

Editorial

2017 has marked the 50th anniversary of the formation of the Society for Co-operative Studies as we were first called, and following an inaugural meeting held in April 1967 the idea of *The Bulletin* was announced. This later became the *Journal of Co-operative Studies*. The key focus for *The Bulletin* was to provide up-to-date information on research and studies being undertaken. The Society had two convenors “one from the ‘academic’ side and one from the ‘co-operative’ side” (Opening Announcement of the Society, 1967) to encourage the involvement of University and Extra-Mural Departments, Technical Colleges with Co-operative Union studies and other individuals and organisations. The final paper in this special issue retrospective shows the richness of some of the joint educational activities at that time. This short report, published in March 1968, details courses designed and organised in partnership between universities, colleges, Union sections and Societies across England and Scotland including, for example:

- Leicester University/Co-operative Union Section — markets and marketing for senior managers, including group analysis of a society departmental store;
- Durham University/Stockton Society — 8 sessions based on the Harvard University Business School case study methods, for departmental managers and above;
- Oxford University/Co-operative Union Section — a course of co-operative management for chief officials and departmental managers.

Also included is an overview of collaborative research including co-operative accountancy (Strathclyde); and democratic participation (Keele). In many respects, the Society and the *Journal* has tried to keep this tradition and the 50th Anniversary conference — held at Northumbria University — was an opportunity to celebrate on-going collaborations between practice and academia, along with supporting the development of new co-operative scholars. Many of our members are networked nationally and internationally in practitioner-research networks, and the *Journal* strives to publish a range of articles from around the co-operative world.

One of the key purposes in setting up and maintaining the Society has been a focus on ‘the immediate and long-term problems confronting the Co-operative Movement’ (Opening Announcement, 1967). Indeed, in his message to *The Bulletin* readers in 1967, The Rt. Hon Tony Crosland emphasised the role of the Society in both formal and informal re-examination and re-definition of co-operative policies (in relation to co-operative societies and the co-operative movement) by bringing “together representatives from all areas of Co-operative interest and many individuals, particularly from universities and colleges, interested in Co-operative institutions and policies” (Crosland, June 1967). The interest in organisations “of considerable economic and social significance in our times” (Crosland, June 1967) is demonstrated by the *Journal’s* range of contributors and subscribers (co-operators and Universities’ libraries) from North America to Africa, from India to Ireland, Japan and across Europe.

An initiative started in our Anniversary year is to retrieve the archive of *Bulletins* and *Journals* and to begin to make these publicly available via our website. This will continue over the next year. In this special issue, we have brought a taste of some of the richness of the articles featured in some of the early issues of *The Bulletin* from the later 1960s to early 1970s and we hope to bring you other selected articles from the archives in future issues.

The first paper is a contribution from E. P. Pritchard, a staff tutor in Government from the Department of Extra-Mural Studies (Birmingham) and focuses on democracy and competition in consumer co-operatives. In his opening remarks, he questions whether the principle of democratic control is practicable in a competitive environment. The premise of his argument,

though, in this paper is that rather than “being a hindrance to effective competition, [democracy] should become the basis of the movement’s competitive strategy” (p. 7). In order to explicate this position, he starts with a view on the nature of democracy from the point of view of the consumer. Yet, he suggests that surveys have shown that meeting the needs of the customer and customer satisfaction is not “a characteristic of the movement as a whole”. Furthermore, that there is a lack of distinctiveness between co-operative societies and independent retailers, and that rather than compete with others through imitation, there is a need to reclaim something distinctive: “the democratic principle of starting from the point of view of the member”.

Our second article, from John Hughes, also looks at retail co-operative trading but takes a broader perspective by considering what might need to be done in the context of the 1970s. John Hughes was vice-principal of Ruskin College, Oxford and this paper takes both an historical look at the movement but also its development needs. First, he reviews the reforms offered through a single merged co-operative versus an optimal number of societies (200-300 — Hardie report, 1958, p. 10). he later considers the 1965 *Joint Reorganisation Committee Report* looking at the relationship between retail societies and the Co-operative Wholesale Society (CWS), and the *Regional Plan*. Hughes suggests that at this time (1968) reform was more about a reversion to traditionalism.

He includes comparison with five retailing groups, both in terms of sales and profits, but also in terms of operating models: Great Universal Stores (now Experian and the Home retail group bought by Sainsbury’s in 2016); Unigate Milk (some may remember the 1970s “Watch Out there’s a Humphrey about” UK TV ad fame with endorsements from, amongst others, Muhammed Ali); Marks and Spencer; Tesco; and Boots. The comparisons show an “acute weakening of co-operative trade in the 1960s” (p. 14) and Hughes takes us through sales and surplus as a whole and then sales and surplus for the regions from 1960-70, with the caveat of inadequacy if statistical and accounting data. This leads to his argument for further reform and development, incorporating an ‘effective commercial operation of co-operative trade but also to relate to that new economic base a new “superstructure” of participatory co-operative democracy’ relating to both consumers and employees (p. 16). This, he suggests, is a new alliance between the CWS and “the most economically far-sighted” regional societies to achieve, for example: integration (buying, stockholder, marketing); scaling up (amalgamations of smaller societies to larger regional ones with structured back office support by the CWS); economies of scale (moving to specialised chains of co-operative department stores); and superstore development, including possibilities of property development with a specialist interest in retail activities. And for consumers — a Which?-like consumer advice and protection service while employees “would require a new pattern of industrial relations”. While eschewing the old traditions, he concludes with a “modernising” view of principles of the social objectives of consumer co-operatives and co-operatives as providing a democratic challenge to large corporates.

In answer to some of Hughes’ argument, our next paper provides an alternative view. S. P. Clarke decries the need to supersize the sector. Rather he asks a series of questions linked to size, and if not super-societies then what, and points to the simplicity of focus on a lack of size rather than a surfeit of good policy. He advocates that the “doctrine of ‘Get Big’” be replaced by “Be Better” with a focus on internal efficiencies and good practice, which supports a range of societies of “adequate” size. There are more than echoes of continuing debate in UK’s retail sector today, where The Co-operative lies in sixth place in the top ten of largest supermarket chains (BBC, 2017; IGD Retail Analysis, 2017).

A focus on internal good practice is examined in the commentary provided by Esther Quinn who speaks from long experience of industrial relations and trade union movement (the Union of Shop, Distributive and Allied Workers — USDAW). Her short article both laments the perceptions and experiences of customer service provided by co-operative shop assistants of the time and the attrition rate of employees. From her Union perspective, she does not provide much in the way of respite from critique. While recognising the mutuality of the co-operative movement and USDAW, she bemoans the lack of employee representation and the perceived

apathy of co-operative shop assistants, which she concludes are barriers to the ideals of the co-operative movement.

We can see from these types of contributions that supporters of the movement do not shy away from healthy debate and, in some instances, harsh critique of the movement as they see it. The next paper provides a longer review of the movement, and more positively, in terms of growth and progression. Even so, this is not without its challenges and W. P. Watkins — a life-long co-operator — focuses on workers' participation, which he sees as "increasingly effective" (p. 29), albeit "down to zero" in some types of co-operative enterprise. He bases his essay on the premise that worker participation is "grounded in the co-operative principle" (p. 29). In the first part of the paper, he explains some of his assumptions. Next, he examines the six phases of co-operative self-employment and the idea of collectively-owned capital (viz. Buchez 1796-1866) and the associations with, particularly in Europe in the third phase, Christian Socialism. He describes the complexity of workers' productive co-operatives and the difficulties of establishing and managing this "exacting type of co-operative ... [that] depends so much on the quality of its membership and leadership" (p. 32). Even though he notes the shift away from strict hierarchical and scientific management to one that recognises the significance of communication, consultation, and engagement, nevertheless the tensions between management and workplace democracy are noted. Finance, is a perennial issue and Watkins suggests that access to and control of financial affairs reinforces the need for independent (or co-operative banking networks (as with the Caja Laboral established in the 1950s as part of the Mondragón Corporation, Spain). This, together with development support, combining technical and organisational expertise and advice, are seen as fundamental to overcoming some of the difficulties of managing such entities, particularly for "bodies of workers, inexperienced and uninstructed in Co-operation, demanding the conversion into co-operatives of enterprises employing them in order to save their jobs and livelihoods" (p. 33). Written in 1976, it is easy to relate these difficulties to today's conversion and spin-out mutuals. Watkins advocates for worker co-operatives as part of the wider international alliance of co-operatives rather than segmentation of different organisational forms and concludes that they have a vital and contemporary role both in promotion of democratic and participatory management, and also in "progressively reinforcing the superiority of Co-operation to private and capitalistic competition ... as a system of supplying society's wants" (p. 34).

The final paper continues on the theme of workers' participation but with a focus on consumer societies. Our author — John Gallacher, later Lord Gallacher, admits that when he was taught that consumer co-operation was the highest form of co-operation as "it did not suffer from the defects of other lesser types" (p. 35), he took this at face value. Thirty years on and writing in changed economic and regulatory conditions (1976), he states; "I no longer believe in the consumer theory" (p. 35). In this context, he describes the increasing power of organised labour and, given this, asks the question why workers might want increased responsibility in decision-making. Furthermore, he suggests the flip-side to this situation is that "worker participation cannot succeed in the face of trade union proliferation" (p. 36). He states that encouragement should be given both to worker participation and "self-investment" of, for example, pension funds. The former he sees as a response in part to declining member interest where consumer expectations may no longer be "above and beyond" those expected of other retailers and uses the example of the John Lewis Partnership. A re-orientation to employees is also seen as an alternative to "control by minorities of members" (p. 37), whereby co-partnerships gradually evolve into worker co-operatives.

We bring this issue to a close with several book reviews, all linked to business and co-operative history. The first features the re-issue of Todd's *Roses and Revolutionists* — which tells the story of the UK North East — Radical Tyneside - and internationally famous Clousden Hill Free Communist and Co-operative Colony (1894-1902). This is followed by a review of CD-Rom resource — Roffey and Collier's collection of documents and artefacts of co-operatives on the South-West of England. Finally, there is a review of a book published at the time of many of the articles in this special issue, Garnett's 1968 publication on a century of co-operative insurance.

We will be featuring other articles from the archive from time to time and we encourage contributions that bring new arguments to enduring debates such as those featured here.

Dr. Jan Myers

References

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