

## Co-opolitics in the 21st Century

When the Labour Party launched its General Election Manifesto 'Change' in One Angel Place, Manchester in June 2024, the significance of the venue was clearly apparent to the now Prime Minister Keir Starmer. The Co-operative Group, he said, 'is [an] organisation that has long believed...that the pursuit of social justice and economic growth must go hand-in-hand.'<sup>1</sup> These two commitments, Starmer emphasised, would be at the heart of his strategy for economic growth. Eighteen months later, as the UK loses jobs to artificial intelligence faster than any major economy, those commitments face their sternest test.<sup>2</sup>

What Starmer did not mention was that for over a century, the Co-operative Group, previously known as the Co-operative Wholesale Society (CWS), served as the heart of something rather more ambitious. The CWS operated factories employing thousands, servicing a network of hundreds of member-owned retail co-operative societies, offering an alternative to capitalism itself — the elimination of 'the middleman, the employer, and the private creditor' and their substitution by 'the collective ownership and control of the affiliated co-operator.'<sup>3</sup>

To its adherents, co-operation was not simply business or a means of 'getting rid of the bosses'.<sup>4</sup> It was a self-help movement committed to removing the barriers between working people and a life led with dignity. Co-operators

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<sup>1</sup> Keir Starmer Launches 'Change' - Labour's General Election Manifesto, June 13, 2024.

<sup>2</sup> Lauren Almeida, 'AI is hitting UK harder than other big economies, study finds', *The Guardian*, January 26, 2026.

<sup>3</sup> G.S. Watkins, *Co-operation, A Study in Constructive Economic Reform* (University of Illinois, 1921), p.6.

<sup>4</sup> Alana Semuels, 'Getting Rid of Bosses', *The Atlantic*, July 8, 2015.

shared this vision with the Rochdale Pioneers of 1844, who sought not merely cheaper and unadulterated food, but to advance 'their social objectives through concrete economic action.'<sup>5</sup> A store, certainly. But also housing for members. Factories for the unemployed. Land for those displaced by the enclosures. Self-sustaining communities where profit served people. They built the Co-operative Movement into 'a way of life' - 'the songs they sang', the 'bread they baked in co-operative bakeries' - the Co-operative Commonwealth.<sup>6</sup>

The July 2024 election returned a Co-operative and Labour Government to Parliament with an overwhelming mandate. A record 43 Co-operative Party MPs were elected on a four-point policy platform to double the size of the co-operative and mutuals sector in Britain, promote community owned renewable energy projects, introduce a community right-to-buy for local assets such as social clubs, and strengthen protections for retail workers to promote safer high streets. Chief Executives of the largest mutuals had called for a 'meaningful covenant between mutuals and co-operatives, government and society,' demanding a Minister for Mutuals and Co-operatives, a British Business Bank Fund for existing cooperatives, legislative reform, and Post Office mutualisation, arguing that 'Co-operatives...increase consumer choice...offering a competitive alternative to shareholder-owned businesses.'<sup>7</sup>

*Co-opolitics* has been created to support these policies and critique their implementation—to assess rhetoric against reality in the tradition of those who understood that

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<sup>5</sup> Brett Fairbairn, *The Meaning of Rochdale: The Rochdale Pioneers and the Co-operative Principles* (University of Saskatchewan, 1994) p. 7.

<sup>6</sup> Peter Gurney, *Co-operative Culture and the Politics of Consumption in England, 1870-1930* (Manchester University Press) p. 4,23.

<sup>7</sup> Rebecca Harvey, 'Co-op and mutual leaders call for political support as UK election looms', *Co-operative News*, June 12, 2024.

democratised ownership was necessary, not merely desirable. A. V. Alexander, the titan of Co-operative politics who served as First Lord of the Admiralty under Churchill and as Secretary of State for Defence in the 1945-9 Labour Government, recognised in 1936 that 'the political fight of the next few years will largely range around whether collectivism in industry and commerce is to be based upon ownership by, and service to the common people, or is it to be based upon the Corporate State, and with an ever-expanding system of incorporated industry for private profit.'<sup>8</sup> That fight was lost. The corporate state won. Ninety years later, as companies achieve significant productivity gains from artificial intelligence while eliminating rather than creating jobs, we face the same question—but now with housing shortages, vanishing well-paid work, and a population losing faith in the future who may turn to extremism.<sup>9</sup>

In the coming years, co-operation might well prove to be the mechanism by which a significant number of people in this country rejuvenate and strengthen their communities. Liberal democracy faces pressure from reactionary forces which offer straightforward explanations for the complex problems we face arising from successive waves of economic, social, and technological change. The issue is not simply that tasks once taking weeks can now be accomplished in minutes by computer, but that the pool of well-paid jobs will shrink until a significant percentage of the population can no longer maintain a decent standard of living. What happened to the manufacturing sector in the 1970s and 1980s might well be replicated across other sector. As actor Steve Coogan warned in July 2025, government's approach amounts to 'putting Band-Aids on the gash in the side of the Titanic'—mitigating

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<sup>8</sup> 'The Monopoly Menace', *Sheffield Co-operator*, No. 142, October 1936, p.1.

<sup>9</sup> Lauren Almeida, 'AI is hitting UK harder than other big economies, study finds', *The Guardian*, January 26, 2026.

the worst excesses of a broken system rather than transforming it.<sup>10</sup> Yet the alternative that once offered a different path remains largely invisible: as economist and former Green MEP Molly Scott Cato observes, 'When I go to my Co-op shop, most of the people shopping there don't have a clue that something is going on there that's actually deeply subversive of capitalism.'<sup>11</sup>

We have some grasp of the problems. We express concerns about the decline of the high street. We recognise the deleterious effect that lack of work and opportunities has on our communities. We worry about declining numbers of graduate vacancies. Yet we continue ordering goods and services from online multi-national corporations and shopping at for-profit supermarkets. In the political realm, genuine debate about how we will live and work in the future is sidelined in favour of oppositional politics, with potential solutions kicked into the long grass. The years pass, the difficulties intensify, and decline accelerates. The public crave solutions but nothing seems to work. What might work? 'The real key to the politics of the future is going to be a way,' the documentary filmmaker Adam Curtis suggested, 'of somehow allowing people still to feel they are part of something, yet also feel that they are individuals who can follow their own desires.'<sup>12</sup>

In Middleton, Greater Manchester—the borough that gave birth to the co-operative movement—a grassroots initiative is attempting to answer that question, but from an unexpected starting point. Middleton Co-operating is not, despite its name, primarily focused on establishing co-operative

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<sup>10</sup> Josh Halliday, 'Steve Coogan accuses Labour of paving way for Reform UK', *The Guardian*, July 5, 2025.

<sup>11</sup> James Hawksworth, 'Molly Scott Cato: Green Party is a good match for co-op movement', *Co-operative News*, January 7, 2026.

<sup>12</sup> 'Adam Curtis on the fall of the Soviet Union's worrying parallels with modern Britain', PoliticsJoe, 19 Oct 2022. <https://www.youtube.com/watch?v=663vLIYBcpl&t=1602s>.

enterprises. It is teaching people how to co-operate at all. After decades of Thatcherite individualism and the erosion of social infrastructure, the capacity for collective action has collapsed so completely that communities must rebuild it from scratch. As Steve Coogan, the project's patron, observes: 'They are so used to being disempowered that their mindset takes a while to adjust to the fact they have autonomy. It's a culture shock.'<sup>13</sup> Through 'circles' using sociocratic decision-making, community events, and grassroots relationship-building, Middleton Co-operating is doing the pre-movement work: creating trust, demonstrating collective efficacy, shifting mindsets from disempowerment to agency. This is essential work. It takes time. The original co-operative movement required decades of attempts and failures before the Rochdale Pioneers succeeded in 1844.

That capacity, once built, enables practical organising. Co-operation Town, launched in 2019 in Kentish Town, north London, demonstrates what becomes possible when neighbours work together. Over 50 autonomous food co-ops now operate across the network, with members contributing £3-£6 per week to collectively purchase wholesale food and acquire surplus groceries from businesses. The savings are substantial—up to 40% off regular food costs—but the model's significance extends beyond price. As founder Shiri Shalmy emphasises, food co-ops are 'based on solidarity, not charity.' Members decide collectively what to buy and how to run their co-op, building the habits of democratic participation whilst meeting immediate material needs.<sup>14</sup> This is consumer co-operation reimaged: not competing with Tesco's economies of scale but creating an alternative distribution

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<sup>13</sup> Rebecca Harvey, 'Steve Coogan on why he is backing the Middleton Co-operating project', *Co-operative News*, July 8, 2025.

<sup>14</sup> Tom Duggins, 'Can food co-ops really cut grocery bills by 40%? I set one up with neighbours to find out', *The Guardian*, May 31, 2025.

system through collective purchasing power and food redistribution. It doesn't create traditional employment, but it keeps money in communities, reduces waste, and demonstrates that collective action delivers tangible results.

The worker co-operative movement, though small, is also organising independently. In 2022, frustrated that Co-operatives UK—representing the entire co-operative economy—struggled to be 'a specialist organisation for worker co-ops', activists established workers.coop as 'a new and independent federation of worker co-operatives, co-operators and supporters of industrial democracy.'<sup>15</sup> Following what they described as a 'long drift' in the Movement since the 1990s, intensified after the merger of the Industrial Common Ownership Movement (ICOM) and the Co-operative Union in 2001, the founders argued that without their own specialist federation, worker co-ops had been 'unable to articulate clear and authentic messages about democracy at work, adequately respond to changes in the broader political and policy realm, or participate strategically in the wider autonomous workers' and social justice movements.' For those concerned with living standards, endless austerity, exploitation, rising rents, and wasteful production, it was 'now or never.'<sup>16</sup> The federation's manifesto sets out a vision where 'workers aren't exploited', 'wealth is spread fairly', people have 'personal and collective control over their working lives', and 'capital serves workers, not the other way round.'<sup>17</sup> With only around 400 worker co-ops in the UK compared to thousands in Spain, Italy and Argentina, the movement remains marginal—yet growing. By early 2023, workers.coop had 48 enterprise members and had raised over £120,000 to support peer learning, campaigning, and specialist development advice.

<sup>15</sup> Rebecca Harvey, 'New federation planned for worker co-ops in the UK', *Co-operative News*, June 1, 2022.

<sup>16</sup> Siôn Whellens, 'The Future of Worker Co-operation in the UK', *Stir to Action*, Summer 2022.

<sup>17</sup> workers.coop, 'About us', <https://www.workers.coop/about-us>

The challenge, as organiser John Atherton observes, is reaching 'beyond existing worker co-ops' to make worker control and collective ownership 'accessible and relevant to new groups and generations of workers.'<sup>18</sup>

In February 2024, Jim McMahon, then the Co-operative Party's Parliamentary Chair, painted co-operation as 'a bridge into politics' for those who have lost faith in government and the system. The problem, he said, was globalisation without roots. Decisions made in boardrooms thousands of miles away. Communities treated as cost centres rather than homes. The co-operative movement, he argued, 'comes into its own when thinking of the brands that used to be on the high streets that aren't there anymore...It's not co-operative business ventures versus other business, what the co-operatives want is to be able to operate on a level playing field.'<sup>19</sup> As lead Minister on the English Devolution and Community Empowerment Bill, McMahon has since delivered: the Community Right to Buy gives communities power to acquire threatened local assets. Yet his framing—co-operatives seeking a 'level playing field' with multinational corporations—understates the challenge. The fix isn't competing more fairly within the existing system. It's building an alternative economy. As planning expert Victoria Yeandle warns, drawing lessons from the failed Community Right to Bid of 2011, legal rights alone achieve little: 'few community groups had the capital, expertise or confidence to act.' A genuine transfer of power, she argues, 'requires funding, capacity building and technical support.'<sup>20</sup>

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<sup>18</sup> Miles Hadfield, 'Looking back on the first year of the UK's worker co-op body', *Co-operative News*, May 2, 2023.

<sup>19</sup> Zoe Crowther, 'Lesser-Known Co-op Party Could Shape A "Key Pillar" Of Labour's Economic Plans', *CityAM*, February 4, 2024.

<sup>20</sup> Victoria Yeandle, 'The English Devolution and Community Empowerment Bill's Right to Buy', *Planning Resource*, December 22, 2025.

These are real achievements after decades of neglect. The call for evidence is gathering views to inform future policy—a necessary first step. At the Co-operative Party's Annual Conference in November 2025, ministers outlined more concrete measures. Peter Kyle, Secretary of State for Business, announced that the British Business Bank would have funds specifically to develop co-operatives and support co-operative entrepreneurs. Steve Reed, Secretary of State for Housing, detailed the Pride in Place Programme: £20 million over 10 years for 150 impoverished locations, supported by a new Co-operative Development Unit. Miatta Fahnbulleh, Under Secretary of State for Housing, Communities and Local Government, described the Development Unit as 'a powerful resource' to enable communities to take ownership of spaces and places.<sup>21</sup> Alex Norris, Minister for Democracy and Local Growth, framed the stakes clearly: 'This is the battle for the soul of communities. Reform are pretending they care, but we have been doing this for a century...We want to say: Here's the agency.' Joe Fortune, Co-operative Party General Secretary, hopes to see the government leave office having 'radically shifted the balance of power and ownership.'<sup>22</sup> These announcements represent genuine progress. The question is whether they constitute the 'thick ecosystem of institutions and cultures that provide the information, advice, expertise and support necessary for co-operatives to grow' that Co-operatives UK identified in 2019 as essential.<sup>23</sup> Will there be investment in mass co-operative education, networks of trained community organisers, infrastructure for the cultural reconstruction that Middleton demonstrates is essential? Government's focus remains on worker co-operatives and enterprise—production rather than consumption. Rachel

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<sup>21</sup> Notes from Co-operative Party Annual Conference, November 19, 2025.

<sup>22</sup> Catherine Neilan, 'Why the Co-operative party is Labour's best shot at stopping Reform's rise', *The Observer*, 5 July 2025.

<sup>23</sup> 'A National Co-operative Development Agency', *Co-operatives UK*, September 2019.



Reeves' response when asked about supporting British producers is instructive: 'In terms of buying British, I think everyone will make their own decisions.'<sup>24</sup> An alternative economy requires both: worker ownership of production and consumer support through purchasing choices. Neither can succeed without the other.

Consider home care. Why should elderly people pay premiums to shareholders for basic dignity? Why should care workers endure poor conditions in return for a substandard service? Care workers could organise co-operatively. In Ireland, the Great Care Co-op demonstrates the model's viability: clients and families report consistently high-quality, reliable care, whilst care workers experience secure employment and professional fulfilment. Research shows that the co-operative's worker-ownership model fundamentally shapes care delivery, prioritising client needs over profit extraction.<sup>25</sup> In the UK, Equal Care Co-op in West Yorkshire's Calder Valley gives control to both care recipients and care workers through a platform-based model that prioritises relationships over rotas, delivering people-centred care that is more holistic and meaningful.<sup>26</sup> As artificial intelligence eliminates administrative and logistics roles, care work—inherently human, relationship-based—remains. Yet under shareholder ownership, productivity gains from technology flow upward whilst care workers' wages stagnate. Co-operative ownership would ensure workers benefit from any efficiencies, whilst maintaining the dignity of care. The same logic applies to community energy: why should bill-payers fund dividends for distant utility shareholders when co-operative ownership could keep profits local, reduce costs,

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<sup>24</sup> Jessica Elgot, 'Reeves rejects calls for 'buy British' campaign', *Guardian*, April 8, 2025.

<sup>25</sup> Gerard Doyle, 'How worker co-ops could provide effective and sustainable elder care in Ireland', *RTE Brainstorm*, November 6, 2025.

<sup>26</sup> 'Equal Care Co-op: An innovative approach to social care', *Co-operatives UK*, January 15, 2024.

and accelerate the transition to renewable generation? Or childcare: why should parents pay extractive fees to private equity-backed chains when co-operative nurseries could employ qualified staff, charge sustainable fees, and give parents a voice in provision? Worker, consumer, and community ownership models exist for each. These obstacles are not insurmountable. Time, resources, education—all solvable with political will.

Labour inherited the wreckage of fourteen years of ideologically motivated austerity. Public institutions have been stripped for parts and local authority budgets slashed. The NHS staggers between crises, ill health spreads, and economic inactivity rises. Utilities extract dividends rather than serve the public. It now faces unavoidable decisions about ownership and control, pressured by competing global models: American hostility to collective action, Chinese state capitalism, and European regulated markets.

This context makes the fundamental question urgent: what are co-operatives for in 21st century Britain? The answer should be clear: they are the mechanism through which communities retain wealth, workers share in productivity gains, and people maintain agency in an economy increasingly dominated by extraction. Yet this requires not just legal frameworks but a mass movement capable of building thousands of co-operatives, educating millions of people, and shifting everyday consumption choices away from extractive corporations. That movement barely exists.

Yet these measures pale against the scale of investment flowing elsewhere. As Daniela Gabor warned in *The Guardian*, Labour has chosen a different path for the bulk of its economic strategy: 'it will get BlackRock to rebuild

Britain.'<sup>27</sup> The approach follows a familiar formula where cash-strapped government partnerships with private finance transform public infrastructure into profit streams for distant investors. Housing, education, health, nature, and green energy are all being repositioned as assets that must generate returns for shareholders. Under this model, housing is treated as an asset class rather than a basic need, education becomes a revenue generator, health care serves shareholder dividends, and even nature and green energy are redesigned as vehicles for financial extraction. Recent reports that Private Finance Initiatives (PFI) will be revived in order to pay for the new generation of community health centres is worrying.<sup>28</sup> Of course, this is the easy option. It is easier for the Government to show that it has improved conditions quickly by going for the PFI money. It is also easier to sell politically when the first response to any political idea is, 'How are you going to afford it?'

Two competing approaches to economic development are playing out against a challenging political backdrop. 34% of those who describe themselves as 'highly cynical' about politics now back Reform compared to just 9% supporting Labour. Keir Starmer's 'island of strangers' speech was a grave error. Steve Coogan's warning in July 2025 that Labour's 'managed decline' approach was paving the way for Reform UK has proven prescient.<sup>29</sup> Without addressing the root cause—poverty and economic decline in post-industrial areas—Reform's support will continue to grow. In this context, it is the Co-operative Party's focus on bringing communities together which is increasingly being seen as a solution.

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<sup>27</sup> Daniela Gabor, 'Labour is putting its plans for Britain in the hands of private finance', *The Guardian*, 2 July, 2024.

<sup>28</sup> Heather Stewart, 'Past mistakes must be avoided': anxiety as Labour eyes public-private funding for NHS', *The Guardian*, 20 August, 2025.

<sup>29</sup> Josh Halliday, 'Steve Coogan accuses Labour of paving way for Reform UK', *The Guardian*, July 5, 2025.

'There's a reason why Farage launched his campaign in a working men's club,' with another adding: 'This is where the next few years of British politics is going to be decided.'<sup>30</sup> Of course, with Reform recruiting increasing numbers of Thatcherites to its ranks, it is unlikely that they will have any real ideological temperament for co-operatives or public investment.

The stakes for getting the balance right could not be higher. Will Heathrow's third runway improve life in Blackpool? Will increasing bankers' bonuses create jobs in Rochdale? Will private equity investment reduce bills in Workington? Unlikely, and if so, marginally, would the Government create jobs there or use the added revenues to allow local authorities larger budgets to spend on services. But co-operation might. Adult social care cooperatives where workers own the service they provide and clients receive consistent, relationship-based care. Taxi cooperatives where drivers own the platform and keep their earnings. Community energy schemes keeping profits local. Housing cooperatives offering security and mutual support. Childcare cooperatives where parents and workers share control.

For nearly 200 years, co-operatives have offered Britain an alternative to both concentrated private ownership and state control. They democratise markets, ensuring equal access rather than concentrated power. The missing ingredient is not legislation—government has begun to provide that. Ministers speak of empowerment and agency, of communities having their say. The missing ingredient is a movement. Not just organising infrastructure or policy advocacy, but the hard cultural work of teaching people that alternatives exist, that

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<sup>30</sup> Catherine Neilan, 'Why the Co-operative party is Labour's best shot at stopping Reform's rise', *The Observer*, 5 July 2025.

collective action is possible, that workers can own their care agencies, that communities can trust each other enough to build something together. Slowly. Patiently growing that pool of capital, just like any corporation.

At the 2025 Future Co-ops conference in Lichfield, over 100 co-op development workers gathered to discuss how to achieve Labour's pledge to double the size of the co-operative sector. The challenges were clear: 'so far a lot of the conversations around "doubling" have been top-down from the government, rather than involving grassroots organisations or development workers,' observed Jo White, CEO of Co-op Futures. Workshop discussions repeatedly returned to a fundamental question: 'Where are the experts, tools and money to be found to resource the doubling agenda?' Co-op business advisor Alex Bird reminded the conference: 'Co-op success in the past came from the fact that co-op development agencies were built into local authorities and were part of economic development departments.'<sup>31</sup> The Community Right to Buy empowers communities to acquire threatened local assets, yet the poorest communities facing the greatest need are least likely to have the capital, expertise, or organisational capacity to exercise that right. Real transformation would require government to use its considerable power: procurement policies that create guaranteed markets for co-operative care, childcare, and energy; substantial investment in the co-operative development infrastructure that Co-operatives UK identified as essential; educational reform that makes co-operative ownership a normal part of business education. The gap between what has been announced and what would be necessary suggests government sees co-

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<sup>31</sup> Rebecca Harvey, 'What does "doubling" the co-op economy mean – and how do we do it?', *Co-operative News*, March 10, 2025

operatives as a supplement to the existing economy rather than an alternative to it.

The co-operative movement itself recognises the urgency. Co-operative Futures has organised its February 2026 conference around how collective action and co-operatives can 'deliver real power at a local level' against the backdrop of rising far-right agitation, with workshops exploring practical ways communities can build power and counter 'far-right narratives of division.'<sup>32</sup> Government can remove barriers. It cannot create movements. Only people can do that. The question is whether enough people will choose to build the co-operative economy before the window closes – with their daily choices, their time, their commitment.

If technology continues to eliminate work whilst only shareholders benefit from productivity, while workers who create that productivity see wages stagnate or jobs disappear, we face a stark choice: mass destitution, or a fundamental rethinking of how we organise ownership and distribute the gains from progress. Investment minister Lord Stockwood has acknowledged the scale of disruption, suggesting the UK may need 'some sort of universal basic income' to protect workers as AI eliminates jobs, admitting that 'people are definitely talking about it' within government.<sup>33</sup> measures would reduce the pressure on co-operatives to deliver complete incomes immediately, making worker ownership more viable as a complement to universal provision. Co-operatives offer a path toward democratic ownership and distributed gains—if we act now.

Let's get started.

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<sup>32</sup> Ciarán Daly, 'Future Co-ops to explore community building to defeat the far right', *Co-operative News*, December 11, 2025.

<sup>33</sup> Lauren Almeida, 'Universal basic income could be used to soften hit from AI job losses in UK, minister says', *The Guardian*, January 29, 2026.