

# **The Culture - and its Consequences**

## **by Basil Loveridge**

We have to assume that the authors of the survey published by the I.C.A. did their homework well before stating: "The consumer movements that had, and have, the most serious problems seem to be the ones most closely linked to the traditional labour movement culture." My contribution must be limited to trying to define those aspects of labour movement (working class?) culture which may have caused difficulties. Until I was 21 I was very much a product, a member, of the working class. Since then I have spent my life with the working poor.

The survey defines the labour movement culture as "anti-technocratic, anti-intellectual and reluctant to face problems, coupled with the art of explaining them away". Obviously not written by a member of the working class? Why should they think that the working class were against technocracy i.e. "management of a country's industrial resources by technical experts for the good of the whole community" (Concise Oxford Dictionary)? My working class environment did not make me anti; just plain suspicious. Now I'm classless, I still am.

We would also have been suspicious of the intellectual. The Co-operative movement is a living example that ordinary people "possessed a good understanding" of their own problems and far from showing a reluctance to face them, had fashioned Co-operatives, trade unions and, later, political theories and programmes to serve their needs.

Let me now try and test consumer Co-operative progress against what I regard as aspects of working class culture.

### **Inhibited Imagination**

A life reduced to making "ends meet" has little time for the enrichment of the spirit. If you are working long hours, in drab and monotonous conditions, living in poor housing, spending the midnight oil learning double entry bookkeeping with a view to promotion, you have little time for the riches of music, art and literature or more generally for the cultivation of the imagination.

For example, although Co-operatives pre-1939 and for some time afterwards had only half a dozen university graduates among their half a million employees, they had managed to produce from lads who left school at 14 enough good managers and leaders to build some very successful Co-operatives. Burning the midnight oil some were widely read and technically

competent. Some found their inspiration in the non-conformist church. Moreover, the British Co-operative movement was in the forefront of management training. That wasn't difficult, nobody else did it. Management training is a post-war phenomenon. Our managers were better trained than our competitors. Trained in controls and safe passage, but not able to release themselves on the wings of enterprise and experiment which the rising standards of the 1950's demanded. They, we, were conditioned by "inhibited imagination".

Again the legacy of inhibited imagination created other handicaps in the 1950/60's. How many remember the efforts Robert Marshall made to develop the role of the movement in consumer education? It was an up-hill, and often, futile battle.

### **Solidarity and Security**

Linked with a lack of experiment and enterprise were the counter-weights of solidarity and security. "In unity is strength"; don't break ranks. Better to get a teacher's certificate for an assured job than spend three years at the University and have no job prospects. Join the Co-op, or the Post Office, 'you will be secure'.

This was reflected in our attitude to Co-operative development. Beware the new horizons; hang on to what we have. The working poor everywhere are reluctant to experiment and to change. There is in change only a promise of improvement; we will hold what we have. While the poorer Asian peasant fears he will leave his family hungry if the new rice seed fails, his better placed neighbour experiments because he knows he has a margin of resources to fall back on if he fails.

### **The Class Struggle**

The class struggle was an essential part of our culture. It was counter-productive, but it was there, made up of a mixture of conflict and confrontation. Some of us (led by Arnold Bonner) always claimed we were not against capitalism; we had dispensed with it. In the 1950's there was much truth in it; my home, banking, insurance, food supplies, furniture, clothes and burial services, were all from Co-operative sources. And we were not against competition, we called it emulation. However, the concentration on confrontation blinded the Co-operative movement to what was good in capitalism. We wasted energy fighting rather than building.

We thrived on rhetoric and argument, when we needed debate and analysis. The rhetoric and the argument merely reflected the sense of confrontation and the working class struggle. We believed more in the manifesto than in long term planning and policy making.

When your arsenal consists of small arms and limited resources, it is the immediate day to day skirmishes that claim attention, not the course of the battle the month after next. We tended to "take care of the pence and the pounds will take care of themselves" when we should have been saying "take care of the pounds and the pence will take care of themselves". When we were given a longer term perspective, sometimes by outsiders, we ignored it.

### **Other Places**

My experience of working with consumer Co-operatives in Asia and Africa carried similar lessons. It is difficult to describe an Asian peasant as working class, but he was certainly the working poor.

In Ceylon over 4000 consumer Co-operatives were formed in 1942/43 to distribute foods when the fear of invasion sent all the Indian traders dashing for home. As in Burma, for years they had the near monopoly of distribution of essential food stuffs. It is often assumed that lack of good management and inadequate understanding by members were the major causes of Co-operative failures. In my experience in the Third World this is not true. By far the most damaging influence was the way in which Co-operatives were used by politicians and by governments.

But with all Co-operatives, of the working class and the working poor the elements of our culture had an influence, sometimes helpful, sometimes an hindrance. We have had failure, but we have had great success. What class can claim more? This applies both here and abroad.

The Botswana Co-operative movement claimed 25% of the retail trade in groceries in 1975, and had the only operational warehouse in the country. All built with the £30,000 given by the British Co-operative Movement and the wit of black Africans who ten years earlier had neither business nor accounting skills. In 1973 a hundred Co-operatives all made a net profit. (Bert Youngjohns and I agreed years ago that we would talk about profit, that most beautiful of words, until it came to distribution to members; then it became surplus!)

### **Politics and Governments**

The world over, democratic societies beckon us with the reward of a brave new world if we vote for the right party. The working poor are vulnerable: they would welcome a short cut to the 'promised land'. However, we have been warned in Journal 73 that "the new Labour Party which will take office after the next election is better equipped to assess the value of Co-operation as an economic and philosophical tool - and will use it." Please let us assess it for ourselves as an economic and philosophical tool, and decide for ourselves how we shall use it!

The Report of the Commission on the Co-operative Movement in Ceylon, 1970, states on page 51:

“Finally no summary of defects and shortcomings would be complete without reference to political interference. It is notorious and scandalous that Co-operative societies and the Co-operative movement in Ceylon have been outrageously misused by certain politicians.”

On page 137, it adds:

“There should be a programme of education to make members of societies understand the meaning and operation of their societies and the harmful effects of introducing politics . . . societies which do not respond to such a programme of education should be dissolved.”!!!

### **Changed Conditions - Changed Culture?**

Does some of our problem lie in the fact that we no longer have a working class culture in things social, political and economic? We now have a working class fudge. The labour movement culture, much of it based on self-help and mutual aid, may have served us well until a rapidly changing world demanded more enterprise and inspiration. What had been our strengths became our weaknesses.

For example, solidarity also meant loyalty. Many working people in the 1930's shopped at the Co-op to support an institution which offered them protection, support and dignity. When I told my mother in her 98th year that we had arranged for her funeral with the Co-op and we would get a £50 discount (I told her it was 'Divi') her eyes brightened and she said 'Good old Co-op'.

Despite our rhetoric and our involvement with the class struggle the British Labour movement never forsook the path of gradualism. (I can recall some very wild talk in the late 1920's). Violence and revolution were left aside and the Co-operatives lived happily within that atmosphere; indeed they helped to create it.

### **The Author:**

**BASIL LOVERIDGE** started work in the grocery department of the Southampton society in 1933 and, after local study spent two years at the Co-operative College, Manchester, completing the Honours Diploma in Co-operation. He served Co-operative education in London and Grays societies, and in the R.A.C.S., before joining the Co-operative Union as a Sectional Education Officer in 1947. For nearly twenty five years he has served Co-operatives in the U.N. development programme in many countries including Sri Lanka, Burma, Philippines, Iraq, Botswana, Indonesia and the West Indies.

# What about the Commonwealth?

by A.L. Mackintosh

I first became aware of the Co-operative movement/Labour movement dichotomy when as an adolescent USDAW shop steward or, more accurately, a collector of the weekly 4d. subs in a Co-operative I found myself involved with the management in a wages dispute. As the chairman of a Co-operative Party branch, a modestly active member of my retail society, with leanings towards the pure milk of Marxism epitomised by the Socialist Party of Great Britain, I felt that the management's attitude over a request for a 2/6d. a week (12½p) rise seemed immoderately capitalistic and seemed to mock our Labour/Co-op/T.U. brotherhood.

## Experience at Home -

Then at a quarterly meeting of the retail society I heard a vicious attack on a local shop manager of my acquaintance who was accused of voting Tory. Further study of Co-operation revealed to my surprise that political neutrality had been a fundamental principle of the Chartist/socialist Pioneers and that the Christian Socialists were in fact High Anglican Tories whose *raison d'être* was based upon the thesis that they wished to combat the un-Christian Socialists and the unsocial Christians. To compound the dilemma, activity in my retail society revealed that my comrades in the Labour movement seemed more concerned at getting Co-op staff out on strike or getting anti-war resolutions through the society's general meeting than recognising that the society was slipping gently down the trading plug-hole - which it eventually did.

## - And Overseas

In the early days of my overseas Co-operative career I discovered that most of my liberally minded middle-aged, middle and upper class colleagues knew more revolutionary songs than I, including all the verses of the Red Flag and the Internationale but had long since discarded socialism as a workable proposition and were convinced that our advocacy of Co-operation as a solution to the economic ills of their "parishioners" was, mildly put, subversive. Explanation of the Rochdale Principles and their local application resulted in most of them enthusiastically accepting our efforts in their bailiwicks but totally rejecting the British Co-operative movement as a dangerous tool of socialism.

All of these experiences seemed so much at variance with the all-embracing

human universality which I thought Co-operation to be that I closed my eyes, sent home my Co-op. Party and T.U. subs via an old friend, put the Co-operative Commonwealth on the back-burner and got on with the highly rewarding job of explaining Co-operative law and business management to the peasantry who gave neither a jot, much less a tittle, about the Party, trades unions or the Commonwealth. They were unsophisticatedly content to rely upon their common bond allied with their self-interest to make their Co-operatives work.

Pretty soon the need to ensure that the local Co-ops met their targets of providing a good service at a price fair enough to meet the needs of expansion and give the members a bit of patronage bonus at year-end put the thought of the Commonwealth but not the Principles well out of mind. It tweaks the conscience from time to time but the Jesuits have a phrase to explain that.

Whence this reminiscence? The threefold coincidence of attempting to clear out my catholic collection of Co-operative, Labour and Fabian pamphlets, of receiving No. 73 of the Journal and a suggestion from the editors that I might care to join the debate on the consumer Co-operative/Labour movement culture set me to polishing my not too illogical prejudices.

### **Rake's Progress - or Pilgrim's?**

The library produced three titles which seem to epitomise my rake's progress to Co-operative damnation in the eyes of some. The first was Dr N. Barou's once influential 1946 Fabian study, "*Co-operation in the USSR*". The second was Jack Bailey's seminally reasonable "*Co-operation and Modern Socialism*" and the third was Joel Welty's 1969 US Urban Co-operative Information Committee's "*The Pragmatic Co-operator*".

The first makes the standard case that it is Co-operation's duty to serve the interests of the State. The second, more persuasively to me, tries to prove that the Labour movement should use Co-operation to distribute social and economic power more widely through the body politic as an antidote to the socialist technique of using the parliamentary and local government machinery to establish official monopolies. The third argues that these and other purposes attributed to Co-operation have alienated people who should be our members and leaders and that the main job of providing superior services has been lost whilst "we joust at windmills when we should be minding the store".

May I underline the issue by quoting passages from these sources? They appear to me to go some way to support the ICA survey with which, on balance, I concur.

## **Serving a Planned Economy?**

Barou says:

“..... we still believe that if and when Britain has a planned economy, the Soviet experience ought to be very closely studied; and, furthermore, that the unification or at least far greater co-ordination of the central organs of the British Co-operative movement would be of great benefit to all concerned.”

And again:

“Past experience has shown that trade unions have very seldom been successful when running economic enterprises on their own.” Further on he says: “In any country it is of supreme importance that agreement should be reached between the party representing organised labour and the Co-operative movement as to the role which the latter should play in the period of transition from a capitalist to a socialist economy”.

We now know, alas, just what all that did for the ordinary consumer and collective farmer in Russia. In passing it is worth noting that the conclusions reached in the final chapter of G.D.H. Cole's "The British Co-operative Movement in a Socialist Society" closely parallel Barou's thesis. One would not wish to suggest that the British Labour movement is totally comparable with the Soviet Communist Party but is there not something to suggest that the Co-operative Movement may be emulating the young lady from Riga though, perhaps, on the back of a pussy cat rather than a tiger?

## **Loyalty to Co-operative Principles**

Jack Bailey says:

“Politicians are apt to regard their election programme and their own electoral interests as the supreme consideration in settling what they are and are not to do. The Co-operative movement could never consent to becoming politically subservient to another body. Nor could it, without exposing itself to the same criticisms as the Co-operative movements of the so-called Peoples' Democracies, lay itself under an obligation to accept without objection or opposition any decisions to supersede existing Co-operative institutions in any fields of its activity . . . This is not political awkwardness, it is not doctrinaire - it amounts to nothing more than a readiness to defend what it believes in, for the principles of Co-operation are as precious to the convinced Co-operator as the principles of any political party are to its followers”.

And so should say all of us but . . . who has the power after an election when the economy is being planned? Can a Government committed to socialist solutions permit the idiosyncrasies of Co-operation? Can it be relied on not to insist that it is the Co-operative movements' duty to serve the State? Even such libertarian socialists as Kenneth Kaunda and Julius Nyerere had to make that insistence.

### **The Justification for Co-operatives?**

Joel Welty says:

“In an apparent attempt to heighten the emotional dedication of Co-op members and staff we seem to have confused ourselves with the Three Musketeers - ‘one for all and all for one’ - some kind of secular religion - ‘brotherhood economics’ which leaves prospective members certain only that we are eccentric and of questionable reliability. We could not be more effective at discouraging new members if we deliberately tried.” And again: “This infatuation with a Co-operative as a mission is a serious inhibition in serving consumers; when only true believers are welcome most of the population is necessarily considered unworthy of participation . . .”

Elsewhere he says “The Rochdale Principles are techniques of safeguarding the Co-op’s purposes, not ends in themselves. Any Co-op which does not provide some concrete benefit to consumers has no good reason for existence regardless of how faithfully it may observe the Co-operative principles.” Or, could it be said, no matter how hard it strives for the achievement of socialism through active membership of the “traditional Labour movement culture”?

### **Community - Wide Co-operation?**

The Co-operative movement’s involvement with Labour politics is by no means the sole reason for its difficulties but it is an odds on chance that it has helped. I am glad that my heresies receive a measure of support from the Survey published by the ICA. Before ‘politicisation’ the movement drew public support and leadership from all sections of the community, from belted earls, from academics, from politicians of all parties, even from High

Anglican Tories but most important of all, from a wide cross section of what used to be called the respectable working class. Now that many of the last vote Tory, is it any wonder that we struggle to maintain our market share and the Co-operative Commonwealth seems even further away?

### **The Author**

ARCHIE MACKINTOSH entered Co-operative service in 1934 and in a 25 year overseas career, following his studies at the Co-operative College, has been an Assistant Registrar and Registrar of Co-operatives, Commissioner for Co-operative Development and consultant and adviser on Co-operatives to several overseas governments. He has taught at the College, has been a Housing Co-op Development Officer - and now attempts to follow Voltaire's advice to cultivate his own garden.

---

### **In Passing**

*I repeat . . . that all power is a trust – that we are accountable for its exercise – that from the people, all springs and all must exist.*

*Disraeli – Vivian Grey*

*All the world over, I will back the masses against the classes.*

*Gladstone – Liverpool 1866*

# Sufficient and Necessary Explanation?

by Brian Rose

When the invitation arrived to contribute a piece on the judgement in the world survey published by the ICA that the “consumer (Co-operative) movements that had and have the most serious problems seem to be the ones most closely linked to the traditional labour movement culture”, I realized (to my shame) that I had not read Journal 70 in which Ted Stephenson’s original review had appeared; nor had I yet received Journal 73 in which the first articles on the topic were published. My own thoughts have since gone through three phases.

The first phase scarcely qualifies as thoughts, being immediate reactions to seeing the statement for the first time. These reactions can be boiled down into two questions:

1. Would there have been many consumer Co-operative movements in the first place without traditional labour movement culture?

and

2. Where were there consumer movements with less serious problems without these links?

## Considered Response

The second phase was therefore an attempt to begin a more considered response by going back to Ted Stephenson’s review of the survey. As the reviewer warned, the survey is nothing if not pessimistic. I noted, with no great satisfaction, that the answer to my second question above seemed to be that there were no consumer movements of any significance that had avoided the general malaise. In summarizing the reasons given by its authors for the weak position of consumer Co-operatives, however, Ted Stephenson had listed six, of which links to ‘traditional labour movement culture’ was only one. My reaction to that was that it was probably one of the less important reasons given (although it could be argued that some of the other reasons were related to it) and there were additional reasons not even mentioned.

The third phase of thoughts was not long delayed, however, since Journal 73 containing the first articles on the subject was delivered and read with much interest. I was surprised to see that three of the four pieces concerned relations

with Party politics since this seemed to me to be somewhat marginal to a more fundamental problem. This more fundamental problem was the thesis that the weakness of consumer Co-operatives stemmed from their attachment to a particular "culture", i.e. a system of ideology, values and beliefs. If that was so, then the likelihood was that the political party to which consumer Co-operatives had an attachment was as much an expression of "traditional labour movement culture" as was the Co-operative movement itself. In other words, it is the culture which underlies both the Co-operative enterprise and the political party which is the problem (according to this thesis).

### **Characteristics of Working Class Culture**

What are the characteristics of this culture? In Journal 73 Ted Stephenson, helpfully extending his account of the original survey, reports that the authors define such culture as "anti-technocratic, anti-intellectual and reluctant to face problems, coupled with the art of explaining them away". This seems to me entirely unhelpful. I accept that "traditional labour movement culture" (subsequently to be called the more comfortable and familiar "working class culture") has never been uniform and homogeneous but the three major characteristics ascribed to it by the survey's authors seem to me to be at best mistaken and at worst slanderous.

Of the three, "anti-technocratic" seems the closest in the sense that although much working class culture was highly technocratic in relation to the work done by working class people (men especially), management was not seen in the same light, especially when conducted in retailing. In relation to the other two, however, major strands of working class culture had considerable respect for learning and, indeed, encouraged it, while a reluctance to face problems seems a feature of the human condition rather than of any particular class culture. The art of explaining problems away is characteristic of systems of belief (e.g. many religious beliefs, Communism, the economic doctrine of monetarism) far more closed than the rather diffuse "working class culture".

Nevertheless, indignation about alleged slanders on working class culture cannot deny that consumer Co-operative movements throughout Europe are weak and the fact that most (if not all) had their origins and major support in the working class deserves consideration. In fact, we are faced with the possible irony that there would not have been a consumer Co-operative movement without working class culture which in its turn sowed the seeds of the movement's decline.

### **The Ideal Expressed In Co-operation?**

In turning to that culture, I have long been taken by Harold Perkin's typology of class "ideals" in nineteenth century England (The Origins of Modern English Society, 1969), ideals which "sublimated the crude material self-

interest of competition for income". He typifies the working class ideal as an "egalitarian society based on labour and co-operation", (as opposed, among others, to the entrepreneurial ideal of a class society based on capital and competition). The Co-operative movement sprang from the pursuit of that ideal, indeed was one of its central expressions. Not that it was quite as simple as that statement makes it sound, since we are well aware of the disputes about the nature of "Co-operation" from its earliest days. In fact, this is typical of the pursuit of the working class ideal in general, which, in so far as it was able to unite the working class at all, did so as much by what it opposed as by any agreement about how it was to be expressed in practice. Thus, "egalitarianism" ranged from political democracy to socialist utopia, "labour" (and its rights) from a fair day's pay for a fair day's work to the abolition of landed property and/or industrial capital, and "Co-operation" from retail Co-ops, trade clubs and friendly societies to primitive communism and/or a socialist commonwealth to be achieved by a general strike.

A consequence for consumer Co-operatives was that, despite being only a part of this very broad canvas, they were nevertheless affected by elements appearing elsewhere in the frame and never achieved the simplicity and clarity of purpose that characterised the Swedish movement (which is itself, I note from Ted Stephenson's commentary, no longer enjoying the success of the 1960s and 70s). To that extent I can accept that working class culture has adversely affected the fortunes of the consumer Co-operative movement in England.

### **Egalitarianism**

Beyond that, Ted Stephenson in *Journal 73* suggests a number of aspects of working class culture that affect Co-operative success. I agree with some of them but think others need further consideration. Several of these aspects are said to derive from the underlying egalitarianism of the culture. One, for example, is that it "strikes at the heart of the idea of competition" and "... forgoes the impulse of challenge...". I am not convinced by this. While the entrepreneurial culture certainly promoted individual competition to a primary position in its value system (in principle at least: even Adam Smith noted the tendency to suppress it where possible), there is an underlying competition inherent in a class system that working class culture fully accepted. Further, it was a perfectly sensible strategy for the working class to recognise that the only way that most of its members would improve their position was not by individual effort but by collective effort to improve the position of their class. This was the strategy that drove consumer Co-operatives and trade unions and in no way eschewed competition.

It is also suggested that the underlying egalitarianism led to a belief in

universality, that Co-operatives should provide everything that their members would ever want. Again, I am not sure: could it not simply be that having made a success of food retailing, Co-operatives felt that they could be successful in other trades as well? Looking at business development in general, Co-operatives do not seem to be alone in this illusion.

### **Democratic Control**

Aspects of democratic control come in for criticism in Ted Stephenson's piece. One criticism made is of "short-termism", i.e. being too conscious of the interests of today's members at the expense of tomorrow's. Yet this is precisely the criticism that is made of much of British industry, whose leaders are not noted for their working class culture. Another criticism is of the interest of directors in the details rather than the broad strategy of Co-operatives. Again, however, this is by no means confined to working class organisations; local government, to name but one example, has been subject to similar criticism.

Further, it is suggested that working class culture is largely anti-managerial. I do not want to question this except to note that Ted Stephenson also reports that the development of a more "technocratic" view of consumer Co-operatives has been no guarantee of success.

### **Profit and Risk**

Finally, there is the "discomfort with profit making". Avoiding the argument about the nature of Co-operative "profits", my reading of Co-operative history, in Britain at least, is that there was an over-concern with profit making, rather than a discomfort. The primacy of the "divi" in British Co-operative culture (a subject worthy of study in itself) meant that the return on sales became an important element in business decisions at the expense of prices, hence excluding a significant section of the population from Co-operatives and encouraging competition.

What seems to me a more critical issue which has not been mentioned is the Co-operative attitude to risk-taking. The classical economic view of profit is that it is the reward to the entrepreneur for the taking of risk. I would speculate that Co-operative leaders, seeing themselves as the trustees of their members' savings (as they were until the 1960s), were not prepared to risk large amounts of that money in the increasingly necessary competitive developments of the post-war period. It does seem significant to me in this context that the immediate cause of the massive drain of members' capital that took place in the 1960s arose from questions of security rather than return.

### **In Conclusion -**

So where have my three phases of thought led me? As so often, they seem to have justified my atavistic reaction of doubt about the statement under consideration. There are obvious features of working class culture that transfer uneasily to a business venture in the modern world and the expression of elements of that culture in consumer Co-operatives does seem anachronistic in a country where they have been under sustained assault (political, economic and cultural) for some time. Nevertheless, I am far from convinced that working class culture is a sufficient condition for the weakness of consumer Co-operatives and am unpersuaded that is even a necessary one.

### **The Author**

BRIAN ROSE was both student and tutor at the Co-operative College before moving to the Housing Corporation, initially as a Co-operatives specialist and most recently as Training Manager. He is now conducting research at Brunel University into social housing policy. He is a long standing member of the Society for Co-operative Studies, having served as both national secretary and chair.