

# The Need for the Party

by David Wise

When it was first suggested that I might contribute to the series of articles in the Journal on 'Co-operation and the Labour Culture' and its follow-up of pieces on the British Movement's direct involvement in politics, I had some hesitations. After all, I had just stepped aside, voluntarily, from the role of an official paid to promote the Co-op Party and all it stands for. For me to rush to the Party's defence might be construed as interference. And that is a trait that retired Co-operative officials should at all times avoid!

But, it was then suggested that if I were not at least to make some modest contribution to the discussion it could be construed that I, like others who had in the past supported the Party, had now changed my views. I certainly have not! So, humbly, a few comments, on what has been said before, together with my own reasons for continuing to believe that our British consumer Co-op has a rightful place in political discussions and action - and alongside the Labour Party of the present day!

## **If Labour Had Won in 1992?**

With his customary percipience Tom Carbery suggested, in Journal 73 (January 1992) that the then imminent General Election would be a watershed for the Co-operative Party.

Although I, like Tom, believed at the time that a Labour win would bring both immediate and long term benefits to both the Co-op movement and Party, I did not foresee the scale of the attack on political involvement which so quickly followed Labour's defeat.

I have no doubts that a Labour victory last April 9th would have been followed by the appointment of Co-op M.P.s and Peers to a Labour Government. That Government would now be pursuing economic and social policies in accord with our Co-operative beliefs, and would be providing material benefits to ordinary Co-op members and shoppers. Increased spending power among our customers would be helping Co-op trade and moreover a Labour Government would be responding to the representations made by the Co-operative movement for the removal of disabilities placed on us over the years since 1979.

## **Consequences of Link with Labour**

But, say the critics - and here I refer particularly to some of the contributions that have appeared in the Co-operative News in the past few months - that is all very well but the fact is that Labour lost, and for the fourth time in a row!

This they claim means that a) Labour can never win; b) our link with Labour loses us trade; and c) those who do trade with us resent our political affiliation. I reject all three propositions.

I became a Co-op Party official in October 1961. That was two years after Labour's third successive election defeat in 1959 and in the month when Labour's leader, Hugh Gaitskell, was humiliated by the Labour Party Conference. In October 1964 Labour won power and in 1966 gained a second, and landslide victory. The only inevitability in politics is its constant uncertainty.

As for the other claims they are not easy to answer. After all they are merely assertions, with, as far as I am aware, not even circumstantial evidence being adduced in support. I suspect that most people, though vaguely aware of the movement's 'difference', have little idea of its history; its attachment to what might be termed 'progressive' ideas; its democratic structure; how the business structure of a Co-operative differs from that of a rival multiple; or indeed of our direct links with Labour. Moreover, if they were told of all these things they would probably say 'so what!' For the fact is that our dropping the Co-op Party would have no effect on either the price of the goods in our shops or the service we provide.

#### *Views of Members?*

The reason that the Movement went into politics, and the reason why it has stayed in, is that it has considered it to be in our best interests. I still believe that if our *members* were to be asked whether they supported our stance, *and* were given the reasons why most elected Boards and Committees, as well as Congress itself, favour direct political activity, they would overwhelmingly support it. The recent example of the trade union ballots on political funds supports my contention.

#### **Consequences of Political Neutrality**

I have been puzzled by those who have claimed that if we adopt political neutrality the only change will be that money will be saved from the present Party structure and devoted to 'worthy causes'. If the movement decides either by resolution - or possibly by irresolution through the opt-out of enough societies - to make our political commitment one of lip service only, then the Party will be disbanded, our Agreement with the Labour Party will cease and our MPs, Euro MPs, Peers, councillors et al will no longer be directly attached to us. Our links with the Labour Party and trade unions - in the latter case dating back to the very origins of our consumer movement - will be severed. I suggest that if this happens then it will be fairly represented that we have given up our claim to be part of the Labour movement and our pursuit of the ultimate Co-operative Commonwealth which have set us apart from those

with whom we compete in the market place. Indeed John Anderson suggested in Journal 73, that this is the full extent of the 'Co-operative difference'. Our abandonment of the link with Labour will set us on a new road and we shall be re-shaping and re-designing our structure to organise ourselves as merely another purveyor of goods and services, and no longer a movement for social progress.

#### *Reliance on other Lobbies?*

In my view the abandonment of direct representation and our links with Labour would in any case be followed, within a comparatively short period of time, by a decision to drop our direct input into government through our own Parliamentary Committee in favour of the use of the specialist sectoral lobbies that exist. We already have links with the Retail Consortium, the CBI and a host of other organisations and it would, I have no doubt, be cheaper to use these bodies, particularly on issues where our views on technical matters are those shared by other traders, and especially if we no longer have a specialist and committed group of Co-op M.P.s.

#### **The Oram Proposal**

In Journal 76 (January 1993) my dear friend Bert Oram has advanced the view that the way forward for the wider Co-operative movement is for us consumerists to drop our link with Labour and for new machinery to be established whereby MPs of all Parties will be enabled to apply for, and receive, together with their respective political constituency organisations, Co-operative money and support, in return for some commitment of support for our case when required. This is a view that Bert has held for sometime, but one that he has not previously aired publicly. It is, to say the least, a radical suggestion. And although I respect Bert's Co-operative credentials and contribution, I should add that it is a totally unreal suggestion too.

For a start it is just not on the cards that Co-operative activists will abandon our own Party in order that our money will be devoted to the support of Tory MPs who have links, not with the consumer Co-operative movement, but, for example, with agricultural Co-operatives composed of large-scale farmers. Of course all sections of the Co-operative movement have much in common, but the political expression of our brand of Co-operation demands a link with a Party that is committed to policies which accord with *our* vision of Co-operation. That is to say we want not just support for Co-operation's right to operate, but also for a society based on Co-operative values.

#### *Examining the Criticisms*

Bert's thesis is interesting, but his criticisms are I feel both untrue and unfair. One example is his attack on the Party conference for not devoting the whole of its three days of discussion to the consideration of direct Co-operative

commercial issues and on the Party generally for what he contends is its pretence that there is a 'Co-operative point of view' on every question.

Well, for the last twenty years Party Conference has spent at least half its 18 hours of discussion time in considering Co-op affairs. To be chided for this is a little too much.

Anyone who has been actually involved with our work rather than sitting on the sidelines is aware that the Party has almost certainly spent more of its time, energy and resources on the consideration of Co-op issues and Co-op causes than any other organisation in Britain.

### **Much Still to Do**

I welcome the statement that the Party has achieved many of its objectives, particularly as much progress was achieved during the time when I was privileged to serve it as an official. But still there is much to do. Co-operation, to me, means more than just a sensible way of running a business in order that the participants may gain immediate financial benefits. It is also a system which promotes the well-being of society generally through its adherence to principles themselves designed to further social progress. I want to see Co-operative principles and practices more widely realised, accepted and used, for I believe that the ills that are around us are largely the result of what has become accepted dogma - the paramountcy of the individual and the search for private gain to the exclusion of common purpose and responsibility.

I think that there are many who agree with me. It is our movement's task to show them what Co-operation offers and that by becoming Co-operators they can become part of the crusade for social progress. We need a new generation of active Co-operators, committed not just to shop with us but committed to rebuild our appeal, influence and dynamic. The Party can help us meet that need and I am sure will. The Party, founded in 1917, moves to 75 not out! Its record, and the possibilities it offers, mean that it deserves to make a century! It is surely not too much to ask the present generation of Co-operative leaders to continue to support an organisation which expresses and promotes Co-operation so effectively.

### **The Author**

DAVID WISE took early retirement as National Secretary of the Co-operative Party in September last. He served the Party as Research Officer and as Assistant Secretary, and in 1974 became Secretary. He has also served as a director of Invicta (formerly Dartford) society since 1959, is the longest serving CWS Director, having joined the Board in 1972 and has been a CIS Director since 1975, and Chairman since 1983. He serves as one of the UK representatives on the ICA Central Committee and presided at the 1992 Co-op Union Congress at Scarborough.

## Some 'Cons' in the Case

by A.L. Mackintosh

In the continuing debate on the Co-operative (Consumer)/Labour (Producer) culture the question is not, as Dr Clarke appears to assume, the continuance or otherwise of the Co-operative Party. Nor is it a debate about the need for the movement to have some form of political clout. Regrettably most "minority" groups and businesses in the real world aim at that so why should we be different? The debate surely is about, as Bert Oram so lucidly states, the best and most effective form of that clout. Incidentally, the word "regrettably" slipped itself in above. A sub-conscious reflection, perhaps, of my own strictly personal abhorrence of the way abuse by such self-interested groups can lead to government by minorities and to the exploitation of the Poor Bloody Infantry or, in our case the Poor Bloody Consumer. But that, is it not, is another debate?

### The Issue

I rather regret the somewhat waspish personal tone of Dr Clarke's attack (Journal 76) on Dr. Donnelly's letter but, leaving that aside, both he and Bert Oram are agreed that the Party has been important in the role of protecting Co-operation and, more generally, serving consumers' interests. According to Dr. Clarke it is still doing and will continue to do just this. Bert Oram on the other hand, considers that other structures may do the job more effectively - as indeed do I, though I am no longer as au fait with the movement's structures as he is.

Both views do, of course, rely heavily on the easily identified "pros" of political representation in the past but surely any wise assessment must consider the "cons"?

The policies and the, not at all synonymous, practices of both the main Parties have certainly been influenced by the work of the Co-operative Party in the House and the country. Sometimes for the good, occasionally, for the bad but what is really needed is a comparison of the "pros" and "cons" - a balance sheet. The "pros" of the discussion are not too difficult to discover since the Party makes great play with them. The "cons" are by no means so easy. Who, after all, trumpet their failures or, even, their partial successes?

### Consumer v Producer?

Disregarding the irreconcilable conflict of the Consumer (universal interest) versus the Producer (self-interested, profit-making and undemocratic) so clearly identified by Beatrice Webb, and underlined by Dr Donnelly in his Journal 75 contribution, there are a number of instances where the Party has lost the battle against the self-interested and undemocratic producers of whatever party, for we must not forget that the Conservative Party also largely represents producers.

A diligent and objective researcher could certainly uncover more examples than I do but here are a few gleaned from the limited resources to hand and particularly from Arnold Bonner in his "British Co-operation". He points out that "rationalisation", aimed at securing industry-wide private monopolies, forced all major Parties to accept the economic planning ideas of the 1930s in which the state would be able to step in and compel firms to agree to schemes approved by the majority of firms in an industry and the Government. Organised labour (the TUs and Labour Party) supported these state-sponsored capitalist monopolies in the belief that a future socialist Government would find it much easier to nationalise planned industries than a chaotic and diverse system. It was also believed that planned capitalist industry would stabilise employment and perhaps, yield higher wages. At whose expense?

### *The Rationalisation of Industry?*

Is it any wonder that the 1935 Co-operative Party Conference condemned these schemes among which were: - The Coal Mines Act 1930; the Road and Rail Traffic Act 1933; the "rationalisation" of the iron and steel industry, the cotton industry and flour milling; not to mention the first (Labour) and the second (National Government) Agricultural Marketing Acts setting up the producer - dominated Marketing Boards in milk, bacon and potatoes. The Party's condemnation was totally ignored.

In spite of the 1927 Cheltenham Agreement with the Labour Party the movement and the Party were quite unable to safeguard adequately the interests of the Co-operative and general consumers no matter how loud the protests.

The Movement also lost out over the 1936 Labour Party plan for the selection and financing of candidates which was characterised by the Co-operative Party as "a loss of independence which must be resisted". The matter of this loss was suspended due to the outbreak of war.

### *And Other Instances?*

There was the 1948 fiasco when the Co-operative movement acted with surprising and commendable unity to reduce the prices of most staple commodities in support of the Labour Government's policies, only to be clobbered by "substantial wage increases conceded to the trade unions and . . . the additional costs involved in the new scheme of social security".

All good socialist stuff but not at all helpful to the movement, resulting in considerably reduced dividends and availability of capital for expansion.

The 1951 Congress Report suggested that it would be better to negotiate with the National Farmers Union in the preparation of schemes rather than attend the

different public enquiries set up by the Labour Government. The 1946 Profits Tax completely ignored the special Co-operative dimension whilst the licensing systems prevented the movement building new shops and factories. In both cases the Party was powerless. The 1966 Selective Employment Tax and its extensions in 1968 and 1969 coupled with the withdrawal of investment allowances for retailers placed "considerable pressure" on the finances of Co-operatives in spite of strong Party opposition and assurances of Government sympathy.

### **Wider Questions**

Has sufficient now been said to indicate the considerable and serious 'cons' in which the Party has been powerless? There are more and more recent examples. Some other less tangible cases may underline the point and certainly finish the litany. How far have the Co-operative Party's links, and thereby the Movement's identification, with the Labour Party alienated many from a movement which claims human universality? What is universal about consciously and automatically debarring a large proportion of humanity from membership?

My second intangible is a recollection of the time-wasting and expensive hours of debate on matters of considerable importance to Party activists (myself included) but of total irrelevance to the running of a successful Co-operative business, particularly when we then went on to do exactly the same thing on the same topics at the Labour Party general management committee. It could also be asked how many officers of the movement find themselves involved in and distracted from their business duties by the political duties demanded by political affiliations? There is too the 'frisson' of automatic mental withdrawal which can be sensed when trying to discuss Co-operation with those who think they are politically opposed or even "neutral". Are not these also minus points in the balance sheet?

I conclude by quoting a quote used by Arnold Bonner in his book:

"... so it may befall that the Party is officially pledged to proposals in advance not only of public opinion generally but even of the average opinion of its own members. The result is that moderate members drop away and may possibly drift into the opposite camp". (Bryce's *Modern Democracies* Vol. I.) And what of non-members?

### **The Author**

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