

ROBERT OWEN AND THE CO-OPERATIVE MOVEMENT

by William P. Watkins

THE Co-operative Movement was in its early days described by William Hazlitt as “a slip of Owenism grafted upon a stock of common sense”. This metaphor is not merely more apt, but also more accurate, than to call Owen the “father” of Co-operation. For one thing, there were co-operatives in Britain before Owen enunciated his plan of a new society, and even before he was born. Voluntary associations, some of them with philanthropic participation or encouragement, for self-supply of flour, bread or other victuals or for carrying on a trade in a common workshop, were known from the middle of the 18th century onwards. They represented, as P. A. Kropotkin pointed out, a very natural recourse to mutual aid as a means of getting the best living possible out of barely adequate money wages, or perhaps of increasing those wages. They also represented Hazlitt’s “stock of common sense”, and since no nation possesses a monopoly of common sense they had their counterparts in other European countries already under the shadow of the impending industrial revolution.

These Co-operatives however, scarcely represented a movement, as that term came to be understood in the following century. Not only were they more or less isolated, despite a certain amount of imitation from one locality to another, but their aims were limited to the immediate economic needs and purposes of their promoters or members.

The term ‘Co-operative’ had not yet been invented to include them in one general category. The idea that they might be precursors of a novel economic system, divergent from the general business practice of their day, had probably never entered their members’ heads. It is precisely this idea which Robert Owen and his followers were destined to supply and which, grafted upon the common sense and neighbourly spirit of British working people, bore fruit, not so much in Owen’s long life-time, as in the half-century which followed it. To describe briefly the process by which Owen’s belief in a new form of social organisation

and a 'new moral world' became harnessed to associated labour, shop-keeping and housing is the purpose of the present essay.

Robert Owen's plan of community organisation evolved, as is well-known, from his critique of the poor-law and its administration and was first submitted to government authorities, national and local. He did not conceive that any other agencies would or could raise capital in the volume required to establish communities in any considerable numbers. His first approaches to working people were made with the object of preparing them to adapt themselves to the new modes of living and working, in which he was confident, they would be called upon by their rulers to participate. In the event, however, the authorities and governing classes rejected his plan, not entirely on its merits, but because the unorthodox ideas Owen propounded on economics, religion and marriage destroyed their confidence in him.

It was mainly the wage-earners, excluded from the parliamentary franchise and oppressed by the Combination and Corn Laws, who saw practical advantages and hope for the future in Owen's plan.

The Economist

This was first communicated to them in *The Economist*, "a periodical paper explanatory of the new system of society projected by Robert Owen, Esq." published in London weekly throughout the year 1821. Over against the business world's belief in unrestricted competition, *The Economist* proclaimed the need for "unrestricted co-operation for every purpose of social life". It coined the term 'Co-operative Society' and its propaganda found its practical counterpart in the Co-operative and Economical Society which projected the establishment of a community of 250 families living close together in central London so as to enjoy the advantages of common services for eating, schooling, house-cleaning and medical care. Of greater importance was the formation a few years later of the London Co-operative Society which through its lectures and public debates, its contacts with people throughout the country interested in co-operative and community schemes, and its publications, which include *The Co-operative Magazine*, became the intellectual centre of the movement.

The key to community development was the provision of capital. Owen, taught by his experience at New Lanark, never under-estimated the amount of capital required, even for a single community, but there were others who saw no prospect of any body of working men accumulating out of their savings such sums as Owen named, or even the £5,000 or £6,000 considered by William Thompson, an advocate of Owen's system because it would enable the workers to enjoy the whole product of their labour, to be the necessary minimum for starting operations.

From the numberless discussions which went on amongst the local groups of sympathisers and in the pages of *The Co-operative Magazine* there emerged in time two vitally important conclusions. One was that community organisation could only be approached indirectly through co-operative efforts for which working people were willing to join together as producers or consumers. In the one case they could add to their incomes; in the other they could save on their spendings. In both cases, if they were successful, they would earn profits which could be earmarked for a capital fund for their projected community. The common workshop and retail store thus acquired added value for the future, over and above the immediate economic advantages of steadier employment and higher wages in one case, cheaper and purer commodities in the other. The repeal of the Combination Acts encouraged not only trade unionism, but every kind of workers' association and especially friendly societies and co-operatives. Thus from the middle 1820's a Co-operative Movement in the real sense began to emerge with definite social, as well as economic, aims, with increasing clarity about its proper principles and methods and with a growing sense of unity derived from common activities.

The other conclusion reached by the leaders of the London Co-operative Society and their associates was that co-operation as they understood and propagated it, must be kept clearly separate from Robert Owen's opinions on non-economic matters.

The *Co-operative Magazine* bluntly stated in its first issue that its aim was not "to support Owenism but to call the attention of the public to the principles of mutual co-operation and equal distribution of which Mr. Owen is a powerful advocate."

Co-operative Stores

Among the different forms of co-operative effort characteristic of the 1820's and 1830's direct attempts at community organisation were the least and co-operative stores the most numerous. The community projects recorded in the co-operative journals at the time numbered a dozen or less and fewer still achieved even temporary practical success. On the other hand, the stores in a few years increased to several hundred, spread widely over Great Britain, and there were many associations which were able to advance from store-keeping to the employment of shoe-makers, tailors and other craftsmen to supply some of their members' needs. Dr. William King began in 1828 at Brighton to publish *The Co-operator*, a monthly four-page tract in which he expounded the methods and stages by which a trading association might accumulate capital and develop into a self-governing and self-supporting community, employing its own members and capital upon its own land. The tract circulated widely amongst the movement's leadership, some of whom bound up the 28 monthly issues in a single volume. It was probably more influential in helping co-operators to define their ideals and principles than persuading them to adopt sound business practices and organise education for their members, but its influence was by no means exhausted when the first Co-operative Movement died away in the middle 1830's.

Robert Owen, after his own unsuccessful attempt at community organisation at New Harmony, Indiana, returned to England but by 1828 had severed his connection with the mills and the village of New Lanark. From London he began to play an active role in various kinds of workers' organisations and published a weekly paper, the *Crisis*, in order to spread his ideas. In the field of economic organisation he was chiefly interested in promoting "equitable labour exchanges" the purpose of which was to enable co-operative societies which engaged in manufacture to market surplus products not required by their own membership. The same sort of exchange bazaar would also serve to assist unemployed workmen of different trades who needed one another's products. For a time the exchanges applied the labour theory of value, selling and paying for goods with a paper currency of their own.

Co-operative Congresses

At this period Owen was also in touch with the leaders of the Co-operative Movement who had been able from 1831 onward to organise half-yearly national congresses. Owen presided over the congress held in London in 1832, easily the most important of the series because of the statement of aims and principles it adopted for the guidance of societies, besides the plan of propaganda organisation, including the employment of social missionaries, to be applied regionally over the country. The congress found it necessary however, to emphasise that “Whereas the Co-operative world contains persons of all religious sects and of all political parties, it is unanimously resolved that co-operators as such are not identified with any religious, irreligious, or political tenets whatever, neither those of Mr. Owen nor any other individual.”

The Co-operative Congresses came to an end in 1835, not to be revived until 1869. Robert Owen had meanwhile transferred his attention to the trade unions and played a leading role in the formation of the Grand Consolidated Trades Union of 1834. There were plenty of working people who deserted Co-operation for militant trade unionism and political movements such as Chartism which seemed to promise more rapid results. The Co-operative idea was kept alive among the much smaller band of devoted Owenites who firmly believed, along with their ‘social father’, that the economic and political crises of their times heralded the coming of a social millennium and the new moral world.

After the collapse of the great trade union organisation, Owen rallied his disciples in 1835 under the banner of the Association of All Classes of All Nations, a remarkable anticipation of the International Co-operative Alliance which was founded sixty years later. The material achievements of the association were insignificant. Robert Owen toured Europe in 1837 without winning the slightest support from any other country. A foreign department opened in London has left no evidence of activity. Nevertheless, the Association’s statutes adopted in 1837, expressed, in phraseology still familiar to co-operators of today, essential ideas of the Co-operative social philosophy. Its practical object was a complete change in the character and conditions of mankind effected by reason and peaceful means through the

introduction of a well-considered, just and natural system of common ownership, created by the members without violating existing property rights. The movement should be organised through a central co-operative society, operating presumably from London with branches all over the world.

The foundation of communities of united interests, coupled with educational propaganda of all kinds, would create a public opinion favourable to the comprehensive changes proposed. The belief that people should be united without distinction of race, creed or colour; that society could be transformed by a new economic system based on common ownership and the regulation of the exchange of products by equitable principles; that education and character training should go hand in hand with business organisation, were tenets of the Association of all Classes of All Nations which are still valid for the International Co-operative Movement of the twentieth century.

The Rochdale Pioneers

After almost a decade interest and belief in Co-operation, which had been kept alive mainly by the social missionaries and publications of the Owenites, were revived through the successful establishment of the Rochdale Equitable Pioneers Society in 1844. The constitutions, rules and business practices of this distributive co-operative society set the pattern for successful consumers' co-operation throughout the world. Although professed followers of Robert Owen were only one element which took part in its formation, their influence was strong enough to ensure that the society's ultimate aims and programme of development were essentially Owenite. The statement of objects placed at the head of its rules envisaged the establishment of a store for the supply of consumers' goods; the provision of houses; the establishment of productive enterprises to employ members suffering from low wages or out of work; the acquisition of land for cultivation, also to provide employment, and finally declared "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."

Although more than a century has passed, the Rochdale Society has never completed this programme of intensive development. The evolution of the Co-operative Movement has been determined by that of the economic system as a whole away from self-sufficiency and towards an ever more elaborate division of labour and the growth of a world-wide system of exchange. Co-operative development has accordingly been extensive, segmental and therefore, for the most part, superficial and loosely co-ordinated. In other words, the Owenite ideal of “unrestrained co-operation for every purpose of social life” has been substituted by limited co-operation for specific economic objects, according to the dominating interests and needs of co-operators, whether as consumers or producers. In Great Britain, and in most other countries of advanced industrial development, the Co-operative movement consists of several branches: agricultural, artisanal, consumers’, credit, housing, workers’ productive societies, organised in autonomous federations, maintaining mostly uncoordinated, although friendly, relations with one another. For this reason, although “inter-co-operative relations” have been for half-a-century a specialised study, progress towards integration is slower than modern competitive conditions demand.

This, however, does not signify that in the International Co-operative Movement of today the influence of Robert Owen is a spent force. Obviously, in the course of time this influence has been modified, as well as reinforced, by that of other thinkers and pioneers. Nevertheless, some of Owen’s ideas and aims, which in Great Britain were condescendingly dismissed as utopian in the nineteenth century, have proved capable of realisation elsewhere in the twentieth. Many examples in Israel and Mexico demonstrate that the free co-operative community living on its own land can be a useful instrument of agricultural progress in a developing country. Since the Second World War communities based on industry rather than agriculture have existed in France. There is a whole school of Co-operative sociologists, international in its composition, which has been pointing out for some years past the shortcomings of the segmental development of the Co-operative Movement and the advantages of intensive development through multi-purpose co-operative communities, instead of specialised societies and federations. The widespread adoption of co-operative organisation for low-cost housing with common provision of social

services has enlarged the possibilities of combining co-operative estate management with retail distribution and consumer credit, as an approximation to the community idea suitable for modern urban or suburban living conditions.

Co-operative Principles

The foregoing facts are possibly less convincing than a comparison between the co-operative ideas and principles preached by Robert Owen and his followers and the report on the Principles of Co-operation submitted by a special commission of the International Co-operative Alliance to its congress and adopted with virtual unanimity in 1966. The Commission's task was to examine the Principles of Rochdale, that is, the rules and practices of the Rochdale Equitable Pioneers' Society, the relation of which to Owen's teaching has already been pointed out in the present essay, but the Commission emphasised at the outset of its report, that its studies and consultations had revealed the "historical continuity which connects the pioneers of Co-operation in the early stages of the Industrial Revolution of the nineteenth century, even before the Rochdale Pioneers, with the pioneers of the newly developing regions of the twentieth."

But there is not merely historical continuity. The substance of the Owenite conception of Co-operation is still present and alive in the statement of the Commission that "Co-operation at its best aims at something beyond promotion of the interests of the individual members. The object is rather to promote the progress and welfare of humanity." It is present again in the declarations of principle that membership of a co-operative should be "voluntary but available without artificial restrictions or any social, political or religious discrimination, to all persons willing to accept the responsibilities of membership," and again that "all co-operative societies should make provision for the education of their members, officers and employees and of the general public in the principles and techniques of Co-operation, both economic and democratic." Thus the Commission's investigation, prompted to a large extent by the fear that Co-operative principles needed revision in the light of contemporary co-operative conditions, finally resulted in the confirmation of the Movement's fundamental ideas and attitudes, derived in the main from Owen's efforts to propagate a 'new' view of

society. It was Owen who, in George Jacob Holyoake's words, "set men's minds on the track of Co-operation."