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**WHAT DIFFERENCES DOES A CENTURY MAKE?
CONSIDERING SOME CRISES IN THE INTERNATIONAL
COOPERATIVE MOVEMENT, 1900 AND 2000**

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WHAT DIFFERENCES DOES A CENTURY MAKE? CONSIDERING SOME CRISES IN THE INTERNATIONAL CO-OPERATIVE MOVEMENT, 1900 AND 2000

Ian MacPherson*

1. Introduction

The ending of one century and the beginning of another is a ritualistic time for “taking stock”; a time for understanding what has changed and what has largely remained the same; a time to measure what has been accomplished, what has been lost. That is as true for movements as it is for institutions and countries. It is, of course, a rather arbitrary way of taking stock, though such evaluations can produce useful insights into the common understandings of a movement’s or an institution’s history; it can encourage new resolve for old projects and enhanced recognition of both issues and possibilities.

The turning points of the two centuries 1900 and 2000 are particularly interesting in trying to understand how the international co-operative movement has developed and how it has responded to the main crises of the times, “crises” meaning important, challenging issues that can be seen as being central to the movement’s development. The paper does so largely through the prism provided by the International Co-operative Alliance (ICA), established in 1895. It is not a scientific paper, as that form of discourse would be understood within many segments of the academy, North American or European. Rather, it is the result of perusing the pages of the *International Co-operative Review*, which the ICA started to publish in 1909, matched with observations on some of the current issues being addressed by the international movement through the work of the ICA.

While the ICA provides a useful framework through which to understand how Co-operation has responded to crises of various types, it must be remembered that the ICA has never been a “head office” for the international movement, though it has always sought, as it still seeks, to provide leadership for it.ⁱ From its beginnings, the ICA has been very much a creature of its membership, though perhaps even more so in the early twenty-first century than it was 100 years earlier, when contacts were less frequent, institutional structures were less restrictive, and ICA leaders had more freedom to manoeuvre. At all times, though, the ICA reflects more than it dominates; it is a focus for brokering possibilities for co-operatives and co-operators, not issuing orders to the followers. Its responses to the crises and challenges that beset it are, therefore, rarely completely consistent or easily sustained; the international movement is far too diverse and its development too uneven for that to be true. Crises tend to be outlived not quickly surmounted.

Crises (in the sense of issues that many believe it is essential that they be met) tend to flow within the international co-operative movement from three sources:

- debates over ideological beliefs and constructions, variable as they always are within a remarkably diverse movement;
- long-range trends (such as the emergence of dominant ideological paradigms, the development of market economies, and the impact of extensive population shifts);
- and from events, such as wars and depressions, that are essentially external but often profoundly important in shaping co-operative development.

At any given time, crises emanating from these three sources (and frequently they do blend together) have buffeted the international co-operative movement, a measure of its relevance and possibilities as well as its fragility and weaknesses.

In 1900, the established, "organized" co-operative movement was some sixty years old (though one might argue that aspects of it were even olderⁱⁱ). The origins of its main institutional forms – consumer, worker, financial and agricultural – can essentially be traced back to the tumult of the 1840s and its spill over into the two decades that followed. The international movement, from its beginning as a dream in the 1850s, had made very slow progress – at least from the point of view of the most enthusiastic co-operators.ⁱⁱⁱ For them, particularly leaders within the French and British movements, Co-operation (as what we call the movement was then more commonly called) should have been able to advance quickly, its purposes and methods being so obviously useful and beneficial. The truth, though, was that progress had been generally slow, whether considered on the national or the international level. This pattern of slow growth continued even after the Alliance had been formed as Hans Müller, the then editor of *The Co-operative Bulletin*, stressed when he addressed the British Congress of 1913.

This Alliance at present comprises about 6,000 societies with seven million members in 25 countries, and amongst 30 nationalities. Considering that there are at least 120,000 co-operative societies in existence throughout the world it cannot be said that the Alliance has, as yet, fulfilled its mission. On the contrary, we must admit that it has not yet gone beyond its initial stage, notwithstanding the fact that it was founded 18 years ago. Naturally, progress is always slow in the beginning, and when you remember that your own movement practically began at the end of the eighteenth century, and that uninterrupted progress can only be recorded since 1844, you will not come to the conclusion that those who are engaged in building up the international movement, have shown an ability quite inadequate to the greatness of their tasks.^{iv}

While it might be construed as a defence against some criticisms the ICA was receiving at the time, Müller's comment also suggests the double way in which crises affect co-operative movements. In other institutional frameworks, crises are typically perceived in more limited terms, understood as affecting institutions or groups of individuals in restricted, readily demarcated, if important ways. The failure of a

specific business is not commonly regarded as an indictment of capitalism. The failure of a co-operative, however, is usually considered as proof that the co-operative model is defective: it is connected to the larger question of how crises affect the movement's ambition to reshape much of the world – in fact, its *raison d'être*. A crisis that threatens an institution is one kind of problem; a crisis that threatens a movement's larger ambitions is another. The burden is doubled.

If Müller were writing a century later, he would have to acknowledge that there are still co-operatives outside the ranks of the ICA, but the "organized" international movement has grown remarkably, even if the most determined and convinced co-operators would still say "not enough". Today, the ICA has 223 member organisations from 87 countries; they represent over 800,000,000 members.^v The United Nations estimates that the movement in one way or another significantly serves 3 billion people, or one half of the global population.^{vi} The largest movements are in Asia, a striking difference from 1900. The cultural diversity challenges understandings; it is the modern counterpart of the diversity of form. The range of co-operative activity, in fact, has expanded exponentially from the handful of common forms a century ago. While it is possible to think of international issues affecting most if not all kinds of co-operatives, there are many that are essentially shaped by local circumstances. Crises occur in many different forms and degrees of seriousness.

As the nineteenth century ended, the organized co-operative movements (i.e., those movements made up of co-operatives registered with, and to varying degrees regulated by, the state) were well established in several European nations, notably the United Kingdom, Germany, France, Italy, and Russia, with the movements in several other European countries assuming increasing importance. The most organized of these movements had created apex organisations at the national or state levels, most commonly on the basis of specific kinds of co-operative activity, in some instances as general, multi-purpose institutions embodying several kinds of co-operative enterprise. The organized movement had also started to appear in other parts of the globe, carried outward by the European diasporas and frequently fostered by imperial networks for paternalistic, idealistic, and economic reasons.

For most observers a century ago, the most dominant sector was consumer co-operation, especially as represented by the British movement. By early in the twentieth century, it was serving the needs of one quarter of the British population and had become the largest "farmer" in the country, owning directly more land than even the monarchy. It was operating over thirty factories, many of them on the labour co-partnership model whereby the workers shared in the "profits" and, in some instances, had a voice in management – though the opposition to this form of organisation was growing quickly within the British co-operative leadership. The British model, which aimed at control over the economy through consumer co-operation, was widely emulated in other countries in Europe and beyond; its ideological perspectives were greatly if not universally admired within the international movement.^{vii}

There were, however, other impressive co-operative developments whose major promoters and developers were found in countries on the European mainland. From its beginnings, largely in Germany, the banking movement was spreading throughout the rest of Europe. The agricultural movement, with its strongest original roots being arguably in Denmark, was spreading quickly in many countries, in the Americas as well as Europe. It seemed to be an effective response to the economic, social, and even political challenges transforming rural life, one of the main changes of the age. More scattered but most strident of all, worker co-operatives (and associated approaches aimed at expanding the power of workers, such as worker co-partnerships) had become an increasingly powerful force. And beyond these main forms, others were emerging, notably housing co-operatives, anxious to contribute and to help shape the international movement.^{viii} The differences contributed to the crises that emerged from ideological beliefs and constructions, the internal sources for many of the issues that demanded attention, divisions that the ICA inevitably reflected with disheartening accuracy.

2. Crises emanating from ideological beliefs and constructions

2.1 The crisis of form

One of the most obvious crises of the early twentieth century was derived directly from the importance assigned to this diversity of form. The ICA, particularly in its early years, like the international movement generally, was impeded by struggles among different kinds of co-operatives for intellectual and organisational hegemony. The debates were often concrete and very public, sometimes very personal, with significant impact on how the international movement developed (or did not). Some of the debates emerging from form (and which undermined the international movement for decades) were: what was the appropriate role for workers within co-operative enterprise? what should be the role of the state, especially when the needs of rural co-operatives and banking co-operatives are taken into account? how should the movement react when agricultural co-operatives become so effective that their power over the commodities they produce appear to be similar to that wielded by trusts and cartels? what encouragements should be given to other forms of Co-operation? All told, such questions contributed to a crisis of identity that perplexed the movement at the time and impeded the growth of the ICA – and thus the international movement – for decades.

It has never been easy for people committed deeply to one form of co-operative activity to recognize and accommodate those equally or even more committed to other forms. Moreover, particularly in the wake of their formative periods in the nineteenth century, each of the main sectoral forms (consumer, banking, worker, agricultural), possessed substantial bodies of distinct thought that nurtured passionate proponents in the twentieth century: the believers in the consumer theory of co-operation did not bow easily to advocates of worker co-ops with their support for the

labour theory of value. The defenders of co-operative organisation based on rural values and culture did not easily bend to either.

A century later, the crisis caused by form is quieted but not gone. The sharp debates emanating from the tensions among the early dominant forms are rarely heard. The sectoral differences of the main forms of co-operative activity have been isolated, focussed, and muted within the sectoral organisations and thematic committees of the ICA. The *Co-operative Identity Statement* adopted by the ICA in 1995 sought, with some (though less than perfect) success, to be applicable to all forms of co-operative endeavour.^{ix} The original, underlying and diverse historical intellectual perspectives have been largely lost in the homogenisation pressures of modernity.

Arguably, though, a similar and equally deep gulf has developed within the common division between established and emerging co-operatives, a gulf that is sometimes bridged but – for co-operative enthusiasts and many new co-operators – not often or strongly enough. The ICA – along with many national and regional apex organisations – strives to sustain the historic role of promoting unity across the new divide as it did across the old.

This effort might be seen as the continuation of the crisis of form that accompanied the organisation's birth over a century ago. It is a continuation of the crisis that occurs when even co-operators of generous instincts move out from the organisations and sectors they know well. Too often, sectoral commitments and institutional loyalties trump movement commitments, perhaps most particularly in fact at the international level. It is a perpetual problem, a common crisis, notably in countries where economic and social changes are rampant and various co-operative responses, some of them new, are potentially useful. It is a division that particularly affects how the movement can respond to the pressures of the present time. It is a crisis that can be met only by a prudent mutuality.

2.2 The knowledge crisis.

One of the first tasks the ICA undertook in the early 1900s was to help develop, organize and propagate information and knowledge about co-operatives. In many countries of the world the movement was associated with adult education activities, such as the Workers Education Association, the Folk Schools of Denmark, and the agricultural extension programmes of many universities in the United States and Canada. Most importantly, throughout the co-operative world of the time there was a widespread recognition of how appropriately important was the educational emphasis of the Rochdale Pioneers and the tradition that grew out of their work.

Thus from its earliest days, the ICA fostered the expansion of knowledge about co-operatives. No less a person than Henry J. Wolff, the ICA's most prominent early leader, spent weeks in libraries and reading rooms developing the first bibliography for the international movement; an effort to master what was becoming, even then, a wide and scattered body of knowledge. Henry J. May, a remarkably thoughtful co-

operator who was the ICA director from 1913 until his death in 1939 (editor of *The ICA Bulletin/Review* from 1914 onward), shared a similar commitment to the accumulation and distribution of knowledge. Both men realized that the movement was only as strong as the knowledge it possessed and used. Both men understood that the movement, at its base, was concerned with co-operative ideas and thought as much as with concrete action. They recognized that the slender body of ideas typically identified with co-operative movements did not adequately reflect the traditions out of which the movement had come: the rich intellectual heritage of the nineteenth century had been diminished. They understood that the movement was engaged in a competition for human minds as well as economic self-interest; shallow and limited concepts were not enough.

In 1909 the ICA started to publish *The International Co-operative Bulletin* (which became *The International Co-operative Review* in 1928). Even as early as 1910 it was drawing on a wide and extensive list of co-operative journals and regular publications; in fact, some 200 of them from all the continents of the globe. As the *Bulletin/Review* developed, it encouraged research of various kinds and drew upon the work of academics in several countries, with Charles Gide from France and Vakhn Totomianz from Russia being the most prominent and active in the early years, but they were soon joined by a host of others. From the beginning, the ICA was engaged in research that welcomed academic researchers but also encouraged research and reflection from within the movement. For that reason, it resisted the idea that research should follow purely academic paths, as tended to be the approach as the years went by within the emerging and associated Social Economy efforts: it always encouraged and printed reports on research within co-operatives and by co-operative practitioners.^x

The ICA also early developed an interest in educational activities, leading ultimately to the holding of the first International Co-operative School in 1921. The school quickly became an important event for small but important groups of youthful Europeans each year. Given its success, the ICA also encouraged movements around the world to sponsor similar schools, and it tried to provide course ideas and information for them. It strongly supported the development of co-operative colleges after World War One, the first one being established in the United Kingdom in 1919.

Despite these efforts, and those of national organisations and the International Labour Organisation, the movement, it can be argued, did not meet well enough the challenges of the knowledge crisis throughout the twentieth century. The knowledge needs of the movement a century ago and in all the intervening years were immense, sometimes overwhelming, partly because of the range of co-operative activities, partly because of the complexity of what the movement attempted to accomplish. In the last decades of the twentieth century, the ICA encouraged the growth of the co-operative research community, and its support has contributed significantly to the results that can be seen in several ways throughout the co-operative world.^{xi}

The crisis remains, however, a century later, as co-operative researchers struggle for their places in the academy and Co-operative Studies, the systematic, sustained

enquiry into co-operatives and cooperative thought, is still not widely recognized, even by many of its practitioners.^{xii} As a result, co-operatives and their movement receive short shift (if any) in the curricula of educational institutions at any level within the educational systems of virtually all countries. They struggle for inclusion in public debates on economic and social policy. Co-operatives rely to a very large extent on research that is done for – and often undertaken by – private firms with different central purposes, dynamics, and experiences. The knowledge quandary is a perpetual crisis that bridges a century despite having been recognized so long ago. Sometimes people and movements become so accustomed to crises that they cease to pay much attention to them: what is must surely be.

2.3 The crisis of sustained and informed contact.

A movement should be seen from at least three perspectives: the movement itself (its sanctioning organisations, its ideology, its programme, and its activities), the market institutions associated with it, and the understandings and commitments of the members or supporters it attracts. While obviously connected with each other, each of these three dimensions has its own set of needs and roles to play. When the ICA was formed, it was generally perceived, as were multi-purpose apex organisations on the national level, as the movement's voice. For the ICA this originally meant having direct access to interested and engaged co-operators, not just their institutions. Thus for its first two decades it included individual members, one way in which it could reach directly the movement's rank and file. Its publications were intended for a wide audience, though it was never clearly or well thought out how that audience could be reached. Moreover, there were always complexities in how to work with national, regional, and local organisations in informing and mobilizing memberships, let alone arousing interest in the general population. Central organisations always faced issues about going over the heads of member institutions. There were differences in understanding the distinction between education and training. There were frequent acrimonious debates over how best to address fundamental contemporary issues from a co-operative vantage point. Amid these uncertainties, contact with members as individuals and in communities rarely ever flourished.^{xiii} That challenge remains, even in the "Information Age". Too many people are members of co-operatives without even knowing that they are. Too few recognize the full potential of what those organisations represent.

To some extent, it can be claimed that the movement was a victim of its own success a century ago – an ironic truth that is even more obvious today. The growth of steadily larger co-operatives, and the ways in which governments encouraged the development of co-operatives, for example in rural areas, has meant that there is a perpetual crisis over contact with the rank and file of memberships. Once movements have stabilized, they have typically not informed or educated their members adequately. It is a crisis that becomes particularly evident when the movement is viewed from the international perspective, whether it be 1900 or 2000.

One reason for this crisis, a reason that was recognized as long as a century ago, was the failure to enlist the support of women, arguably a large mass of people with immediate and instinctive interest in the movement. In fact, co-operatives were sometimes perceived in 1900 as the feminine way to carry our business – in contrast to the highly competitive, hierarchical, and “masculine” approaches of contemporary capitalism. Catherine Webb, one of the leaders of the Women’s Guild movement wrote in 1914 why, in her mind, it was so important to mobilize fully the economic and social power of women within the movement and why that would help establish former grass roots:

You ask me to tell you in a few words why I consider that Co-operation in Great Britain is strengthened and enriched by having in its midst an organised band of women members, pledged to the pursuit of a knowledge of its principles and an active propaganda of its highest ideals. An easy answer would seem to rest in the pledge alone, for without some such a band of idealists and enthusiasts Co-operation would be but a body without a soul, liable at any time to fall into the mechanical routine of commercialism.

As in our British family life, so in the body politic of Co-operation, the "woman with the basket " plays a most important part; but how much more important in the family life, as in the organised life of any community, is the part played by women, who in intelligence, aims and enthusiasms, are the true help-meets of their husbands and the comrades of their brothers. This is the part the Women's Co-operative Guild seeks to play in Co-operation.^{xiv}

It was not a viewpoint that more radical feminists, particularly outside of the movement would have entirely supported then or afterwards, but it was a view that articulated one way in which the social, intellectual, and political power of women could be stimulated, particularly within local co-ops, a significant way in which member contact could be enhanced. In many ways, though, it remains a continuing missed opportunity.

It is true, however, that the movement embraced a number of strategies for mass education, though it is equally true that it did so within insufficient resources and questionable consistency. The ICA, through a variety of services it provided for the co-operative press, including a new service, the provision of visuals of different kinds, and the development of co-operative press networks, made a significant contribution. The co-operative press, in fact, expanded until the 1960s (in some parts of the world even later), but by 2000 it was a shell of its former self. In addition, there were some remarkable efforts to develop co-operative films, particularly from the 1920s through the 1960s, a heritage only now being partly recovered.^{xv} Some training departments in larger co-operatives, though they focussed mostly on internal training needs, often expanded their work to include activities aimed at informing members and the general public about the essential message of the co-operative world. There were a few efforts to use radio and, in a more limited way, television, but the results a century later, are not impressive. The efforts that were so strong seem somehow now to be even less evident.

In fact, the crisis of sustained and informed contact remains a century on: a limited understanding by members of the nature and broad importance of their co-operative,

a weak comprehension of co-operative thought, and a generally weak appreciation of all the co-operative model could provide in meeting a wide range of social and economic needs. The movement still has a crisis in contact, a need to mobilize opinion and build commitment. It needs to address the structural impediments to that effort, to seize the tools that are offered in the Age of Communications for its own purposes. It is the modern version of a perpetual crisis that profoundly affects what the international movement can do in 2010, just as it did a century ago. People can rarely appreciate and employ what they do not know. They cannot build well when they do not know what is possible.

3. Crises emanating from long-term trends

While some co-operators over the years have tried to create cells of co-operative purity isolated from the temptations and quarrels of the outside world (most obviously through intentional co-operative communities), their efforts have almost always failed. Invariably, co-operatives are greatly influenced if not largely shaped by the major economic, social, and political developments of their times. They are participants in the public exchanges of both goods and ideas; they cannot avoid being significantly affected by outside trends, even trends that co-operators strongly oppose because of their social and economic impact. In thinking of the situations in 1900 and 2000, three external sources of crises particularly stand out.

3.1 The ideological crisis.

The organized co-operative movement developed amid the great ideological struggles of the nineteenth century. It can be claimed, in fact, that it was one of the most important participants in the intense debates that emerged among the great "isms" of the modern world: liberalism, Marxism, various forms of conservatism, different kinds of democratic socialism, anarchism – the list is long. The movement ultimately did not fare well in those debates. It did not emerge as one of the most obvious protagonists (at least in the eyes of the outside world), and it was profoundly affected by many of the debates and ideological conflicts that did occur; it was buffeted more than it influenced. The wider debate at first exacerbated the divisions within co-operative circles over the most appropriate and legitimate form of Co-operation; for example, between the advocates of consumer, worker, and banking co-operation. Often, those divisions were affected by perspectives from other ideologies, such as the roles of labour within co-operatives, the appropriate roles of the state in modern societies, the nature of a co-operative, and the ultimate goals of the movement. They became undercurrents that severely limited what the ICA was able to undertake: they made it extremely difficult to achieve consensus and common cause; they dissipated the strengths the movement might otherwise have possessed.

One of the most complex set of debates revolved around the emergence of more militant forms of Marxism, notably Bolshevism. In the first decade of the century, Vladimir Lenin and his associates, seeing greater possibilities for their revolutionary

objectives, embarked on a purge of more moderate Marxists and more moderate socialists from the Second Socialist International, particularly after the International's meeting in Stuttgart in 1907. It became a vicious struggle that alarmed moderate socialists who were active in some of the European co-operative movements. Faced by these struggles and in some instances caught up in them, many co-operators came to accept the view put forward by Heinrich Kaufmann, the General Secretary of the Central Union of German Distributive Societies in the January, 1911, issue of the *Bulletin*:

Co-operation will undoubtedly fulfil its inherent functions alone and irrespective of any political party, for the simple reason that from its very nature it cannot do otherwise.... Co-operation can never be used as a weapon in the class struggle.^{xvi}

The Bolshevik issue assumed even greater importance after the Russian Revolution in 1917 and would remain a perpetual source of crisis for the ICA over the following seventy years.^{xvii} The ideological picture would become further muddled by the emergence of Fascism shortly thereafter. Mussolini's Italy treated most forms of co-operatives roughly from the beginning in the 1920s and Hitler's Germany was even worse.^{xviii} Then, in the 1930s, the Great Depression ushered in a period of intense ideological debates, including Marxism and Fascism, but also including liberal activism through the welfare state and Keynesian economics, various forms of democratic socialism, and reinvigorated conservatism. The ideological forests became thicker; the co-operative path became harder to locate.

At the turn of the twenty-first century, the ideological map became clearer for many, at least briefly. The centrally planned economies of Central and Eastern Europe were apparently transformed; China began a process of sustained adjustment and restructuring in the face of market forces. Internationally, the victory of the conventional market place seemed inevitable, if only governments would not interfere, and despite the bothersome persistence of poverty – and indeed deepening poverty – in some parts of the globe. As for co-operatives, it sometimes seemed, particularly in the agro-food sector, that the future lay in demutualization, in conversion to investment-led firms. In other sectors, the best answers seemed to lie in amalgamations and mergers, a flight to size in which careful thought was not always given to related governance and member relations issues.

That alluring and simplistic bubble has deflated, if it has not burst. What co-operators a century ago commonly observed about the nature of capitalism now seems once more to be true: that its unregulated growth invariably carries within it the seeds of its own shortcomings and failures. The history of the nineteenth and early twentieth centuries had revealed that simple truth frequently. From that perspective, the cycle that began in the wake of World War Two and ended in 2008 was unusual only in its length – for at least the most dominant parts of the world. Its most recent flowering had been fed by the comparatively easy expansionism of the later twentieth century, what was commonly called globalisation, the rush for easy profits around the world.

As with the general economic crises a century ago, the co-operative world is affected in a variety of ways by the current general crisis. Co-op organisations, deeply embedded in markets must adjust, often painfully, to change. At the same time, as with general crises of 100 and more years ago, they can pursue opportunities everywhere becoming more obvious. They can find niches in the opportunities associated with market failures, declining state activism, and the pressure of local decline. One might accept, perhaps too easily, that the common way many economists explain the reasons for co-operatives is right: that they fill in where and when the market fails to meet basic goods and services. Thus it can be claimed, the co-operative opportunities can be most readily found in the declining capacity of governments to cope with social pressures, the search for alternative energy supplies in a time of diminishing resources, the emergence of highly motivated new networks, and the pressures to find more accountable ways to organize the economy. The result is the expansion/diversification/reformulation of many old co-ops and, more commonly, the creation of new ones. It is not difficult to find increased fervour and optimism in co-operative circles around the world.

The ideological challenge, however, remains. There is the same need for the co-operative movement to establish more clearly in its own mind and for the world beyond the essence of the co-operative message, the distinctive qualities that separate co-operatives from other organisations, the different roles they can play within society and in the economy, the factors that make for successful Co-operation. The real crisis remains, as it has been for many decades; it is the need for a more satisfactory and compelling theory of Co-operation.

3.2 The competitive crisis.

To a significant extent, the international movement, especially the consumer, worker, housing and parts of the banking sectors emerged amid the negative aspects of the industrialism of the nineteenth century; the slums, the uncertain food supply, the perils of factories, the need for financial stability. The movement, in its various parts and in its over-all purposes, was developed so as to offset if not replace those negative developments. By 1900, these kinds of emphases had tended to become focussed within a growing concern over the rise of trusts and cartels, particularly in North America, where it contributed significantly to the rise of Populism and several agrarian political movements. It helped shape several co-operative or quasi-co-operative movements as the new century opened.

Many leaders associated with the ICA in the early 1900s saw the development of trusts and combines as grave threats to Co-operation, especially to consumer co-operatives but also to agricultural co-operatives as well. As Müller wrote in 1910:

To fight against trusts is one of the great aims of the co-operative movement, but if the latter is to secure any results in this direction, there must be cohesion, not only among members individually within their particular societies, but also among societies within their unions and among the latter within the international unions and they must act in unison and be faithful to the great common cause. ^{xix}

Much of the early research featured by the ICA in the *Bulletin* in its first fifteen years raised the alarm about trusts and combines and, at its Congresses and other early meetings, the ICA attempted to encourage greater collaboration among co-operatives, particularly at the international level as a way of offsetting their impact. While some success was achieved in the development of international wholesaling and insurance activities, World War One, the Depression of the early 1920s, and the Great Depression of the 1930s – the complex and diverse tragedies of the twentieth century – undermined it. The international economic potential of the co-operative movement was only in small measure achieved.

The dream nevertheless remains still beckoning. It might even be said that it is more attractive today because of the impact of globalisation, the costs of modern forms of production, the irresponsible management of financial resources – the unequal and unsustainable distribution of wealth. The concerns over trusts from a century ago have morphed into concerns over how co-operatives can help meet some of the key issues of the modern age; how to control, or compete against, large international businesses that are weakly regulated; how to develop large co-operative structures capable of maximizing the local strengths upon which so many co-operatives are based; how to develop economies that are as concerned about the social consequences of growth as they are about the maximisation of shareholder benefits.^{xx}

4. Crises relating to events

4.1 War and disaster.

The twentieth century began with deepening fears about terrorism – associated with a few of the many anarchists of the time – and, more seriously, deepening threats of war in many parts of the globe but particularly Europe. It was the beginning of a century in which some 160,000,000 people, military and civilian,^{xxi} would be killed. It would be, by far, the worst century for warfare in human history. The build up to what might be called the Age of Warfare soon became obvious in a series of smaller wars in Africa, the Pacific, and Europe and by armaments races that distorted economies and fuelled jingoism. Neither the international co-operative movement nor the ICA could be oblivious to this development. The ICA, starting with some of its early meetings, reacted strongly against the possibilities of war, for the most part interpreting them as the natural outcome of the competitive instincts and selfish interests that many co-operators believed were aroused by capitalism. For many co-operators, the wars were the national consequences of class warfare – the flowing outward of the struggles that were already underway and often violent in all the industrializing countries.

One of the most remarkable co-operative demonstrations in support of peace occurred at the ICA Glasgow Congress in 1913; it was the culmination of work largely undertaken by co-operator/pacifists since the 1890s. The Congress delegates passed the following motion, amid spontaneous cries of “We will not fight Germany”; it would

be repeated many times in public co-operative events over the following decades. It read, in part,

...The Congress emphasises once more that the maintenance of peace and goodwill among all nations constitutes an essential condition for the development of Co-operation and the realisation of those ends which are aimed at by this movement.

The Congress further desires to impress upon the public opinion of all nations the fact that the reasons for the continuance of armaments and the possibility of international conflicts will disappear as the social and economic life of every nation becomes organised according to co-operative principles, and that, therefore, the progress of Co-operation forms one of the most valuable guarantees for the preservation of the world's peace. The Congress, therefore, exhorts the people of every country to join our movement and strengthen their power.

The International Congress of the Alliance declares itself in amity with all the co-operators of the world, and welcomes any action they may take in this direction or in which they may participate. Congress also welcomes all demonstrations made or to be made by other organisations with the same aim.^{xvii}

The exhortation, of course, had little effect; a little less than a year later, much of the world would be engulfed in the First Great War. The experience of co-operatives in that conflict was typical of what would occur with many wars in the twentieth century. During it, co-operatives gained an enviable reputation for avoiding the profiteering all too common in the private trade; for producing food at dependable prices through agricultural co-operatives; and for mobilizing distribution systems often under difficult circumstances. On the other hand, their memberships suffered and their facilities were destroyed in the same way as others. The good will garnered by the them during the war soon dissipated, governments imposed taxes that did not take into account the distinctive features of co-operative organisation, and depressions weakened efforts to create effective international linkages and, in some instances, national linkages as well. The co-operatives in defeated countries, for example, the German consumer movement in the case of World War One, never really did recover. Similar patterns could be found some two decades later in World War Two. Both wars profoundly affected the movements in the countries involved – and influenced markedly how the international movement came to see its roles in the contemporary world.

The two “world” wars of the twentieth century, however, were not the only conflicts preoccupying the minds of many co-operators as the twentieth century ended. Throughout those 100 years – when there was a war somewhere almost all the time – tensions had been created that would last for generations, and wars, as well as social violence generally, had taken many forms. The Cold War, in some ways the counterpart of the imperial competition 100 years earlier, had stimulated an arms race that far exceeded what had worried many co-operators in 1900 – and even though the Cold War seemed over in 2000, the consequences were still evident. The stockpile of nuclear arms, the fear that they might become more widely distributed, could not be ignored. There had been “smaller” wars – for example, the Chinese civil war, Korea and Viet Nam – that had cost enormous losses of life and social/economic dislocation. There were numerous internal conflicts between factions as southern states became free from imperial control, in Africa, Asia, and Latin America. There

were others, particularly vicious conflicts in which factions struggled for supremacy as new states were formed or elites divided.

As the twenty-first century dawned, threats of war seemed to have shifted to internal, even local, struggles of clan and religion, class and economic disparity, politics and history, fanaticism and terrorism. They were as much based in communities as they were the result of machinations by states. In short, they were in places where co-operative values and structures could play useful roles in surmounting tensions, building consensus, and encouraging civility. Indeed, though rarely celebrated, co-operatives had a track record in such situations: they had contributed meaningfully to peace efforts in a wide variety of countries – from Sri Lanka to Ireland, from the Middle East to Central America, from the Philippines to South Africa, from European immigrant quarters to North American slums. In an age of decentralized wars – but wars with the capacity to expand dramatically, the slow and steady ways in which co-operatives can build communities, reach across differences through democratic practice, and join people together in pursuit of the common good could be of immense value.^{xxiii}

In 2009, at its General Assembly in Geneva, the ICA passed a peace resolution, the latest in a long line of resolutions stretching back over more than 100 years. It differed somewhat from earlier statements, some of which had been advanced because of national/imperial political agendas, particularly by the Union of Soviet Socialist Republics at the height of the Cold War. The 2009 resolution pointed to the record of useful efforts to create a more peaceful world through the application of the co-operative model; it called for its greater application (See Appendix A). It was a modest and constructive declaration, directed as much to the co-operative as the wider world.

There was also an echo in the supporting speeches of what had been written nearly a century earlier by Percy Redfern, the editor of the English co-operative publication *The Wheatsheaf*. In the midst of World War One, Redfern believed the world would soon come to its senses and that co-operative sentiments would prevail.

However we look at it, there is much hope for our international co-operative faith; At the lowest we may count upon a kind of rhythm, even in the contradictions of human action. The warring nations will swing back to amity; in the nature of things it is stronger than antipathy, more necessary and more lasting. And whatever suffers by the waste and economic depression of the war, the co-operative societies in the different countries quite possibly will suffer least. He that lifts the sword, perishes by the sword; it is in truth the meek who inherit the earth. Empires rise and fall but peoples are indestructible, at any rate by human hands. And institutions that are of the soil, of the people and amidst the people, pacific and constructive institutions which the people need for the building up of their lives, these humble and constructive institutions cannot be rooted out. Whatever changes the treaty-makers may effect in the political map of Europe, the co-operative societies will persist and necessarily, internationally. Today we are checked, but to-morrow we shall go forward.^{xxiv}

The same capacity to meet human needs during and in the wake of wars and social violence might also be seen in the ways in which co-operatives have responded to

natural calamities, such as earthquakes/tsunamis, floods, and widespread fires. Local co-operatives, national movements, and the ICA have generally been generous in assisting people and communities caught in such disasters, a tradition that goes back at least to 1902. Perhaps more importantly, the co-operative model has proved to be an effective approach for the channelling of recovery funds, providing developmental assistance, and mobilizing local resources. In more recent times, this capacity has been demonstrated in the rebuilding following natural disasters in Japan, Indonesia, Pakistan, and Haiti. There is an important record in this kind of contribution, one that needs to be honoured more and studied carefully – in an age of global warming, the needs may become more frequent and deeper.

5. Conclusions

It is easy to think that the crises that beset the co-operative movement are the products of the moment, the consequence of the momentous changes each generation thinks it uniquely encounters and endures. Instinctively, too, when one thinks of crises, one thinks of crises that are sudden and dramatic: the collapse of the stock market, a natural disaster, a difficult leaderships transition, the fallout from a mistake, the accumulation of bad business decisions; the kinds of trouble that produce panic. They are the kinds of crises that media stress and sometimes help create, especially the international media – CNN, the BBC, Fox News, Al Jazeera – the observers who have a vested interest in dwelling on them and arguably often exaggerating them. Such crises, when they are real, of course affect co-operatives and perhaps the sudden economic downturn of the last two years can be seen in that light.

More fundamentally, though, the crises that are important for co-operatives are of another order. They are long lasting, as this review of 1900 and 2000 has tried to demonstrate. They are the crises that abide perhaps because they are difficult and structural and because co-operators tend to be inherently practical people caught up in the immediate issues currently confronting their institutions, in some instances the movement, to which they belong. They have not always addressed the underlying crises as effectively and consistently as they might have done; the crises that have persistently emerged from form, knowledge, contact, ideology, competitive capacity, war and disaster. Rather, despite the efforts of many dedicated co-operators, the movement has tended too often to follow a policy of drift and avoidance. Today, as the movement potentially has the opportunity to contribute even much more than it already has, it must seize the opportunity to address those issues as best it can so that it can respond most effectively to all the external crises that continuously emerge. The obvious and dramatic crises are important – but so too are those that simmer beneath the surface and that have persisted for generations.

Appendix A

ICA GENERAL ASSEMBLY Geneva, Switzerland

The Co-operatives and Peace

Resolution adopted on 20 November 2009

The ICA at its General Assembly in Geneva on 20 November 2009,

RECALLING that global peace is the shared goal of all mankind, but peace on earth is a goal as yet unachieved,

AWARE that violence and hatred threaten peace between groups and communities no less than between nations and states,

REAFFIRMING that understanding, trust, confidence and joint endeavour are fundamental to the peaceful resolution of conflicts,

REMINDING that enduring peace can only be realistically achieved when conflict resolution is linked to sustainable human development, so that peace brings people a better life today and a greater hope for tomorrow,

RECALLING that the International Co-operative Alliance (ICA) has been committed to the advancement of peace since its birth in 1895,

EMPHASISING that co-operative thought is rooted in the search for a more peaceful world and cooperative values further that search,

NOTING that the ICA and its member co-operatives have successfully engaged and linked together people divided by social, economic, cultural, political and religious differences through projects and organisations devoted to the common good,

REAFFIRMING that the co-operative model, through its emphasis on inclusion and democratic process, has proved to be an effective way in which tensions can be reduced within communities, in nations and across regions,

CONSIDERING that co-operatives and co-operative organisations can effectively create and support people-to-people initiatives which are central to achieving peace,

FURTHER CONSIDERING that co-operatives and co-operative organisations can serve as effective agents in linking sustainable human development and conflict resolution,

REAFFIRMS its longstanding and ongoing commitment to the furtherance of peace everywhere in the world and its readiness to contribute actively to its achievement,

CALLS on the peacemaking institutions – international agencies, governments and civil society bodies – to recognise ICA and the co-operative movement as effective partners at the table of the peacemakers,

ENCOURAGES co-operatives around the world to further develop their peace-building activities and to make better known their work in promoting peace and social inclusion.

References

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ⁱ The standard (if somewhat dated) reference for the history of the International Co-operative Alliance (ICA) is W.P. Watkins, *The International Co-operative Alliance, 1895-1970* (London: International Co-operative Alliance, 1970). There are also numerous references to its history and its roles over time in Johnston Birchall, *The international co-operative movement* (Manchester: University of Manchester Press, 1997).

ⁱⁱ Dating the beginning of the organized co-operative movement is a somewhat controversial issue. The common date is 1844, when the Rochdale store was opened, though in England alone there were allegedly 300 co-op stores previously [Arnold Bonner, *British Co-operation: the History, Principles, and Organisation of the British Co-operative Movement* (Manchester: Co-operative Union, 1970, p.27)]. Scottish co-operators argue that the first consumer co-op was formed in 1761 [McFadzean, John. *The Co-operators - A History of the Fenwick Weavers* (Kilmarnock: East Ayrshire North Communities Federation, 2008) and *The Co-operative News*, December 28, 2008].

ⁱⁱⁱ See Birchall, *The international co-operative movement*, pp.36-40.

^{iv} *The Bulletin*, September 1913, p. 187.

^v See ICA website (<http://www.ica.coop/ica/index.html>).

^{vi} See ICA website (<http://www.ica.coop/coop/statistics.html>).

^{vii} See Johnston Birchall, *Co-op: the people's business* (Manchester: University of Manchester Press 1994), pp. 89.

^{viii} Ian MacPherson, "Into the Twenty-first Century, Co-operatives Yesterday, Today and Tomorrow", *Co-operative Principles for the 21st Century* (Geneva: International Co-operative Alliance, 1995) pp. 31-34.

^{ix} See MacPherson, "Background Paper on the ICA Identity Statement on the Co-operative Identity" and "Principles of the International Co-operative Movement", *Co-operative Principles for the 21st Century*, pp. 3-30.

^x See Ian MacPherson, "The Cooperative Movement and the Social Economy Traditions: Reflections on the Mingling of Broad Visions", *Annals of Public and Co-operative Economics* (Vol.79, No ¾, September/December, 2008), pp. 625-642.

^{xi} The International Co-operative Alliance sponsors a research committee, the Committee on Co-operative research. Information on it and on regional/national research committees can be found on the ICA website (<http://www.ica.coop/icaccr/index.html>).

^{xii} See articles by "the staff" of the Centre for Co-operative Studies, Cork University and by PanuKalmi, Jean-François Draperi, Stephen Yeo and Ian MacPherson in Ian MacPherson and Erin McLaughlin-Jenkins, *Integrating Diversities within a Complex Heritage: Essays in the Field of Co-operative Studies* (Victoria: The New Rochdale Press, British Columbia Institute for Co-operative Studies, 2008).

^{xiii} See Sven Åke Böök, *Co-operative Values in a Changing World: Report to the ICA Congress, Tokyo, October, 1992* (Geneva: International Co-operative Alliance, 1992), pp. 33-57 and

^{xiv} *The Bulletin*, January 1914, pp. 10-11.

^{xv} See "Co-operative Film Archive", Co-operative College, United Kingdom (www.co-op.ac.uk).

^{xvi} *The Bulletin*, January, 1911, p.10.

^{xvii} The debate over the roles of co-operatives in the centrally-planned economy was a remarkably debilitating issue for the movement from 1917 until the 1990s. In some ways to books indicate the nature of that debate rather well, though both have to be read very carefully to understand the differences. They are: Alex Laidlaw, *Co-operatives in the Year 2000* (London: International Co-operative Alliance, 1980) and A.I. Krashennikov *The International Co-operative Movement: Past, Present and Future* (Moscow: Centrosoyous, 1988).

^{xviii} See Watkins, *The International Co-operative Alliance, 1895-1970*, pp. 178 - 217.

^{xix} *The Bulletin*, March 1910, p. 35.

^{xx} For a fuller discussion of these issues from an ICA (and Italian) perspective, see Ivano Barberini, *How the Bumblebee Flies: Cooperation, Ethics and Development* (Milan: Baldini Castoldi Dalai, 2009). For perspectives from his predecessor, Lars Marcus, see his various

Presidential speeches at the 1988 (Stockholm), 1992 (Tokyo), 1995 (Manchester) ICA Congresses.

^{xxi} See <http://users.erols.com/mwhite28/war-1900.htm>,

^{xxii} As reprinted in Watkins, *The International Co-operative Alliance, 1895-1970*, p. 94.

^{xxiii} For discussions and case studies about the roles of co-operatives in contributing to more peaceful societies, see Joy Emmanuel and Ian MacPherson (eds.), *Co-operatives and the Pursuit of Peace* Victoria: New Rochdale Press, British Columbia Institute for Co-operative Studies, 2006, and Ivano Barberini, *How the Bumblebee Flies*, pp.75-90.

^{xxiv} *The Bulletin*, December 1914, p. 285.