

Asking the Correct Questions by P.J. Bushell

In the autumn of 1969 I moved to Manchester, to a post in the Development Department of the Co-operative Union. At the interview I had raised the question of possible merger between the Union and the C.W.S. – the matter was being examined by some special committee at the time and recommendations were required for the 1970 Congress. The reply was intended to be reassuring: I was not to worry, there was not the slightest prospect of any Co-operative Union/C.W.S. merger, each organisation being destined to maintain a secure but separate existence into the 1970's and beyond.

In June 1970 I began work in New Century House. Congress had indeed agreed that no merger between the two federals should occur for the time being at least, but certain departments of the Union, – the trade advisory departments – deemed to be more suited to domicile in New Century House than Holyoake House, were transferred to the CWS from the Union. I had no quarrel with the decision, the transfer of these specialist services was probably right, and I enjoyed the benefit of working for the C.W.S. at one of the most interesting periods in its history. The incident did, however, give me my first direct experience of the continual striving by the Co-operative movement to reach agreement on the nature of the national organisation which it requires.

The arguments had begun long before 1969, and of course, they continue today - the two contributions in Journal 67 being the latest instalments in a debate that is as old as the movement itself, and which looks destined to continue for as long as two or more retail societies remain in business. I have worked for each of the national federals, three retail societies (including C.R.S.) and the now defunct SCWS. My credentials for adding some further comments are therefore adequate, although I harbour no illusion that any contribution of mine is likely to become the final word on this matter, or even materially to alter the direction of the debate.

Why Federals?

What matters above all is the wellbeing of retail societies. The consumer Co-operative movement in the UK is made up of retail societies, and the sole function of the national federals is to meet the varying needs of those societies. To do those things which are best done centrally on behalf of every society, rather than individually, in an inefficient or unco-ordinated manner. It is as simple as that; we need central federals only because we have a large number of independent retail societies. We shall continue to need them until we

summon the courage to direct our efforts to re-organising ourselves into one national Co-operative organisation.

Given our present thoroughly irrational form of organisation, it is self-evident that some central, collectively owned society or societies must exist to provide central service, and of equal importance, resources, to assist the activities of profitable societies, and to rescue the unprofitable ones unable to find refuge elsewhere. It is equally obvious that universal satisfaction with the performance of the federals will always be unattainable given the widely differing requirements which individual societies will place upon them. The analysis of these continuing tensions by John Anderson and Ted Stephenson needs no further elaboration here.

Need for Integration

It has become clear to me, however, that increasingly heated debate over the cost effectiveness of the Co-operative Union, or the role of C.W.S. is ultimately sterile. The real issue that we are just not addressing is how can we integrate the whole of the retail movement into one entity. If the movement could accept this objective and begin positively working for its implementation, the 'problems' associated with the national federals would disappear. This would mean a massive change in the present policy of regionalisation with its target of some 25 societies, but I believe it to be essential to our success as a consumer Co-operative movement. The only test of success that matters in the end is that of commercial effectiveness. When I contemplate the resources now marshalled against us by the national retailers, I can conclude only that if we are to match them in terms of retail efficiency and geographical coverage, we too must have one national organisation.

For many years I believed that the national objective would eventually be achieved by the evolutionary process of regionalisation. It is clear now that this will not be the case as I believe that a base of some 50 relatively stable societies will be reached, and further progress thereafter will be just too slow. No society in reasonably sound circumstances can expect its shareholders to support a transfer to another society, in the hope that the latter society will then itself do the honourable thing and transfer its engagements to a still larger neighbour, and so on until the single national society is formed.

The Example of the N.E. Society

I suspect that the Board of the North Eastern Society was thinking along broadly similar lines to these when it recently decided to seek members' support for a transfer to the C.W.S. The proposal is not a response to a crisis, but a reasoned conclusion to an evaluation of where the best long term

interests of the business lie. Examples of such longer term thinking are rare indeed in Co-operative Board Rooms and the North Eastern Directors certainly have my congratulations.

If the North Eastern objective is to become one of the early components of the national society, then it follows that the view from Gateshead is that the nucleus organisation for this entity must be the C.W.S. My view would be that C.R.S. would probably be a better candidate, as C.R.S. is first and foremost a retail society with a good record of retail performance. Of course, if C.R.S. and C.W.S. were to merge, then the argument would cease to have any relevance, but apparently this is not to be.

John Anderson places leadership at the top of his list of requirements from the national organisations and so do I. By and large they each provide as good a range of services as we allow them to and we should not waste time seeking to change the centre when the answer to our problems lies closer to home. What is lacking though is leadership. Much more thought is required if rational development proposals are to be prepared, and these can only emerge from the centre.

Leadership from the Centre

I believe that Congress this year is to have environmental matters as one of its themes. This is all very worthy and will no doubt lead to us astonishing the world by declarations of opposition to dirty rivers, polluted air and foodstuffs that are less than pure. It is my view that the Central Executive (including as it does a healthy contingent of C.W.S. Directors) should be looking hard at how we should be integrating the retail movement and presenting its conclusions at Congress.

The abandonment of regionalisation in favour of the single society goal should be seriously examined. If the Executive can see any possible merit in the idea, it should sound out Congress on the matter – the idea has, after all, been around for almost ninety years. Whatever was said would be opposed by some, but at least the correct debate would have been initiated and, just conceivably, some decisions could be taken. It is that leadership which, above all else, we should now look for from the centre.

The Author

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