

---

# Letters to the Editor

## "Consumer Co-operatives — Towards Success": Bulletin 53

From T.E. Stephenson, writer and lecturer on  
Co-operative management and formerly of University of Leeds

45 Glendale Road,  
Wooler,  
Northumberland NE71 6DL

Reading recent Bulletins and particularly No. 53 one is struck once again by the diversity of activities of successful Co-operative societies and of the views expressed about their future development.

It is clear there is no set pattern for success: food, travel, holidays and property development have all provided their contribution. Rarely, in a successful society, is there a commitment to be a universal provider in an attempt to meet a responsibility to Co-operative customers and members.

However, behind the variety there are common characteristics which point the way ahead.

First, successful societies are not waiting upon some national development for their salvation. Allied to this is a recognition of an over-riding responsibility to the individual society. This contrasts sharply with the blue-print approach to Co-operative survival, based on the emergence of a national organisation. This approach does not face up to the 'political' realities of the Movement and the individuality of societies. The proposed CWS/CRS restructuring has much of the flavour of this line of development; in an ideal world it has something to commend it but in the present situation its value to the Movement is limited.

Second, there is a readiness to move into new operations and new sites on a realistic basis and not on a follow-my-leader principle. Realistic change is the order of the day, but too often societies have either moved into ill-digested change programmes or resisted change until the tide has swept over them.

Third, the management thinking is directed to defining an appropriate market and operating efficiently in it. At the same time it has recognised that no market stands still — success today can be failure tomorrow.

Fourth, finance by itself does not create a successful society; it helps, but

has to be put to efficient use and that requires a management and board alert to opportunities, change and the need to jettison the trading lumber of the past.

Fifth, it is recognised that attempting to compete with national organisations is to misplace energy, ability and resources. The Movement is not about to become a nationally co-ordinated organisation, its considered future lies with successful operation at local and regional level.

Finally, the management of the successful societies shows an independence of outlook that may cause raised eyebrows in some Co-operative circles, but it is this independence which is the seedbed for thinking clearly about the future of retail societies.

It is of considerable moment that the Bulletin provides a forum for the discussion of the future.

Ted Stephenson

### **"Co-operation Internationally": Bulletin 53**

From Rita Rhodes, currently Education Officer of  
the International Co-operative Alliance and  
Secretary to its Women's Committee

There was much of interest in Bulletin 53, particularly the articles on international Co-operation. Hopefully similar articles will appear in future issues. I am sure that they would be welcomed by many British Co-operators who have had a long and proud association with the international Co-operative Movement. But such articles have a practical, as well as a sentimental value.

For example, the articles by Will Watkins, Dr. Waszak and Paul Derrick in Bulletin 53, illustrate the universality and versatility of Co-operatives. They showed movements developing and adapting within quite different political and economic contexts and, indeed, sometimes adapting to changing systems within the same country. It is always reassuring to be reminded of the durability of the Co-operative idea.

Peter Pyne's excellent article on "A Latin American Project", was a timely reminder of a different kind. It prompted the thought of how similar ideas could surface in different areas of the Movement world-wide. Two in particular come to mind: Co-operative education clearing houses and networks.

In mentioning the chequered history of the Co-operative Information Documentation and Education Service (USIDEC) and its clearing house activities, Peter reminded me of examples of similar initiatives elsewhere. At international level the International Co-operative Alliance's Co-operative Educational Materials Advisory Service, established in 1974, includes

an extensive clearing house for materials in developing countries. At national level the Co-operative Education Working Group has also tried to establish some form of clearing house. This is for materials produced by different kinds of Co-operatives in the UK.

CEWG also has relevance to another aspect of Peter Pyne's article, that of the development of ALCECOOP, an umbrella type organisation of Co-operative Education Centres in Latin America. This organisation well shows the value of Co-operative education networks within distinct geographical areas. Whereas ALCECOOP deals with Co-operative education centres, CEWG comprises both institutions and Co-operative educationists. Another network operating more for the latter rather than the former, is the Association of Co-operative Educators. Its members come mainly from North and Central America. But, like CEWG and ALCECOOP, it illustrates a valuable Co-operative education network.

Peter Pyne's article prompts the thought that, within an EEC context, there may be merit in Co-operative education institutions considering whether the time has not arrived to create a similar network.

A great thing about Co-operative education is that, being common to all kinds of Co-operatives, it helps to bring them together. For various reasons a coming together is already happening within Europe. As yet, Co-operative education is not a strong or well integrated element within it. Hopefully that will change. In the process, the ALCECOOP experience could be enlightening.

Rita Rhodes

### **"Housing Co-operatives": Bulletin 53**

From Brian Rose of the Housing Corporation

May I prolong the very welcome interest of the Bulletin in Co-operative housing by responding to Chas Ambler's interesting note in the last issue on the experience of the Bath Housing Co-op? I should add that I write in my capacity as a Housing Corporation official.

Although the article is an interesting account of the democratic experience of that particular Co-op, I am unconvinced that it makes any wider point. In itself it does nothing to discredit the Housing Corporation policy outlined in the letter of mine that he quotes. The Corporation's position is not that it will not register larger Co-ops run by general meeting but that it has to be persuaded that such a control structure will work in the particular circumstances of the applicant Co-op. Bath Housing Co-op has that opportunity.

The Corporation's interest in this issue arises from its position as custodian of public funds. Most housing Co-ops registered with the Corporation will borrow all the money they require from public funds and subsequent-

ly have the larger part of that loan wiped out by public grant. Hence, the Corporation's judgement on a Co-op's registration application is largely concerned with the Co-op's need for this kind of support and, more relevant to the point at issue, its ability to manage it.

Until now the Corporation has had no interest in the control structure of the Bath Housing Co-op since the Co-op has been using only relatively small amounts of public money (as the agent, strictly speaking, of an already registered association) to make wind and weatherproof property of which it has the temporary use. To qualify in its own right for the much larger amounts of public money required for permanent housing, the Co-op is required to secure Housing Corporation registration and, in so doing, to convince the Corporation that it is efficiently and effectively controlled and that its structure will facilitate that in the long term.

The Corporation's general view is that a committee structure is the most appropriate, particularly for the latter.

This view is based on the general observations: (a) that small groups find it easier than large ones to make decisions (and to stick to them); (b) that, in any case, most voluntary organisations have a relatively small proportion of their members participating in their control structures once well established; but (c) that such organisations have a larger proportion of members interested in voting for committee members. All these observations persuade the Corporation that, as a general rule, an accountable committee structure offers a greater likelihood of efficient and consistent control in the longer term than a general meeting structure. But, although a general rule, it is not an invariable one and it is open to any Co-operative applying for registration to persuade the Corporation that its own particular circumstances make a general meeting structure appropriate.

Brian Rose