Of course the immediate cause of the creation of the Co-operative Party was the impact of Government on Co-operative activities during the first world war. The action of military tribunals and food advisory committees, the impact of the Excess Profits Act all combined to anger the business leaders of the Movement. Although previously there had been a substantial group of Co-operators - idealists and business men alike - who had made the case for political action, and even the joint Parliamentary Committee argued that political representation was imperative, there were a number of factors which prevented the Movement taking what appears to many of us now to have been a natural step in the development of its central services and activities. A basic difficulty was the fact that many Co-operators were already involved in politics and on different sides! Although it is probably true that a majority of active Co-operators supported Liberal candidates there was a substantial group of Conservative Co-operators. Indeed it was not unknown for there to be Conservative and Liberal Co-operative societies in the same town! Many believed that if the Movement entered politics it would be as an adjunct of one of the two existing parties. Which one was it to be? Secondly, there was the influence of the nascent Labour Party. Increasingly links grew between the Co-operative Movement and the Trade Unions and their Labour Representation Committee. This led to anxiety among those active in other Parties and also among the more middle-class and 'respectable'. Thirdly and perhaps most important there was the natural inertia of the Co-operative Movement allied to the fear that political activity would cost money and lose customers.

It was the realisation that political action against the Movement was losing trade and customers that overcame the resistance to change. The 1917 Emergency Conference voted for a motion declaring not only that the time had

arrived when Co-operators should secure direct representation in Parliament and on all local administrative bodies but also that the Co-operative Union should take such steps as might be necessary to put into operation the terms of this resolution.

To many the establishment of a Party and an involvement in politics meant merely the establishment of an effective lobby on behalf of the trading interests of the Movement. But throughout the years attempts to close down the Party and to replace it with functional representation through an interest group organisation aimed at the executive and bureaucratic arms of Government failed. The belief, prevalent within the Parliamentary Committee that direct political action and representation in Parliament, possibly suggested by the somewhat similar activities of the Trade Union Movement, has been maintained. But the view that Co-operative politics is a lobby, and only a lobby, is one that is hopefully held by only a minority of Co-operators. Increasingly Party activists support the opinion first put forward by the Chairman of the 1917 Emergency Conference, T W Allen who declared that, "Co-operation is a theory of Society and, therefore, a legitimate basis for a political Party."

The Co-operative View of Society

It took some time for that expression to be articulated in a coherent and practical way. There was no ready-made set of Co-operative beliefs and policies available for adoption by the Party when it was established. The Utopian socialist experiments of early 19th century co-operation had given way to the more pragmatic Rochdale principles. During the last half of the 19th century the Movement was absorbed by the growth in trading activities. It was not until after the struggles of the 1920's had resulted in a political realignment in Britain that the Co-operative Party began to put forward its own positions on the problems that confronted

our society. Under the leadership of such figures as A V Alexander, Alf Barnes, Jack Bailey, Bert Oram and Harold Campbell, the Party developed and emphasised a series of positions which, when taken together, amount to a meaningful and distinctive contribution to British politics. The subjects emphasised have been social ownership, participatory democracy, internationalism, and consumerism. These emphases can be found in the policy statements approved by Co-operative Congress, by the Party Conference, and the Party's National Executive. They can be discovered in the pronouncements of leading Co-operative spokesmen, and in the writings of the Movement's - especially the Party's - publicists.

This contribution that we have made to British politics has been achieved by securing a significant shift of attitudes within the British Labour Movement. By our advocacy we have convinced our Labour Party allies of the merits of many of the arguments that have been advanced.

Just over thirty years ago Harold Campbell wrote a pamphlet "Wanting and Working". He said then that a principal function of the Co-operative Party was to demand the organisation and government of society in such a way that the maximum degree of free and voluntary association was provided. He said that the Labour Party did not always see clearly the logic of this professed aim. How could it, when its own emphasis had all along been on the interests of the producer in the form of the organised worker - the trade unionist? He questioned the validity of nationalisation as the ultimate development of socialism and claimed that it would not in itself mean consumer control, since it encouraged uniformity rather than diversity.

Socialism, he said, should be justified in terms of human values rather than the mechanical test of efficiency. He went on to say that Co-operation provides a positive

role since it represents a humanising factor. It advocates that man in society should consciously organise his environment in order skilfully to extend his association in groups and in this manner maximise his freedom. Our aim should be the creation of associated groups, permeating society, free and voluntary wherever possible, not fixed and compulsory - a Co-operative community - not an ant-hill.

That was in 1947.

Thirty years later it is difficult to believe that in that year many within the Labour Party looked forward to nationalisation and State-ownership as the panacea for all our economic and social ills. Now, even those who still suggest in the resolutions that they put forward that we should nationalise our banks and building societies, our largest industrial concerns, the building industry, the estate agents, the drug companies and assorted other organisations all admit that they are dissatisfied with the way nationalisation has worked in practice. The call for nationalisation is usually a form of escapism. A way of passing the problem up the line to someone else - the Government. Surely by now we all know that the transfer of responsibility from one elite to another guarantees only a continuation of the problems that confront a particular industry and can sometimes lead to their being worsened. For even the disciplines of the marketplace are thought by some not to apply once the State has assumed control.

But there has been a change. Most now accept the mixed economy and increasingly there is support for the view that, as the Working Group on a CDA put it, "Co-operation may be about to enter upon an active period of development". The Co-operative Party claims that this renewed interest in and support for Co-operation is largely due to its effort. The principal example is our work on behalf of Co-operative Housing. But the Party has been actively involved, particularly in Parliament, on behalf of all forms of Co-operative

activity. The work currently being undertaken on behalf of the Credit Union Movement by John Roper MP is an immediate case in point.

This is because we believe that Co-operation can contribute towards a solution of many current problems in society. Although Co-operation takes many forms, all Co-operatives share certain basic values and principles. The welfare of and service to the community of members rather than the pursuit of profit for distribution to investors of capital remains the prime motivation of Co-operation.

The present Government now accepts that viewpoint. It supports not only the theory but also the practice of Co-operation.

The Contribution in Practical Politics -

That is a major achievement, but we still have a great deal to do because whereas many of our political allies believe in Co-operation many of them fail to understand it.

On the one hand there are those who openly or by implication criticise and look down on the efforts of our consumer Movement. An example of this was the alleged contrast between our efficiency and that of one of our competitors - Marks and Spencer. On other occasions Labour Ministers have praised or even appointed to positions of authority, business tycoons and so called "whizz kids" who have spent their careers in pursuit of aims which are the antithesis of all that the Labour and Co-operative Movement stands for. They do this because it is still the case that to many we are regarded as downmarket, as old fashioned and as dull.

(a) In Social Ownership

The job of the Party is to advise and inform our political allies of our achievements. We have to show Labour and Trade Union members - and leaders - that we are transforming our Movement whilst keeping our traditional role of providing service right across the board to all kinds of consumers and with a great variety of comprehensive services. Unlike firms in private trade which specialise in certain areas to the neglect of others. And we do this against the background of being a Movement which, in contrast to our business rivals, has provided a training ground throughout the years for thousands of our members who have entered public life through the committee work and educational work in which they engaged for Co-operative purposes. And we have to bring home to our friends, some of whom now regard Co-operation as the alternative panacea, that Co-operative practice is not just an uneasy challenge to their conscience. It is fine to make magnificent speeches about the rights of the workers and the need to own the means of production, distribution and exchange. Making speeches on such subjects is an exhilarating experience but to go beyond speech making requires more effort and more thought. We must show those who look upon Co-operation as a salvation, - an answer to commercial crisis - that Co-operation is hard work. It involves a great deal of laborious activity. It involves going to rather humdrum committee meetings night after night. It involves reaching undramatic decisions on a business level. It involves taking action to deal with the problem rather than considering it only in an emotion filled atmosphere. The Party believes that Co-operation is socialism in practice. But Co-operation and socialism means working together - not getting a ticket to ride.

Some 25 years ago Jack Bailey said "Democratic Government is something more than a system of counting votes at an election. It is in fact a system by which the varied experience of the members of the community is mobilised and used

in the service of the community." Participation is in vogue. We are all in favour of it. The difficulty is that participation without power means little to those who take part. Similarly participation without responsibility can quite easily create difficulties for innocent and captive by-standers.

(b) In Participative Democracy

We believe that Co-operation is a natural development of the participative process. It translates theory into action and ensures that those who participate are required to consider the results of their decision making in a realistic rather than abstract terms. The problem of participative democracy is one that exercises the minds of all those concerned with Co-operative politics. And problems within our Consumer Movement cause most heart searching. The change-over from the classical and direct self-government theory of democracy to the modern or responsible government system of vesting power in the hands of an often remote board or committee structure is a painful process which, unless we take care, could kill democracy - the heart and soul of our Movement. Co-operative politicians must be concerned with this since we cannot go out as missionaries preaching a faith that our mother-church has abandoned.

But our commitment to democracy and participation within a mixed economy, with public, Co-operative and private sectors, has been and can be expressed in our call for consumer and worker representation; our support for devolution and decentralisation and in our advocacy of more open government.

(c) In Consumerism

Although the Party speaks for all Co-operation, it is inevitable that we should speak particularly for consumer Co-operation. And because consumer Co-operation is a

movement of consumers, our Party has been the champion of the consumer. Again we have a situation where in recent years our ideas have become increasingly accepted within and without the Labour Party. Everyone is now the consumers' friend. When we suggested a Consumer Minister and Department of State we were told that our ideas were "grandiose". When we, through our MPs, promoted legislation to reform laws affecting the consumer in the field of hire purchase, weights and measures, food and drugs, safety in home and protection for the house purchaser, we received cursory notice and little support.

The successes that we have achieved demonstrate a long standing exception to the general rule that consumers lack organisation for participation in the political process. And although we now have a National Consumer Council, consumer consultative committees, the beginning of consumer representation on the boards of nationalised industries and all sorts of groups - self-established, self-perpetuating, and self-accountable - claiming to represent consumer interests, the Co-operative Parliamentary Group and Co-operative Party are still the only organised consumer force within the political system.

And just as we have a proliferation of institutions on the consumer front, we also have a consumer ministry and almost a surfeit of Consumer Protection legislation. Nevertheless the Party still has a vital job to do. Within the market sector we must stress the need for choice and efficiency through competition and consumer protection. In the non-market sector we must stress that decisions should reflect consumer preferences and not those of bureaucrats. And we should be critical of monopoly in the labour market where it causes high prices, inefficient use of resources and poor service. And, as our Conference said last year, the Party should stand clearly for price stability and the planning of major price and wage decisions as being in the interest of consumers. Domination by producer groups in

such areas as the re-organised National Health Service and local government system also need to be tackled on behalf of the users of services as opposed to those who run services or work in them. Recent events confirm the view that unless the claims of patients, of ratepayers, of railway travellers and of parents, are dealt with then society will be in danger.

(d) In Internationalism

20 years ago in "Pathway to Peace" we said "Co-operative principles provide both an ethical and a practicable basis for the elimination of war and the abolition of want. Co-operation is essentially a philosophy of peace and humanitarian progress. Co-operation gives a man dignity. It provides his wants, liberalises his spirit and informs his ideals." Our attitude towards world events is dominated by these expressions. It is sadly true that in contrast with the Labour Movement of 50 and more years ago, today's Labour Movement is insular rather than international. Our principal contribution in the field of internationalism is our support for the fostering of Co-operation in the developing countries. It began in earnest in the 1950s and has the dual advantage of appealing to our Co-operative principles and responding to our other Co-operative asset of concern to offer practical programmes rather than mere theories.

Elsewhere perhaps our internationalist policies have been dominated by points of views traditionally associated with our Movement which, though not recognised as principles, are rather widely held. Perhaps the most important of these is pacifism but there has also been a tendency for many within the Party unhesitatingly to accept and adopt a point of view that is "leftist" or anti-establishment. But it is not only in the field of internationalism that we face this problem. It is in the whole of our political work. And if there is a weakness within the Party today it is that we

still need to educate Co-operators. Co-operators must be taught Co-operation. They must understand our message. Co-operation is essentially practice. But it is practice that should be followed not blindly but knowingly.

I have said little about the job that the Party does, day in and day out on behalf of the Consumer Movement. This is because I believe that the reader will be well aware of what is done and not because it is regarded as unimportant. Just as in 1917 we were established primarily to protect and defend the consumer Movement so that task has continued. It is after all essential to the survival of the Co-operative idea that consumer Co-operation should continue to flourish. But we are not in business to get special advantages for the Movement. We seek justice, not favour. We are not, never have been, and as far as I am concerned, never will be a means to distribute political privilege for favours received.

Nevertheless it is more than ever necessary that there should be a Co-operative presence in Parliament and the Council chambers. And we must extend into the European Assembly and into the Scottish and Welsh Assemblies. Who knows what will follow? But wherever new, democratically elected authorities are to meet we must ensure that there are Co-operators there.

Relations with the Labour Party

From time to time the relationship of the Co-operative Party and the Co-operative Movement to the Labour Party is questioned. The fact of the matter is that the Labour Party is an omnipresent influence on the Co-operative Party. It was already in existence when the Co-operative Party was established and has helped to shape the form and the activities of a national and local Co-operative Party machinery. The Labour Party has been the electoral vehicle for Co-operative Parliamentary and local government

representation. And it has imposed limits as well as offered opportunities for the development of the Co-operative Party.

It was inevitable that the Co-operative Movement should work with the Labour Party. The extensive over-lapping sociological bases of the Co-operative Movement and Trade Union Movement - which had already established the Labour Party - suggested the likelihood of affinity. And of course there was the political reality evolving from the way in which 20th century British party politics have developed. By the time that the Co-operative Movement was ready to enter politics, the day of the independent MP had vanished. For the Co-operative Movement the question was which political party was closest to the ideals and principles of Co-operation, and which Party more closely represented the interest of those in membership of Co-operative societies. With that Party the Co-operative Movement had to work. Clearly that Party was the Labour Party.

The Labour Party and the Co-operative Movement have had differing views of the relationship that exist between them. The Labour Party's main concern has been to develop, consolidate, and maintain its claim to be one of the two political parties with the capacity to govern Britain. The Co-operative Party's concern has been to secure Parliamentary representation for the purposes of defending the Co-operative Movement and propagating the principles and practices of Co-operation. It is not the purpose of this essay to discuss in detail the development of the relationship. Readers are referred to the Co-operative College Paper on Co-operative-Labour relations from 1900-1962 written by the late Geoffrey Rhodes. Suffice it to say that when the Co-operative Party was established in 1917 it was against the background of working with the Labour Party. The first Co-op MP, Alf Waterson was elected with Labour support and joined the Parliamentary Labour Party. An agreement between the Co-op Union and the Labour Party was signed in 1927. In spite of disagreement and differences a broad measure of agreement

existed between the parties and was maintained. The main argument within the Co-operative Movement, once the question of entering politics was settled, tended to concentrate on the issue of alliance with or affiliation to the Labour Party. On every occasion that the matter was discussed those in favour of the alliance won the day.

The whole question of political involvement and relationship with the Labour Party has been considered by Party Conference and by Congress on a number of occasions during the last 20 years. In 1958 after a period of protracted discussion the Co-operative Congress approved a new Agreement with the Labour Party. This followed a near breakdown in our relationships and resulted in an Agreement which restricts the number of Parliamentary candidates to 30, provides for Co-operatively sponsored candidates to run under the label "Labour and Co-operative" and establishes such consultative machinery as may be found mutually convenient. There was strong criticism of the restrictive nature of the Agreement within Co-operative circles and for a time it was harshly interpreted by the Labour Party NEC to such an extent that Co-operative Party officials believed that there was a deliberate attempt to kill us off. That is no longer the case and it is unlikely, if we were able to put up more candidates, we would wish to do so. I believe that there is a better understanding between the two Parties than there ever has been.

If one believes that the Co-operative Movement should opt out of politics then of course the Party should go and so should our alliance with Labour. If, on the other hand one believes that political action is necessary and we should be in Parliament then it is difficult to see how we could do this without our association with Labour. In my view the Co-operative Movement is part of the Labour Movement and the job of those of us active in Co-operative politics is to persuade and cajole those in the Labour and trade union movements who have not yet seen the light of

Co-operation to join us and work with us.

Many of those who are attracted to Co-operation by our political efforts are not easy partners. Sometimes they are long on idealism and short on business practice! But those idealists who come into the Party do accept the Movement's loftier sense of purpose and see the Co-operative Party as the major propaganda organ in the campaign to reorganise society. To all in the Movement who support us, the Party and its efforts must continue to epitomise the duality of Co-operation - a sensible and efficient way of running a business and providing immediate financial gains to the participants, and also satisfaction for the conscience of members at its deepest level in our search for social salvation.