

# Principle FIVE P5

Yorkshire Co-operative Resource Centre

January 2018

Let's start the January edition of the Principle 5 newsletter with a look at the three publications which principle 5 subscribes to. First of all, Co-operative News which is a readers co-operative and Principle 5 is a full member.

Co-operative News is published by Co-operative Press, it's now a monthly magazine but used to be a weekly, then fortnightly newspaper. It has editorial independence and has reported on the Co-operative sector since 1871.

Co-operative Press Ltd, an independent registered co-operative society, is registered under the Co-operative and Community Benefit Societies Act 2014, registration IP 1585R.

Membership of Co-operative Press is open to individual readers as well as to other co-operatives, corporate bodies and unincorporated organisations.

The Co-operative News mission statement is to

- Connect
- Champion
- Challenge

the global co-operative movement, through fair and objective journalism and open and honest comment and debate.

The paper edition is delivered monthly.

Principle 5 has back editions going back to 2000 and they are available to members for research.

All the back editions of Co-operative News going back to 1871 are available to read at:

National Co-operative Archive:  
Holyoake House, Hanover Street, Manchester M60 0AS

<https://www.archive.coop/>

The Co-operative News website is:

<http://www.thenews.coop/>

# THE Co-operative News:

*A Record of Industrial, Political, Humanitarian, and Educational Progress.*

REGISTERED FOR TRANSMISSION ABROAD.

TERMS PER ANNUM BY POST, 6s. 6d.

VOL. I.—No. 1.

SEPTEMBER 2ND, 1871.

PRICE 1d.

## WHAT IS CO-OPERATION?

THE question which heads this article is to appearance so simple that many persons will be almost inclined to call it foolish, and yet a very little thought will show that it is much more easy to put the question than to find a proper reply to it.

Thousands of men who are members of Friendly Societies or of Trades Unions, and who are used to march in procession to the annual dinner under the silken banner inscribed in golden letters "Each for all, and all for each," and to listen to the after dinner eloquence which sets forth the amount of good which their particular society is accomplishing; and how much more could be done if all the workers at the trade would join the union and co-operate for its ends; or if all men were prudent enough to be members of Friendly Benefit Societies will think that they need no instruction on this subject, for that they are already practical Co-operators.

And certainly the tens of thousands of men whose purchases constitute the millions sterling which pass through the various retail stores every year, and who, when listening at the annual tea parties, know practically the truth of the advocacy which shows that men have, by joining Co-operative Stores, learned prudent habits, have secured to themselves profits which formerly they gave to the grocer, the draper, and the huckster; have thereby learned to save, and have become, or are in a fair way to become, their own landlords, will think that they, at any rate, can answer the question, What is Co-operation? And yet let us ask what is the practical difference between any one of these members of a Store and the steady-going working-man who goes on his own account with cash in hand and buys from the wholesale dealer a month's supply of provisions for his family, and who invests his savings in a Building Society, and becomes his own landlord, without consulting any of his neighbours or shopmates? And yet such a man is not called a Co-operator!

And probably the man who has invested a portion of his savings as a shareholder in a weaving shed or a spinning mill, along with a hundred others, who now gets dividends on his capital in addition to his weekly wages, will feel that whilst effectually serving himself by adding to his own wealth he is, in some mysterious way, serving society also by his devotion to the cause of Co-operation. But if we ask in what sense does such a man differ from the working member of a private partnership who has invested his savings with the firm in which he is now a junior partner, and who, in addition to his regular salary for work also receives a definite share in the profits of the concern, the reply must show that the practical difference is very little, if any. All these persons are, in a certain sense, Co-operators, for they are all workers together for a common object, that object being to increase the production or to economise the cost of the distribution of wealth to a greater extent than could be done by separate individual effort.

And, in the same sense, the individual capitalist who prepares a large building and fills it with first-class machinery, and finds raw material for manipulation, and wages to pay a thousand workmen, is also co-operating to increase the production of wealth to a greater extent than could be done without the combination of his capital and his superintending and organising care, together with the labour of the workmen.

And all these appliances for increased production lead naturally to increased facilities for distribution also, and thus tend directly to cheapen commodities for the common benefit of all consumers.

Then, is there no difference in principle between competition and Co-operation, and is there no

merit in all the efforts now being made by working men throughout the country beyond the mere money profit realised by the men.

Verily, there is much difference in principle, but the reply to the second part of this question depends very much upon the ultimate object at which men aim in their efforts at Co-operation.

We can easily conceive the existence of society in any one of three conditions, viz.,—Competition, Communism, and Co-operation.

The first or competitive state now exists, and except as controlled by municipal law, may be aptly described as, "Every one for himself, and the devil take the hindmost!" And, really, the devil's share is very large in society, as is proved by our prisons and workhouses, and by the hosts of casuals who throng our streets by day, and fester in our attics and cellars at night in every direction. One of our sweetest poets says,

"Man's real wants are few.  
Health and a quiet mind include them all."

but how difficult it is for a considerable proportion of our fellows to secure these simple elements. A quiet mind without health is next to impossible; and health without a sufficiency of food, clothing, and shelter, is also impossible; and yet the arrangements to secure these bare necessities of life, are of the clumsiest possible character. Primarily we all depend upon the land for our food and our clothing, and the land of this country is owned by a very small proportion of the people, and is left waste or is cultivated just at the will and pleasure of the owners; so that legally it would be possible for the few owners of land to keep the masses without food, except for the fact that their own interest lies in general cultivation, and that the poor-law makes them liable to their last shilling for the support of the destitute. The value of land in any given neighbourhood depends very much upon the density of population, so that if any circumstance leads to the concentration of people on any spot, the value of land immediately rises, it may be, from £50 to £1000 an acre. And all this increase of value, which means simply a fine upon the increase of population (since it makes living more difficult), goes to the landowners, who literally do nothing for the increase of value which they entirely monopolise.

Thus land for purposes of pasturage in the vicinity of a large town is worth 30s. or 40s. an acre per annum; by and bye population increases, and the land becomes market gardens at £6 an acre; population still increases and the land is needed for building, and the landowner demands from £25 to £100 per acre per annum. Thus men all live and work directly or indirectly for the benefit of the landlords. Again, in order to provide for the many wants which accompany civilisation, the combination of intricate machinery with human labour is necessary, but the bulk of the buildings and machinery belong to a small portion of the people, by whose leave and on whose terms it must be worked, if worked at all. Truly, here again it is to the interest of the owners that their machinery should be worked; true, also, that they would be liable for the maintenance of the destitute if work was not found for them. Truly, also, whilst the land is overlasting, buildings and machinery wear out and rust out, and the owners are therefore in a much worse position than the landowners; nevertheless the fact remains that men work for the owners of buildings and machinery, and that the more men there are looking for work, the more they will work for the owners of buildings and machinery, because wages will be less by reason of their competition with each other.

In another respect, also, the owners of buildings and machinery differ essentially from landowners. Of raw material we can hardly have too much, and

a good harvest is generally good for all; but when material comes to be worked up, then labour invested in buildings, machinery, and wages are all more or less on speculation; the employer invests in the hope and belief that he will secure a profit; but his capital may never come back again; he may lose all which he has invested, and the work-people whom he has employed may have to grope for other employers just as employers grope about for markets for their goods. This speculation for, and blindness with regard to, the future, is the peculiar characteristic of competitive society. It develops immense powers of production, produces intense excitement, makes brilliant successes and disastrous failures. It gives us motive power equal to the strength of a hundred millions of men, and leaves us with a million of paupers amongst twenty-one millions of population. It produces clothing for the world, whilst our streets are thronged with beggars in rags. Under it we see common workmen become merchant princes, and men who have been lapped in luxury become slouching beggars. It is a lottery with a few splendid prizes, a large number of which barely pay for the tickets, and a considerable proportion of blanks.

The second condition of society to which we have referred is Communism. Under this system land, buildings, machinery, implements and stock would all be the property of the nation, the wants of the community would be gauged and known beforehand, and would be provided for by requiring everyone to work according to his capacity, whilst his wants would be supplied according to his necessities.

Education, work, marriage, distribution of commodities, would all be according to rule, in no case neglected and in none overdone; no riches, no poverty, no overwork, and no idleness. This state has been aimed at in ancient and in modern times, but so far as we are aware has never been accomplished, except under religious enthusiasm, and religious enthusiasm is seldom perpetuated, even in a family, and it is much less likely to endure in a community. That communism is the perfect state of society there is no doubt; and when the moral sentiment of the nation has reached such a state as to fit it for the long-expected millennium, that delightful state of existence will find its realisation in communism. But in the meanwhile the grossly selfish, the inherently idle and luxurious, and the whole host of aspirants for power, in addition to the enormous inertia of existing institutions, all render its accomplishment impossible.

Between these two extremes of society, retaining the individualism and the vital force of the first, whilst rendering possible some of the advantages of the second, stands the new phase introduced by Co-operation. At present, it simply enables working men to save money, by economising the distribution of wealth, and dispensing with many of the middlemen, who have been used to live by taking articles from the producer, or wholesale dealer, and handing them at an advanced price to the consumer.

The economy produced by Co-operative stores (say 5 per cent on capital and 7½ per cent on purchases) has enabled hundreds, if not thousands, of working men to dispense with the landlord as well as with the grocer and draper; so that the man who has been used to pay 4s. per week for rent, and who spends 20s. per week at a store, finds his position improved by the saving of rent £10. 8s., and the dividends on purchases £3. 18s., together, £14. 6s. per annum as the result of a simple change of shop. Many store members have preferred to leave their dividends to accumulate, instead of investing in cottages, or otherwise, and the consequence is that many stores are overgorged with capital, which they find it difficult to invest advantageously.

The first edition of Co-operative News September 1871

# CO-OPERATIVE NEWS

## CONGRESS EDITION

SPECIAL ORGAN OF THE CO-OPERATIVE MOVEMENT

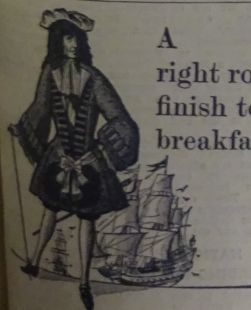
JUNE 1963  
No. 1763  
No. 1763

PRICE 4d.



### News Commercial Motor Survey

Co-operative members have their own cars and are beginning to expect more co-op to provide motor services. A special article on the motor trade is just one of the features in the Commercial Motor Survey which appears in this week's issue.



### A right royal finish to breakfast!

WILLIAM OF ORANGE is a new coarse-cut Marmalade with a deliciously sharp, bitter-sweet flavour that will brighten the morning and make this distinguished marmalade a right royal finish to your breakfast.

**William of Orange**  
the Marmalade for the connoisseur



FROM CO-OPERATIVE STORES

# VEG To plan for new National Federation

BY accepting the interim report of a special committee which has been considering the integration of the movement's national federations — Wholesales, Union and C.P.F.—delegates to the 94th annual Co-operative Congress held in Douglas, this week, gave practical expression to the appeals for unity which have been the dominant theme of Congress.

By 13,052 votes to 355 the report of the National Federation Negotiating Committee was approved on Wednesday afternoon after a debate which had produced little opposition to the proposals for a new national organisation with retail society control through a national elected body which will appoint an executive board.

Delegates leave a Douglas horse-drawn outside Congress hall.

The Negotiating Committee will now go forward with Congress backing to work out more detailed proposals for submission to the Scarborough Congress next year.

A strong lead on the necessity for unity was given by Mr. Leonard Cooke, Congress President, in his presidential address, when he emphasised that the process of amalgamating retail societies was much too slow.

And the same plea was endorsed by many speakers during discussion of the various sections of the Central Executive's report. An unexpected set-back was sustained by the platform when Congress carried, after a lively debate, a resolution which will give Sectional Boards the right to be represented at meetings of the Standing Joint Committee of the Union and C.W.S. when questions of mergers in their areas are being considered.

### RESCINDED

Delegates accepted a Central Executive proposal to rescind the decision of a year ago that only single checks of £1 or over should be recorded for national membership purchases. This means that, in future, all national membership purchases, irrespective of amounts, will be regarded as qualifying for dividend.

Congress carried a South Suburban resolution expressing concern at the inadequacy of national research into the problems of town centre development.

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Mr. L. Cooke, Congress president, and Mrs. Cooke, take a look out to sea.

## Co-op trade lags behind competitors in April

WHILE Congress was debating on Wednesday a plan for greater unity which it was claimed could result in the creation of "the greatest wholesaling and retailing organisation in the world," the latest Board of Trade figures for April showed that the movement is still lagging behind its competitors.

In every group of trade, apart from chemists and photographic goods dealers, co-operative trading returns were behind those of multiples and independents.

Estimates for the month indicate that the value of retail sales continued at about the same underlying level as at the end of last year.

The seasonally adjusted index of the value of sales was a point lower than in March and the same as in January and February.

### Weather effects

However, points out the Board of Trade, because of irregular fluctuations in the month to month figures the added uncertainties in allowing for seasonal factors, of the effects of the weather on trade, little significance should be attached to the slight fall in April.

The fall in the index in April was entirely accounted for by the fairly sharp drop in sales by clothing and footwear shops. Other broad kind of business showed little change.

In food shops, the seasonally adjusted index of the value of sales in April at 107 was the same as in March and a point lower than in January and February. The volume of sales was a little higher in April and was 102 against 101 in March.

After rising three points in January and February, trade fell sharply in April by five points—from 104 to 99.

## S.C.W.S. TO INSTAL NEW SOAP PLANT

CONTRACTS have been placed by the S.C.W.S. for the installation of a complete soapmaking unit of the latest design, comprising high pressure fat splitting, fatty acid distillation, and continuous saponification units at the Grangemouth soap factory.

This plant will provide the hot soap which will be further processed in the continuous finishing plant installed a few years ago.

The whole plant when complete will provide an extremely up-to-date integrated system capable of producing bar soap, toilet and flake soap base and soap for incorporation into powders, liquid soap etc.



Co-operative News January 2018

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Principle 5 also subscribes to Stir to Action Magazine  
<https://www.stirtoaction.com/shop/magazine>

Stir is a quarterly magazine that promotes new economic alternatives, exploring where the social economy, the commons and civic society come together. We feature original illustrations, long-form interviews, and in-depth articles that move beyond traditional political commentary to explore the inspiring and viable alternatives that present a serious challenge to the current political crisis.

The magazine will always be available at the Centre.

To read articles on line <https://www.stirtoaction.com/articles>

There are also interviews like this one about Community Wealth Building

<https://www.stirtoaction.com/interviews/matthew-brown>

# STIR

THE MAGAZINE FOR THE NEW ECONOMY

POWER

Beyond  
Platform  
Capitalism  
Race and the  
Gig Economy  
Uprooting  
Patriarchy

Stir December 2017

The third journal which we subscribe to is the UK Society For Co-operative Studies. <https://ukscs.coop/>

We receive this in PDF format. They also organise the Co-operative History Network (contact Bernard Parry at - [bernperry@gmail.com](mailto:bernperry@gmail.com))

The Journal for Summer 2017

<https://www.principle5.coop/wp-content/uploads/2018/01/Journal-for-Co-operative-Studies-Summer-2017.pdf>

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For the list of books in the Principle 5 lending Library see:  
<https://www.principle5.coop/books>

For reference and archive materials:  
<https://www.principle5.coop/archives>

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We are looking for volunteers to help in the library and archive. If you are interested, please contact Steve Thompson: [steve@sheffield.coop](mailto:steve@sheffield.coop)

If you know anyone who would like to become a member of Principle 5, please give them an information leaflet:

<https://www.principle5.coop/wp-content/uploads/2017/08/P5-leaflet.pdf>

and a membership leaflet:

<https://www.principle5.coop/wp-content/uploads/2017/10/P5-membership-form.pdf>

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Come and visit the Centre and help to revive co-operative culture, for appointment telephone 0114 282 3132 or e.mail [steve@sheffield.coop](mailto:steve@sheffield.coop)

Principle 5, Aizlewood's Mill, Nursery Street, Sheffield, S3 8GG