

Principle 5 Study Group
The Co-operative Movement: Beginnings

Recommended reading;

A Century of Co-operation
G. D. H. Cole

<https://www.principle5.coop/books/a-century-of-co-operation>

British Co-operation
Arnold Bonner

<https://www.principle5.coop/books/british-co-operation>

Both Published by The Co-operative Union, Holyoake House, Hanover Street, Manchester

and

New Views of Society – Robert Owen for the 21st Century
Ed. Richard Bickle & Molly Scott Cato

<https://www.principle5.coop/books/new-views-of-society-robert-owen-for-the-21st-century>

Published 2008 by Scottish Left Review Press

Robert Owen

Robert Owen (1771 – 1858) was considered by many to be the Father of Co-operation. There is great deal of information about him in the resource centre.

The movement which he started was educational. He believed that only through the right education of all people could a kinder and happier society come into being. The formation of character and sound education could only be achieved through certain kinds of lifestyle.

He advocated that people should set up self sustaining communities by collectively buying land and property and working and living together. His form of co-operation he called ‘socialism’.

- He was not enthusiastic about co-operative shop keeping and saw it only as a means of raising capital to buy land for community living.

- He was not enthusiastic about political action e.g. Chartism. He took the view that people must build society themselves by co-operating with each other and thereby create a new world.
- He disagreed with established religion and advocated a secularist approach which he called 'Rational Religion'.

Owen made some attempts to set up such communities, the money came from his own wealth and support from a few other wealthy people. Many others tried to make a success of self supporting communities but none of them had enduring success, being dependent on the capital of wealthy supporters.

The Co-operative Movement before the Rochdale Pioneers

The working class movement in the early 1800's was largely made up of Owenite Socialists, Chartists, Unions for political reform, Trade Unions and Unions for Co-operative Production and Anti Corn Laws Campaigners. The views of Owen were very influential at the time. The overall aim for many in this movement was the establishment of "villages of co-operation" as the basic unit of the new society.

The starting point for co-operative ventures was in some cases productive societies, there are records of co-operative corn mills being set up, often the establishment of a co-operative store. One of the functions of these stores was sometimes a "Labour Exchange" where people could exchange things that they had made without the exchange of money. The currency valued in terms of hours of work. This is exactly like the LETS schemes which became popular in the latter part of the 20th century. Owen tried to establish a 'National Equitable Labour Exchange' but this failed.

There exists a record of a dozen co-operative societies formed between 1826 and 1828. Then comes a sudden leap. Sixty societies were formed in 1829 and nearly 50 more in 1830. By 1835 there are 250 co-operative societies recorded. These societies were widely scattered about the country – from Aberdeen and Belfast and Dublin to Brighton Southampton and Exeter – but not in Wales. The largest numbers were in London, Lancashire, Yorkshire, and in the East Midlands around Birmingham. **Most of these societies failed. Arnold Bonner says that there were many differences of opinion in individual societies and some basic standards of running businesses were often neglected. Without doubt the most significant reason for the failure of most of these societies was their failure to reclaim bad debts due to credit trade.**

The first of the regular series of Co-operative Congresses took place in Manchester in 1831. There the series ended amid the general collapse which followed the extinction of the Grand National Consolidated Trades Union. Trade Unionism came into desperate danger about this time with the arrest and conviction of six Dorchester labourers known to history as the Tolpuddle Martyrs.

Owen advocated what he called 'rational religion' with the agency for this being 'The Association of All Classes of All Nations'. Owenite or Socialist Missionaries were sent out to spread the word about Co-operation. George Jacob Holyoake (who later wrote the History of the Rochdale Pioneers) was appointed Social Missionary to Sheffield.

Dr. William King of Brighton

Dr. William King (1786 - 1865) was a medical practitioner in Brighton who promoted a Mechanics Institute in 1825. His interest in Owenite literature led him to encourage the setting up of two co-operatives in Brighton in 1827.

- The Brighton Co-operative Benevolent Association
- The Co-operative Trading Association

The first was to raise by a small weekly subscription a fund for the purpose of assisting persons to join co-operative communities and to spread knowledge of Co-operation. The second engaged in retail trade with the object of accumulating capital from its profits to eventually establish a community.

Unlike Owen and Holyoake, King was a Christian and his advocacy of Christianity is evident in his writings.

He wrote and published a monthly paper (1828 – 1830) called 'The Co-operator' which had a wide circulation, especially in the North and the Midlands. It exercised a profound and lasting influence on the Co-operative Movement and converted hundreds if not thousands to the Cause. King was not a wealthy man and he could not afford new editions when it went out of print. However some people had the wisdom to bind their copies together and these continued to serve as something of a text-book for the Movement. One of the Rochdale Pioneers – James Smithies had such a volume and he and the pioneers of Rochdale studied and discussed it. When they formed their society in 1844 they were obviously very influenced by the ideas of Dr King.

NOTE: In 1922 the General Publications Committee of the Co-operative Union decided to re-print 'The Co-operator'. The volume includes all 28 editions, plus a sketch of William King's life and previously unpublished material. The latest edition was published this year in 2019 and it is also available as a PDF.

At the beginning of the volume are these words by Dr William King:

"Co-operation is a voluntary act, and all the power in the world cannot make it compulsory; nor is it desirable that it should depend upon any power but its own."—The Co-operator, 1829.

Dr William King and the Co-operator 1828 – 1830

<http://www.diktio-kapa.dos.gr/keimena/WilliamKing.pdf>

1844 – The Rochdale Pioneers

The Rochdale Society of Equitable Pioneers opened their shop on the 21st December 1844 at 31 Toad Lane. But there had already been a co-operative retail store at 15 Toad Lane in 1833 only surviving until 1835. Like many other societies, it failed due to an inability to reclaim bad debts due to credit trade. Charles Howarth who was to become the Chair of the Pioneers had been involved in this co-op.

The Co-operative Movement as we know it today developed from The Rochdale Society of Equitable Pioneers. Their story has most famously been told by George Jacob Holyoake, Secularist and advocate of Co-operation.

The success of the Co-operative Movement began in Rochdale in 1844. Without doubt, it was the eight co-operative principles which made such a difference.

1. Democratic Control
2. Open Membership
3. Fixed or Limited interest on capital subscribed to the Society

4. Distribution of the surplus, after payment of interest and collective charges in dividend to the members in proportion to their purchases
5. Trading strictly on a cash basis, with no credit
6. Pure and unadulterated goods
7. Providing for the education of the Members in Co-operative Principles as well as for mutual trading
8. Political and religious neutrality

These Rochdale Principles have been revised from time to time for the whole international Co-operative Movement, the last revision being in 1995.

The inclusion of dividend on purchases for members was not entirely a new idea. Some previous societies had introduced dividend, an example being Meltham Mills in West Yorkshire. However it represented a major departure from the ideas of Robert Owen and the earlier co-operators who saw co-operative shops only as means of accumulating capital for the acquisition of land for villages of co-operation.

Objects of the The Rochdale Society of Equitable Pioneers
from the original rules adopted in 1844

The objects and plans of this Society are to form arrangements for the pecuniary benefit and the improvement of the social and domestic condition of its members, by raising a sufficient amount of its capital in shares of one pound each, to bring into operation the following plans and arrangements:-

1. The establishment of a Store for the sale of provisions, clothing etc.
2. The building, purchasing, or erecting a number of houses, in which those members, desiring to assist each other in improving their domestic and social condition, may reside.
3. To commence the manufacture of such articles as the Society may determine upon, for the employment of such members as may be without employment, or who may be suffering in consequence of repeated reduction in their wages.
4. As a further benefit and security to the members of this Society, the Society shall purchase or rent an estate or estates of land, which shall be cultivated by the members who may be out of employment, or whose labour may be badly remunerated.
5. That, as soon as practicable, this Society shall proceed to arrange the powers of production, distribution, education and government; or, in other

words, to establish a self-supporting home colony of united interests, or assist other Societies in establishing such colonies.

6. That, for the promotion of sobriety, a temperance hotel be opened in one of the Society's houses as soon as convenient.

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Please let me know if you find any errors in these notes.

Steve Thompson
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