

*The International Co-operative Alliance*  
1895-1970



ICA 00064

# The International Co-operative Alliance 1895-1970

by *W. P. Watkins*

334  
Wat.  
ICA-T.

*The International Co-operative Alliance  
11 Upper Grosvenor Street  
London W1X 9PA  
England*

iii



ICA 00064

© PUBLISHED BY  
INTERNATIONAL CO-OPERATIVE ALLIANCE  
11 UPPER GROSVENOR STREET, LONDON W1X 9PA, ENGLAND  
COPYRIGHT 1970

PRINTED BY  
LEICESTER PRINTERS LIMITED, THE CHURCH GATE PRESS  
LEICESTER AND LONDON, ENGLAND  
*(A co-operative co-partnership organisation  
in membership of the ICA)*

*Every body of Co-operators is, by the very principle it professes,  
driven to desire union with every other body of Co-operators.*

INTRODUCTION TO REPORT OF  
INTERNATIONAL CO-OPERATIVE CONGRESS, LONDON, 1895



# Contents

Foreword	<i>xi</i>
Author's Preface	<i>xiii</i>
Chapter One: The Idea	
<i>The International Nature and Origins of the Co-operative Movement</i>	1
<i>A Precursor</i>	3
<i>The Social Ferment</i>	4
<i>Winds of Revolution and Reaction</i>	8
<i>The Liberal 1860's</i>	11
<i>The First Concept of an Alliance</i>	14
<i>The Congress That Never Met</i>	15
<i>International Communication and Assistance</i>	17
<i>De Boyve's Proposal</i>	20
<i>The Friends of Profit-Sharing</i>	23
<i>Henry W. Wolff</i>	26
<i>The London Congress of 1895</i>	30
<i>The Congress Proceedings</i>	33
<i>The Alliance Constituted</i>	35
<i>Basic Resolutions</i>	37
<i>The History of the ICA Begins</i>	42
Chapter Two: The Constitution	
<i>First Activities of the Alliance</i>	44
<i>The Constitution</i>	47
<i>Co-operation and Co-partnership</i>	51
<i>The Balance of Power Shifts</i>	53
<i>The Congress of Delft</i>	56
<i>The Changing Industrial and Social Environment</i>	57
<i>Consumers' Co-operative Development and Doctrine</i>	57
<i>Constitutional Reforms</i>	59
	<i>vii</i>

<i>The Manchester Congress</i>	63
<i>The Congress of Budapest</i>	69
<i>The Congress of Cremona</i>	77
<i>Press Activities</i>	81
<i>The Congress of Hamburg</i>	83
<i>A Socialist Declaration</i>	85
<i>The Definitive Constitution</i>	86
<i>International Peace</i>	92
<i>The Glasgow Congress</i>	95
Chapter Three: World Wars, Revolutions, Economic Depressions	
<i>Constitutional Problems</i>	98
<i>War in Europe</i>	100
<i>Looking Towards Peace</i>	104
<i>The Co-operative Movement in War-time</i>	109
<i>Re-building the ICA</i>	112
<i>The Central Committee</i>	114
<i>The Co-operative Movement in Russia</i>	117
<i>The Congress of Basle</i>	121
<i>International Co-operative Policy</i>	127
<i>Distress, Depression, Devaluation</i>	132
<i>Co-operation and Reconstruction</i>	134
<i>International Co-operative Day</i>	141
<i>Auxiliary Committees</i>	142
<i>The Congress of Ghent</i>	145
<i>Growth of the Alliance</i>	149
<i>The Meaning of Neutrality</i>	152
<i>International Economic Policy</i>	155
<i>International Co-operative Trade, Banking and Assurance</i>	157
<i>The First Stockholm Congress</i>	159
<i>Expansion</i>	163
<i>ICA and the League</i>	164
<i>International Wheat Pool Conference</i>	165
<i>Industrial Concentration and Cartel Development</i>	167
<i>Women's Organisation</i>	169
<i>The Congress of Vienna</i>	170
<i>The Rochdale Principles</i>	171
<i>The Darkest Decade</i>	174
<i>ICA Finances</i>	175



	<i>Germany and Austria</i>	178
	<i>The World Economic Crisis</i>	183
	<i>Inter-Co-operative Relations</i>	186
	<i>The Principles of Rochdale</i>	187
	<i>The London Congress of 1934</i>	190
	<i>Orientation of the ICA</i>	194
	<i>The Significance of Co-operative Economy</i>	199
	<i>World Peace</i>	201
	<i>Paris Congress of 1937</i>	202
	<i>The Role of the ICA</i>	211
	<i>The Course to the Abyss</i>	213
Chapter Four:	Growth and Development	
	<i>Relief and Reconstruction</i>	218
	<i>The Alliance Reconstituted</i>	225
	<i>The Congress of Zurich</i>	231
	<i>From Zurich to Copenhagen</i>	236
	<i>Membership Policy</i>	238
	<i>The Congress of Prague</i>	251
	<i>The Congress of Copenhagen</i>	259
	<i>Co-operative Promotion</i>	269
	<i>Membership</i>	271
	<i>The Fourth Congress of Paris</i>	273
	<i>The Presidency</i>	278
	<i>Auxiliary Committees and Technical Conferences</i>	279
	<i>Disarmament and Co-existence</i>	280
	<i>Technical Assistance: the Short-term Programme</i>	283
	<i>The Conference at Kuala-Lumpur</i>	285
	<i>The Regional Office for SE Asia</i>	286
	<i>The Second Stockholm Congress</i>	288
	<i>A Widening Outlook</i>	293
	<i>Petroleum</i>	295
	<i>International Consultation and Collaboration</i>	297
	<i>The Congress of Lausanne</i>	299
	<i>The SE Asian Regional Office and Educational Centre</i>	305
	<i>The Congress of Bournemouth</i>	316
	<i>The Principles Commission</i>	326
	<i>Co-operation's Role in Economic and Social Development</i>	330
	<i>The Second ICA Congress at Vienna</i>	333
	<i>Expansion Continues</i>	341

	<i>Co-operative Promotion</i>	346
	<i>The Second Congress of Hamburg</i>	351
	<i>Contemporary Co-operative Democracy</i>	354
	<i>The Rights of Consumers</i>	357
	<i>Towards New Horizons</i>	357
Appendix I:	The Growth of the ICA	361
Appendix II:	ICA Publications	365
Appendix III:	Index	367
List of Illustrations:		
	<i>Vansittart Neale</i>	-facing page 32
	<i>Aneurin Williams</i>	} " " 64
	<i>Charles Gide</i>	
	<i>Heinrich Kaufmann</i>	
	<i>Ernest Poisson</i>	
	<i>International Co-operative Congress Stockholm 1957</i>	" " 160
	<i>Albert Thomas</i>	} " " 192
	<i>Albin Johansson</i>	
	<i>Anders Oerne</i>	
	<i>Alexander Klimov</i>	
	<i>Presidents, Secretaries and Directors of the International Co-operative Alliance</i>	" " 272
	<i>International Co-operative Alliance Head Office London</i>	" " 273

# Foreword

It was indeed a formidable task which the authorities of the International Co-operative Alliance asked Mr W. P. Watkins to undertake. This important work is now completed and we wish to express our sincere appreciation to our former Director for a magnificent achievement.

Mr Watkins quite rightly has had as his first and foremost task to establish and present facts. This in itself meant careful perusal of an abundance of material from the most diverse sources. It has also meant that the author had to systematize and evaluate the factual information available in order to be able to highlight the important development trends of our world co-operative organisation.

The history of the ICA covers periods of dramatic world events. Political tempests and social upheavals were bound to have an impact on our co-operative work, both nationally and internationally. In spite of profound political differences and controversies our ICA has managed to survive and develop as a unifying forum for the World Co-operative Movement.

When the ICA is commemorating its 75th Anniversary, it is natural to take stock of past achievements. But our history also makes us aware of our shortcomings. Above all, it should provide us with an incentive for our future work to achieve the high aims guiding all co-operative endeavours.

The United Nations Second Development Decade presents us today with a greater challenge than ever before during the whole history of our world organisation. The international co-operative movement can

and must play an important role in promoting economic growth and social progress and our Co-operative Development Decade, held parallel with the United Nations Second Development Decade, will enable us to achieve a great expansion in the Co-operative Movement, both nationally and internationally.

This book is a most valuable account of the ICA's history up to the present time, when the ICA stands poised at the start of an era of increasing work and influence throughout the world.

MAURITZ BONOW  
*President of the ICA*

# Author's Preface

The decision of the Authorities of the International Co-operative Alliance to mark its 75th anniversary by publishing an official history was an act of wisdom and foresight. There was never a time when the present receded into the past as rapidly as it does today or when it was so vitally important that the continuity of the International Co-operative Movement's past, present and future should be consciously and effectively emphasised and preserved.

Social institutions, such as the International Co-operative Alliance, which lose sight of their past are in danger of losing control over their future. Like a man suffering from amnesia they know neither where they came from nor where they set out to go. The best safeguard against this loss of identity and direction is knowledge of their history. By history is meant, in the words of a contemporary writer, "not that which was, but that which abides, and which in the past contained and announced the future". History in this sense is a necessary foundation of Co-operative policy and the complement of the study of Co-operative principles. Lacking either one of these, policy tends to degenerate into opportunism and drift.

Reckoning a generation as thirty years, the International Co-operative Movement is over four generations old, the International Co-operative Alliance just two and a half. What is generally known amongst the Co-operators of the world about their history is gathered mostly from pamphlets and review articles and chapters in text-books on Co-operation. Major historical studies are very few. Of previous books on the history of the Alliance Dr Hans Müller's *Geschichte der internationalen Genossenschaftsbewegung* surveys only the first twenty-five years, apart from preliminary

chapters on its precursors. Dr Henry Faucherre's *60 Jahre Internationaler Genossenschaftsbund* covers all but the last fifteen years. Both these works appeared in the German language but no translation is available in any other official language of the Alliance. Mention should also be made of Jean Gaumont's *Histoire Générale de la Coopération en France*, Book XIII of which is devoted entirely to the role of French Co-operation in the international organisation of the Co-operative Movement and covers the same period as Dr Müller's history. The present writer here gratefully acknowledges his share of the debt in which these authors have placed all subsequent students of the history of the Alliance.

Dr Müller wrote as a free-lance, ten years after he had severed his connection with the Alliance. Nevertheless, having worked for it as editor and secretary, he knew it from the inside as neither of the other two authors did. Dr Faucherre took up and completed the Jubilee History, projected and begun by Dr Georges Fauquet to commemorate the ICA's fiftieth anniversary. Dr Faucherre was thus commissioned by the ICA but, writing in Switzerland, he was dependent almost entirely on published sources of information such as the reports of International Co-operative Congresses, the former *International Co-operative Bulletin* and the *Review of International Co-operation*, in addition to national Co-operative journals. The present writer has enjoyed not only the advantage of many years of work in the ICA Secretariat, but also the privilege, thanks to the facilities readily granted by Dr S. K. Saxena and the assistance of his colleagues, of making free use of the minutes and other records of the Alliance and its Authorities from the earliest efforts towards its establishment down to the present year.

Such access to what was said, decided and done is clearly indispensable to the writing of an official history. The first step towards historical truth is to establish the facts. But, in contrast to the scientific historian who can bring to the interpretation of the facts a free-ranging mind and the choice of scientific methods, the official historian enjoys no such liberties. He must stick closely to the evidence and faithfully observe a self-denying ordinance in respect of comment and interpretation, so that the facts may speak for themselves and his readers draw their own conclusions. His picture may accordingly resemble a black-and-white much more than a colour photograph and for that reason be somewhat less exciting. The important consideration, however, is that the facts of the Alliance's history shall be widely known and undisputed amongst the Co-operators of the world, unobscured by myth or legend. Not every detail need or can be included. What is needed is an undistorted outline which can be filled in through further research by those who have the interest and the necessary time. The history of the Alliance is a relatively unworked mine from which

much invaluable treasure may yet be extracted. But if from the present work Co-operators can gain a clear idea of the origins of the Alliance, the factors governing the evolution of its policies and the processes by which its activities and working organs have developed, it will serve not only to commemorate past achievements, but to illumine current issues and inspire the realisation of ultimate aims.

W. P. WATKINS





## *Chapter One*

# The Idea

### *The International Nature and Origins of the Co-operative Movement*

As the oak in the acorn, international organisation is inherent in the Co-operative idea. The existence of the International Co-operative Alliance and its expansion over three quarters of a century are not merely consequences of the spread of internationalism in every sphere of human activity. Obviously, the progress of the Co-operative Movement and its extension over the world have been favoured by the set of the tide of human affairs towards internationalism. Yet there is more in the internationalism of the Co-operative Movement than simple response to external influences and stimulus. Whatever direction economic and social evolution may take, co-operative organisation tends naturally towards internationalism because association or unity is Co-operation's first principle. The attempt to solve common problems by combined action is the essence of Co-operation. Its natural line of evolution is from the association in co-operative societies of individual men and women, through the combination of co-operative societies in federations, to the establishment by federations of national scope of international institutions for mutual support and collaboration in the promotion of common interests. This, greatly simplified, is the pattern to which the structure of the International Co-operative Movement tends, by logical consistency but even more by practical necessity, more and more to conform. The apex of the whole structure is constituted by the International Co-operative Alliance.

Co-operation, as was long ago pointed out by P. A. Kropotkin, is one of the forms of mutual aid characteristic of modern times, that is, the period since the great Industrial Revolution began two hundred years ago. There is no need for the present purpose to trace Co-operative origins

back any farther, for example, to the ideas of the Dutchman Ploekhoy or the English Quaker, Bellers, in the 17th century. It was the crises, provoked by the Industrial Revolution under capitalist leadership, in the economic situation and status of the industrial workers and the peasants, together with the resultant chronic problems of poverty and insecurity, which led to the persistent search for remedies and ultimately to the adoption of Co-operation, after other means of amelioration, whether philanthropic or governmental, had been tried and found wanting.

Though the Industrial Revolution may be said, without gross inaccuracy, to have been initiated in Great Britain and to have spread, at first to continental Europe and North America and thereafter to Asia, Africa, and the other Americas, the Co-operative Movement did not originate in or expand from one single centre. Mutual aid forms part of mankind's ancestral wisdom. It is not surprising therefore, if Co-operation, which is mutual aid applied to and through modern techniques of business organisation, appeared more or less simultaneously in a number of different countries in forms varying according to the circumstances and needs of the social classes which adopted them. The emergence in Great Britain, Germany and France respectively of three basic types of co-operative association—the consumers' co-operative, the artisans' credit co-operative and the workers' productive co-operative—before or round about 1850 signifies more than a mere coincidence in time. These co-operative types and others which followed them are the products of man's universal instinct to associate in the face of common difficulties, even though the precise form of association had to be discovered (or invented) by advanced thinkers and taught by them to the masses who were to benefit from it.

Moreover these pioneer Co-operative Movements, at the time of their emergence, were often unaware of one another. Their leaders sometimes failed to perceive the family likeness or relationship which united the institutions they were propagating, while separating them from private, capitalist or government economic undertakings. The task of building up an international Co-operative organisation which shall represent and express at all times the basic unity of the Co-operative Movement involves more than establishing communications between co-operators across national frontiers or even abolishing, in the spirit of the Swedish watchword for technical assistance "*Utan gränisar*", limitations in co-operative thought and action due to national prejudices and ideological doctrines. It involves efforts, necessarily repeated with changing circumstances and objectives, to correlate, co-ordinate and ultimately integrate diverse modes of Co-operative activity. In this constructive work the stresses and strains resulting from short-term or superficial conflicts of interest have to be taken into account, so that they can be absorbed by institutions based on long-term

and complementary interests, and stability be thereby achieved. These problems of what has come to be generally called "inter-co-operative relations" are thus a necessary and essential element of International Co-operation.

### *A Precursor*

Even before any specific types of co-operative society had been able conclusively to demonstrate their effectiveness and viability, the insight of a few co-operative pioneers had detected Co-operation's international potentialities. By far the most notable of these pioneers was Robert Owen, the apostle and popular educator whose preaching first called public attention to Co-operation as a method of achieving a juster and more humane social order, founded on healthy community life, to replace the chaos and inhumanity engendered by competitive capitalism. In 1835, when nothing more than a few smouldering embers remained from the first British Co-operative Movement that had flared up and flickered out in the preceding decade, Robert Owen announced his plan for an "Association of all Classes and all Nations" which should propagate and realise in practice his new social system. In the following two or three years this Association developed some constitutional organs: an annual congress of its membership, which consisted, to begin with, of individuals only, but was later widened to include juristic persons; an administrative body called the "Central Board"; and a network of local associations numbering over 50 by 1839. Its organ was the weekly paper, *The New Moral World*. The membership however was entirely British. A long tour in Europe which Robert Owen made in 1837 yielded absolutely no support from any other country. The Association's administration was hopefully divided into Home and Foreign departments, the one located in Manchester, the other in London, but there is no evidence that the latter was ever active.

The Association's statutes, however, bear witness to its thoroughly co-operative intentions. Articles adopted in 1837 declared its principal object to be to change completely the character and conditions of mankind by peaceful means and reason alone, through the application of the principle of tolerance towards every man's convictions, sentiments and attitudes, without distinction of sex, class, religious denomination, party, country or colour, and also through a well-considered, just and natural system of ownership in common. Such a system was to be created by the members without violating property rights already existing. This far-reaching transformation was to be introduced and carried through by the conception and adoption of new institutions ensuring, in a greater measure than ever

before, the education of better characters, the production of goods of the highest quality, distributed in the best manner, so that people's lives were regulated in appropriate ways without recourse to artificial rewards and punishments. The methods by which these objects were to be attained were:

- 1 the establishment of a central **co-operative society** with branches in all parts of the globe;
- 2 the formation of a public opinion, favourable to this comprehensive change in men's characters and conditions, by means of meetings, lectures, missionaries, low-cost publications and finally through the foundation of communities of united interests.

On the most cursory reading, the statutes of the "Association of all Classes and all Nations" ring with phrases which have found an echo again and again in the history of the International Co-operative Movement and not least, in the declarations of the ICA. The emphasis on education and character-training; the belief that people can and should be brought together on a basis of common humanity without distinction of race, creed or colour; the belief in a fundamental transformation of society, achieved by peaceful methods and based on a new economic system characterised by common property and the elimination of competition between individuals; the objective of mutual exchange of products on just principles—these major and other minor features of the "Association of all Classes and all Nations" justify its being regarded and recorded in these pages as a precursor of the International Co-operative Alliance.

### *The Social Ferment*

In 1839 the "Association of all Classes and all Nations" vanished from the scene through its merger with another society to form the Universal Community Society of Rational Religionists. Owen's followers gave up the attempt to make international connections. Believing in the speedy advent of the Social Millennium they concentrated their interests upon the founding of communities, (*eg* Queenwood) as harbingers of the New Moral World. Almost thirty years were to elapse before the idea of international organisation once again seized hold of the minds of Co-operators who were this time not British, but French. The reason why Robert Owen's European tour of 1837 was fruitless was that Co-operation had no adherents on the Continent, since it had not yet been clearly differentiated from association in general. There were of course several schools of Associationists—Saint-Simonians, Fourierists, Cabetians, Proudhonians—and of these the nearest to Owenite socialism and to Co-operation were probably the Fourierists.

Fourier's system of self supporting communities, called phalanges, was examined in the columns of "*The New Moral World*" and was therefore known to many Owenites. Owen's system was likewise known to leading Fourierists. Though the membership of the various Associationist schools interpenetrated, their efforts at practical realisation of their ideas were mostly isolated or shrouded in obscurity. That remarkable experiment in consumers' co-operation, called *le Commerce Véridique et Social*, which ran its short career at Lyon between 1835 and 1837, was unknown, not merely to contemporary British Co-operators, but also to Associationists in France and so remained without influence. Before international co-operative organisation could be taken up seriously as a practical project, it was necessary that there should already exist in several countries networks of stable and flourishing co-operative societies which would be moving rapidly towards, and might even have achieved, federation on a national basis. That was what in sober fact did happen within thirty years, and the causes are to be found in the economic and political developments leading to and proceeding from the European upheaval detonated by the French Revolution of 1848.

### **Basic Co-operative Types**

In the decade preceding 1848 the transformation of industry and commerce by steam-powered machinery and transport went on accelerating and concentrating populations in new urban settlements whose administration was unable to cope with unprecedented problems of housing, hygiene and education. Periods of frantic railway construction led to speculative booms and were followed by inevitable slumps accompanied by complete or partial unemployment among the wage-earners. These in their turn were oppressed by a sense of insecurity, becoming unsettled and resentful as their living standards fluctuated or steadily declined. Trade unionism, since it was liable, even if not actually illegal, to persecution by police or employers, was largely ineffectual. In such conditions earnings would be governed by the so-called Iron Law of Wages and rarely rise above bare subsistence. Hence in several countries is found the widespread and continuous interest, over generations, of working people, as well as of well-meaning persons who desired to relieve their poverty, in promoting associations which would reduce the cost of living and, in particular, regulate the prices and qualities of flour or bread, by running a common mill or bakery. A succession of bad harvests in the 1840s brought these problems to an unprecedented pitch of acuteness, even of desperation. It was against this background that in 1844 a group of workers, some of them Owenites, formed in the textile town of Rochdale, Lancashire, a co-operative society whose first business undertaking was a retail store supplying its members

with four essential articles of food—flour, butter, sugar and oatmeal. The success of this society, together with the practical wisdom and foresight embodied in its constitution and practices, caused it to be taken as the pattern and exemplar for similar co-operative enterprise all over the world in the following hundred years or more. This was the first to emerge of the basic types of co-operative mentioned earlier in this chapter.

The second type was the workers' co-operative productive society, an association of workers in the same industry or enterprise in order to exercise their calling under a management chosen by and responsible to themselves. This form of mutual aid was adopted by small groups of workers in the early stages of the Industrial Revolution in both Great Britain and France, but the first well-defined pattern with a theoretical basis appears to have been worked out in France by the Saint Simonian, Philippe Buchez, and published in his review *L'Européen* in 1832. It was put forward, not for general adoption, but as a system whereby workers, whose industry was threatened but not yet revolutionised by the machine, could safeguard their livelihood and economic status. By capitalising their surplus income they could become collective owners of the machines they needed for their work, instead of working for an employer in his workshop with machines owned by him. 'The typical French skilled worker of Buchez' day, was, like his British counterpart, a wage-earner and not a master artisan, but, unlike a growing number of British men and women, not yet a factory hand. Whereas the spread of Consumers' Co-operation in Great Britain signified more or less acceptance of the new industrial system and an attempt to make the best of the conditions it imposed, in France it was still possible to persuade the workers that through association they could resist, or perhaps evade, subjection to factory discipline enforced entirely in the employers' interest.

Practical projects applying the system of Buchez were exceedingly rare. Only one, the celebrated society of *bijoutiers en doré*, survived any length of time, but in the 1840's the idea of workers' productive associations obtained wide currency through the powerful advocacy of Louis Blanc in the review articles, afterwards published in book form under the title *The Organisation of Labour*. Propaganda for an industrial transformation brought about by the workers, enrolled in voluntary associations, running their own industries, the state providing the necessary capital, became an important element in the social ferment which, raised to boiling point by political resentment in February 1848, blew the bourgeois monarchy into limbo.

The provisional government encouraged the formation of workers' co-operative productive associations and money was voted to provide them with capital. However, apart from the *bijoutiers en doré*, there were hardly

any successful working examples to be copied and the government's model rules, the adoption of which was necessary for associations to qualify for a loan, provided little practical guidance for working men unversed in business methods. Some associations were kept afloat by government contracts; others were able to make headway without such help. The majority did not long survive, especially after the political climate changed. By 1855 there were perhaps a dozen in existence. Nevertheless working men continued for generations to persist with this type of organisation and in time, under good leadership, the lessons of experience having been learned, could claim remarkable material and moral achievements. The idea of workers' co-operative production inspired in France some famous conversions of private undertakings into workers' co-partnerships, such as the house-decorating undertaking of *Leclaire* and the iron-foundry of *J.B.A. Godin*. But it also attracted adherents and found practical application in many other countries where socialist thought penetrated from 1848 onwards—not excepting, as in Great Britain, Christian Socialist thought. Nearly half a century after the revolution of 1848 the workers' co-operative productive movement was powerful enough to enable its advocates to play a leading role in the foundation of the International Co-operative Alliance.

The third type of basic co-operative appeared at the end of the 1840's in Germany. In Central Europe the working classes, among which self-help and mutual aid needed to be promoted, were not so much wage-earners as self-employed artisans and peasant-farmers. Their situation may be described as pre-Industrial Revolution in this sense, that although the impending transformation had already cast its shadow over them, the artisan's hope of rising from apprentice to independent master-craftsman had not been quenched, nor did the future of the small family farm seem in doubt. Their urgent need was to raise themselves out of chronic want, insecurity and debt-servitude, aggravated from time to time by trade depression and almost famine conditions. The solution of this problem was found in the formation of co-operative savings and credit associations.

In the middle quarter of the 19th century there were a number of thinkers and reformers who sought and propounded solutions to the problem of bringing credit and capital within the reach of the workers, whether industrial or agricultural, but the two men who made the greatest contribution along co-operative lines were the Germans, Franz Hermann Schulze-Delitzsch and Friedrich Wilhelm Raiffeisen. Schulze was first in the field with his credit societies, which were designed to suit the conditions and needs of the artisans and later become generally known as Peoples' Banks. Schulze's success inspired the efforts of Luigi Luzzatti in the 1860's to create similar institutions in Italy, but the latter found that, in order to be successful, he had to apply the fundamental principles in more flexible

ways suitable to the Italian workers' situation and mentality. In a similar manner Raiffeisen was obliged to adopt different methods from Schulze's when he came to organise co-operative saving and credit amongst rural communities. Apart from methods, there were differences of ideal between the two systems. Schulze, although he began with philanthropic aid to the workers was, because of his liberal outlook, quick to realise the advantages and importance of self-help which became the keynote of his system. Raiffeisen, starting from the Christian concept of brotherly love and the duty of neighbours to help one another, took rather longer to recognise that self-help and self-responsibility were no less essential than neighbourly solidarity, and to work out a form of association which was thoroughly co-operative because all the members were borrowers, savers and lenders.

From the middle of the century onwards the two systems developed side by side in Germany, not only extending through the multiplication of primary societies but also building up, through federation, cohesive secondary organisations which reached national dimensions. Moreover, these gathered around them a variety of co-operative enterprises of other types for such purposes as the joint purchase of industrial or agricultural requisites, the distribution of consumer goods, and the marketing of artisanal or agricultural products. At the same time, knowledge of their success as business enterprises and the benefits they were bringing to their members was spreading to other countries, as a result of a number of factors which are worth recalling because they prepared the way for international co-operative organisation.

### *Winds of Revolution and Reaction*

The basic types of co-operative first gained recognition and demonstrated their power to survive in a competitive economy in an epoch of enormous development of international communication. Steam traction by land and sea, the electric telegraph, the extension of national education systems, cheapened newspapers and other publications, made it easier for all conditions of people with similar interests in different countries to keep in touch with one another's ideas and activities, to correspond, to travel and meet and confer. This aspect of the Industrial Revolution favoured more and more the spread of knowledge and information about successful co-operative enterprises. Success provoked imitation, which might of course imply adaptation and not mere copying, especially where those interested were keen students of economic and social questions. In these ways the Co-operative Movement began to spread from land to land, eventually continent to continent.



Besides these general tendencies, there were, at the mid-point of the 19th century, certain special, even unique events and influences which contributed to the growth of mutual knowledge and understanding between the co-operators of different countries. The co-operative seed was scattered far and wide by the winds of revolution and even the reaction which followed. The socialistic doctrines of industrial organisation propounded by Louis Blanc were consciously directed to a much larger audience than his French fellow-citizens. These doctrines went on travelling around Europe long after the Revolution of 1848 had been liquidated by the Empire of Louis Napoleon. They became the common property of socialists everywhere who accepted, as the ultimate goal of their political action, a social transformation based on the organisation of industry by co-operative associations of workers employing capital provided to a greater or lesser extent by the state. Such co-operative associations differed radically from the artisanal and agricultural co-operatives of Schulze and Raiffeisen, as well as from the co-operatives constituted on the Rochdale pattern. These, although remotely inspired by Robert Owen's community ideas, made their strongest appeal to working people who were concerned, as wage-spenders and consumers, with the purchasing power of money. It was not the significance of these co-operatives from the standpoint of social transformation, so much as their effectiveness in bringing tangible economic relief to people whose standards of living urgently needed raising, that made them the focus of international interest.

Democrats, Republicans and Socialists, exiled from France and Central Europe in the 1850's, found refuge in Great Britain at the time when the achievements of the Rochdale Pioneers, vigorously publicised by George Jacob Holyoake's *History of the Rochdale Pioneers*, appeared as a series of articles in the London "*Daily News*" in 1856. Within a few years a French translation was being published in a little working-class journal circulating around Lyon. Versions in German and other European languages became current in the following decades. When the political refugees returned to their respective fatherlands, knowledge of the Rochdale system was becoming a powerful influence in persuading their compatriots to adopt it in preference to the simpler forms of association for the provision of daily necessities they had previously worked out for themselves.

### **Christian Socialists**

In the field of international co-operative relations special importance attaches to the part played from the 1850's onwards, by the British group of Christian Socialists and their Society for Promoting Working Men's Associations. Its real founder and inspirer was John Malcolm Ludlow who, having lived and received his education in France, was familiar with

French Associationist thought. Ludlow convinced his colleagues, in their anxiety to give positive help and encouragement to the wage-earners after the Chartist fiasco, that workers' co-operative production was what they should advocate and organise as the best practical alternative to capitalist industrial enterprise. Working-men's Associations are of course a direct translation of the French *associations ouvrières*. Their successes and failures in fostering co-operation amongst the skilled workers soon convinced the Christian Socialists that Co-operation needed an appropriate legislative framework if it were to develop freely and naturally. They therefore prepared a Bill, mainly drafted by Ludlow, which they arranged for a private Member of Parliament to introduce and which they skilfully piloted through both Houses until it finally emerged as the Industrial and Provident Societies Act of 1852, the first piece of legislation for Co-operation in any country. The Act benefited not only the workers' productive societies but the young consumers' co-operatives on the Rochdale pattern, then growing in numbers and seeking a solution for the problem of joint wholesale purchasing. This problem attracted special interest of another member of the Society of Promoters, Edward Vansittart Neale, who devoted his energies and part of his private fortune to the establishment of a Central Co-operative Agency which was the precursor of the two federal Wholesale Societies founded in the 1860s.

The all-round knowledge of Co-operation, its economic and juristic problems, acquired by the Society for Promoting Working Men's Association made it the obvious point of contact for every visitor from abroad enquiring into these subjects. Several of the members had the necessary linguistic knowledge to carry on foreign correspondence and act as guides and hosts. Over and above this the leaders, notably Ludlow and Neale, were men of extraordinary insight and foresight who had not only grasped the true nature of Co-operative association but were capable of mapping out, far in advance of its current achievements, the course which the Co-operative Movement ought to follow in making its proper contribution to social betterment. Both were men of exceptional moral calibre. They were not to be turned back by any failure of human courage or intelligence, or by any desertion on the part of former colleagues, from pursuing with determination and infinite patience whatever course they believed to be right. Their advice and guidance therefore carried a weight and authority respected far beyond the shores of Great Britain.

It was under the auspices of the Society for Promoting Working Men's Associations that itinerant investigators, like the German Professor Victor Aimé Huber, were able to gain first-hand knowledge of the workers' productive societies and, through the regional conferences which it organised, extend their acquaintance with the British Co-operative Movement

as a whole, including the consumers' societies. Huber is generally acknowledged to have been among the very first to point out, in the course of his travels in European countries, the significance of the Rochdale Pioneers' achievements. Although the Society's activity ceased about 1854, many of the associations it sponsored having pre-deceased it, the personal interest of its leaders in Co-operation did not therefore diminish. Certain of them, realising that without an educated membership no Co-operative association could flourish for long, founded the Working Men's College in London. The barristers among them, notably Ludlow, Neale and Thomas Hughes, continued to act as advisers to all kinds of co-operatives and workers' organisations on legal, constitutional and organisational problems, while encouraging those efforts at combination which resulted in the 1860's in the foundation of the English and Scottish Wholesale Societies and the resumption of national co-operative congresses. Their international contacts and correspondence tended if anything, to increase, as more and more scientists and publicists became aware that important co-operative developments were taking place in Britain.

As the repressive measures and rigid police controls imposed after 1848 receded into the past, working people, notably in France, began to lose their fear of arrest and imprisonment on suspicion of taking part in unlawful associations. At the same time, the fear of violent upheavals abated amongst the possessing classes, and a more liberal outlook became fashionable. It became possible to admit that the grievances among the lower classes, which had lent explosive force to the revolution, were genuine and must be relieved or remedied. The narrow dogmatism of the classical economics, where it was inconsistent with observable facts, began to show fissures. John Stuart Mill's favourable attitude to Co-operation and his warning that the working classes "would not be permanently contented with the condition of labouring for wages as their ultimate state" were signs of the times which did not go unheeded.

### *The Liberal 1860's*

In a more enlightened atmosphere, association in general amongst working people and Co-operation in particular, began to put forth fresh shoots. Direct action to reduce the cost and thereby raise the standard of living through the formation of benevolent or mutual associations was no longer a new idea, but ventures along this line gained increasing popularity as the success of the Rochdale Pioneers became more widely known. Moreover their chances of survival improved as the Rochdale methods came to be better understood and applied. Social reformers advocated their co-opera-

tive schemes more openly and vigorously, while working people were less fearful of taking part in new projects. All over Europe the 1860's were a period of experiment or of imitation of established co-operative forms. Raiffeisen finally perfected his pattern of a rural credit and savings society. The Schulze-Delitzsch system, by this time firmly established in its homeland, was penetrating countries to the eastward, as far away even as Russia. Luigi Lazzatti set up his model of a people's bank in the Lombard cities. Pastor H. Chr. Sonne opened the first Rochdale store in Denmark at Thisted. Another store opened far up the Baltic at Riga, and there is a record of one still further east at Kynov in the Urals. In France, besides renewed attempts at store-keeping, there was a revival of workers' productive societies promoted, as will be described later, by people of various social and political views who believed that there was still something of value in the idea that, given adequate capital and credit, working-men could make co-operative industry a success.

A considerable number of employers were favourably disposed to Co-operation amongst their own work-people. Amongst private employers the example of the Swiss mill-owner, Jenny-Riffel, who took the trouble to study the Rochdale system at first hand in order to guide his employees in running their store at Schwanden, Canton Glarus, is well known. Less well-known, but much more widespread, was the encouragement given by railway administrations in several countries to co-operative buying and store-keeping by their employees, not simply morally, but also practically through freight rebates. In this decade again, it became possible for advocates and leaders of Co-operation to approach governments, with some hope of being listened to, with a view to enacting legislation which would grant co-operative enterprise appropriate legal status. This was necessary, of course, on both social and practical grounds. On the one hand, a movement which would propagate habits of thrift among working people and educate them in the management of their own affairs was the most effective antidote for discontent. On the other, it was essential, first, that co-operatives should be recognised as juristic persons, distinct from their individual members, empowered to transact business and handle property in their own names, and second, that the public who were invited to invest money in them and assume liability for them, should be assured that their affairs were administered honestly and with reasonable competence. Provision had then to be made for registration, which was one evidence of their genuineness, and for a modicum of supervision which would hold abuses in check. Almost simultaneously solutions for these problems were worked out in France and in Germany. In 1867 Schulze-Delitzsch obtained from the Prussian parliament a Co-operative Law which was adequate for his own people's banks but which needed amendment twelve years later in order

that consumers' societies might enjoy limited liability. In France the question of a special Co-operative Law was considered in 1866 by a commission of enquiry which ultimately rejected the idea in favour of an addition to the company law providing for a type of organisation with variable instead of fixed capital. This amendment to the law was passed in 1867. In Great Britain the original Industrial and Provident Societies Act had received in 1862 the famous amendment permitting one co-operative to hold shares in another, which paved the way for the federation of consumers' societies for wholesale purchasing and the constitution of workers' productive societies on the basis of co-partnership, with consumers' societies contributing capital and represented in their general assemblies.

### **Le Crédit au Travail**

The so-called Second Empire of Napoleon III was not exempt from liberalising tendencies. On the contrary, it was Napoleon's desire to appear as a liberal sovereign so far as it was safe to do so, and the second decade of his reign is marked by some progressive measures of which the amendment of company law just mentioned and the legal recognition of trade unions are examples. In France, therefore, from 1860 onwards there was a revival of activity amongst associationists who had previously belonged to one or another of the schools of thought inspired by Charles Fourier (Phalansterian), Etienne Cabet (Icarian), Louis Blanc (Socialist) or Jean Paul Proudhon. Their idealism chastened by experience, a number of them were more disposed to consider and execute plans which promised immediate concrete results than to engage in projects like community settlements in the New World, in which funds raised with considerable difficulty and self-sacrifice had been sunk without avail. One of these was Jean Pierre Beluze, a working joiner and cabinet-maker, who had espoused the community ideas of Cabet in 1846 and had been an active propagandist and fund-raiser for Icarian communities in America and England, suffering police persecution and imprisonment for alleged membership of a secret society. In 1863, disappointed and disillusioned, he resigned from the Icarians to become an advocate of Co-operation. He had come to the conclusion that working-men's associations were the true necessity of the times and that the essential task was to multiply and expand the associations already in existence. He began by publishing a pamphlet, entitled "Associations, the Consequence of Progress", in which he outlined a scheme for a credit institution, *Le Crédit au Travail*, which should collect, independently of the state, funds available for capitalising co-operative productive societies. By September 1863 he had formed the *Société du Crédit au Travail*, with 172 individual members and a nominal capital of Frs. 20,120

of which Frs. 4082 were paid up. The bank began business on 1 October in Beluze's own dwelling.

### *The First Concept of an Alliance*

The short life-story of *Le Crédit au Travail* and its powerful influence in re-vitalising Co-operation in France, belongs to the history of that country. What is relevant, however, to the theme of this book is the international outlook of Beluze and other leaders. This found expression, not only in their activity in making contact with Schulze-Delitzsch and his General Union of Industrial and Economic Co-operatives (as would be natural for those of them interested in the organisation of credit on a basis of mutuality) but also in their declarations, breathing the spirit of co-operative fraternity when confronted by the fact and the menace of war and further, in their efforts, unhappily condemned to frustration, to organise an international congress. Elie Reclus, who managed *L'Association*, the press organ of *Le Crédit au Travail*, had been born in Germany and was well acquainted with the growth of Co-operation. He gave plenty of space in the journal to its structure and problems. Other members of the group, notably the Hungarian economist Ignace Horn, also published articles on the same subject in yearbooks and the general press. Through Alfred Talandier the group were kept well-informed about Co-operation in Great Britain.

The wars and crises which accompanied the unification of Germany and provoked anxious reactions in France gave rise to occasions when the solidarity of co-operators could be expressed with telling effect. At the time of the Austrian defeat at Sadowa, Elie Reclus addressed the German co-operators in these terms:

“Do not forget that your principle and that of ordinary politics are absolutely contrary to each other. Co-operation would not deserve to exist if it did not minister to peace and justice. It would be of no interest to us, if it were not a means, slow but sure, of realising among us, among modern peoples, those great things whose names we utter with reverence: Liberty, Equality and Fraternity.” Some time later when war was still raging between Prussia, Austria and Italy, J. P. Beluze wrote on the economic causes of international conflicts and advocated commercial and financial relations between British co-operatives and *Le Crédit au Travail*. “In this way” he concluded, “an international co-operative alliance could be established. Little by little we should have people's banks more closely linked together than the Bank of France and Bank of England are today. Wholesale purchasing associations could draw their supplies directly from productive associations of different countries. We should have congresses

and conferences where working people would meet, intimately and fraternally, with no more thought of mutual contempt, hatred, or killing.”

The term “international co-operative alliance” was in this manner coined and put into circulation with a significance which co-operators of today can at once understand and accept. But the leaders of *Le Crédit au Travail* were not content to let the idea rest there. At a conference convened in 1866 Ignace Horn put forward the suggestion that a congress should be held at which co-operators of all schools of thought and from other countries should be present. The meeting, which it was intended to hold at the Universal Exhibition of 1867, should be international. This idea was unanimously approved, Beluze, as chairman, being moved to declare that “great destinies await Co-operation, both in France and the whole world, provided that Co-operation remains and more and more becomes a work of brotherhood”.

### *The Congress that never met*

In March 1867 an organising committee, which included Horn, Elie Reclus and Abel Davaud, editor of *La Coopération*, the journal which succeeded *L'Association*, published in its columns a notice convening the congress for 16, 17 and 18 August at Paris. The response from abroad was encouraging. In Great Britain, where there was as yet no national Co-operative Union, the co-operative conference association based on Manchester decided to send delegates. Edward Owen Greening told the first Paris congress of the International Co-operative Alliance, 29 years later, that he should have been among them. The General Union of German Economic and Industrial Societies appointed its General Director, Schulze-Delitzsch, and two other representatives. From Italy came the founders of three branches of the Co-operative Movement, Enrico Fano, president of the mutual benefit societies movement, and Professors Luzzatti and Vigano, exponents of the theory of co-operative credit. There were also Belgian delegates and a Russian professor from Kharkov who announced his intention to take part.

The Agenda comprised six subjects:

- 1 The distribution of surpluses in co-operative societies, including the desirability of allocating part of the profits to auxiliary workers, to customers, to assistance funds, welfare work, libraries, education, etc.
- 2 Commercial relations to be established between different co-operative societies of the same or different countries, from the points of view of purchasing and selling.

- 3 Usefulness and methods of propagating the Co-operative Movement in country districts.
- 4 Co-operation applied to education (libraries, courses for adults, textbooks, etc.)
- 5 General relations to be established between Co-operative Associations in France and between French and foreign Co-operatives.
- 6 Members' liability in excess of their share contributions.

While the preparations went forward, the organising committee approached the government, which, on the evidence of certain public pronouncements, including some by the Emperor himself, was believed to be favourable to Co-operation. Twice the Minister of the Interior and the Prefect of Police of Paris were requested to approve the Congress. In the end, authorisation to hold it was refused only a few days before it should have assembled. This apparently arbitrary decision, for which no explanation was ever given, was a bitter disappointment to the co-operators and called forth indignant comment in the press. Schulze-Delitzsch received the news in Germany, as he was on his way to the Congress. He sent a telegram to Horn, urging him not to compromise, but to transfer the congress to Belgium or better still, almost anywhere in Germany, where they could deliberate without interference. Horn, however, realised that a congress anywhere else than at Paris would not receive the same support. He felt obliged to postpone the congress to the following year at Brussels, but this intention was never carried out. The motives of the government in dropping the mask of liberalism and revealing its true nature as a police state, are probably connected, in the opinion of M. Jean Gaumont, with its anxiety over the spread of pacifism and exchange of fraternal messages, protesting against imperialism and war, between working people in Germany, France and England which were published in *La Coopération* and with which the names of Elie Reclus and other prominent co-operators were associated. The working-class Internationale had attracted to itself various elements which the governments of the day were bound to regard as dangerous or even subversive, and its French section to some extent inter-penetrated with the groups supporting *Le Crédit au Travail* and *La Coopération*.

### **British Congress 1869**

The torch which was wrested out of the hands of the French co-operators was picked up, however, by the British. A coalition of members of the old Owenite and Christian Socialist groups was successful in bringing about a resumption of national co-operative congresses. after an interval of over 30 years, in 1869. From the first there was a concern to secure international participation in the congress as well as support from the young wholesale



federations, English and Scottish, the regional conference associations, and workers' productive as well as consumers' retail societies. There was also one agricultural supply society, the Agricultural and Horticultural Association, founded and directed by Edward Owen Greening. Prominent co-operators in continental countries were invited to become members of the joint committee sponsoring the congress and, when it opened on 31 May 1869, a number were present. They included Pastor Sonne and W. S. Faber from Denmark; Gustav Vogt from Switzerland; Axel Krook from Sweden; Ion Perdicaris from Greece; Louis Blanc (still in exile in England), Paul Hubert Valleroux, Auguste Verdure, E. Feuillet and Arlès-Dufour representing France; Edouard Pfeiffer, Max Hirsch and three others from Germany; Prof Vigano and two others from Italy. Victor Aimé Huber, although a member of the sponsoring committee, was not well enough to undertake the journey and, in fact, died later in the year. The strength of the international sentiment is indicated by the proposal, put forward by the old Owenite William Pare in a paper on "Co-operative Propaganda and Organisation", that the congress should give birth to a permanent and constantly acting body which might be called the British and Foreign Co-operative League. The permanent body which in fact did emerge, not from this, but stage by stage from the four succeeding congresses, was the Co-operative Union, of which E. V. Neale was appointed secretary in 1873. International collaboration was not neglected while the Union was perfecting its constitution and establishing its authority, but the idea of a permanent international organisation had to wait another dozen years before efforts to realise it were renewed.

### *International Communication and Assistance*

Although the London Congress of 1869 yielded no results in terms of international organisation, the next decade was by no means a fallow period. In the majority of European countries there was considerable, in certain of them much, pioneer co-operative activity on the local level. The formation of both consumers' and workers' productive co-operatives proceeded in France, notwithstanding the atmosphere of doubt and caution engendered by the repression which followed the Commune of 1871. In Germany the accelerating pace of the industrial transformation stimulated consumers' co-operative enterprise amongst the wage-earning population. Much of this effort was unproductive in the long run, owing to the high mortality rate among the young co-operatives. Central institutions did not yet exist which could give advice and guidance on business organisation to local pioneers, whose idealism had been aroused by reading accounts of the

Rochdale Society, but who lacked both business and democratic experience.

Great Britain remained almost the sole source of reliable information, the demand for which by correspondence continued unabated. Numerous inquirers like the Russian Nicholas Ballin of Kharkov, visited the headquarters of the Co-operative Union and the CWS at Manchester and sometimes appeared at national congresses. On Edward Vansittart Neale, as General Secretary of the Union, fell the duties of correspondent and host. In return for the knowledge and wisdom he imparted he received much information about the progress of the Co-operative Movement in other countries which he conveyed to the Movement at large through the annual reports of the Union to its Congress. The delegates were consequently well aware that the British Co-operative Movement did not exist in isolation and were ready to support proposals for organised inter-communication with co-operators in other lands.

### **French National Federations**

It was contact between British and French co-operators in the 1880's which sparked off the next campaign to establish an international co-operative alliance. This coincided with a movement towards the establishment of central federations within the national movements, notably of France and Italy. In 1884 the French workers' productive co-operatives established their central institution, which was at first called the Consultative Chamber and is today known as the General Confederation. That same year a British publicist and economist, Harold Cox, went to study workers' productive societies in Paris and, on his return to England, conveyed greetings from the Parisian co-operators to the British Congress at Derby. The response of the delegates was enthusiastic. They authorised the Central Board to re-establish friendly relations with the French Co-operative Movement and at the same time to appoint a Foreign Enquiry Committee which should support the Secretariat in its efforts to assemble international information. This enabled Neale to do on a larger scale what he was already doing to make the British Co-operative Movement internationally conscious. At the next year's congress, two fraternal delegates, Messrs Marty and Nicole, representing the Consultative Chamber, were cordially received. A comprehensive report was also submitted from the Foreign Enquiry Committee. There is no record, however, of any measures to organise regular interchanges with the Consultative Chamber by either the Co-operative Union or the Co-operative Productive Federation.

It was rather the efforts which had been made by Edouard de Boyve to establish a central institution for the propagation of consumers' co-operation on genuine Rochdale principles in France which led to closer collaboration with the British Co-operative Movement and to a revival of

projects to establish a wider international association. De Boyve came from an aristocratic Huguenot family. His mother was English and he had perfect command of the English and French languages. His religious beliefs led him to study the work of the English Christian Socialists and to become a keen reader of English co-operative journals. Soon after 1880 he settled at Nîmes and became secretary of a mutual benefit society whose members he tried to persuade to form a consumers' co-operative society on the Rochdale model. Another society already existed in the town. It had been promoted by an educational group which studied the doctrines of Saint-Simon and Fourier under the guidance of Auguste Fabre, son of a Protestant pastor, who had become a Fourierist and had worked with J. B. A. Godin at the famous *Familistère* at Guise. De Boyve, being unable to accept all of Fabre's ideas, did not attach himself to the older society, but formed a new one, *L'Abeille nimoise*, which started with over 100 members. The two leaders, however, did join forces to found an association for adult education, the *Société d'Economie populaire* which sponsored a journal and inspired a number of other practical ventures under de Boyve's leadership as president. The common doctrines which they propounded with a great measure of unanimity differed from those of the classical school of economists and earned them the ironic title of "the school of Nîmes". This title, conferred in mockery, became honourable and famous in Co-operative history through the rôle played by the 'school', especially after it had secured the collaboration of the economist Charles Gide, on the national and international planes.

After Marty and Nicole had returned from their visit to the British Congress, the possibility of convening a French Co-operative Congress was seriously considered. De Boyve and Fabre, however, were much more interested in bringing about a general meeting of representatives of consumers' co-operatives from all parts of France. A third co-operator was added to them to form an organising committee. The support of 85 societies, including the most important in Paris and the provinces, was secured and the Congress actually assembled in Paris in July 1885. The British Co-operative Union sent E. Vansittart Neale, G. J. Holyoake and James Johnston, a member of the Central Board, as fraternal delegates. There were also fraternal delegates from Belgium and Switzerland. The Congress was a great success, despite the great diversities of doctrine amongst the delegates. It decided to establish a consultative chamber for consumers' societies, similar to the one already set up by the workers' productive societies, and alongside it a centre for trade information to assist the societies in making purchases. Between them, these new central institutions could provide the consumers' societies with the advice they needed to ensure their successful development.

## *De Boyve's Proposal*

De Boyve, elected treasurer of the Consultative Chamber, returned the visit of Neale and his colleagues at the British Congress of 1886, which was held at Plymouth. The address in which he thanked the British Movement for its support did not confine itself to generalities and fraternal sentiment. It contained a practical proposal, namely, to take up the idea of establishing permanent international co-operative relations by forming an alliance of the British and French Co-operative Movements and bringing the co-operators of other countries into it: "What was only useful two years ago," he declared, "is now an urgent necessity and there is not a minute to be lost." The urgency arose from the growing intensity of the strife between employers and employees and the destruction and ruin which could result. The mission of co-operators was to unite in order to exert a reconciling influence, substitute arbitration for force and show the way to social peace. The first step, de Boyve suggested, would be to appoint for a term of three years an organising committee operating from Manchester. This committee should communicate by correspondence with co-operative centres in Europe, Australia and America, and urge them to apply co-operative principles by intervening in conflicts between capital and labour and promoting recourse to arbitration tribunals. The committee should also encourage the national centres to be represented at one another's congresses and make known the progress of Co-operation in their respective countries. "This international federation," he continued, "of which we indicate only the foundations, will lend considerable strength to the Co-operative Movement and assist its development, while making known the lofty goal aimed at by our co-operative societies. Thus we shall erect a lighthouse so high that it will be visible to the whole world; it will light up the dark places in society and show the way to those who have gone astray; it will enable the shipwrecked to be rescued by calling forth the spirit of self-sacrifice; finally through the brightness of its light, men will be able to reach harbour and find there, along with brotherly love, social and international peace."

De Boyve's speech was enthusiastically applauded, but the Congress remained entirely uncommitted. Vansittart Neale explained that British co-operators were not accustomed to take decisions after one brilliant speech and that de Boyve's suggestions would be submitted for consideration to all the Movement's sections whose opinions would be available in a year's time. A few weeks later Neale and A. H. D. Acland were fraternal delegates at the French Congress at Lyon, in the company of Professors Vigano and Rabbeno from Italy and of Edmund Pictet, president of the Consumers' Co-operative of Geneva. Professor Charles Gide, who presided, delivered

an eloquent inaugural address, expressing the wish that, after the congress of Paris, which had brought about the national union, the Congress of Lyon should establish the international union. He went on to describe the nature of the co-operative international, which did not reject nationality, but would rather bring about the federation of the nations, so that the qualities of each should serve the advantage of all. After a feast of oratory the Congress decided to promote the project of an international alliance of French, English and Italian co-operators.

In the same year the Italian Co-operative Movement held its first Congress at Milan and laid the foundations of the National Co-operative League. Neale and G. J. Holyoake were the British, A. Fougèrouse the French, fraternal delegates. They seized the opportunity to hold private discussions with Vigano and Luzzatti on the following six points to be submitted to the Co-operative Unions of the three countries:

- 1 The central office should be provisionally in Paris.
- 2 Each country should open a special office, the location to be decided by the respective national Co-operative Union. Provisionally Manchester should be the centre for England, Paris for France and Milan for Italy.
- 3 The costs of the national offices should be borne by all the Co-operatives of the nations concerned. The costs of the central office should be covered jointly by the national Co-operative Unions. A general budget should be drawn up yearly for submission to the national Co-operative Unions from which contributions would be requested.
- 4 The Central Committee should meet annually at the place where the Congress of one of the allied countries meets. The meeting should be held before the Congress, if possible on the preceding day.
- 5 During the first year Messrs Vigano, Vansittart Neale and Fougèrouse should provisionally act as secretaries of the three special committees for Italy, England and France respectively and draft proposals for the definitive constitution of the Central Committee.
- 6 M. Fougèrouse should be secretary of the central office.

The noteworthy absence of any reference to the German General Union of Industrial and Economic Societies in these proposals did not escape the attention of the Board of the British Co-operative Union. Neale was accordingly instructed to approach the General Union and, if possible, enlist its support for the idea of an international Co-operative Alliance. In this he met with little success, for the Board of the General Union went no further than to appoint two of its members to consider with the Director (Anwalt) the best means of entering into international relations. Nevertheless Neale persisted in his efforts to produce a constitution. The Central Board of the Co-operative Union supported him by accepting a recommendation from the Foreign Enquiry Committee that a special committee should be appointed to negotiate with the representatives of other national co-operative organisations. At the Carlisle Congress of 1887, which de

Boyve attended with a mandate from the Lyon Congress to propose the foundation of a co-operative international, a lady from the USA, Mrs Imogen Fales, was also present. She and de Boyve met a British delegation and joined in working out a scheme resembling the one agreed at Milan, except that the suggested international and national offices were dropped. A British committee consisting of A. H. D. Acland, W. S. Harper, G. J. Holyoake, J. T. W. Mitchell and E. V. Neale was also nominated. In September of the same year the French Congress nominated de Boyve, Chevalier, Claire, Fougerousse and Gide as its committee for international relations. In November the Italian Congress nominated Vigano, Rabbeno, Romussi, Maffi and Armenotti for the same purposes. At this point the project appears to have reached a dead-end. There is no record of any of these committees doing anything. As Professor Rabbeno wrote to Vansittart Neale: "This international co-operative alliance has so far remained only a phrase."

So it was to remain a few years longer. International communication continued. Friendly sentiment was promoted by the exchange of fraternal delegates at national congresses, which became a regular custom. But de Boyve, with his vision of the lofty ends of social and international peace which Co-operation could serve when fully developed, had little guidance to offer the committees after they had been nominated. Moreover, although an international co-operative organisation might be clearly visible on the horizon, no one put out any suggestions as to how it was to be reached from the point where the Movements then stood. There were, in fact, only two countries in which national Federations existed, that were capable of giving effective support, including contributing to the finances, to an international organisation. They were Great Britain and Germany. Elsewhere, the national Federations had only recently been formed and had not yet established their authority. For one reason, their membership was dis-united. Deep differences of doctrine and outlook remained to be resolved even in the stronger Movements. In Great Britain a great debate over profit-sharing and the organisation of production had gone on from congress to congress for over a dozen years. In France collaboration was not easy between those who regarded Co-operation as a weapon in the class-struggle and those who regarded Co-operation as a means of achieving social harmony that would make the class-struggle irrelevant. In Germany the disciples of Schulze-Delitzsch and Raiffeisen were not yet willing to agree that both their systems of co-operative credit might be right for urban and rural conditions respectively, while a third element, radically different from the former two, was growing in importance, namely, the consumers' societies which attracted the rapidly-growing wage-earning classes. Finally, the majority of co-operators, while by no means deaf to idealistic

appeals, were strongly influenced by practical considerations. What they needed above all, in order to move them to act and dip into their purses, was a programme of activity which would link the grand, ultimate aims of International Co-operation with the immediate needs of co-operative societies engaged day by day in competitive business. Not even Neale, with all his comprehensive grasp of co-operative needs and problems, ever produced such a programme, even though the interest aroused by Vaughan Nash at Ipswich Congress in 1889, with his approach to International Co-operation from the trade angle, was a clear pointer.

Neale, now past his eightieth year, allied with some of his old Christian Socialist comrades and his newer associates of the Co-operative Productive Federation and the Labour Association, which promoted workers' co-operative production and labour-co-partnership respectively, were losing their campaign to secure acceptance by the National Congress of their cardinal tenet, that co-operative production based on the workers, with its corollary of profit-sharing, was the only genuine form. The most that they could obtain from the Congress was a declaration that whenever co-operative productive enterprises were launched, agreement should be reached on the just division of profits and risks between workers, capitalists and consumers. The Congress recommended the wholesales and consumers' societies to apply this principle in organising their own productive enterprises and the Central Board to support it with suggestions and proposals. It should be added that the bitterness resulting from this prolonged controversy gave rise to hostility and suspicion, not towards Neale himself, for all revered him, but towards subsequent efforts to form an international organisation, that for years hampered the work of his successors.

### *The Friends of Profit-Sharing*

Neale may have lost the battle about co-operative production but he was far from being convinced that he was in error. He retired from the General Secretaryship of the Co-operative Union in 1891, being succeeded by J. C. Gray who had been his assistant for several years. Recognising the impossibility, for the time at least, of working with the English CWS or the Co-operative Union, whose Central Board was strongly influenced by the CWS attitude, Neale concluded that the best hope of international organisation lay in collaboration with the French Co-operative Movement. In France, not only were the workers' co-operative productive societies stronger individually than in Great Britain, and already federated, but there was much greater interest in them on the part of government. Ideas of co-partnership and profit-sharing were held in higher esteem because of

the example of important private firms such as the *Maison Leclaire* in Paris and J. B. A. Godin's *Familistère* at Guise, which were running successfully after a long period with full worker participation in administration and profits. Neale and Edward Owen Greening therefore initiated a fresh attempt to found an international co-operative organisation—an attempt which was finally successful, if in a form which they could scarcely have imagined when they began work.

The manuscript minute book in which the deliberations of the founders of this organisation are recorded, opens with the following note:

“In the month of March 1892 Mr Edward Vansittart Neale and Mr Edward Owen Greening, in consultation upon the position of the Co-operative Movement and the necessity of taking measures to cause the Movement to advance more quickly in the development of its higher aims, agreed that it would be desirable to bring into united action those who in various countries are striving to lead the way and that advantage should be taken of the Co-operative Congress at Rochdale to hold a preliminary meeting.”

At this meeting, held in the Greyhound Hotel, Rochdale, at Whitsuntide, 1892, Neale took the chair and Greening made an explanatory statement to an audience which was entirely representative of British co-operatives, except for the presence of Edouard de Boyve and Charles Robert, fraternal delegates to the Congress from the French Co-operative Union. The terms of a resolution adopted by the meeting, in full awareness that the Co-operative Union would play a watching rather than an active role, made a sharp contrast to the broad phraseology of the introductory note just quoted. The resolution runs:

“That this meeting approves of the principle of an International Alliance of the friends of production on the basis of the participation of the worker in profits”.

It was further decided to circulate to co-operatives and individuals an appeal for support, drafted by Neale, and to convene those who responded to the appeal by giving their adhesion, to a further meeting, held during the annual Co-operative Festival at the Crystal Palace the following August. The appeal emphasised, even more than the resolution, the primacy of profit-sharing over co-operation in the conception of the promoters. The first signatories were Neale, Holyoake, de Boyve and Greening. The argument to which they put their names started from the proposition that, in the half-century since the opening of the Rochdale store, consumers' Co-operation had achieved great success, notably by increasing the purchasing power of working people, yet it could not increase their money incomes or ensure that they earned a living wage. This defect in the system of consumers' Co-operation could be made good by admitting the workers to co-ownership or co-partnership in the enterprises in which they were



employed. Within the Co-operative Movement this practice could be adopted in productive enterprises which were the joint property of consumer co-operatives or their wholesale federations and the workers. Neither of the wholesale societies, unfortunately, was willing to carry out this idea and the English CWS even maintained that the workers as workers had no right to share in the surplus. This would mean that the great mass of workers would be excluded from all the advantages arising from the employment of their labour. On the other hand, the appeal continued, the independent productive societies had no common plan of action, did not support one another, were often in competition and were in danger, through their very success, of degenerating into groups of small capitalists. They lacked a common centre, a basis for concerted action, a banner, a plan of campaign, an organ of their own, a general watchword, an annual congress. Therefore an appeal was made to co-operatives, firms and individuals, who wanted to help a higher social order to emerge from co-operative activity, to rally to an international alliance which would constitute a centre and form an essential element in their success.

The movement towards co-partnership was pictured as growing downward from capitalist enterprise and upward from the associated workers. For this reason membership of the Alliance would not be limited to co-operative organisations, but be open to all firms and companies carrying out the principle of profit-sharing. The fifth reprint of this appeal carried, besides the names of the original signatories, the signatures of Thomas Hughes (the old Christian Socialist) the Marquis of Ripon, the trade union leaders, Ben Tillett and Tom Mann, and two representatives of the Labour (Co-partnership) Association, Hodgson Pratt and Henry Vivian. The response to the appeal from British co-operators, trade unionists, social reformers and co-operative organisations was fairly encouraging. In addition, two national co-operative federations in France, the Co-operative Union, representing consumers' societies and the Consultative Chamber of Workers' Productive Societies, signified their support. Neale and Greening therefore saw no reason why they should not proceed with arrangements for the constituent meeting, envisaged at Rochdale, to be held at the Crystal Palace. It was known beforehand that the co-partnership movement in France would be represented by Froment of the *Maison Leclair* and J. Bernardot of the *Familistère* at Guise. When the meeting assembled on 22 August those present learned that Vansittart Neale was prevented from attending by illness. He never recovered and breathed his last on 16 September 1892.

The duty of conducting the meeting thus fell upon Greening, who opened the proceedings with an address outlining the objects of the alliance, calling attention to the "objects" formulated in the draft of the provisional

rules submitted to the meeting. This draft was never adopted and it is therefore unnecessary to reproduce it textually. Briefly, the objects of the alliance were:

- 1 to unite all those in different countries who in various ways desired to bring about peace between capital and labour in the basis of co-partnership;
- 2 to set up central institutes in each country for the purpose of guiding workers in establishing self-governing workshops and employers and employed in reaching agreement on profit-sharing;
- 3 to act as an international means of support and intercourse between these institutes.
- 4 to promote the application of the profits of industry to the elimination of conflicts of interest between employers and workers, as well as the raising of the workers' status and welfare.

As Dr Hans Müller shrewdly remarked, there is no reference to Co-operation from beginning to end of this statement, not even to workers' co-operative productive societies, unless these are referred to under the older appellation of "self-governing workshops". In effect, this programme meant a regression from Co-operation to philanthropy. It is significant that the resolution, which was ultimately carried, approving in principle of the formulation of an international alliance, was proposed and seconded by the French delegates. The meeting would not go so far as to constitute the alliance by accepting the draft rules even provisionally, and contented itself with setting up a provisional committee, consisting of Neale, Greening, Holyoake, Albert Grey and two officers of the English Women's Co-operative Guild, Mrs Lawrenson and Miss Tournier, with power to add to their number. Finally, it was decided to convene a congress in 1893, once more in conjunction with the annual Co-operative Festival. No one at that time appears to have thought that Neale might no longer be with them and his death, less than a month after the meeting, not only left Greening alone to provide the driving force, but also deprived the provisional committee of its only linguist and its main channel of communication with other countries. After some months Greening found a successor to Neale, but on conditions which enforced step by step a withdrawal from the extreme position he and Holyoake had taken up on profit-sharing and co-partnership.

### *Henry W. Wolff*

The man whom Greening enlisted in 1893 to replace Neale, as chairman of the committee and link with the Co-operators of the Continent, was

Henry W. Wolff, an old friend who had previously helped him in developing his Agricultural and Horticultural Association. Wolff was an Englishman with an extraordinary combination of talents and experience. He was a polyglot. He had had years of farming experience in Germany and acquired a working knowledge of co-operative credit and agricultural organisation in that country. But his acquaintance with the co-operative credit movement, its pioneers and leaders, extended over all Central and Western Europe and, at the time when Greening invited him to join the provisional committee, he was attracting some public attention because of his advocacy, in a remarkable book on people's banks, of the introduction of co-operative credit into Great Britain. Wolff's view of Co-operation was comprehensive enough to make him realise at once that co-partnership and profit-sharing offered too narrow a basis for an effective international co-operative alliance. His reply to Greening's invitation was: "Widen the programme so as to bring in all which is genuinely co-operative and I am your man." After a moment's hesitation, Greening accepted this condition without waiting to consult his committee.

The task immediately confronting them was the preparation of the congress projected for August 1893. It was already June. Greening took charge of the operations in London for which he was himself advancing the requisite funds. Wolff undertook, also at his own expense, to make a tour on the Continent for the purpose of rallying his friends, the leaders of the national co-operative credit movements, to the support of the alliance. The measure of his success was the attendance of representatives from Belgium, France, Germany, Holland and Italy, in addition to delegates from the British productive societies, the Labour Association and the Women's Co-operative Guild, at the Crystal Palace on 1 August. The number of persons taking part could in no way justify calling the assembly a congress. It was therefore described as an annual meeting, the project of a congress being postponed until the following year. Two of its decisions were, however, of some historic importance. One was embodied in a resolution proposed by Horace Plunkett, at that time engaged upon his pioneer work for agricultural co-operation in Ireland, that the alliance should include all accepted forms of Co-operation. The understanding reached by Greening and Wolff as the basis of their collaboration was thus ratified and became a constitutional principle. The other decision, reached after discussion of a resolution moved by G. J. Holyoake and seconded by Kergall, delegate of the French agricultural syndicates, together with an amendment proposed by Henry Vivian, was that the organisation should henceforward bear the title of "International Co-operative Alliance". The latter decision followed logically, of course, from the former and it was, moreover, adopted in preference to Vivian's more cumbersome "International

Alliance of Co-operative Associations" which in his view stressed the intention of the alliance to become much more a combination of organisations than of individuals.

### **Executive Committee**

In the immediate conduct of the Alliance's affairs the provisional committee was replaced by an Executive Committee, charged with the tasks of formulating a constitution and rules based on Neale's original draft and of preparing for a congress, to be held in 1894, which should include an international exhibition and a discussion of international co-operative business relations. The nucleus of the Executive Committee was elected by the meeting and consisted of Greening, Albert Grey (later Earl Grey), G. J. Holyoake, Hodgson Pratt, Mrs Lawrenson and Miss Tournier. But it was further provided that all organisations joining the Alliance and accepting the principle of labour co-partnership should be entitled to a representative and that the presidents and general secretaries of the Co-operative Union, the Co-operative Productive Federation, the Women's Co-operative Guild and the Labour Association should be invited to join the committee, which should then be regarded as representing the British Co-operative Movement in the Alliance. Parallel action to promote the congress in 1894 was urged on the representatives of other countries.

The authority of the Executive Committee to represent the British Movement was impaired at the beginning by the fact that the Co-operative Union declined the invitation to be represented upon it. The significance of the decisions taken at the annual meeting of the Alliance appears to have escaped the authorities at Manchester. The view taken by the Union, as well as the CWS, was that Greening's persistence, after the death of Neale, with the attempt to establish an international alliance was a continuation of the twenty-year old controversy on profit-sharing. Their attitude was not one of indifference; they were actively, if covertly, opposed to the Alliance. Henry Wolff was unknown to them personally and they had no idea of his eminence as a co-operator or of the esteem in which he was held by co-operative leaders outside of Great Britain. They regarded him, as J. C. Gray afterwards admitted to Henry Wolff, as "one of Greening's creatures". They therefore went out of their way to warn organisations abroad with which they were in correspondence against Wolff's approaches on behalf of the Alliance and made it abundantly clear that the Co-operative Union was not supporting the project. Apart from this, Wolff had to overcome difficulties caused by the fact that many organisations had not outgrown the local or regional stages of development. As he himself wrote: "What societies existed had trouble in tilling their own little fields, and did not care to look over the hedge". But Wolff was persistent. He was not

put off by the flat refusal at first to join any international alliance of Dr Schenk, the successor of Schulze-Delitzsch in the directorship of the German General Union, and he went three times to Basle before he secured the consent of the Swiss Union of Consumers' Societies to take part. It became evident by the early summer of 1894 that the proposed congress could not be held in August. After one postponement to October, it was decided to make an attempt to hold a congress in August 1895.

### **Collaboration**

Nevertheless, the idea of an international Co-operative Congress was steadily gaining ground. It had become unmistakably clear however, that few of the continental organisations were willing to support it actively, so long as the British Co-operative Union stood aloof. At a meeting of the Executive Committee in March 1895, at which Wolff reported on one of his continental journeys, Greening was authorised to attempt to come to some understanding with the Co-operative Union. He reported his interview and correspondence with J. C. Gray on 25 April and a week later he informed the Executive of a report which was to be presented to the Union's Congress at Whitsuntide in Huddersfield. This report informed Congress that there was a genuine desire amongst fellow co-operators on the continent to have closer international contact on a basis equitable to all parties, to hold international congresses in all countries in rotation and to take advantage of all the various kinds of co-operative effort now in existence.

It therefore suggested that the Union's Foreign Inquiry Committee, which had been allowed to lapse, should be re-appointed to make inquiries, confer with any other body of co-operators with the same object in view and submit a plan by which all contentious elements might be removed. A resolution to this effect was adopted by the Congress and the Central Board appointed five members, along with the General Secretary, J. C. Gray, to serve on the committee. On 6 July the committee held a meeting in London and decided to combine with the Executive of the International Co-operative Alliance for the organisation of the first International Co-operative Congress. This was subject to the conditions that the Co-operative Union should form the British Section and should deal with all communications relating to British co-operative societies. J. C. Gray, as General Secretary, should be joint convenor of the congress and a circular requesting support should be sent out to the societies. This collaboration was further limited to the time "pending the consideration and final determination of the constitution of the alliance". The members of the committee would attend the Congress in order to form their own judgment about the possibility of its success.

This declaration, with all its cautious reservations, was accepted by

the members of the Executive of the Alliance at the first joint meeting of the two committees. Five joint meetings of the Executive Committee and the Foreign Inquiry Committee were held before the congress and agreement was reached on the basis of co-operative societies' subscriptions and representation. A reception committee was appointed which held one meeting before the opening day.

### *The London Congress of 1895*

How large an assembly did the committee expect to receive? What would be its composition in terms of nationality and co-operative affiliation? Some idea of how widely Greening and Henry Wolff had spread their net can be gained from the Introduction to the London Congress Report which says in one passage that, in addition to heavy correspondence, Wolff undertook two extended journeys on the Continent for the purpose of personal interviews. In the first he visited Paris, Berne, Milan, Padua, Bologna, Ravenna, Florence, Siena, Rome, Genoa, Sampierdarena, Altona, Alessandria, Turin, and Lyon. In his second journey he visited Cologne, Offenbach and Carlsbad, where he met a number of representative co-operators, including M. Siegl, who represented Dr Wrabetz and President Pfeiffer, Dr Richter and others among Austrian agricultural co-operators. Thence to Dresden, Leipzig, and various places in Thuringia, visiting prominent members of societies of the Schulze-Delitzsch, Raiffeisen, and Haas types; thence to Cassel and Kempen, where the heads of the German Peasants' Associations were interviewed; thence to the Hague, and finally to Delft and Scheveningen, to meet Mr Van Marken of the celebrated co-operative yeast works and distillery. During these journeys, Wolff saw, on behalf of the Alliance, as many leaders of continental co-operation as possible, and was specially careful to keep in touch with every section of co-operative effort whose existence was known to him. Besides the above-named cities, he visited, at various times and in the same cause, Vienna, Bucharest, Madrid, Pesth, St Petersburg, and many others.

Precisely how many organisations joined the Alliance as a result of Wolff's recruiting campaigns was probably never computed. The list of those which had declared their support before the Congress, given in the Introduction to the Congress Report, is admittedly incomplete, but it comprises a number of national standing, besides others of historic importance. The national co-operative unions or federations in continental countries were as follows:

Austria	<i>Allgemeiner Verband der auf Selbsthilfe beruhenden Erwerbs- und Wirtschaftsgenossenschaften</i>
---------	--

Belgium	<i>Fédération des Banques Populaires</i>
France	<i>Chambre Consultative des Associations Ouvrières Union Coopérative</i> <i>Fédération Nationale des Sociétés Coopératives de Consommation</i> <i>Fédération des Caisses Rurales et Ouvrières</i>
Germany	<i>Allgemeiner Verband deutscher Erwerbs- und Wirtschaftsge-nossenschaften</i> <i>Verband ländlicher Genossenschften</i> <i>Allgemeiner Verband d. Landwirtschaftlichen Genossenschaften</i>
Holland	<i>Nederlandsche Cooperatieve Bond</i>
Italy	<i>Associazione fra le Banche Popolari</i> <i>Federazione delle Cassi Rurali</i> <i>Ferazione delle Casse Urbani</i> <i>Casse Rurali Cattoliche di Italia</i>
Switzerland	<i>Banque Populaire Suisse</i>
Roumania	<i>Bureau des Sociétés et des Expositions Coopératives.</i>

It may be noted that, for the purpose of the Congress at least, the working definition of Co-operation was broad enough to include agricultural associations, such as the *Union des Syndicats des Agriculteurs* and the *Syndicat Economique Agricole* from France and the *Federazione dei Consorzi Agrari* from Italy. The *Verband Ostschweizerischer landwirtschaftlicher Genossenschaften* which, although not national in scope, was the most powerful agricultural co-operative organisation in Switzerland, was also included in the list. Co-partnership and profit-sharing were represented by the French *Société pour l'Etude pratique de la Participation aux Bénéfices*, the *Maison Leclair* and the *Familistère* of Guise. There was, finally a small number of Societies, among them such famous pioneer names as the *Unione Cooperativa* of Milan and the *Vooruit* of Ghent, consumers' societies; and two labour societies, *Societa Cooperativa dei Braccianti* and the *Societa Cooperativa dei Muratori* of Ravenna. Not all the above mentioned organisations were in a position to send delegates to the Congress. On the other hand, there were organisations not listed which were represented, notably the Italian *Lega Nazionale delle Cooperative* and the Agricultural Co-operative Bank at Semendria in Serbia. The European countries which were actually represented in the congress by delegates or observers were Belgium, Denmark, France, Holland, Hungary, Italy, Russia and Serbia. From outside of Europe came one delegate each from Australia, India and the Argentine Republic, besides three delegates and five visitors from the USA.

### **Participants**

The British participants, who greatly outnumbered all the rest, consisted of delegates of co-operatives and other organisations, individual members

of the alliance and visitors interested in observing the proceedings. The great majority of the delegates represented affiliated societies of the Co-operative Union which had responded to its invitation. These comprised about 20 consumers' societies, seven workers' productive societies, the English CWS and the Women's Co-operative Guild. Outside the Co-operative Movement, the organisations represented included the Labour Association, one public undertaking and a few private firms practising co-partnership, two or three political bodies, the Society of Arts and some scientific institutions. The Board of Trade and several foreign legations and consulates in London sent observers. In order to secure the widest possible public recognition for the Congress and to enhance its prestige Greening had made use of his long and extensive acquaintance with the worlds of business, politics, philanthropy, social reform and education, for the purpose of attracting the interest, patronage and financial support of a number of eminent personages. Earl Grey, a statesman who, before he succeeded to his earldom, had played an active part in the Labour Association and several co-operative ventures, accepted the Executive Committee's invitation to preside over the Congress. In the list of 28 British vice-presidents were found the names of members of both Houses of Parliament and ex-Ministers, a bishop, a canon and a nonconformist divine, a leading industrialist, a trade union official, the two survivors of the original Christian Socialists, J. M. Ludlow and Thomas Hughes; and a number of co-operative stalwarts, G. J. Holyoake, Henry W. Wolff, Hodgson Pratt and Joseph Greenwood. There was a further list of 20 *présidents d'honneur* from other countries in which the Alliance paid tribute to the services to Co-operation of leaders of national federations which had promised their adherence. Amongst these were the chief officers of German unions of people's banks and of agricultural co-operatives whose own congresses, coinciding in time with that of the Alliance, prevented their sending delegations to London.

The proceedings of the Congress, inclusive of its social programme and the participation of the delegates in the annual Co-operative Festival and Exhibition at the Crystal Palace, occupied a whole week. In drawing up the agenda of the Congress proper the Executive Committee had to take into account several potentially divergent needs and claims. The first task was obviously to get the Alliance definitely formed with the greatest possible measure of agreement. Only slightly less important was that of providing it with provisional working organs and deciding the main lines of its constitution, the details of which would need to be thrashed out and submitted to the next congress for ratification. A third need was to affirm that the Alliance was not to be merely a forum for the exchange of information and opinion, by opening up the question of international co-operative





Vansittart Neale



trading relations and indicating the most practical methods of promoting them. Beyond this the delegates, the overwhelming majority of whom were acquainted with only one branch of Co-operation in a single country, needed some rudimentary notions of the situation and progress of the Movement in the world at large. Finally, the four main branches represented in the Congress—workers' co-operative production and co-partnership; co-operative credit; agricultural co-operation; and consumers' co-operation—each needed some time in which their delegates could consider their special problems from an international standpoint. By making all meetings plenary sittings, the delegates would have opportunities of learning more about branches of Co-operation hitherto unfamiliar to them. It was perhaps impossible in the time to do justice to all these needs, but by the end of the week it had become clear that the Congress had achieved its most essential objectives and could be reckoned as a success, even though some observers might consider the simple fact that it had met and deliberated to be the greatest success of all.

### *The Congress Proceedings*

The Congress was opened by Earl Grey on Monday 19 August with an address, the first sentences of which were devoted to a tribute to Edward Vansittart Neale, "the truest and most conscientious of men, who pledged himself in such an untiring manner to bring about the Congress" and who had spent his life and fortune in promoting "the great and ennobling principle of Co-operation which is a practical possibility today." After a brief review of the outstanding achievements of the Co-operative Movements of the countries represented in the Congress, Earl Grey took up his main theme. This was the necessity of establishing relations of solidarity between employers and workers and of suppressing the wage-system which tended directly to reduce output and to degrade men. The experiences of Godin and a host of others had led him to the belief that the only way to revitalise the automatism of industry was to transfer the hireling, with limited personal interest, into the partner with wide and enlarged sympathies and the interest which comes from partnership in the industry in which his labour was engaged.

The keynote for the Congress was set by the address of E. O. Greening. He called attention to the growing internationalism of all spheres of human activity and declared that, though the Co-operative Movement had come later than some others to its task of international organisation, that was because it had been laying deep and strong foundations in many places, so that, now that the time had arrived for general union, it possessed

sufficient strength and adequate means to sustain it. He recalled the Co-operative Movement's characteristic process of growth. "Wherever our ideas have found a lodgement in the hearts of a few villagers or town artisans, or wherever they have attracted the sympathies of good men amongst the rich, there we have seen springing up societies of supply or co-operative workshops or perchance credit banks. We have seen these small communities grow into greatness and become the nursing mothers of other societies in their own neighbourhoods. Then we have seen them federate into district and national organisations, steadily and surely realising the uplifting of the people by training the masses to work out their own emancipation." He alluded to the immediate practical possibilities of international co-operative exchange: "My own society—the Agricultural and Horticultural Association of which I am Managing Director—buys millions of coloured lithographs in which to pack the seeds we supply. We know there are co-operative producers of such lithographic work in France. We only want the medium of a common agency to bring us into relations with our French brethren. It is so with the British stores which purchase enormous quantities of the farming products of Denmark and Holland, the fruits of Italy, the sugars of Germany, the oils of Russia . . . and in turn we believe that the co-operative workshops of Great Britain will need little introduction to obtain an inspection of the clothes and calicoes, the cutlery, metal and other goods which we can offer to co-operators abroad."

Dealing with the lines on which the international organisation should be established, Greening declared: "Our constitution should be inclusive, so as to gather up all elements of strength and success. I do not mean to suggest any surrender of principle. By all means let this Conference and future ones decide what is essential to the practice of true Co-operation and use the immense moral power of a grand consensus of opinion to bring all our friends to accept agreed views and to cause small local dissensions to cease. But wherever essentials in principle are accepted, let us tolerate every variety of organisation which can fairly be recognised as co-operative. Let us keep an open door for every co-operative organisation to come into the Alliance . . ."

On the constitution of the Alliance and its machinery Greening suggested: "Let the conditions of membership be few and simple, the necessary payments light enough, the organisation sufficiently elastic in its character. Details had better be left to a small committee chosen from representatives present who are interested in our project and this committee should present a report before the close of the Congress; but we should agree upon the general characteristics of our Alliance before we separate. Each country should pledge itself to establish a centre in which information should be available to all of what is done by co-operators in other countries.

These centres should circulate widely the literature of international co-operation, being careful to work as far as possible through existing organisations”.

On the functions of the Alliance itself, he said: “The International Alliance should seek to establish new organisations for propaganda work where none already exists; to put new life into old organisations; to keep records of everything relating to Co-operation at home and abroad; to spread a more comprehensive knowledge and conception of the full meaning of mutuality applied to every phase of human life. The International Alliance should abstain from any form of trading, but it should be the business of international committees to found suitable commercial agencies which will bring existing co-operative business organisations into relations with those of other countries.”

Greening concluded with the advice: “Let us be content to grow slowly, but steadily, into the larger developments worthy of our mighty movement. We have to learn by experience exactly what can be done in the new field of work, and how it can be best done. Such has been the policy which brought us success in the past, and these methods have the advantage of educating and training our people to do their own work.”

## *The Alliance Constituted*

Greening’s address thus foreshadowed the main work of the Congress which was crystallised in a series of resolutions, the first being, naturally, the resolution formally constituting the Alliance. The text of this resolution ran:

“That the organisations and individuals which have signified their adhesion be, and they are hereby, constituted the International Co-operative Alliance, to continue the work commenced by the late Edward Vansittart Neale and his friends”.

G. J. Holyoake, who was at that time a member of the Central Board of the Co-operative Union and President of the Labour Association, thus linking the co-operative and co-partnership elements in the Congress, proposed his resolution. It was seconded by Charles Robert, who apologised for the absence of de Boyve and explained that he himself represented four French organisations, the *Société de la participation aux bénéfices*, the *Union coopérative*, the *Chambre consultative* and the *Société du Musée Social*. The other speakers who supported the resolution and declared their adhesion to the Alliance were Commendatore Cavalieri for Italy; Comte de Rocquigny for the French Agricultural Co-operative Movement; Herr Abt for the small farmers of north-eastern Switzerland,

enrolled in the VOLG, who had adopted the principles of the Rochdale Pioneers; Messrs de Quéker, Micha and d'Andrimont for the peoples' banks of Belgium; N. O. Nelson for co-operative and profit-sharing enterprises in the USA and Miss Tournier of the Co-operative Women's Guild with a tart reminder that if the promoters of the Alliance wished to succeed they must secure the co-operation of the women who besides purchasing goods, wanted a voice in the Movement. The resolution, when put to the meeting, was carried unanimously.

The next resolution, proposed by Léon d'Andrimont, set up a provisional Central Committee, consisting of Messrs Cavaliere, Gray, Greening, Micha, Nelson, Aneurin Williams and Wolff, to consider a suitable constitution for the Alliance and to report to Congress before its close.

Henry W. Wolff then moved the resolution: "That a committee be appointed to consult with the Provisional Committee already appointed, with special reference to the subject of trading relations among the Co-operators of all nations." In a short speech Wolff indicated that the object in view was the establishment of an International Business Agency and referred to the great interest manifested by the French Agricultural Syndicates in this question, which had already been the theme of one of their congresses. In reply to a question he stated that the subject was not really new, but that the committee would meet as often as possible during the week. Speakers from France, Belgium, Switzerland, Holland, Italy and the USA supported the resolution. Among a number of British speakers Thomas Blandford, secretary of the Co-operative Productive Federation, pointed out that, if international trading associations were to be successful, organisations should not take part with the sole view to their own benefit, but rather in the belief that others would benefit as well. The exchange of commodities between different nations should not be left entirely in private hands. Henry Vivian (Labour Association) reported the establishment in London of a national depot for the productions of co-operative workshops which might well become a centre around which something international could be done.

The resolution having been declared carried unanimously, Greening intervened to move the appointment of the committee. He suggested the names of Robert Powell (Co-operative Union), Joseph Greenwood (Hebden Bridge Fustian Manufacturing Society), and William Ballard (Kettering Boot and Shoe Manufacturing Society). Further nominations were immediately taken. These included Thomas Blandford, besides three other British delegates; Abt (Switzerland), Faber (Denmark), Ponti (Italy), de Larnage, Kergall and Soria (France), de Quéker (Belgium) and Peereboom-Voller (Holland). Greening's undertaking that the committee would

report about its work before Congress rose concluded the business of the first day.

Most of the three following days were devoted to consideration of the situation and problems of special branches of the Co-operative Movement. One day was occupied with discussions on co-operative production, profit-sharing and co-partnership under the chairmanship of J. M. Ludlow who was elected by the Congress to replace Thomas Hughes, detained by his judicial functions. The next day the Congress turned to people's banks under the leadership of Henry W. Wolff, but adjourned at midday to visit the exhibition at the Crystal Palace. It resumed on the third day with a discussion of consumers' co-operation under the chairmanship of Frank Hardern, the leading member of the Co-operative Union's Foreign Enquiry Committee. The discussions on all three days and a further discussion on agricultural Co-operation on the fifth day of Congress were summed up in resolutions which emphasised the economic and social benefits of the different types of co-operative society and recommended action of various kinds for their promotion. These expressions of opinions and wishes did not, of course, carry any implications for the constitution of the Alliance. This subject came before Congress in the afternoon of the fourth day, when the Provisional Committee submitted its report and recommendations.

### *Basic Resolutions*

The Committee had been instructed to consider the question of a suitable constitution for the Alliance, but as Aneurin Williams, its rapporteur, pointed out, it would be neither desirable nor possible in the time available to lay before Congress a complete draft constitution. The Committee therefore proposed a series of twelve resolutions, embodying the essential principles of the Alliance and the main lines of its action. These should serve as the basis of a complete constitution for the consideration and eventual approval of the next Congress. Williams concluded his report by reading the first resolution as follows:

“An International Co-operative Alliance is created between the Associations and persons now or hereafter adhering to the work commenced by the late Vansittart Neale and his friends to promote co-operation in all its forms, taking for its basis the principles of property, liberty and participation in profits. The resolutions of the first International Co-operative Congress (London, 19th to 23rd August 1895) shall serve as rules for the preparation of statutes for the Alliance and for its operations.”

Ludlow immediately proposed an amendment. It was not in accordance with the facts that Vansittart Neale and his friends supported Co-

operation, taking for its basis the principles of property, liberty and participation in profits. They had higher views. He thought that the reference to Neale and his friends might well be omitted, but actually moved that the sentence should end with the word "forms". Greening and Williams would have accepted the amendment, but Holyoake came in with the question "Are you going to omit profit-sharing?" They alluded to the resolution on profit-sharing already adopted by the Congress but failed to satisfy him. On the other side, the chairman, Frank Hardern, had become uneasy. He thought that "promote Co-operation in all its forms" was all that was required, but threatened to withdraw if the effect of passing the resolution were to exclude the CWS from the Alliance. Holyoake and Charles Robert continued to press for the retention of the reference to profit-sharing and Holyoake's remark that the Congress was convened to promote profit-sharing brought the prompt correction from J. C. Gray, that the Congress had been convened for the promotion of an International Alliance for the benefit of Co-operation. It must of necessity include all forms of Co-operation. Blandford's question whether the principles accepted by the Congress would be binding on the various societies did nothing to lower the temperature of the debate, which was already high. Amid the hubbub, with several speakers trying to catch the chairman's eye, a proposal was made to adjourn the discussion until the next morning. This alarmed Henry Wolff who feared that the discussion on agricultural co-operation would be crowded out. Eventually Blandford's suggestion that further discussion of the first resolution be postponed to the next morning was adopted. Hardern, obliged by another engagement to leave the chair, was suitably thanked and replaced by J. C. Gray under whose guidance the other resolutions were then discussed. The tenth resolution, dealing with admission to membership of the Alliance and adherence to its principles was considered so nearly related to the first resolution that it was also deferred until the following day. Ten out of the twelve resolutions were, however, accepted before the Congress rose.

The same evening the Provisional Committee reconsidered resolutions 1 and 10, revised texts of which were submitted by A. Williams the following day, when the Congress assembled, still under Gray's chairmanship. The new text of resolution 1 omitted the words which Ludlow proposed to delete but included profit-sharing, so that the sentence ended "to promote Co-operation and profit-sharing in all their forms." The new text of resolution 10, giving authority to the Central Committee to accept applications for membership, omitted the clause "and declaring their acceptance of its principles" from the conditions to be fulfilled by candidate organisations. The new texts having been read in their entirety, the resolutions were put to the vote and carried. All was not over, however. Holyoake



was on his feet protesting that resolution 10 had been “rushed through” by the chair and that Ludlow and Charles Robert had deserted the position that they had previously taken up, that profit-sharing was a principle. The flag set up that morning bore a double device. He was not convinced, for he did not believe in the subservience of the profit-sharing principle. Hodgson Pratt offered to second an amendment if Holyoake would propose it. These utterances brought disclaimers from both Greening and Ludlow, the former explaining that they wanted to bring the CWS and the profit-sharing societies to a common understanding, so that the Wholesale Society could enter the Alliance. Ludlow said that he supported the resolution because the cause of profit-sharing was in no way affected. At this moment the chairman intervened to point out that these speeches were all out of order, since the resolution had been duly passed, and Congress would proceed to the next business. The dangerous corner had been turned.

The complete text of the resolutions, as finally adopted by the Congress for the guidance of those who would draft the constitution of the Alliance, was as follows:

#### Article 1

“An International Co-operative Alliance is created between the Associations and persons now or hereafter adhering to the work commenced by the late Vansittart Neale and his friends; to promote co-operation and profit-sharing in all their forms”.

“The Resolutions of the first International Co-operative Congress, (London, August 19th to 23rd, 1895) shall serve as guides for the preparation of Statutes for the Alliance, and for its operations. These resolutions are as follows:

- 1 Moved by Mr G. J. Holyoake, Brighton.  
Seconded by M. Charles Robert, Paris.  
“That the organisations and individuals which have signified their adhesion, be and they are hereby constituted the International Co-operative Alliance to continue the work commenced by the late Edward Vansittart Neale and his friends.”
- 2 Moved by M. D’Andrimont, Belgium.  
Seconded by Mr Robert Powell, Rochester.  
“That a Provisional Central Committee of the Alliance be elected to consist of the following: Messrs Cavalieri, J. C. Gray, E. O. Greening, A. Micha, N. O. Nelson, Charles Robert, Aneurion Williams, and H. W. Wolff.”  
“That this Provisional Committee be instructed to consider a suitable constitution for the Alliance and to report to this Congress before its close.”
- 3 Moved by Mr H. W. Wolff, London.  
Seconded by M, Edouard Sève, Belgian Consul-General.  
“That a Committee be appointed to consult with the Provisional

Committee already appointed, with the special reference to the subject of trading relations among the co-operators of all nations.”

- 4 Moved by Mr E. O. Greening, London.  
Seconded by Mr R. H. Tutt, Secretary, Southern Section, Co-operative Union.

“That the following be appointed to this Committee:

Messrs Abt (Switzerland), Faber (Denmark), W. Savage (France), Landor (London), Wright (Manchester), Ponti (Italy), Soria (France), de Quéker (Belgium), Peereboom-Voller (Holland), Bignall (Civil Service Supply Association), and Miss Tournier (Women’s Guild).”

“And it was agreed that these, together with Messrs Blandford, Ballard, Powell, Greenwood, Croce (Italy), and Count Rocquigny (France), should form the Committee.

## Article 2

“The Alliance does not interfere with politics or religion.”

## Article 3

“The objects of the Alliance are defined to be:”

- (a) “To make known the co-operators of each country and their work to the co-operators of all other countries by congresses, the publication of literature, and other suitable means.  
(b) “To elucidate by international discussion and correspondence the nature of true co-operative principles.  
(c) “To establish commercial relations between the co-operators of different countries for their mutual advantage.”

## Article 4

“The Alliance will be careful to act, as much as possible, through the organisations existing in the various countries.”

## Article 5

“The Provisional Central Committee, created by the resolution of August 19th, is continued in office, with the title of Central Committee, until the end of the next Congress.”

“The following are the members thereof:

Monsieur d’Andrimont	..	..	..	Belgium
Monsieur Micha	..	..	..	”
Monsieur E. de Boyve	..	..	..	France
Monsieur Kergall	..	..	..	”
Monsieur Charles Robert	..	..	..	”
Herr Dr Crüger	..	..	..	Germany
Mr J. C. Gray	..	..	..	Great Britain
Mr Edward Owen Greening	..	..	..	”
Rt Hon Earl Grey	..	..	..	”
Miss Tournier	..	..	..	”
Mr Aneurin Williams	..	..	..	”
Mr Henry W. Wolff	..	..	..	”

Commendatore Enea Cavaliere	..	..	Italy
Onorevole Luigi Luzzatti	..	..	”
Mr N. O. Nelson	..	..	United States

“The Committee shall have power until next Congress to add to its number new members, chosen from among persons who are members of the organisations adhering to the Alliance, or who adhere individually.”

#### Article 6

“The Central Committee shall elect from its own members an Executive Bureau, composed of Chairman, Deputy Chairman—who may also act as Treasurer—and a Secretary. This Bureau shall sit in London.”

#### Article 7

“The the following form the Executive Bureau of the Alliance:

Earl Grey, President and Chairman.  
H. W. Wolff, Treasurer.  
E. O. Greening and J. C. Gray, Hon Secretaries, with  
A. Williams, as Assistant Hon Secretary.”

#### Article 8

“The Central Committee shall prepare for, and present to, the next International Congress a complete Constitution for the Alliance, embodying the objects and principles of the Alliance as defined by these resolutions and upon the following lines:

- (a) “The Alliance shall have a Central Committee which shall be elected at the next International Congress, and thereafter shall retire, and be renewed by halves at each Congress. The order of retiring shall be determined at first by lot, and afterwards by seniority. Retiring members are re-eligible.”
- (b) “In each country there shall be a section, or several sections, of the Alliance, and each section shall have a Sectional Council. All Co-operative bodies and co-operators who shall have adhered to the Alliance as individuals, within any section, shall be represented on the Sectional Council.”
- (c) “The Constitution shall determine the respective functions of the Central Committee and Sectional Councils; the amount of subscriptions, and the right and scale of voting.”

#### Article 9

“Until the next Congress the Central Committee shall appoint one or more correspondents in each country, and may determine their functions.”

#### Article 10

“There shall be Congresses of the Alliance at intervals of not more than three years, as the Central Committee may determine. These Congresses shall be held, as far as practicable, in each of the allied countries upon invitation from that country accepted by the Central Committee. The next Congress shall be held next year.”

#### Article 11

“Co-operative organisations, and individuals, desiring to adhere to the Alliance may be admitted to membership. (A) By the Central Committee until next Congress, and (B) thereafter as the Constitution may determine.”

“The Alliance includes two classes of Members:

- (1) “Organisations whose Delegates have the right to speak and to vote at the Congresses.
- (2) “Persons who adhere individually without being delegated by a Society. These have the right to be present and to speak at the Congresses. Any ten of them may also appoint one of themselves to vote at any Congress. Nevertheless, the President, Vice-Presidents, Honorary Presidents, and Members of the Executive Council of the Congress of 1895, although only adhering as individuals, shall have the right to vote at the Congress.”

#### Article 12

“Subscriptions to the Alliance until its next Congress shall be at least two shillings per annum for an individual, and at least £1 for an organisation.”

### *The History of the ICA Begins*

With the first London Congress the pre-history of the International Co-operative Alliance ends and its history in the true sense begins. An idea (or ideal) which had seemed for two generations to hover, sometimes more, sometimes less, remotely, beyond the reach of co-operators, had at last been brought down to earth. On 19 August 1895 an international nucleus of co-operators, duly appointed delegates of national Co-operative Federations, in the presence of a host of well-wishers, formed the Alliance and proclaimed their adherence to it. Before they dispersed, they agreed on directives for its constitution, functions and policy which reveal a recognisable correspondence with important features of the Alliance three-quarters of a century later—triennial congresses, a central committee electing an executive committee from its own members, the spread of mutual knowledge and understanding amongst the co-operators of the world, the elucidation of the true principles of Co-operation, the promotion of inter-co-operative business relations, non-intervention in politics or religion, and even the over-optimistic suggestion of a completely inadequate subscription basis. The members of the Provisional Committee worked well in the few hours at their disposal. To recall that the Alliance was founded in a notable period of co-operative federal construction when co-operative leaders had become thoroughly versed in the problems of democratic constitution-building is not in any way to detract from the merits of their performance and their keen appreciation of present and future needs.

The Congress, however, not merely blue-printed the framework of the Alliance; it made a contribution equally indispensable to its substance, that is, to the growth of a sense of solidarity and of service to a common cause amongst its members. Although the reports from particular countries, which Henry Wolff had caused to be specially prepared as documentation for the Congress, were taken as read, on the motion of J. C. Gray, at the very outset of the proceedings, they had been circulated to the delegates and they were afterwards published as appendices to the official congress report. In addition, the special sessions devoted to the several branches of the Movement helped forward mutual understanding, as the promoters intended. In the words of Henry Wolff, writing 35 years later, "It created a feeling of some common ground to stand upon and familiarised representatives of different nations with one another." The influence of such personal acquaintance between co-operative leaders in cementing the Alliance should never be underestimated at any stage of its history; but it was of tremendous importance for the newly-elected Central Committee, for the Congress had placed a heavy burden on its shoulders.

When he looked back upon the Congress, Henry Wolff felt justified in declaring that all attending it had agreed that it had been signally successful. No one was more entitled than he to make that claim; it was no more than his just reward. But the cold printed record leaves the reader in no doubt that, amongst the participants, the determination was widespread that the Congress should succeed in its main objective of creating a permanent international organisation for the promotion of Co-operation without discrimination between its various forms. The question of what was or was not genuine Co-operation or what were superior or inferior types of co-operative society was one which the Alliance could answer all in good time. The essential thing was to take the first step of getting it formed. Greening and his close associates, like Williams, Ludlow, Blandford and Vivian, not only illustrated the breadth of their own co-operative outlook, but also correctly interpreted the mind of the delegates, when they recognised that the support of the British Consumers' Co-operative Movement was indispensable and that it depended on one condition—the abandonment of any attempt to graft profit-sharing compulsorily on co-operative organisations whose aims and constitution did not lend themselves naturally to it. This attitude was not only sound in principle; its adoption and its endorsement by the Congress ensured that the Alliance was protected and nourished during its infancy by the one national Co-operative Movement which was able and willing to give it financial support.

## *Chapter Two*

# The Constitution

### *The First Activities of the Alliance*

In order to consolidate the position achieved in London, it was necessary that the Alliance should operate as soon as possible according to rules and a constitution, adopted in due form by a congress and no longer on a provisional basis. Although the responsibility for submitting the draft constitution lay with the Central Committee, it was obviously the Executive Bureau, with valuable assistance from Charles Robert, which must do the work. The same parties would also prepare and organise the Congress of 1896. In addition, the Bureau had to arrange for the compilation and publication of the full report of the London Congress; complete, in consultation with the National Organisation, the membership of the Central Committee; help the committee on trading relations to start its inquiries; establish effective office arrangements in London and work out the best ways of solving ICA financial problems, more especially the repayment of the sums advanced by Greening to cover the expenses of its formation.

The Alliance took over from Greening the small office at 49 Bedford Street, London WC2, where he employed two clerks, one of whom, a woman, was responsible for correspondence in French. These became the Alliance's first paid employees. The division of honorary functions amongst the members of the Executive Bureau was as follows: chairman, Earl Grey; treasurer, Henry W. Wolff; joint secretaries J. C. Gray and E. O. Greening; additional secretary, Aneurin Williams. Williams's special task was at first the preparation of the report of the London Congress for which he himself drafted the Introduction, with its authoritative account of the events leading up to the Congress. No stenographic notes of the proceedings had been taken. Reports of the speeches and debates had therefore to be com-

piled from the press coverage of the Congress which had been remarkably full, supplemented by the speakers' own notes or the submission of drafts for their approval. Nevertheless this laborious process was successfully completed and the whole congress report sent for printing before the second Congress met at Paris.

The Executive Bureau held its first meeting on 14 November 1895, with J. C. Gray in the chair, Earl Grey and Henry Wolff being unable to attend. The principal decision was to accept the invitation from the French members of the Alliance to hold the next Congress in Paris. Meeting early in January 1896, the Joint Secretaries had before them an invitation to hold the Congress on the premises of the Musée Social, an institution for the study of the social sciences lately founded by the Comte de Chambrun. This settled the question of the place; and it was possible for the Executive Bureau to agree a month later that the Congress should open on the 28th October and continue until the 31st October.

### **Inter-co-operative Trade**

While the preparations for the Congress proceeded in a normal manner, the Executive Bureau gave its attention to the development of the activities of the Alliance. In November 1895 it was informed by Thomas Blandford, secretary of the British Co-operative Productive Federation and convenor of the International Trading Committee, that, on account of the distance of members of the Trading Committee from one another and from London, it had not been possible to hold a meeting. Blandford was advised to suggest to the Committee that they should appoint an executive committee from those able to meet in London. Meanwhile it was decided that all enquiries relating to trade reaching the office of the Alliance should be transmitted to him. Henry Wolff was appointed by the Executive Bureau to maintain liaison with the Trading Committee. Blandford's circulars to the members of the Trading Committee and their organisations had been no more than partially successful, only Denmark, Great Britain and Holland supplying information ample enough to be really useful. Blandford's report to the next Congress was therefore a series of recommendations of what ought to be done, more particularly, to set up in each country a special committee whose function would be to assemble information and assist prospective buyers and sellers to make contact.

### **Recruiting members**

Throughout the year the Executive Bureau made consistent efforts to win more adherents for the Alliance as well as to stimulate organisations already in membership to render more effective support. Henry Wolff continued, on behalf of the Alliance in being, the correspondence which he had begun,

when it was being projected, with leading personalities of Co-operative Movements abroad, as well as the recruiting journeys which made him, as he once remarked, "a commercial traveller" for Co-operation. In addressing his appeals to Co-operative organisations to rally to the Alliance he attached much more importance to practice than to ideology as proof of their genuineness, with the consequence that his bouquet of flowers included, as Charles Gide later expressed it, a considerable number of "red" poppies. So far as Great Britain was concerned the Executive Bureau wisely followed up the decision of the United Board (the executive committee) of the Co-operative Union to support the Alliance with an attempt to gain a hearing at the next national Congress, which met at Woolwich at Whitsun, 1896, so as to awaken the interest and enthusiasm of the societies' delegates. Aneurin Williams drafted a full-page advertisement for the Alliance in the Congress handbook issued to all delegates, as well as a resolution, adopted by congress, declaring the Co-operative Union's adherence to the Alliance and authorising the payment of an annual subscription of £20. Williams also obtained the agreement of the Executive Bureau to the issue of a periodical letter to members of the Alliance for the purpose of keeping them informed of its activities and development.

### **Finance**

The Alliance started life encumbered with debt. The promotional expenses incurred from 1892 to 1894, against which, as previously mentioned, E. O. Greening had made advances from his own funds, exceeded by £372 the subscriptions received. In 1895 a further £373 had been spent, mainly on account of the Congress, but no more than £222 received in subscriptions. The annual cost of office-rent and staff-wages came to £175, but the total expenditure of the Alliance its various activities would be, the Bureau estimated, rather more than double this amount. The first measure envisaged was to issue to co-operative, other organisations and individual sympathisers an appeal for special donations in order to reduce the debt and reimburse Greening. The response was not enthusiastic. The British Co-operative Union repudiated any responsibility for expenditure incurred before 1895. There were other refusals. Only a partial reimbursement to Greening was therefore possible. The second measure was to ensure an annual revenue from subscriptions which would meet normal outgoings. This meant that the affiliated organisations outside of Great Britain must be persuaded to shoulder a reasonable share of the financial burden. In 1895 the total subscription income was £222, in 1896 £218. In each case, all but a few pounds came from Great Britain. But whereas in 1895 over £211 of the £215 contributed in Great Britain came from individual supporters, in 1896 £153 out of a total of £311 came from co-operative societies and



associations. This was undoubtedly a tendency in the right direction and it was reinforced by the undertaking of the Co-operative Union, as the British Section of the Alliance, to collect the subscriptions from its own affiliates. At the end of September 1896, the offices of the Alliance were transferred to 15 Southampton Row where it became a tenant of the Co-operative Permanent Building Society.

### **Central Committee**

The Executive Bureau was entrusted by the London Congress with the task of completing the membership of the Central Committee, the nucleus of which had already been elected at the Congress. The method adopted was to obtain from the organisation and individuals in different countries nominations which were submitted by correspondence to the members of the Central Committee already in office. If these gave their approval, the candidates were declared elected. According to this procedure, members of the Central Committee were elected from Great Britain (4); France (4); Germany, Italy, Spain, Russia, 2 each; and one each from Austria, Holland, Rumania, Serbia, Denmark, the USA and Australia. Because of the long journeys involved, no meeting of the Central Committee was possible before the eve of the Congress at Paris, when one of the questions referred to it was the objection taken by Edouard de Boyve and Charles Robert to the candidature of Edouard Anseele, the general manager of the "*Vooruit*" of Ghent, the pioneer consumers' society attached to the Belgian Socialist movement. At least ten other members of the Central Committee, however, approved Anseele's nomination. This incident was the first manifestation on the international level of ideological differences which already existed with the French Consumers' Co-operative Movement.

### *The Constitution*

Consideration of the constitution of the Alliance by the Executive Bureau began its meeting of 7 February 1896, when Greening submitted a draft which had been sent to him by Charles Robert. Henry Wolff had also been discussing certain constitutional proposals by correspondence with various members of the Central Committee. After discussion it was agreed that Wolff should assemble all the suggestions put forward and submit them to a later meeting. He was ready within a month, but consideration of his draft constitution was postponed from one meeting to the next without ever being approved for submission to the Congress by either Bureau or Central Committee. The Congress, at its opening sitting on 28 October, 1896 appointed a special commission on the draft rules and constitution, on whose

behalf they were presented to Congress two days later by Charles Robert in the capacity of rapporteur. The Commission was composed of H. Abt (Switzerland VOLG), E. de Boyve (France), E. Cavaliere (Italy), J. C. Elias (Holland), Charles Robert (France), and J. C. Gray and H. W. Wolff (Great Britain). The draft, with an introduction by Charles Robert, was circulated to all delegates.

### **Objects**

In the Congress debate, the very first article, which stated the objects of the Alliance, encountered opposition. The London resolution, on which it was supposed to be based, named as the second object of the Alliance “to elucidate the nature of the true principles of Co-operation”. What was offered to Congress in its place was the following long and rambling paragraph:

- 2 To study jointly, with a view to the amelioration of the lot of the working classes and to the propagation, in co-operative societies of every kind, amongst the people and public opinion of the whole world, the true principles and best methods of Co-operation in all its forms, organised without state intervention, of profit-sharing, of the association of capital and labour and the remuneration of workers and employees, taking as a basis the deliberations of the Congress of London (1895) but without claiming to impose on anyone, as a condition of admission to the Alliance, the observance of any uniform type of statutes, system of regulation.”

The confused impression given by the above text would appear to be the result of efforts, doubtless well-intentioned, to please everyone which in effect satisfied no one. Thus Charles Robert explained, that the phrase “organised without State intervention” had been inserted at the insistent request of Dr Crüger, Director of the General Union of German Industrial and Economic Societies. Next he had to present a declaration, made in the name of the Consultative Chamber of Workers’ Productive Societies and signed by 43 Congress delegates, demanding, in direct contradiction to the final sentence of the paragraph, that profit-sharing with workers should be essential for any kind of co-operative admitted to membership of the Alliance. Charles Robert had no choice but to oppose any amendment to the rule in this sense, for he knew that its adoption would inevitably entail the withdrawal from the Alliance of the consumers’ organisations which formed the great body of the British Section. This was confirmed by J. C. Gray who emphasised that the membership of the majority of British Co-operatives did not accept profit-sharing, although leading co-operators might believe in it. Edouard de Boyve supported him, contending that to attempt to compel the British societies to change their system on pain of expulsion would be the death-sentence of the Alliance.

At this point Edgar Laroche-Joubert, manager of the co-operative paper-mill at Angoulême, proposed an alternative amendment, that it was an object of the Alliance to hasten the time when all co-operatives of whatever type would extend profit-sharing to all their employees and include this provision in their rules. Laroche-Joubert's amendment was supported by Greening. The chairman, Jules Siegfried, seized the opportunity of putting paragraphs 1 and 2 to the vote and thus securing their adoption. The debate resumed upon further amendments which would have made profit-sharing obligatory for all organisations joining the Alliance after 1 January 1897. The proposal of Laroche-Joubert, however, found more support from moderate French opinion as well as from Dutch and Italian delegates, and it was finally adopted by a large majority.

### **Neutrality**

The other Article in Chapter I of the rules includes a celebrated phrase which, despite all the adjustments and alterations which have been made over the years, has remained almost unchanged since its adoption by the Congress of 1896:

“Art. 2. The Alliance does not concern itself with either politics or religion. Co-operation is a neutral ground on which people holding the most varied opinions and professing the most diverse needs may meet and act in common. In order to maintain this neutrality, on which the unity of the Co-operative Movement depends, every person and association in membership with the Alliance recognises that Co-operation is self-sufficient and must not serve as the instrument of any party.”

Charles Robert went on to propose, in the name of a number of individuals, this amendment: “founded on respect for freedom of employment and individual property”, to be inserted after the word Co-operation in the last sentence. His attempt to justify his proposal even led him to suggest that the Socialists should form a separate organisation. Fortunately for him and for the draft Article, the Socialist co-operators were quite content with the original text which remained unamended.

### **Membership**

Chapter II of the rules dealt with membership of the Alliance, which should include Co-operative groups, federations and associations and, in addition individuals who were members of co-operative associations. Both types of members should be admitted by a decision of the Executive Bureau on the proposal of a majority of the members of the Central Committee representing the country to which they belonged. Members who were in arrears with their subscriptions could not be admitted to or represented in Congress, and if the arrears were longer than six months, should be struck

off the list by a resolution of the Central Committee. The Central Committee should also submit to Congress a report, on the basis of which the expulsion could be pronounced of any member acting in any way harmful to the interests of the Co-operative Movement and the Alliance. Member organisations were also obliged to deposit a copy of their rules and regulations with the Executive Bureau, to report any amendments from time to time and to supply copies of their journals, reports and propaganda publications.

Chapter III specified the financial resources of the Alliance as: members' subscriptions; donations and bequests; income from property, and laid down minimum subscriptions for associations of 10 shillings and for individuals of 5 shillings per annum respectively. Chapter IV fixed the headquarters of the Alliance in London. Chapter V dealt with the constitution of national sections, which might be either specialised, representing a given branch of Co-operation, or be composed of a number of different types of co-operative society. Their constitution had to be approved by the Central Committee, acting on the advice of its members who represented the country in question. Each Section should appoint a correspondent to maintain relations with the Executive Bureau, as well as to collect and transmit members' subscriptions to London. National Sections would be responsible for developing commercial relations between co-operatives within each country and could co-opt specialists for this purpose. The Central Committee could create national sections in countries where none yet existed and appoint suitable persons to exercise their functions.

### **Democratic Machinery**

Chapter VI laid down that an International Co-operative Congress should be convened by the Alliance at least once every three years. Art. 20 provided that the Congress should consider general questions of interest to co-operators in different countries, receive a report from the Central Committee on its work since the preceding congress, consider draft resolutions submitted to it and elect the Central Committee. The later Articles of this Chapter consist of regulations, most of which were later embodied in standing orders. Chapter VII defined the functions and powers of the Central Committee and its Executive Bureau. The Central Committee should consist of 30 members, appointed by Congress, one half of them to retire and be eligible for re-election at each successive congress. The representation of each country should be fixed by Congress, having regard to the size of the movement in each country. The Executive Bureau was to consist of a chairman, vice-chairman, treasurer and one or more secretaries. The Central Committee was to be responsible for the handling of all current affairs, being kept informed by the Executive Bureau of all events of

importance and voting, when necessary, by correspondence. An additional Article, proposed by Laroche-Joubert, provided that all decisions of the Central Committee or Executive Bureau regarding admission to membership, penalty for non-payment of subscription, expulsion from membership, approval or rejection of the constitution of a national section, must be carried by two-thirds majorities of the members present. Interested parties dissatisfied by such decisions might appeal against them to the next Congress. On the final day of Congress the strength of the Central Committee was raised to 37 members, of whom France and Great Britain had 6 each, Italy 4, Germany 3, and the rest of the 16 countries represented 1 or 2 each. Non-European countries represented in this Central Committee were Australia, the United States and the West Indies (Barbados).

Whereas in London the previous year the dominant element in the Congress had been the strong British delegation, mainly from the consumers' societies, in Paris the dominant element was French, with strong representation of the workers' productive societies, firms practising co-partnership and the *Société pour l'Etude de la Participation aux Bénéfices*, as well as the other producer interest, the agricultural co-operatives and syndicates. The consumers' societies were in a minority, which was itself divided between the politically neutral co-operatives affiliated to the *Union Co-operative* and the socialistically-inclined co-operatives. Hence the disposition, on the part of Charles Robert and Edouard de Boyve, to emphasise differences between co-operative and socialist doctrine rather than between co-operative and capitalistic practice.

### *Co-operation and Co-partnership*

The second day of the Congress opened with the presentation of a paper on the role of Co-operation and its practical application by Henry Buisson, manager of the productive society of working painters, *Le Travail*, and the Bank of the Workers' Productive Societies. Buisson's paper attempted to define the place of Co-operation in modern social evolution and its mission, which was to lead the way to a new social order by reconciling the just claims to remuneration of labour, talent and capital. In his view, the principle of equity was the basis of co-operative theory but his suggestions for the division of surplus in consumers' societies ignored the dividend on purchases system entirely (the consumer being recognised simply as a shareholder). No delegate from the consumers' movement stood up to challenge his concept of equity. Instead a French delegate presented, on behalf of nine consumers' societies of the Paris area, a declaration to the effect that they found in the premises of Buisson's paper a justification of revolutionary

socialism. This drew from Charles Robert a long intervention protesting against the introduction of political considerations, but did not prevent a unanimous adoption of Buisson's conclusions which, without recommending any uniform method of division, asserted that all genuine systems of Co-operation and co-partnership sought "in the spirit of justice to distribute the value of the products of labour in proportion to the contributions made by the different factors of production, taking account of the financial and physical risks incurred by each."

The ground was thus well prepared for Greening's attempt to secure for profit-sharing and workers' co-partnership an established place in the aims and activity of the Alliance, thereby demonstrating his fidelity to the ideas with which Vansittart Neale and he had begun their work in 1892. Greening submitted to the Congress a short paper to which was annexed a resolution to set up a permanent international commission on profit-sharing. The resolution, which was adopted by the Congress with only slight amendments, provided that the Commission should be elected by the International Congresses; that it should consist of one or more members from each country; that it should define the meaning of the terms co-partnership and profit-sharing, besides collecting statistical and other information in its field of study; that it should receive from the Alliance whatever financial grant the latter could afford to make, but might accept voluntary contributions. The Commission was elected immediately and consisted of 20 members from 10 countries, Great Britain and France having five representatives each.

### **Inter-co-operative trade**

The short time devoted by the Congress to Agricultural co-operation was mainly taken up by the presentation of a paper by Dr W. Havenstein, Director of the Rhineland Union of Agricultural Societies, on the Agricultural Co-operative Movement of Germany. The author in his conclusion pleaded, in the light of the industrialisation and urbanisation of his own region, for a good understanding and direct business relations between the agricultural co-operatives and the consumers' co-operatives springing up in the towns. On the third day of the Congress Henry W. Wolff presented a paper in which he emphasised that the purpose of inter-trading was to assist co-operative development and urged co-operators not to be contemptuous of small beginnings. He advocated local or national committees, working in conjunction with a central bureau in London. These committees, taken together, would constitute the Committee of the Alliance for international trading relations. A resolution embodying these suggestions, but also laying down two important directives, proposed by delegates of the French agricultural co-operatives, was

passed at the close of the discussions. These directives enjoined the consumers' societies, when purchasing supplies, to give preference to the industrial or agricultural productive societies, when qualities and prices were equal, and the productive societies to quote the consumers' societies their most favourable terms and allow the latter a share in their profits.

### **Statistics and a Rainbow Flag**

Other decisions of the Congress have considerable historical interest. One was the first attempt to collect international co-operative statistics and to publish them in a year-book. The original suggestion came from Henry W. Wolff and was elaborated in a paper by M. Moron, a high official of the French Ministry of Commerce and Industry. Moron's proposal was that the Alliance should set up a permanent commission to take responsibility for the central collection of statistical data through the co-operative federations already existing. The year-book should contain information on the geographical distribution of various types of co-operative organisations, statistical tables, and other information of interest to co-operators. The cost should be met by a special grant from the Alliance, subscriptions, donations and revenue from advertisements. The proposal was adopted and a commission elected, which consisted of 20 co-operators from 13 countries.

Another suggestion, emanating from the French National Co-operative Congress, was that there should be an universal co-operative festival, which might be held on the third Saturday in August, the date chosen for the British Co-operative Festivals at the Crystal Palace. M. Bernardot, manager of the *Familistère* at Guise, proposed the design of a flag for the Alliance which "would be composed of the seven colours of the prism, the elements of the great light which illumines the world. This flag would be for humanity a symbol of alliance and for us of the social renewal which we all desire. At Co-operative Festivals in every country it would be hoisted alongside the national flags as an extension of the fatherland and a manifestation of universal brotherhood." The proposal was remitted by Congress to the Central Committee.

### *The Balance of Power Shifts*

The first Congress of Paris endowed the Alliance with a definitive constitution which, although developing along with the Alliance's own growth, remained for over two generations essentially the same in form and function. At country level the constitution provided for the establishment of

national sections, consisting of members of the Central Committee, plus other representatives of the several branches of the Co-operative Movement. They were to maintain liaison with the London headquarters; engage in international propaganda; promote inter-co-operative moral and commercial relations; collect membership contributions and so forth. In addition, three *ad hoc* commissions were charged respectively with the study of profit-sharing and co-partnership, the promotion of inter-co-operative trade and the collection and publication of statistics. One of the first tasks of the Executive Bureau was to confirm that the Central Committee and the commissions were properly manned, to allocate what financial assistance the ICA could afford and to give the commissions guidance and support when necessary. The Executive Bureau had also to prepare for the next Congress which was to be held, on the invitation of Mr J. C. van Marken, head of a large distilling enterprise practising co-partnership, at Delft in Holland within twelve months, for one reason because the zealots of the Parisian co-partnership organisations were not willing to wait three years for profit-sharing to be made a condition of membership of all the co-operative trading organisations joining the Alliance.

### **Difficulties—theoretical**

The programme of activity enthusiastically envisaged at Paris was obviously much too ambitious for the resources of the Alliance. Moreover, twelve months were too short a period for the commissions to achieve results substantial enough to merit consideration by a Congress. The time which their members could spare from their national functions for international work was severely limited. The British members of the commission on profit-sharing obtained the consent of the rest to their starting work immediately and Greening, with the approval of the Executive Bureau, offered to finance it. Almost at once, in attempting to define the scope of their studies and enquiries, they ran into difficulties of definition. On profit-sharing they succeeded in reaching agreement, but on co-partnership they laboured for months with no satisfactory result. As the Delft Congress drew near they were obliged to adopt provisionally, not a definition in the strict sense, but a description of co-partnership, drafted by Aneurin Williams in the following terms:

“Co-partnership is a system under which the actual employees of any business have, in right of their labour, a substantial share, fixed in advance, in the profits thereof, and in which they have also an effective share in the capital, control and responsibilities.”

The difficulties lay in distinguishing between enterprises, in which



there was a genuine partnership between employees and employed, and those in which the shares of the subordinate workers in profits and administration were derisory. The explanation of the commission why no better description could be offered was that the co-partnership movement was still in the early stages of its growth and feeling its way.

### **Difficulties—practical**

The Trading Relations Committee encountered its own difficulties in the shape of an almost entire lack of systematic information on its appointed field of enquiry and of means of assembling it. It was hoped, when the committee was first appointed at the London Congress, that the national federations would assemble the information about the supply of and demand for various commodities amongst their affiliated societies. Later it was thought that the national sections would be the proper bodies to establish centres for inter-trading and form their own expert working groups to conduct them. The functions of the international committee would accordingly be largely those of making national information internationally available and linking the centres one with another. As things turned out both the secretary of the Trading Committee and the Executive Bureau were continually receiving enquiries from individual producers' societies, both agricultural and industrial, seeking outlets for their products. The secretary did his best for them, but this was not the kind of work for which the committee was formed. Nevertheless there were interesting examples of inter-trading which displayed an enterprising spirit, as when Greening's Agricultural and Horticultural Association gave an order for printing its coloured seed-packets to the lithographic workers' productive society in Paris. At a meeting of the British element of the Trading Relations Committee the idea was suggested that a catalogue should be published showing the products of various types of co-operative organisation country by country, complemented by depots for the display of samples at convenient centres. Estimates for printing the catalogue were obtained but the Delft Congress had come and gone before the circular inviting support for the catalogue was issued.

The Committee on Statistics was more fortunate than the other two in that, at a very early stage, the Comte de Chambrun intervened and placed the sum of Frs 10,000 at Henry Wolff's disposal to finance its work. The British members of the committee obtained the consent of the others to their acting as an executive and, it was possible within a short time, to issue a questionnaire in English, French and Italian for circulation to co-operative organisations in the appropriate countries. Certain circumstances peculiar to Germany and Austria made the questionnaire inappropriate to their Co-operative Movements, but the data required could be

estimated from the most recent official statistical publications. The statistical volume was, however, not ready in time for the next congress, nor were its contents as complete as was originally intended.

### *The Congress of Delft*

The Congress of Delft appears to mark the apogee of the influence of the twin concepts of profit-sharing and co-partnership and of their adherents in the Alliance. Henry Wolff, while recording the disappointment of Dr Hans Crüger, the first German delegate ever to attend an ICA Congress, who called it a Congress not of Co-operation proper, but of profit-sharing, claimed that the Congress gave a considerable stimulus to Agricultural Co-operation. This was due to the strong representation of Dutch Agricultural Co-operation in the Congress and the original achievements in dairying and marketing they could display to their visitors. Nevertheless, the fact that the venue of the Congress was Agneta Park, the settlement in which the workers and managers of the group of co-partnership enterprises directed by Mr van Marken resided as one community, was decisive. Moreover, Mr van Marken was chosen to preside over the Congress and he delivered an impassioned inaugural address, based on his practical achievements and overflowing with his idealistic faith.

The four main subjects on the agenda were accordingly Profit-sharing and Co-partnership; Co-operative Legislation in Different Countries; Agricultural Co-operation, and Trading Relations. For the preliminary discussion of these questions the Congress was divided into four sections, each of which reported to a plenary sitting. The official report yields little evidence that this was a successful method and it was never adopted again. A much more serious defect, however, resulted from the composition of the Congress. It was only to be expected that, as with the two preceding congresses, the delegates from the host country would outnumber the other delegations. But the Congress of Delft was attended by persons who had acquired delegates' credentials for the main purpose of riding their own hobby-horses and the debates were several times sidetracked by their interventions. From the point of view of consumer co-operators whose chief interest in the Movement did not appear on the agenda at all, these digressions were a waste of time. There can be little doubt that this experience hastened the constitutional reform, sooner or later inevitable, which put an end to membership in the Alliance of individual persons and enabled the consumers' organisations to acquire power and influence commensurate with the financial support they were already giving.

## *The changing industrial and social environment*

If the story of co-partnership was subsequently one of decline, that is due to the presence in the Alliance of elements representative of economic interests and a social outlook that were destined to grow rapidly in power and importance in the next few years. The underlying cause was of course, the accelerating industrial transformation, accompanied by rapidly increasing numbers of wage-earners and unprecedented urban growth. This was going forward, not only on the great coalfields of Germany, France, Belgium and the Austrian Empire, but also where electricity could be generated by water-power, as in Scandinavia, Finland, Switzerland and northern Italy. The forms of Co-operation which best suited these conditions were the consumers' societies and the housing societies. The workers' productive societies which had joined the Alliance under the influence of such leaders as E. O. Greening and Charles Robert, the people's banks, artisanal societies and agricultural credit, supply and marketing societies, which had been largely recruited by Henry Wolff, were mainly concerned with defending their members against the depressing effects of the new industrial system, not only upon their standards of living but also on their social status. But by the end of the nineteenth century the industrial transformation had already been in progress so long and had proceeded so far in certain directions, that at least one generation had been born under the new industrial system, had no thought of resisting, still less of reversing, the tendency towards proletarianisation, but rather wanted to make itself as comfortable as might be under the prevailing conditions. This generation was interested, not in abolishing or reforming the wage-system, but in maximising the purchasing power of its earnings. For bargaining over wage-rates and working conditions it organised trade unions; for securing good value for the wages it had to spend it turned first to consumers' co-operation and later to co-operative housing.

## *Consumers' Co-operative Development and Doctrine*

From 1890 onwards the consumers' co-operative societies in European countries clearly recognised the advantages of federation and, if first attempts were unsuccessful, they persisted until they had established effective central purchasing agencies, as for example, in Germany, France, Switzerland, Denmark, Belgium. The two British Wholesale societies were a generation older. Growing up in a period of rapid commercial and industrial expansion for Britain they were well-capitalised and had advanced from simple wholesaling into import trade and the manufacture of many

of their societies' staple requirements. Their development indicated the lines on which the younger wholesales should hope and try to evolve. While neither the CWS nor the SCWS hastened to join the Alliance, they both became more conscious internationally and increasingly exchanged information and experience with their counterparts on the continent. The latter, on their side, kept in touch with every important move in Great Britain and sent deputations to make study visits, the most important of which, from the number of participants as well as from its consequences, was probably that made by the Supervisory Council of the German Wholesale Society, GEG in 1898. Working to supply a market already organised, well-capitalised, avoiding the difficulties of workers' participation in administration, the productive enterprises of the Wholesales seemed to have a better record of success than alternative forms of co-operative production. Federalism became an accepted doctrine of the consumers' Co-operative Movement.

This doctrine, besides its practical justification by success, received a theoretical justification at the hands of academic friends of Co-operation, of whom the most eminent was Professor Charles Gide. In the second half of the nineteenth century, the ideas of economists about the forces determining market values underwent a radical change. The Ricardian labour theory of value, on which some early socialists based the workers' claim to the whole of the product of their labour, was largely abandoned in favour of theories which recognised the marginal or final utility of a commodity as the determinant of its value. It was not the labour put into a product by its makers which regulated its value but the quantity available in relation to the demand for it, measured by what those who would use it would pay for it. When a consumers' co-operative substituted for the traders' profit a surplus which it divided among its members according to their purchases, it was doing no injustice to the workers it employed, provided that it paid them trade union rates of wages and allowed them as consumers to share in its benefits. This transformation of profit applied, not only to primary consumers' societies, but also to the distributive and productive operations of their federations. Moreover, the traditional distinctions between production and distribution and between goods and services could no longer be maintained. The shop which supplied groceries and provisions was as much part of the productive process as the farm on which wheat is grown or livestock reared, or the dairy in which butter is made or the mill in which flour is ground.

Charles Gide was one of the earliest economists to recognise the importance of the consumers in modern economy, but he was also a close colleague and friend of Edouard de Boyve when the latter began to promote a consumers' Co-operative Movement on Rochdale lines in France. In his

lectures and addresses to co-operators Gide drew attention to the economic power which consumers could wield in association. This power enabled **them to organise distribution** according to their own requirements but also, **through co-operative federation**, to extend their power so as to include the several stages of production right back to the extraction of raw materials, no less than many kinds of auxiliary services, such as banking and insurance. The example of the English and Scottish Wholesale Societies was there to prove that such a programme was no voyage to utopia.

The consumers' societies need no longer regard themselves as an elementary form of Co-operation in a scheme of development culminating in workers' co-operative production, as had been pictured by Ludlow and with certain differences, by Schulze-Delitzsch. They could regard themselves as the pioneers of a new economic system, a co-operative commonwealth or economic republic which would be the complement of political democracy in the social order of the future. Such a consideration came to be accepted all the more readily as socialist thought tended to become less revolutionary and more evolutionary. In Great Britain Fabian ideas of a gradual socialistic advance, in Germany Revisionism, gained ground at the expense of earlier doctrines. The study of the Co-operative Movement by Beatrice Potter (Mrs Sidney Webb) which was published in 1892, influenced a whole generation of social-democratic co-operators, not in Great Britain alone, who recognised the affinities between consumers' Co-operation and the organisation by state and municipality of economic enterprises as public services. In the decade which followed the Congress of Delft power and leadership in the International Co-operative Alliance were taken over to an ever increasing extent by co-operators sharing or influenced by these ideas.

### *Constitutional Reforms*

The shadow of coming events was first clearly seen at the meeting of the Executive Bureau on 4 July 1898 when J. C. Gray reported that the International Relations and Foreign Enquiry Committee of the British Co-operative Union had passed a resolution in favour of, first, the abolition of individual membership of the Alliance; second, the election of the members of the Central Committee by the National Organisations. Greening naturally declared his opposition to these proposals and at the next meeting he was supported by a letter from Charles Robert. As the proposals became more widely known, other letters opposing them were received from Ludlow, Joseph Greenwood and Mikhail Avramovich, but Dr Crüger of the German General Union expressed approval of the Co-operative Union's

recommendations. Greening sought an interview with the United Board, as the Union's Executive was then called. After hearing him, the Board requested the International Committee to reconsider its resolution. It did so, but left it substantially unchanged, to receive the endorsement of the national Congress at Cardiff. Gray next called attention to the position of certain members of the Central Committee who had neither paid subscriptions as individual members nor been nominated by any co-operative organisation. Four members who failed to regularise their situation before the second Congress of Paris consequently lost their seats according to the rules.

Throughout the period between the Delft and the Paris Congress of 1900 the Co-operative Union was propagating the idea of International Co-operation amongst its affiliated societies. Out of 54 organisations, reported as joining the Alliance between 1897 and 1900, 44 came from Great Britain. The latter included the two Wholesale Societies. The SCWS affiliated soon after the Delft Congress and its chairman, William Maxwell, was appointed to the Trading Relations Committee. The CWS at first did not respond to the suggestion of the British National Section that it should join the Alliance, but early in 1899 Gray interviewed the Finance Committee of the CWS Board, after which the Wholesale affiliated and its secretary, Thomas Brodrick, was invited to present a paper to the Paris Congress the following year.

At the Paris Congress J. C. Gray moved a resolution, submitted originally in the name of Duncan McInnes, instructing the Central Committee to lay before the next Congress the necessary modifications in the constitution and rules of the Alliance to provide that:

- (a) Only societies which in each country serve the interests of Co-operators should be admitted to membership of the Alliance. In principle, and apart from the exceptions mentioned below, the title of member of the Alliance is granted to no individual person;
- (b) In countries where no co-operative organisation exists which can be considered as representing Co-operators, persons who are interested in Co-operative ideas and who work for Co-operation may be admitted as members of the Alliance and act on behalf of these countries, until the above mentioned co-operative organisations shall be established.
- (c) Members of the Central Committee shall be elected by the societies of the countries which they represent and not by vote of Congress as at present; in any event, only societies belonging to the International Alliance shall be entitled to vote.

The resolution was opposed by Holyoake, who identified the resolution's defenders with the opponents of profit-sharing at the London Congress, and by de Boyve. Dr Crüger was emphatic in his declaration that the Alliance should be based on Co-operation and that the admission of individual members would alter its character. He proposed an amendment instructing the Central Committee to prepare a plan of constitutional

reform for submission to the next Congress. This amendment was carried in the following terms:

“With the object of enlisting the Co-operative associations of all countries to participate in the work of the International Co-operative Alliance, Congress declares that, in the interest of the Alliance, the Central Committee should take steps as early as possible to submit to the next Congress the modifications which seem to it to be necessary in the constitution and rules of the Alliance, having regard to the practical experience gained during the existence of the Alliance.”

An invitation conveyed by John Shillito, Chairman of the CWS and by J. C. Gray, General Secretary of the Co-operative Union, to hold the next Congress at Manchester in 1902 was accepted by an overwhelming majority. In the Executive Bureau elected by the new Central Committee, Greening and Greenwood, partisans of co-partnership, were outnumbered by Gray, Hardern and McInnes, partisans of consumers' co-operative federalism. The elimination of individual membership was almost a foregone conclusion.

### **A period of inertia**

The other decisions of the second Congress of Paris could not be other than of minor importance. Henry Wolff, who presented the report of the Executive Bureau, disclosed that neither the Commission on Profit-sharing nor the Statistical Commission had met since the Congress of Delft. Profit-sharing and co-partnership had lost two devoted champions in the year 1899. In the February Thomas Blandford, that rare spirit who had given the Co-operative Productive Federation its five most successful and expansive years, died while still a young man. In the following July came the death of Charles Robert, the animator of the French Society for Profit-sharing and secretary of the Co-operative Union. The Comte de Chambrun, patron of the Statistical Commission, died in the same month as Blandford. The international statistical study of Co-operation, which his munificence had financed, was published in 1898 and a small unused surplus, equivalent to £48 7s, was transferred to the general funds of the Alliance. There was no money available to produce a year book, as once was hoped. The Committee on Trading Relations, through its British members, had not been inactive. In addition to assisting a number of individual efforts to establish trading relations, the Committee compiled, published and distributed gratis 3,000 copies of a catalogue of products manufactured by co-operative societies, the costs being covered by the sale of advertising space. Through limiting its activities the Alliance had at last become solvent and there was enough money in hand to make a final payment to Greening.

Wolff also presented a paper on "Means of Developing the Action of the Alliance" in which he painted a realistic picture of the inertia into which many members of the Alliance had sunk and sharply reminded the delegates that, if they hoped for successes, they must maintain constant touch with the Alliance, keep it well-informed of their activities and supply it with adequate finance to publish its own press organ. He submitted proposals designed to increase the number and reinforce the activity of the national sections, to ensure that the ICA Secretariat received regularly reports of important changes of constitution and rules, besides copies of all publications, including journals, reports and propaganda material; and to organise the circulation amongst the national sections for their consideration and comment all kinds of practical suggestions for promoting inter-trading and profit-sharing. These proposals were adopted with a recommendation in favour of fraternal visits between neighbouring countries on the occasion of congresses or other co-operative celebrations.

### **Work of the Bureau and Secretariat**

The newly appointed Executive Bureau lost little time in tackling the tasks remitted to it by the Paris Congress and the Central Committee. It entrusted the first drafting of the proposed new rules to a sub-committee. National Sections and members of the Central Executive who had proposals to make sent their drafts to the Executive Bureau. The Dutch Section, for example, wished the Alliance to appoint a General Secretary and to convene a meeting of the Central Committee in the summer. Early in 1901 it was reported that National Sections had been established in Great Britain, Holland, France, Denmark and Spain. The formation of further national sections was suggested to Antonio Maffi, secretary of the *Lega Cooperativa* for Italy; to Carl Wrabetz for Austria; G. H. von Koch for Sweden; Colonel Gerebatieff for Russia; Mikhail Avramovich for Serbia; Dr Hans Müller for Switzerland; and Victor Serwy, secretary of the Federation of Consumers' Societies, for Belgium. Greening's suggestion that the ICA should establish its own international reference library of works on Co-operation with a nucleus of material contributed by its affiliated national organisations was adopted immediately in April 1901. Enquiries were also made into the cost of publishing a monthly journal in English, French and German editions.

The Executive Bureau was finding its work becoming easier, not merely because of the larger subscription income, but also because of efficient office arrangements. In November 1899, the ICA began to rent an office from the Co-operative Institute Society at No 19 Southampton Row. In the same month its assistant secretary and cashier, Mrs Hall, died. In her place Miss J. Halford was engaged on a half-time basis at a wage of



£1 per week, with extra pay if she used her typewriter! Miss Halford attended the second Congress at Paris at the expense of the ICA. That experience doubtless contributed enormously to Miss Halford's understanding of the Alliance and her capable handling of its affairs for several years to come.

### **New members**

The minutes of the Bureau during this period are notable for the appearance of the names of eminent national co-operative pioneers who joined the Alliance as individual members before their organisations were able to apply for affiliation. The founders of the Alliance had come to know the Norwegian pioneer, Oscar Dehli, at an early stage in its history and his co-operative activity, but shortly before the second Paris Congress the ICA received a communication from G. H. von Koch, the founder of the Swedish *Kooperativa Förbundet*, followed by an enquiry about affiliation, and a report on Finland, which led to correspondence with Professor Hannes Gebhardt. Almost at the same time the personal connections which existed with Denmark through Harald Faber and Sven Högsbro were strengthened by the affiliation of Andelsudvalget, the Co-operative Committee which later expanded into the *Samvirkende danske Andels-selskaber*. Between the Paris and the Manchester Congress came the affiliation of the Belgian Federation of Socialist Consumers' Societies and of the French *Bourse des Cooperatives Socialistes*. In 1902 are noted applications for membership from *Kooperativa Förbundet*, Stockholm; the Wholesale Society GEG, Hamburg; the Pellervo Association, Helsinki; and the Rochdale Wholesale Company, San Francisco. In January 1900 the payment of an individual subscription by Hodgson Pratt is recorded, followed about a month later by correspondence with the International Peace Bureau which led on to a resolution, adopted unanimously at the Manchester Congress. This correspondence appears to be the first time the Executive Bureau had to concern itself with the issue of world peace, and presents a contrast with the reply given to W.M. Thompson, the editor of the radical weekly newspaper, *Reynolds News*, when he invited the Alliance in October 1900 to take part in a large political demonstration in the Albert Hall. Mr Thompson's invitation was declined on the ground that political demonstrations were outside the province of the Alliance.

### *The Manchester Congress*

In contrast to the second Congress of Paris the Congress at Manchester displayed a remarkable buoyancy and a business-like spirit. Numerically

it was the largest assembly the Alliance had yet brought together and it was dominated by the representatives of some 200 British organisations, overwhelmingly consumers' societies. Its president was not an eminent sympathiser from outside the Co-operative Movement, but the working chairman of the Executive Bureau, Henry W. Wolff. There were no long lists of patrons or honorary vice-presidents but a handful of invited guests were present, most of whom worked their passage by contributing special knowledge to the discussions. For the first time, also, an exhibition of co-operative produce and manufactures was associated with the Congress. Besides the 59 British and Irish co-operatives which displayed goods, 32 agricultural and industrial co-operatives from 5 countries—Belgium, Denmark, France, Germany, Italy and the Netherlands—sent exhibits. Included in an impressive series of visits was what was for many delegates a pilgrimage to Rochdale, to view the small building in which the Equitable Pioneers Society had its first store. It was in returning thanks on behalf of the delegates to their hosts, the board of the Rochdale Society, that Charles Gide delivered the world-renowned address extolling the wisdom and faith of the Pioneers, which had displayed greater creative power than all the learning of the economists.

### **Peace and arbitration**

The Congress agenda included the discussion of two modern problems of increasing importance for which Co-operation appeared to offer solutions. The themes were expressed in the form of questions: 1 What can Co-operation do to assist in solving the problem of housing the working classes? and 2 What can Co-operation do to assist in solving the problem of settling small cultivators on the land? In a sense, the questions form the obverse and reverse of the same problem, the desertion of the countryside and the overcrowding of the towns consequent upon industrialisation. The discussions took the form of symposia in which much valuable information and many fruitful ideas were exchanged. The final sitting of the Congress was devoted to social and international peace and the responsibilities and potentialities of the Alliance in relation to both. Hodgson Pratt, who presided over the 11th International Peace Congress at Monaco in April 1902, had sent to the Alliance a copy of resolutions adopted by this Congress urging that the International Peace Bureau and national peace societies should approach workers' organisations, including Co-operative Movements, in all countries with a view to collaboration at local, national, and international levels. On the motion of Charles Gide, it was agreed unanimously to declare the readiness of the International Co-operative Alliance to enter into relations with the International Peace Bureau and to co-operate with it for the establishment of universal peace. In response to a



Aneurin Williams



Charles Gide



Heinrich Kaufmann



Ernest Poisson



communication from a former chairman of the British Chamber of Commerce in Paris, advocating a permanent treaty of arbitration between the United Kingdom and France, Congress passed a resolution, endorsing this proposal, which was supported by a representative of every delegation present and carried, says the official report, with enthusiastic acclamation. The function of the Alliance in drawing together all who desired the solution of social questions by peaceful means was, as usual, introduced by de Boyve.

### **Individual membership**

The handling in the Congress of the amendments to the rules drafted for the Executive Bureau by Wolff and Gray was rendered difficult by the fact that the Central Committee had had no opportunity, as a body, of discussing and pronouncing upon them. As a result of the circulation of the draft by post, Congress was faced not merely by the Executive's draft but by four groups of amendments put forward respectively by the Dutch delegation, Dr H. Crüger, E. de Boyve, and by E. O. Greening and Joseph Greenwood jointly. Notwithstanding the restraint of the Dutch, in not pressing any of their amendments but one, and of Dr Hans Müller, who submitted only one of Dr Crüger's proposed changes, Congress was soon aware that discussion of the whole draft, plus amendments, would be impossible. Consent was therefore given for Gray to withdraw the whole of the draft except the proposed new text on the membership of the Alliance. This was moved by Duncan McInnes who declared that the aim of the amendment was to convert the Central Committee into a body that should be the direct outgrowth of the co-operative organisations or unions of societies within the countries of the Alliance. If the present method of election were adhered to, the Central Committee was liable to reflect the views of leading individuals rather than those of the great body of co-operators in each country. Greening, in reply, pointed out that individuals as individuals played no role in the government of the Alliance. They were brought in because of the value of their advice. But for the action of individuals, the Alliance would never have been formed. Holyoake opposed the amendment on the ground that it was an attempt to impose British usages on co-operators in other countries. This contention was neutralised by the declaration of Béguin, of the socialist consumers' societies of Paris, that they held that no individual had any right to take any decisive part in the proceedings of either the Congress or the Central Committee. Aneurin Williams tried to gain support for a compromise amendment giving power to the Central Committee to elect individuals as members of the Alliance, except where the national section decided to the contrary, but this was lost on a vote. The proposed new text, with immediate effect as a rule, was adopted by an overwhelming majority, as follows:

“Rule 3. The International Co-operative Alliance shall be a Union composed, so far as is possible, of Co-operative societies and organisations. In respect of countries in which Co-operation, is, in the opinion of the Central Committee, still so unsufficiently organised as to warrant such a course, it shall be within the power of the Central Committee to elect individuals as members of the International Co-operative Alliance. Such individuals shall have the same rights as members delegated by societies, except that they shall not be entitled to vote singly at Congresses. It shall, however, be within their power to appoint one representative to exercise the right of voting for every ten or an excess fraction of ten members.”

Two other happenings at Manchester should be mentioned. The first was a public meeting on profit-sharing convened on the eve of the Congress. The object of this meeting, which was due to the initiative of the Commission on Profit-sharing, was to form what was called a special Section for Profit-sharing operating more or less autonomously alongside the Alliance and including, not only co-operatives, but other enterprises practising profit-sharing and individual sympathisers. As the meeting was public, opponents as well as supporters of profit-sharing were present and voiced their objections to the introduction of profit-sharing into co-operative societies. A resolution to found the Section, introduced by the Dutch co-operator G. J. D. C. Goedhart, was not even put to the vote. The second happening occurred in Congress when new members of the Central Committee were due to be elected, according to the rules. Objection was taken to the list of candidates, some of whom were retiring members eligible for re-election, others new members nominated to fill vacancies, proposed from the chair. Fresh candidates were proposed in the persons of Victor Serwy for Belgium, L. Héliés for France, William Maxwell for Great Britain. The delegate for Rochester, H. J. May, enquired about the position after the resolution bringing in the new rule and received the reply that the Central Committee must be constituted before it could consider the necessary changes. When it was decided that additional nominations could be made there and then, Greening, followed by Greenwood, declared that he would willingly retire to make room for Maxwell. In the upshot the three British members elected were Wolff, McInnes and Maxwell. Greening's name, in accordance with his wish not to stand against Maxwell, did not go to the vote. Thus ended his service as an officer of the Alliance.

### **A window towards the east**

The Executive Committee (the term Bureau had been going out of use since the second Congress of Paris), elected at Manchester and composed of Wolff, Gray, Greenwood, Hardern, McInnes and Maxwell, held no meeting until January 1903, nearly six months after the Congress. This was not a sign of inactivity but rather that the routine work of the Alliance could be safely left in the hands of Miss Halford. Henry Wolff, the chair-

man, had been touring the Continent, visiting chiefly important agricultural co-operative organisations, not yet affiliated to the Alliance, in the hope of arousing their interest to the point of sending representatives to the next congress, which, it was generally agreed, should be held in 1904 at Budapest.

By the end of the summer the date had been fixed for September 1904 and Count Alexander Karolyi, widely known as the pioneer and leader of Co-operation in Hungary, unanimously chosen to preside. Animating Henry Wolff's persistent endeavours to arrange a successful Congress at Budapest was the conviction that, if an impulse could be given, Eastern Europe would become fertile ground for the upgrowth of Co-operation. Hitherto the accession of new organisations to membership had been sparse. The rapid and vigorous development of co-operative organisations in Hungary, guided by Count Karolyi, had no parallel in any other country east of an imaginary line joining Danzig and Trieste. In order to impress the Congress an enquiry was carried out officially by the Alliance and the results presented in a remarkably comprehensive report which formed a landmark. It was the Alliance's first attempt to explore an economically backward region of the world with a view to effective co-operative development.

### **Membership—losses and gains**

To those persons whose individual membership of the Alliance had been terminated by the adoption of the new rule, the Executive decided to offer the choice of two courses: to arrange to be nominated as delegates of affiliated organisations to the Central Committee or Congress, or, if they wished still to remain attached to the Alliance, to make donations instead of paying subscriptions. The number adopted as delegates or who continued to make donations constituted a minority. The Alliance lost over 100 individual members, largely British and Dutch, with a corresponding decrease in income, but a few individual members were still accepted, eg Col Gerebatieff in Russia, where no affiliated organisation could appoint representatives. The net loss of revenue was diminished by the subscriptions, during the ensuing two years, of about 100 newly-admitted affiliated organisations. Nearly one-half of these were British consumers' societies attracted to the Alliance by the prestige of the Manchester Congress and the circulation around the regional Sections of the Co-operative Union of a paper brilliantly written by Miss Halford. Although new members from other countries were much less numerous, their quality and importance were significant. They included, for example, the Central Union of German Consumers' Societies, with headquarters in Hamburg, newly established by the Wholesale Society GEG and the consumers' societies which had in part been expelled, in part withdrawn, from the General Union of

Industrial and Economic Societies. The admission of the Central Union was duly followed by applications from an increasing number of its member societies. Other affiliates which entered the Alliance in this period are the Union of Co-operative Societies of the Moscow District; the Danish Wholesale Society FDB and a number of Danish Co-operative Marketing Federations; the Co-operative Union of India; the Co-operative Wholesale Society *Hangya*, the Central Union of Credit Societies and several regional organisations, including a German-speaking society in Hermannstadt, from Hungary.

### **Co-operative bibliography**

An initiative taken during this period should not pass unchronicled. This is the decision of the Executive on a proposal, made in a letter by Dr Hans Müller, that the Alliance should compile a universal bibliography of Co-operation. The Executive favoured acceptance of the project and the members of the Central Executive gave unanimous approval. A scheme for the preparation and management of the volume was drawn up by Henry Wolff and an appeal for contributions was circulated to important non-members, as well as member organisations of the Alliance. The immediate response in the shape of material submitted was satisfactory, but completion was held up in 1904 by inability to obtain essential information from France, Italy and Germany. While waiting for this, the office removed to other premises at 22 Red Lion Square, where the Alliance once more became a tenant of the Co-operative Permanent Building Society. It was not until 1906 that the bibliography came off the press.

The reform of the Alliance's constitution, only one point of which was discussed and adopted at Manchester, appears to have been tacitly dropped from the agenda of the Central and Executive Committees. One amendment however was taken up for consideration, relating to the admission of new member organisations. The existing Article 4 of the rules required that groups, federations, societies or individuals could be admitted by a resolution of the Executive Committee "on the recommendation of the country to which these applicants belong." This obviously could not apply to countries in which the Movement was so new as to have no representation on the Central Committee. A new Article was therefore submitted to empower the Congress or Central Committee, when in session, and at other times the Executive Committee, after consulting all the members of the Central Committee, to elect new members. Within the last four weeks before a Congress the Executive Committee could elect new members provisionally, subject to confirmation by the Central Committee at its first sitting during the congress. Applicants dissatisfied by a decision of the Executive Committee could appeal to the Central Committee and from



that body to the Congress. This new rule was adopted unanimously at Budapest.

### *The Congress of Budapest*

According to Henry Wolff, the Congress of Budapest was the most brilliant and at the same time, the most disputacious, of his presidency. Without a doubt it was the one which received the most elaborate documentary preparation. The final report, which included the proceedings, made a volume of over 600 pages, and was the first to be published in German as well as in English and French. More than one-quarter of its bulk consisted of national reports from 25 countries in Europe, Africa, Asia and North America, together with special reports on Women's Co-operative Guilds and on co-operative education in selected countries. The principal themes on the agenda were introduced in the customary manner by specially-written papers but the groundwork of facts was supplied under each title by a series of national reports. This impressive mass of information was of great practical value then, as it is of historical value today. It remains as a monument to the inexhaustible enthusiasm and industry of Henry Wolff. It would almost seem, however, that Wolff's very preoccupation with making a success of the Congress as a great feast of co-operative knowledge and ideas prevented him from observing or anticipating reactions to the Congress debates which were bound to affect for good or evil the composition and future development of the Alliance.

The inaugural address of Count Alexander Karolyi was lofty in tone, and remarkable for its correlation of the practical aims and achievements of the Hungarian Co-operative Movement with certain universal aspects of Co-operation. Emphasising at once the oriental origins of the Hungarian people and their participation in western culture, he spoke of Co-operation, with its capacity to eliminate usury and other economic evils, as a cause which would bring together the West, in a certain measure, and the most distant part of the East. He thus revealed a vision of the future of Co-operation anticipating that of the Congress of Paris, exactly fifty years later, which initiated the ICA's programme of technical assistance to co-operative organisations in developing countries. In another passage he anticipated the issue which most deeply divided the delegates, when he remarked that "to initiate an idea, to make it morally influential, State socialism, by its authoritative procedures, had a great chance of succeeding, especially in countries where private initiative is still non-existent. We should desire that State socialism should finally result in guiding, perhaps in spite of itself, towards self-help, and we should dread a contrary result".

## **Co-operative distribution**

The first lengthy debate developed around the paper presented by Dr Hans Müller on the Organisation and Work of Co-operative Distributive Societies in Rural and Semi-rural Districts. This subject had been included at the wish of Henry Wolff who had been struck by the benefits obtainable both for the agricultural co-operative movements themselves and the village population, if the agricultural societies engaged in the distribution of consumption goods, as well as farm requirements. Dr Müller's thesis was virtually the same and he supported it by detailed evidence from Denmark and North-east Switzerland, and a short reference to Finland. Further evidence was supplied in a subsidiary memorandum by Duncan McInnes recounting his experience in the villages around the city of Lincoln in England. The appendent resolution was carried by 125 for to 2 against at the close of the debate, which had in the meantime spread itself over much wider issues. For this Dr Müller himself was partly responsible, first by suggesting that, in the special circumstances of the rural population, some relaxation of such rules as cash payments and sale exclusively to members might be expedient (which brought him under fire from the purists) and second, by concluding his paper with some general remarks on "a new order of economic and social conditions", which the Co-operative Movement aspired to build. These remarks, amplified in Dr Müller's extempore introduction of his paper and trenching on controversial ideological ground, stirred up feelings which were only slightly beneath the surface.

Dr H. Crüger, while approving of Dr Müller's practical recommendations, totally rejected the reasoning on which they were based. He went on to expound the policy of his Union, which was to establish consumers' societies only where they were needed and competent leadership existed. He repudiated the idea of a planned and systematic organisation of consumers as a body in order to combat or by-pass capitalist economic enterprise. So far from being an instrument for the reform or transformation of the existing economic order, the consumers' society formed, in his view, a part of the contemporary economic system. To indulge in such utopianism, as was involved in Dr Müller's arguments, would only increase the numbers of Co-operation's opponents. The same concern was differently and even more explicitly expressed by Dr Klingenbiel of the German Raiffeisen Union who declared that his Union's policy was to discourage the formation of rural consumers' societies, because of the existence in Germany of a numerous middle-class of traders and artisans, who on the whole did not exploit the public, and to threaten whose economic existence would be, on Christian principles, unneighbourly.

This challenge on grounds of principle to the right of Consumers' Co-operation to its own place and function in modern economy provoked direct rebuttals from J. C. Gray and Frau Steinbach, delegate of the Hamburg Consumers' Society *Produktion*, and found somewhat confused support from Carl Wrabetz, Dr Crüger's counterpart in Austria, who at once characterised the consumers' society dealing solely with its members as non-profit-making, but denied that it was the Rochdale Pioneers' aim to reorganise the economic system. For this he cited the authority of Holyoake, the Pioneers' historian, only to be refuted by appeal to the same authority. However, the Hungarian co-operators, for whose benefit the subject had been placed on the agenda, directed their interventions for the most part to the practical implications of Dr Müller's paper and applauded his reply to the discussion in which he sharpened the differences between Consumers' Co-operation, capitalism and Christian ethics. The extortions of the village trader-cum-moneylender rankled too keenly in their minds for the argumentation of Herr Klingenbiel to carry much weight with them.

### **Co-operation and State aid**

The second long debate centred upon "The Duty of the State towards Co-operation. Should it subsidise it or not?" Count de Rocquigny, who could speak with authority on agricultural Co-operation in France and several other countries, presented a paper in which he endeavoured to justify an advance on the position taken up in the resolution proposed by Henri Buisson at Delft, that the State should not interfere with the free growth of Co-operation but rather encourage Co-operation in all its forms and, through liberal legislation, enable the largest number of persons to share in its benefits. De Rocquigny's intention was to indicate what more positive attitudes and measures could be adopted by government without weakening the people's own efforts at self-help. That State intervention had favourably contributed to co-operative development was for him an undoubted fact which had to be accepted by the Movement, even while it affirmed that its true basis was self-help and voluntary mutual aid. He therefore submitted a resolution, the final two paragraphs of which ran:

- 1 That Co-operation is by reason of its social value entitled in all countries whatsoever to benevolent and even favourable treatment on the part of public authorities.
- 2 That in such countries in which state intervention, applied in the form of subventions or advances, is held to be necessary for the development of Co-operation, such intervention should be moderate and temporary and should scrupulously respect the self-government of Co-operative institutions.

The attitude of de Rocquigny's opponents was stated uncom-

promisingly by Dr Alberti, German General Union, who moved an amendment to delete the second of the above paragraphs. He reaffirmed the terms of the motion he had proposed at the second Congress of Paris which declared that the formation and management, as well as the provision of capital, of co-operative societies should be left to private initiative and that every financial subvention from the State should be rejected. Opinion in the Congress was divided according to the previous experience of the different countries and movements. Those movements which had been launched in the heyday of economic liberalism and State policies of *laissez faire* and had won their way to success with little governmental favour and absolutely no financial help from the State, took their stand with Dr Alberti. They were chiefly the Schulze-Delitzsch people's banks in Germany, Austria and Transylvania and the consumers' movements of Great Britain and Germany. William Maxwell, president of the Scottish CWS, along with Professor J. F. Schär of the Swiss Co-operative Union, VSK, took a line between the two extremes. Hungarian opinion was divided. The opinion of agricultural co-operators was on the whole favourable to State financial aid, but there were many differing shades of opinion. No less than five amendments (including Dr Alberti's) were proposed to Count de Rocquigny's resolution. Dr Hans Crüger forced the issue by maintaining that an international congress had no right to base its judgement on the peculiar position of any one country and could not pass any other than general resolutions which, in order to have any authority, should be unanimous. While other proposers of amendments were willing to withdraw them in order that Count de Rocquigny's resolution might go to the vote, Dr Crüger was not. The deadlock was circumvented by the adoption, on his motion, seconded by J. C. Gray, of a resolution to pass to the order of the day.

### **Assistance for younger movements**

In contrast to this inconclusive debate, the discussion on the organisation and functions of central banks in co-operative banking and credit systems, introduced by Henry Wolff and backed by ample documentation from Austria, Belgium, France and Germany was practical and business-like. It concluded with a resolution calling attention to the advantage of centralisation and recommending all types of distributive and productive societies to make use of co-operative in preference to private banks. This discussion was followed by one introduced by J. C. Duca of Romania on the backwardness of Co-operation in Eastern and Northern Europe, its causes and the proper remedies. The important survey and report on this subject, already mentioned, had provided Congress with ample information but not many points of difference. M. Duca concentrated on the conditions of his

own country, which exemplified the general conclusions of the report, and the delegates unanimously approved a resolution in favour of a periodic stocktaking of the condition of co-operative organisation in the backward countries, so that it could be assisted by the stronger movements. This last point was further developed in an addendum moved by H. Parini and adopted unanimously in these terms:

“This Congress expresses the wish that the co-operative organisations of the countries which stand at the head of the Co-operative Movement may be led by a feeling of solidarity to come to the assistance of the countries still backward in the Movement, in such manner as thereby to substitute for the assistance, which might otherwise be held to be necessary in some of those countries from the State, the united resources of the Co-operators of all the world.”

On the question of peace Congress was content to reiterate in identical terms the resolution passed at Manchester two years before.

An incident during the election in Congress of the members of the Central Committee seemed to foreshadow some undesired and, indeed, unexpected consequences for the Alliance of Congress debates and decisions. This was the refusal of Baron von Störck, President of the Austrian Union of Agricultural Co-operative Societies, to accept nomination for a second seat for Austria on the Central Committee. Henry Wolff, who was conducting the election, was taken aback, for he had understood, in private conversation with von Störck that he was willing to serve. Von Störck went on to explain that, as the objects of the Alliance were stated to be the promotion of Co-operation in every form “organised without the interposition of the State”, his Union could not be expected to approve his nomination, more especially as Congress had failed to pass Rocquigny’s resolution on State-aid. He went on to offer the Alliance some gratuitous advice on its rules and policy which brought upon him a severe rebuke from Wolff. In an article in the *Review of International Co-operation* for June 1930, Wolff disclosed that the part of nigger-in-the-woodpile was played by Dr Wilhelm Haas, founder and leader of the Imperial Union of Agricultural Co-operatives of Germany. “During the Congress” wrote Henry Wolff “Dr Haas, whom, as a non-member we had, as a matter of courtesy, invited to the Congress, had taken advantage of that opportunity to secure the promise of Baron Störck and other leaders of agricultural societies in eastern Europe, to his projected opposition alliance of specifically agricultural co-operative societies only, which he formally inaugurated at Vienna not long after, declaring that there could be no room in our Alliance, reduced as it was to a Union merely of Co-operative Stores, and that Agricultural Co-operators in Germany could not for the life of them be expected to join an Organisation directed by an Executive Committee resident in England.”

### **Withdrawals and accessions**

Before the end of 1904, the Executive Committee was confronted by a much more serious problem, the resignations of Dr Crüger and his colleague from the Central Committee and 15 affiliates of the General Union of German Economic and Industrial Societies from the Alliance. Here again, the Congress had given evidence of what was to come. At the beginning of the third day's proceedings it was announced from the platform that the delegates of the German and Austrian General Unions would take no further part in the Congress and had already started for home. No doubt they were displeased by the result of the debate on co-operative distribution in rural neighbourhoods but this by itself might not have led to drastic action had it not been a sign of a shift in the balance of power. In 1902 at the Congress of the General Union at Kreuznach, Dr Crüger had secured the expulsion from the Union of the Wholesale Society GEG and about 100 consumers' societies on the alleged ground of breaches of political neutrality. This action was followed by the resignation of some 400 more societies which in 1903 combined with the GEG to form the Central Union of Consumers' Societies, under the leadership of Heinrich Kaufmann, who was already a member of the ICA Central Committee. When a new Central Committee was to be elected at Budapest, Kaufmann demanded the allocation of five seats, instead of four, to Germany, so that the Central Union could have 2 seats like the General Union. His candidate was Heinrich Lorenz, a member of the Board of the GEG, who was in fact elected. At the same time the second Austrian seat, declined by Baron von Störck, was given to another Co-operator from the Consumers' Movement, Ludwig Exner, secretary of the recently founded Austrian Central Union. It is scarcely surprising that Dr Crüger, reporting on the Congress in "*Blätter für Genossenschaftswesen*", the journal of his Union, should describe it from his "liberal" or "individualistic" standpoint, as "a victory for the representatives of co-operative socialism."

The reaction of the ICA Executive Committee to the resignation of Drs Crüger and Alberti was to entrust to Henry Wolff the task of persuading them to reconsider their decision. Wolff did more than write letters; he wrote articles to *Blätter für Genossenschaftswesen* and other German journals putting forward a different interpretation of the events of Budapest from Dr Crüger's. But Drs Crüger and Alberti wasted no time reconsidering their decision. Within a month they had reaffirmed it and the withdrawal of the German General Union was followed by that of the Austrian and the regional unions of Schulze-Delitzsch Societies of East and West Prussia. It would appear that, in the Executive Committee, Henry Wolff himself offered to resign, for the minute which closed the discussion on 2nd November 1904 runs: "At the request of the meeting, the chairman

agreed to defer his resignation pending further developments.” There can be little doubt that the withdrawal from the Alliance of the Schulze-Delitzsch organisations of Germany and Austria and the refusal to join it of the Austrian and German Imperial Unions of Agricultural Co-operatives, notwithstanding the decision of the General Union (Raiffeisen) of Agricultural Societies to adhere, was a severe blow to Henry Wolff and his policy of recruiting all kinds of genuine co-operatives for the Alliance. Not that the policy in itself was mistaken. The proof of its rightness is the fact that the Alliance has always substantially adhered to it. The difficulty was that the members of the Alliance had not yet had time to find sufficient common ground on which a Co-operative doctrine could be established, capable of withstanding the centrifugal forces due to differences of national, economic and class outlook.

### **Membership and finance**

For the Alliance itself, the loss of the Schulze-Delitzsch organisation, although regrettable, was not disastrous or even financially embarrassing. The influx of new members, particularly from national consumers' co-operative movements, continued at a steady rate. By the time the next Congress met at Cremona in 1907 the number of affiliated societies had risen to 632 from 24 countries in Europe, Asia and North America, while the ICA's income from subscriptions exceeded £500 yearly. The United Kingdom still remained, however, the main pillar of the Alliance. The number of affiliated British societies, 371, was over half the total and their subscriptions (£308) were over three-fifths of the Alliance's income. This was due to the persistent propaganda of the Co-operative Union amongst its affiliated societies, facilitated by its nation-wide network of regional and district conferences. The British example was emulated by the German Central Union, over 80 of whose affiliates joined the Alliance in four years. The enthusiasm aroused by the Congress of Budapest brought numbers of Hungarian affiliations. The Austrian Wholesale Society GÖC, and several consumers' societies followed their parent Central Union into the Alliance. The Norwegian NKL joined soon after its formation in 1905. Two notable individuals accepted into membership were Alphonse Desjardins, the pioneer of co-operative credit in French-Canada and Väinö Tanner from Finland. Within a short time afterwards applications for membership were received from the Finnish Wholesale Society SOK and the consumers' society Elanto, Helsinki, and were granted.

The increase in the Alliance's income permitted the employment of Miss Halford full-time instead of half-time. In 1906 she was given a clerical assistant and officially designated Secretary of the Alliance. In the same year the International Bibliography of Co-operation, which had hung fire so

long owing to the difficulty of organising indispensable contributions from France and Italy, was published and sold steadily through publishing firms in London, Paris and Berlin. The policy at this time was not only to supply a copy of ICA publications gratis to member organisations, but also to keep the selling price low, in order to make them accessible to all. This, of course, runs parallel to the policy of keeping the minimum members' subscription at a low level. As it became evident that the ICA's income was not increasing rapidly enough, appeals were made to members to pay more than the minimum subscriptions due under the rules. A number of national federations and the larger primary societies willingly did so, but what was really needed was an entirely new subscription basis, with appropriate scales embodied in the rules.

### **Constitutional problems**

Rules revision was becoming necessary for constitutional reasons also. The arrangement whereby the British members of the Central Committee formed the Executive Committee had obvious disadvantages. The Central Committee never met as an assembly except immediately before and after each Congress. The members constantly received the minutes of the Executive Committee's meetings and other information by post. They were consulted and even voted on important issues, such as the admission of new members, through the same medium. More and more members became dissatisfied with such cumbrous and time-wasting procedures, as well as with the inability of the Central Committee to meet and debate vital questions of principle and policy, and so discharge its proper constitutional functions. Proposals were made more than once for at least one meeting of the Central Committee between Congresses, but even when an invitation from a national federation had been received suggesting a place and date, the number of members willing and able to attend was never large enough to justify the expense. At this period certain members also began to advocate an Executive Committee international in its composition, but this idea was to wait a decade and a half longer for its realisation. Another matter needing reconsideration was the method of electing the Central Committee. The rule required that half the membership of the Central Committee should retire at each Congress but be eligible for re-election. At the meeting which preceded the Congress the Central Committee drew up a list of candidates to be submitted for Congress approval. It was still open, however, for additional candidates to be nominated by the delegates and this tended more and more to happen, as the different branches of Co-operation reached the stage of national federation and their unions were accepted into the Alliance. Disputes unresolved in the Central Committee about the allocation of national representatives



had thus to be settled on the floor of Congress and by voting, if no agreed solution could be found. The feeling tended to spread that these questions of national representation should be settled by the co-operative organisations of the country concerned, not by an international forum.

### *The Congress of Cremona*

The seventh Congress of the International Co-operative Alliance was held at Cremona in September 1907. How it came to be held at that place or, at any rate, in Italy, is by no means clear. The accounts of Henry Wolff and Dr Hans Müller are at once incomplete, inconsistent with each other and not confirmed by the official records. Müller asserts that an invitation was given at Budapest for the Alliance to hold its next congress in Switzerland. There is no record of this in the proceedings of Congress or the minutes of the Central or the Executive Committee, neither is there any record of a formal invitation to come to Italy on the part of the *Lega Nazionale* or any other Italian co-operative organisation. However, the Executive meeting on 20th March 1905 was informed of correspondence with the *Federazione italiana dei consorzi agrari* about holding the next international congress in Italy. At the meeting of 21st March 1906, under the heading "Rome Congress", mention was made of correspondence between Henry Wolff and the Italian members of the Central Committee and the Executive's decision to invite the Central Committee to elect Luigi Luzzatti president of the Congress. Rome apparently proved impracticable as a venue, for Luzzatti later wrote proposing Cremona. The town was the headquarters of one of the most conspicuously successful people's banks and had good communications with other centres of co-operative activity such as Milan, with its famous consumers' society the *Unione Cooperativa*. Luzzatti, in his inaugural address, explained that Cremona had not craved the honour of receiving the Congress, but that Italian co-operators had given way, "as faithful soldiers of this army of social peace", to Henry Wolff's affectionate insistence.

#### **Congress papers**

The Congress agenda was constituted on lines which had by this time become usual. The first general theme was "The National Organisation of Agriculture" for which introductory papers were invited from Svend Högsbro, Denmark, and Dr G. Raineri, Italy. Unfortunately, Högsbro's paper, when received in London, was found not to treat the subject broadly but to be confined almost entirely to the practice of unlimited liability, almost universal in Denmark but abhorred by the Co-operative Movements

of most other countries. In order to correct the balance Henry Wolff was commissioned to prepare an additional paper in which he emphasised the benefits to agricultural prosperity of inter-co-operative trade between agricultural and consumers' Co-operative Movements, as opposed to dependence on State aid. Dr Raineri's paper was almost entirely factual, describing the Italian system of agricultural co-operative organisation. The second broad theme was "The Importance of Wholesale Co-operation" by which was meant the significance of the role of co-operative wholesale societies, more particularly, in the consumers' Co-operative Movement. The subject was entrusted, for the opening of the discussion, to William Maxwell who had been for many years president of the Scottish CWS. His paper summarised the experience of the two British wholesale societies, not only of serving their affiliated consumers' societies, but of collaborating in order to obtain direct access to sources of supply and to set up joint enterprises both in Great Britain and overseas. He went on to ask: "If every country in Europe had its co-operative wholesale society, would it not be possible for all to combine, exchanging the products of the various countries, and thus make the Movement a worldwide federation?" The message of Maxwell's paper was taken up in the two resolutions with which the discussion ended. The first, moved by Heinrich Lorenz of the German GEG declared:

- (a) That in the interest of all forms of Co-operation it is in the highest degree desirable that there should be a Co-operative Wholesale Society in every country, in which co-operative business and co-operative production may be centralised; and therefore it is the duty of the co-operative distributive organisations of every country to organise the formation of Wholesale Societies.
- (b) That it is not admissible that two Wholesale Societies should exist in one country, whereby the concentration and the development of co-operative strength would not be assisted but hindered; but the existing distributive societies should be stimulated as much as possible to give their Wholesale Society every support, so as to enable it to put forth its full strength.
- (c) That it is desirable for the Wholesale Societies of the various countries to support mutual connection together, so as by degrees to unite and thereby strengthen co-operative business throughout the world.

The second, moved by Dr Hans Müller, supplied part of the answer to Maxwell's question above, in these terms:

"That the International Co-operative Congress in Cremona suggests to the Co-operative Wholesale Societies in the different countries that they form a committee to study the question of international joint buying and to take the necessary steps to put existing Wholesale Societies in the way of such joint purchasing."

The chairman's question: who will appoint the Committee? was answered by Victor Serwy who proposed that each wholesale society should appoint one delegate.

The remaining themes dealt, by contrast, more with social aspects of Co-operation. The question: What can Co-operation do to help working men and small cultivators in their daily life? was answered in two papers by Louis Bertrand, Belgium, and Giuseppe Garibotti, Italy. The former described the practical rules and welfare services of the Belgian socialist consumers' societies which were specially adapted to the needs and usages of families with low incomes. The latter dealt with the achievements of the Italian labour-contracting, collective farming and land-renting societies in enabling large numbers of Italian manual workers to obtain self-employment, with a consequent improvement of their living standards and economic security. At the final sitting of Congress, with Maxwell, newly elected President of the Alliance, presiding, a discussion of Women's Part in the Co-operative Movement was introduced by Madame Treub-Cornaz, president of the Dutch Women's Co-operative Guild.

### **H. W. Wolff retires**

The Central Committee which was elected at Cremona showed in its composition that the shift of power, which had been apparent for the preceding five years, was now complete. Henry Wolff, who had offered to resign three years before, did not stand for re-election. In his place J. C. Gray proposed Aneurin Williams, who was elected, along with Maxwell and McInnes. The opportunity was seized by Victor Serwy of paying tribute to Wolff in generous terms, saying that his name would be recorded in letters of gold in the book of Co-operation as one of the pioneers of the International Co-operative Alliance. Maffi (Italy) and de Boyve also spoke in support of Serwy and the applause of Congress was prolonged—all the better, for by some oversight, Wolff was never presented with a report of the proceedings. Other newly-elected members of the Central Committee who were acknowledged leaders of Consumers' Co-operation in their respective countries were Dr B. Karpeles, GÖC, Austria; Louis Bertrand, FSC, Belgium; M. Radestöck, Zentralverband, Germany; Dr R. Kundig, VSK Switzerland. In Austria, Belgium, Switzerland and the United Kingdom the majority of the national representatives on the Central Committee came from the Consumers' Movement. At its final meeting at Cremona the Central Committee unanimously elected William Maxwell President of the Alliance. The five British members of the Committee who formed the Executive, chose Aneurin Williams as their chairman.

### **Constitutional reform**

The previous Central Committee, at its meeting before the Congress, agreed unanimously, on the proposal of Henry Wolff, to appoint a special committee to consider and put forward recommendations for the revision of the Rules of the Alliance. This committee should report to the Central Committee not later than 1 July 1908. The members who were nominated forthwith were: Luigi Luzzatti, de Rocquigny, Victor Serwy, Högsbro, Gray, Dr Müller, Exner, Kaufmann, Dr Elias and the President *ex officio* (not named because of Wolff's impending retirement). It was further agreed that the special committee should deliberate in meetings and not by correspondence. The Executive decided to invite the members of the special committee to send suggestions before the end of February, for a meeting in March or April. Such a rapid timetable proved to be entirely unpracticable. The earliest date at which the special committee could be brought together was 25 August, but as the Central Committee was directly involved, it was decided to convene it for the following day and thus enable it to hold the first inter-congressional meeting in its history. The two meetings were held at the Hague but they did not dispose of all the problems of rules revision. The drafts were considered again by both committees at Wiesbaden in September 1909 and finally approved at Plymouth in May 1910 for submission to Congress. According to the explanatory statement presented to the delegates, along with the final draft, suggestions and proposed amendments, proposals were first submitted severally by Högsbro, Kaufmann, Dr Müller, Count de Rocquigny and Serwy. With these as a basis, Dr Müller prepared the draft which was laid before the meetings at the Hague. Miss Halford's health broke down at the end of 1907. When she offered her resignation the Executive decided to grant her six months' leave of absence in the hope that on her recovery she would be able to resume work. Meanwhile, J. C. Gray was authorised to enlist the services of Dr Müller for six months, as secretary and editor of the Congress reports, which were to be published in English, French and German, Dr Müller's command of languages came in extremely useful in securing the exact correspondence of the text of the Rules in English, French and German, and his work at the Alliance was extended by three months to cover the meetings at the Hague.

### **International joint purchasing**

The Executive Committee was also engaged in the implementation of the resolution in favour of a committee of representatives of co-operative wholesale societies to study the problems of wholesale trade and the possibility of joint purchasing, more especially in branches of trade threatened by domination by trusts and cartels. A letter was sent to wholesale societies

in membership with the Alliance inviting them to join the Committee. The committee first met at Newport, where the British Co-operative Congress was meeting, in June 1908. Thirteen wholesale societies took part, two each from Great Britain and from France and one each from Germany, Denmark, Switzerland, Hungary, Finland, Austria, Sweden, Norway and Russia. The main decision was to appoint a sub-committee to explore thoroughly the prospects of international joint purchasing. The sub-committee met a second time at the Hague to consider draft rules for an International Federation of Co-operative Wholesale Societies prepared by Dr Müller. There is no record of the main committee or the sub-committee taking any further steps in this direction. At the end of 1907 the English CWS had set up its own Foreign Trading Committee, to which the ICA Executive referred enquiries about the possibilities of finding a market in the west for the butter manufactured by the Siberian co-operative dairy associations. The committee of wholesale societies continued to meet at rather long intervals but it was left to make its own arrangements and finance its own activity without the supervision of the authorities of the Alliance. The idea of joint international buying had to wait almost ten more years before its realisation in a permanent institution by the Scandinavian Co-operative Wholesale Societies.

### *Press Activities*

During Dr Müller's first period as secretary in London, he succeeded in realising the idea of an international co-operative press organ. As far back as 1905 he had made an offer to the Executive Committee to produce for the Alliance a monthly review, provisionally called the *International Co-operator*, to be published in Zürich, where he was then living. The Executive thanked him for the suggestion but decided to wait until the Alliance was able to publish its own press organ from its own headquarters. In February 1908 Dr Müller suggested to the Executive that he should issue monthly a typewritten correspondence bulletin, in English, French and German, to the chief co-operative journals and some important newspapers, supplying co-operative news items of international interest. After considering financial aspects of the proposal the Executive gave him permission to proceed and the first issue appeared in April. The interest aroused encouraged the Executive Committee to obtain the Central Committee's authorisation to replace the mimeographed by a printed publication. From January 1909 therefore the *International Co-operative Bulletin* appeared in print in English, French and German in editions varying from 16 to 24 pages. The aims of its editorial policy were to supply news of important

events and the progress of Co-operation throughout the world; to report the activities of the International Co-operative Alliance; to record the appearance of books and other publications on Co-operation, to summarise the most important, and to keep a register of noteworthy articles in the co-operative press. The *Bulletin* was supplied *gratis* to the members of the Alliance and to the co-operative press.

The expansion of the national movements meant that the term "Co-operative Press" gained added significance through the increase in number and circulation of journals, some intended for the membership in general, others designed to meet the technical needs of elected officers and full-time directors of the societies. The Alliance accordingly set itself to catalogue the Movement's periodical publications, bringing out in 1909 the first edition of its International Directory of the Co-operative Press. At that time the ICA was receiving over 200 co-operative and other journals from 22 countries. Simultaneously the ICA's reference library at headquarters was expanding through donations of books and brochures by the national organisations and the transfer to it of all the new publications listed or summarised in the *Bulletin*. Another service, closely related to the press, is the collection, supply and exchange of illustrative material, notably photographs, blocks and lantern slides. A catalogue of this material, also the first of its kind, was compiled and distributed to national organisations.

### **Membership and finance**

The increase in services rendered by the Alliance to its affiliates was not simply due to the fertile mind and energy of Dr Müller. The resources of the Alliance were greater because the rapid growth of membership, observable before Cremona Congress, actually accelerated and with it the ICA's subscription income. Appeals were also made by the Central and Executive Committees to the affiliated organisations to increase their actual subscriptions above the minima fixed in the Rules, pending a complete recasting of the finance Articles of the Rules, in order to relate the basis and the scales to the ability of different types of societies and federations to pay. By April 1910 the total number of affiliated organisations was 756. In the previous three years 13 organisations had withdrawn, mostly because of amalgamation or dissolution. The most notable loss was that of the General Union of Raiffeisen Agricultural Co-operatives, Neuwied, which resigned from the Alliance in order to join the short-lived international association of agricultural co-operatives founded by Dr Wilhelm Haas. Owing to special efforts to bring in arrears from societies which had paid nothing for two years or longer, income from subscriptions in the financial year 1907-8 leaped up to £951 and in the following year for the first time exceeded £1,000. Over four-fifths of this income was provided by con-

sumers' societies, about one-sixth by societies of other types and the remainder, a diminishing percentage, by individuals. In Great Britain the number of affiliated organisations and the total subscribed annually increased steadily in absolute figures, but declined as a percentage of the ICA's total membership and income, as the other national movements expanded and shouldered their proper financial responsibilities.

### **The secretaryship**

At the meeting of the Central Committee after the Congress of Cremona Dr Rudolf Kundig, on behalf of the Co-operative Union VSK cordially invited the ICA to hold its next Congress at Basle. This invitation was unanimously accepted but, when it met at the Hague a year later, the Central Committee had to recognise that, with Miss Halford, although in better health, unlikely to return to her post as Secretary, it must obtain staff to prepare and organise the Congress. Dr Müller was compelled by other obligations to return to Switzerland but it was desirable to retain his services, if possible, at least until the Congress had met. The Central Committee therefore authorised the Executive to make the most suitable arrangements it could with Dr Müller for the promotion of the work of the ICA in general. The solution finally reached by negotiation was to appoint Dr Müller as editor of the *Bulletin* and continental secretary of the Alliance, in which capacity he would organise the Basle Congress. He would publish the French and German editions of the *Bulletin* from Zürich, where he would reside and have his office, and send material to the London headquarters for the corresponding English edition. A new Secretary, Miss C. M. Wadge, took charge of the London office in the spring of 1909. The idea of holding an International Congress at Basle in 1909 or even in 1910 had to be abandoned at the request of the Swiss co-operators, but an invitation to Hamburg was forthcoming from the Central Union of German Consumers' Societies. This was gratefully accepted, but it necessitated new arrangements with Dr Müller so that he could organise the Congress with proper assistance and remain at the service of the ICA until September 1910.

### *The Congress of Hamburg*

The provisional programme adopted by the Central Committee for the contemplated Congress at Basle allotted the whole of one sitting to the discussion of the new draft Rules for the Alliance and two further sittings to the discussion of papers on Co-operation and the Housing Question and Taxation of Co-operative Societies respectively. At Wiesbaden, another

theme: The Development of the Co-operative Movement, Present and Future was introduced on the motion of A. von Elm, and Taxation struck out. The development of the Co-operative Movement was to be treated in a series of special papers dealing with the several branches of Co-operation and the discussion rounded off by a comprehensive resolution submitted on behalf of the Central Committee. On the whole this scheme was adhered to, but changes became necessary in the readers of the papers. J. C. Gray was unable, because of serious illness, to write the paper on "Consumers' Co-operation" and Dr Müller presented a paper in his stead. Anders Nielsen replaced Svend Högsbro in introducing agricultural Co-operation in Denmark. The supporting paper by R. A. Anderson on the Irish Agricultural Co-operative Movement had to be taken as read in the absence of the writer. Co-operative Housing in Germany was introduced by Professor Albrecht, Co-partnership Housing in England by Frederick Litchfield (for Henry Vivian) and Credit and Industrial Co-operation by Herr Korthaus, Director of the Apex Union of Industrial Co-operatives of Germany. For the substance of these papers, all rich in information and ideas, the reader must be kindly referred to the official Report of the Congress. Historically, the lengthy declaration which terminated the discussion of the papers, is of much greater importance, for it may be regarded as the natural and necessary complement of the constitutional reforms adopted by the Congress, in that it formulated the ideas prevailing at that time amongst the membership of the Alliance, about the nature and aims of the Co-operative Movement and therefore of the ultimate purposes served by its international organisation.

### **Co-operation: its nature and aims**

The declaration begins by describing Co-operation as a social movement which, by the formation of economic associations based upon mutual help, aims at the protection of the interests of labour, manual and intellectual. The true forms of Co-operation therefore tend to increase the income derived from labour and to strengthen its purchasing power and on the other hand, to diminish revenues, such as profits on capital, interest and rent, derived from the ownership of the means of production and exchange. Not all forms of Co-operation, however, are of equal value and importance, judged from this standpoint. Co-operatives of producers, whether independent artisans, peasants or farmers or industrial wage-earners, while they protect and improve the economic and social situation of their members, are liable to relapse into practices which favour the special interests of producers and do harm to the general interest of the whole community. It is the co-operative organisations of consumers which break most decisively with the capitalist system and hold out the greatest promise of promoting



its transformation. The economic power which working people can acquire by uniting their purchasing power and their savings enables them to organise production and employ themselves in their own enterprises. These advantages are magnified where consumers' societies federate and engage in joint purchasing and manufacture. They can thus, in consultation with trade unions, establish model conditions of employment, and in return improve the quality of work done and the workers' sense of responsibility. The declaration concludes with a paragraph looking forward to the Co-operative Movement throughout the world being united in a great international organisation, a universal centre expressing peoples' mutual interests and not only exercising a stimulating and fruitful influence on the development of Co-operation, but also opening the way to mutual understanding among the nations.

### *A Socialist Declaration*

The final resolution of the Congress expressed the satisfaction of the delegates with the terms of the resolution on Co-operation, adopted a few days previously by the International Socialist Congress at Copenhagen, in which Adolf von Elm, Edouard Anseele and other co-operators had taken part. In fact von Elm had played an important part in the Socialist Congress in convincing his fellow delegates that the consumers' co-operative society was inherently an economic institution which worked to bring about the democratisation and socialisation of the economy. Accepting this view of Co-operation the Congress affirmed that the working classes had the greatest interest in utilising it as a weapon in their struggle to achieve political and economic power for the purpose of socialising the means of production and exchange. The resolution went on to demand that all socialists and trade unions should become active members of consumers' co-operatives, that the latter should regulate their wages and employment conditions in agreement with the trade unions and ensure that the commodities they purchased were produced under good conditions; and it concluded with the wish that relations between political, trade union and co-operative organisations should become closer without infringing the independence of any of the three.

The resolution which von Elm persuaded the ICA Congress to adopt by a large majority, declared:

‘The International Co-operative Congress, without reference to any question of politics, greets with satisfaction the resolution of the International Socialist Congress at Copenhagen (\*asserting) the high value and importance

---

\*The word “asserting” was expunged from the resolution passed by Congress and “recognising” substituted.

of the organisation of consumers for the working classes, and urging the workers to become and remain active members of the co-operative distributive societies. The International Co-operative Congress expects from this resolution, which affirms the principle of the unity and autonomy of the Co-operative Movement, an essential increase of the strength of the Co-operative Movement.”

### *The Definitive Constitution*

The new rules, adopted integrally by the Hamburg Congress, gave the ICA a constitution which may be without exaggeration called definitive. On the one hand, they were the product of the evolution of the Alliance and the experience of its leaders over fifteen years of what could and what could not be made to work. On the other, they settled the ICA's composition, structure, modes of action and machinery of government for generations to come. Granted that adjustments have been made, as proved necessary with the passage of time, it remains true that substantial amendments are almost entirely applications to new circumstances of the fundamental ideas in the minds of the special committee appointed at Cremona. When the draft came before Congress and it seemed that its acceptance might be imperilled by discussion of a series of minor amendments of importance only to their movers, Heinrich Kaufmann took the floor to point out the danger and to move the adoption of the new rules en bloc. This was followed by a motion by 10 members to close the discussion. Both motions were carried.

The changes introduced at Hamburg may now be summarised. In Article 1 the name of the Alliance was changed only in the German version, "Allianz" being replaced by the more idiomatic "Bund". Article 2 on membership did not entirely eliminate individual membership or satisfy those theorists who conceived the Alliance as being ideally an association of national organisations. The different stages of development between the Co-operative Movements of various countries had to be allowed for. Primary societies might still be members, but individuals had to be specially admitted as corresponding or honorary members, entitled to speak but not to vote at Congress (Articles 13c, 14c and 15). Article 3 and Article 4 formulate respectively the objects of the ICA and the methods by which it proposes to achieve them. These are defined in practical terms. No specific principles are laid down. The ICA is concerned with the ascertaining and propaganda of co-operative principles generally but the method envisaged is empirical. Principles, it was explained, would be established gradually by the discussions and resolutions at ICA Congress. No reference is made to profit-sharing or labour co-partnership. Article 5 names English, French

and German as the languages to be used by the organs of the Alliance in their communications and publications. Article 6 reserves to Congress the power to determine the location of the seat of the Alliance. Article 7 stated that the ICA “concerns itself” with neither politics nor religion, retaining the celebrated phrases on Co-operation as neutral ground from the earlier version. The second clause of the Article maintains the neutrality of the Alliance without making any similar demand on its members. Articles 8 to 15 regulated membership and determined eligibility, requiring conformity to principles established by resolutions of Congress, and not legal constitution, as a test of co-operative genuineness of associations applying for membership. A procedure is laid down for applications and their consideration by the Executive Committee. An applicant rejected by the Executive may appeal to the Central Committee, but a further appeal to Congress was eliminated. The obligations of members (Article 14) were very simple: to pay subscriptions according to rule; to supply annual reports and publications; to supply information requested by the authorities of the Alliance. Articles 16 to 19 regulated members’ contributions. The principle that subscriptions shall bear some relation to the development and economic importance of societies and federations was introduced in a mild manner through the fixing of minima according to their individual or society membership but they were free to fix themselves the actual amount if it exceeded the minimum. The notable innovation was Article 19 allowing co-operative unions the option of joining the Alliance with all their constituent members (collective membership). Such a union would pay the minimum subscription for itself and a subscription for each constituent member according to a sliding scale based upon the societies’ average membership. Such a method ensured an automatic increase in the revenue of the Alliance as the affiliated societies grew in numbers and membership.

### **Administration**

Articles 20 to 37 determined the administrative structure of the Alliance. Article 20 named the organs of the Alliance as (a) the Congress; (b) the Central Committee; (c) the Executive Committee; (d) the General Secretary. It is noteworthy that the earlier concept of the “National Section” has completely disappeared. On the other hand, the growing importance of the Central Committee, once meetings in the intervals between Congress had been confirmed as practicable, was fully recognised by the extension of its functions. The position of Congress, as the highest authority of the Alliance was strengthened by limiting participation in principle to the delegates of affiliated societies and the members of the Central Committee. The Central Committee was empowered to admit other persons, who had no right to vote and who might speak only with the Central Committee’s permission.

As chief authority, the Congress was naturally the body to which reports on the work and financial position of the Alliance were submitted for approval; which should pronounce upon proposed amendments to the Rules, as well as upon the principles of the Alliance; which should choose the Central Committee from among the nominees of the national organisations, besides determining the seat of the Alliance's secretariat and the venue of the next Congress. Articles 24 and 25 fixed the scale of representation at Congress for primary and secondary organisations. Unions which chose collective membership might appoint one delegate for every 10 society members.

The Central Committee, like the Congress, was restricted to representatives of the national organisations. Its members were elected by Congress but the representation of the different countries was determined by a sliding scale according to the total amounts of their annual subscriptions to the Alliance. Thus, combined yearly subscriptions amounting to £10 entitled the organisations of a country to one seat on the Central Committee but subscriptions exceeding £300 gave the right to five members. Changes in national states were allowed for by giving the Central Committee power to decide whether any state or country should be represented separately in the Alliance. The powers of the Central Committee were extensive. It had authority to fix the date and determine the agenda of Congress and report itself on all motions submitted to Congress; to confirm the budget and working programme of the Alliance (in practice on the basis of proposals submitted by the Executive); to elect the Executive Committee and appoint the General Secretary and other officials, besides fixing their remuneration; to decide on appeals and the exclusion of members; to confirm agreements imposing permanent obligations on the Alliance. The Central Committee was obliged to meet immediately before and after every Congress but otherwise might be convened by resolution of the Executive Committee or on the proposal of five of its own members supported by a majority vote. The Central Committee was empowered to choose its own president and vice-president and to elect the Executive Committee consisting of these two and three other members of the Central Committee. The Executive Committee's powers and duties included the admission of new members, the preparation and organisation of Congress and Central Committee meetings, the appointment of an auditor and dealing with any other matter for which the Central Committee had not already provided. The Executive Committee was to meet normally at the headquarters of the Alliance and submit an annual report on its work to the Central Committee. The General Secretary, a new authority in the Alliance's constitution, had the normal function of conducting the current business of the Alliance according to decisions of the Central and Executive

Committees, editing its official organ and directing the work of the secretariat. His appointment was for an indefinite time and could be ended by six months' notice on either side. The final Article No 37, makes it clear that the expenses incurred by members of the Central Committee in attending its meetings are to be borne by the organisations they represent.

### **Internal adjustments**

The Central Committee, constituted according to the newly-adopted rules, met on 6 September to re-elect William Maxwell as President of the Alliance and decide to reassemble at Cologne on 30 October. This was rendered necessary by the number of important decisions required to ensure the effective working of the new constitution and the consequent administrative arrangements. The Executive Committee met on 26 September at 6 Bloomsbury Square for the last time and the agreement to take new offices on a three-year lease at St Stephen's House, Westminster, was duly signed. This event, when reported to the Central Committee, brought forth from Heinrich Kaufmann the comment that, as interest in the Alliance increased, the time would arrive when the office would have to be moved to the continent. This question could be considered again before the next Congress. The management of the office was for the moment the urgent question. The office at Zürich had been closed, and the London office under Miss Wadge was clearly unable to cope with all the work. Kaufmann insisted that a General Secretary was indispensable, as in all the major national Co-operative Unions. The Central Committee was reluctant to make a provisional arrangement, but after Dr Müller had stated that he was willing to continue to take charge of the literary work, it was agreed that he should do so, leaving Miss Wadge to manage the office. In addition to the *Bulletin*, Dr Müller's editorial tasks included the production of an International Co-operative Yearbook, for which he would have the assistance, in collecting and marshalling statistics, of a sub-committee consisting of Maxwell, Kaufmann and Serwy, as well as the publication of the Hamburg Congress report. At the same time, the Committee decided to take immediate steps to appoint within a year a General Secretary at a salary of between £400 and £500 per annum.

A practical arrangement to ensure adequate attendance at meetings of the Central Committee was agreed at Cologne. This was to authorise National Unions to appoint duly accredited deputies to replace any regular representative of the Central Committee who was prevented from attending any of its meetings. The new concept of collective membership and its implications were debated at length. Heinrich Kaufmann announced that his Central Union of Consumers' Societies would be invited at its next Congress to decide upon collective membership of the Alliance. In order

to make good to the societies the loss of their privilege of receiving gratis all the publications of the ICA, the Central Union would undertake to print and issue all German editions of these publications to all German-speaking members. McInnes pointed out the danger in Great Britain that societies, asked to surrender their right of separate membership, might opt out of the Alliance altogether, and this consideration was influential in deciding the Central Committee to leave the question of collective membership open for each union to determine, at least until the next Congress.

### **Membership and finance**

In the growth of the ICA after Hamburg Congress the principal factor was the adoption of collective membership by eight unions of consumers' societies in the following countries: Austria, Belgium, Finland, France, Germany, Netherlands, Switzerland. Austria, which denoted at that time the Hapsburg Empire. contained two unions: the Central Union, based on Vienna, and the Czechoslovak Union, based on Prague. Emergent nationalism in the Eastern European empires was already confronting the Central and Executive Committees of the Alliance with delicate problems of membership and representation, making necessary the clause in the constitution adopted at Hamburg, giving the Central Committee power to decide on the separate representation in the Alliance of countries like Hungary and Finland, which, while enjoying a great measure of autonomy, formed part of larger political entities. In any event, the eight collective affiliations mentioned above denoted an accession of 3,360 societies to membership of the Alliance, with a total subscription liability approaching £700 yearly. The period from 1910 to 1913 was marked by a temporary lull in the outward expansion of the ICA, only Argentina being added to the list of countries through the affiliation of the celebrated consumers', credit and housing society *El Hogar Obrero*, Buenos Aires, and a co-operative bakery at Rosario de Santa Fé. The net increase in membership between 1910 and 1913 was from 904 to 3,926. Besides the consumers' societies, the workers' productive societies and, notably, the housing societies increased in numbers, but the agricultural and artisanal trading and credit societies tended to decline. The Hungarians and others in Eastern Europe remained loyal, but the erroneous impression given a wide circulation, that the ICA was meant mainly or only for consumers' societies, discouraged societies of other types from joining. Certain passages of the declaration adopted at Hamburg, coupled with over-enthusiastic utterances by consumer co-operators with exaggerated or over-simplified ideas of their movement's possibilities of "vertical" development, tended to confirm the false impression among co-operators with no direct knowledge of the Alliance.

However, the net increase in membership, which included about 1,000 societies affiliated to the German Central Union, helped to raise the Alliance's subscription income from £1,234 in 1910 to £1,649 in 1913.

### **The General Secretaryship**

The efforts of the Executive Committee to attract suitable candidates for the post of General Secretary at first made rapid progress. From 17 applications received by February 1911, six were selected for further enquiry and consideration. By September the number of candidates had been reduced to three who, it was decided, should appear before the Central Committee at Ostende. Their names were Snell, Maclean and Petrushevitch. Between his interview with the Executive and the Central Committee meeting Mr Snell retired. The remaining two attended the meeting and were questioned by the French and German speaking members. When the committee resumed its discussion, Heinrich Lorenz proposed that the appointment of a General Secretary should be deferred. An amendment to appoint Mr Petrushevitch was rejected. Two months previously, however, Miss Wadge had retired on account of ill-health. The question then arose whether Dr Müller, who had previously told the Executive that he would be willing to come to London to work, was available. The Central Committee thereupon decided that the Executive should be free to take the best action possible in the circumstances, except that it should not appoint a General Secretary. As a temporary arrangement Miss Nicholls, who had assisted Miss Wadge, carried on the work of the office under the supervision of the chairman of the Executive, Aneurin Williams, an assurance being obtained from Dr Müller that he would continue to edit the *Bulletin* until the end of 1912. As the next meeting of the Central Committee drew nearer, the Executive asked Dr Müller if he were willing to come to England and take over the post of General Secretary. At Copenhagen, in a private conversation with Aneurin Williams, Dr Müller declared his willingness to come to London for two months in October 1912 and again in January 1913 in order to take charge of the preparatory work for the Congress at Glasgow the following August. At the Central Committee meeting, held at Basle in June 1913, Dr Müller, having previously expressed his willingness to accept the post, was unanimously appointed General Secretary on the proposal of the Executive Committee. In his new capacity Dr Müller attended one meeting of the Executive in London on 23 July. The next meeting was held in Glasgow on 22 August, when Aneurin Williams reported that Dr Müller had fallen ill, but had recovered sufficiently to return to Switzerland, after expressing his intention of resigning his post as General Secretary.

In the emergency situation, the Co-operative Union had willingly

placed its Parliamentary Secretary, Henry J. May, at the disposal of the Alliance for the completion of the Congress preparations. At the Central Committee meeting Maxwell read a letter from Dr Müller tendering his resignation as General Secretary but adding that, if it were found possible to remove the office of the Alliance to Switzerland, he would be able to carry on the work. The Central Committee, while expressing its gratitude for Dr Müller's services in the past, decided that it was not desirable to remove the seat of the Alliance from London and that his resignation should be accepted with regret. Later in the same meeting Henry May was requested to enter the hall and was immediately offered the post of General Secretary. He thanked the Central Committee for its offer but was taken so much by surprise that he asked for time to consider the proposal. On Maxwell's suggestion he was given four days, until the Central Committee met again to elect the officers of the Alliance and the new Executive. At the second meeting, when called on by the President for his reply to the offer, Henry May declared his willingness to accept the post and his determination to justify the confidence placed in him.

### *International Peace*

Between the Congresses of Budapest and Glasgow the attention of the Alliance was turned almost entirely inward upon the problems of its composition, organisation and constitutional development, but echoes were heard in the Central Committee and Congress of the concern of many co-operators with the maintenance of international peace. The movement in favour of replacing war and mutual intimidation by arbitration and the extension of international law was gathering strength. After the death of Hodgson Pratt the personal link with the International Peace Council was maintained through Aneurin Williams. In the first decade of the present century the cementing of the alliances and the competition in armaments between the Central and the Western European Powers created an explosive situation arousing anxiety amongst thoughtful citizens. The outbreak of war in the Balkans in 1911 inevitably involved risks of a European conflagration. Victor Serwy submitted a resolution to the Central Committee, meeting at Ostende, reiterating the attachment of the ICA to international peace and urging co-operators of all countries to employ every possible means of preventing a disaster in which the benefits of civilisation and a century of co-operative development might perish. There was some doubt amongst the members about the efficacy of such a resolution in the actual circumstances, but there was agreement on the need to speak out in general terms in favour of the preservation of peace.



During the following two years, as the European Powers moved ever nearer to the brink of war, the friends of peace did their best to rally and consolidate support. At the Copenhagen meeting in August 1912 the Central Committee considered a recommendation from the Executive that the ICA should appoint a representative to the International Peace Bureau at Berne and that the national movements should be similarly represented on their respective national peace councils. There was some disagreement. Severin Jørgensen, a Danish member, considered that the proposal would infringe the political neutrality of the Alliance and was opposed by von Elm who declared that the question of peace transcended considerations of political and religious neutrality. The final result was agreement that Aneurin Williams should represent the ICA at the International Peace Bureau but the national organisations should be free to take whatever action they deemed proper. Consistently with this decision the Executive later declined an invitation to join the British Peace Council. The Executive, at its meeting in London in November 1912, had before it a letter from Victor Serwy appealing for support for the peace efforts of the International Socialist Federation. The result of its deliberations was the following resolution:

“The Executive Committee of the International Co-operative Alliance, in view of the state of war existing in Eastern Europe and the grave outlook, desires to remind Co-operators in all countries that Co-operation has peace among all nations as one of its essential principles. The Executive therefore, in the name of co-operators generally, expresses the hope that war may not spread to any Powers not yet involved and that peace and good government may soon be established in the areas affected. Co-operators in all countries are earnestly required to use every endeavour to bring and maintain peace and concord between the nations of the world.”

This resolution was widely reproduced in the Co-operative Press and received general approval. Thus encouraged the Executive decided to recommend the Central Committee to present a resolution on International Peace to the Glasgow Congress. At Basle in June 1913 the Central Committee adopted the text of a resolution, appointed G. J. D. C. Goedhart, Holland, to propose it and arranged that William Maxwell, Charles Gide and Adolf von Elm should speak in support for the British, French and German Co-operative Movements respectively.

The resolution was taken as the first question on the agenda on the second day and its unanimous adoption was accompanied by one of the most remarkable demonstrations ever witnessed at any ICA Congress. The actual text, as proposed by Goedhart ran as follows:

“That this Congress fully endorses the action recently taken by the Executive and Central Committees of the International Co-operative Alliance in order to manifest that it is in the interests of the co-operators of all countries

to do their best to uphold peace. 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."

Goedhart in his introductory speech emphasised the interdependence of nations in the modern world and the certainty that any war would impoverish all, the so-called victors and vanquished alike. Co-operation meant the amalgamation of the interests of men and of nations. It also meant brotherhood and the improvement of the condition of mankind in every way. That entitled Congress to emphasise that Co-operation was the best means of preserving the world's peace. Maxwell declared that International Co-operation was the very antithesis of international strife. Every man and woman in the Alliance had influence which they should use to ensure that the war and armaments which disfigured civilisation should be abolished for ever. Adolf von Elm, who translated his own speech into English, declared that when those three great civilised nations, England, France and Germany, were united for peace, there would be peace, not only among those nations but among all nations. Albert Thomas, who deputised for Charles Gide, read a message from him and added on his own behalf that Co-operation should attempt to do between nations what it had done within nations, substituting a system of peace and harmony, right and justice, for competition and rivalry. There were further speeches in support by Oscar Dehli (Norway), Neil Maclean (Great Britain), and Peter Schlack (Germany). Then the President put the resolution to the vote. Every hand appeared to be raised in favour. No hands were raised in opposition. The President declared the resolution carried unanimously. What followed is best described in the words of the eye-witness who wrote the official report:

"At this announcement the delegates applauded vigorously. The applause was renewed several times, growing louder each time, until they burst into cheers, which grew in volume with the intense

enthusiasm which the peace declaration had created, and for a time the delegates were standing, cheering and waving their hands and handkerchiefs in a remarkable demonstration. When silence was at length restored, the President remarked: "You never did a better morning's work in your life, and you never will," an observation which evoked further applause."

### *The Glasgow Congress*

If the adoption of the resolution on Peace was the most memorable event of the Glasgow Congress, there was much else on the agenda to demand the serious attention of the delegates. There were three amendments to the rules inspired by experience in working the constitution during the preceding three years. The first was the adjustment of the subscription scales to meet the situation of small societies which found the minimum of 12 shillings per annum too high. Societies with a membership of less than 500 needed in future to pay only 6 shillings. The collective subscription paid by the Unions, if the average membership of their affiliated societies was less than 150, was reduced to 1 shilling instead of 2 shillings. The second amendment increased from five to six members the representation on the Central Committee of organisations paying £450 yearly in subscriptions and to seven members those or organisations paying £600 or more. The decision of the Central Committee that organisations might send to the Central Committee deputies to replace representatives unable to attend was also confirmed by being incorporated in the rules.

A remarkable paper was presented by Heinrich Kaufmann on the Direct Exchange of Goods between Distributive Societies, Agricultural and other Productive Societies, also between the Wholesale Societies in the different countries. This was the first systematic study, made under the auspices of the Alliance, of the facts and the problems of inter-co-operative trading relations. Kaufmann mapped out the whole field of co-operative production and marketing, including the self-supply of primary co-operatives through their trading federations and the inter-co-operative exchanges between different branches of the Movement and types of society. In a statistical appendix he gave exact particulars, not only of the purchases of the GEG from agricultural and industrial producers' co-operatives but also corresponding figures for other Wholesale Societies and for international exchanges between eight European Wholesale Societies. The net effect of his paper was to discount excessive optimism and to justify a sober appreciation of the difficulties to be surmounted.

Complementary to Kaufmann's paper was that contributed by

Aneurin Williams on the Closer Relationship and Mutual Help of Co-operative Societies and the Comprehensive Character of the International Co-operative Alliance. Williams, without any predilection for any one form of Co-operation over another, expressed concern about the small but steady loss of membership to the Alliance, owing to the withdrawal of co-operative credit and agricultural organisations and the refusal of others to join an international federation dominated by the consumers' movements. His object was to re-state the thesis that the ICA should comprise, as far as possible, all the great federations and unions of every form of Co-operation. There might be organisations which, at one time or another, might be unwilling to join, but the Alliance could not allow it to be said that it had discouraged them from joining. Williams not only expounded the advantages of a diversified membership but also pointed out certain self-evident limits, both economic and social, to the possible extension of consumers' Co-operation and its power to supersede other forms of Co-operation in their chosen sphere. His paper was supported by a communication from Severin Jörgensen who described the advantages of the friendly relations between co-operatives of different types in Denmark and their combination in one central organisation, *Andelsudvalget*. Williams's thesis was naturally unpalatable to the zealots of consumers' co-operation, who emphasised the apparent contradictions between his paper and the resolution adopted by Hamburg Congress. The debate ended with the adoption of a resolution which Williams himself had moved, re-affirming the Hamburg resolution and declaring that the Alliance was open to all true forms of Co-operation.

Dr Oscar Schär presented a paper on the Development of the Co-operative Press in the interests of Co-operative Education in which he turned to practical use the information which the Alliance had assembled in its first International Directory of the Co-operative Press, as well as the experience gained in Switzerland in the development of technical and members' journals in more than one national language. The resolution which he moved at the conclusion of his paper and Congress adopted, laid emphasis on the need for members' journals appealing especially to women and looked forward to the development of the *International Co-operative Bulletin* into a review for the discussion of theoretical and practical questions of interest to the International Co-operative Movement. The final paper was contributed by two leading members of the pioneer consumers' society of Italy, Luigi Buffoli and Camillo Mellini. Their theme was the economic disadvantages of the multiplicity of consumers' societies in the same area and the importance of amalgamating mutually competing societies into larger units. Congress unanimously endorsed the practical measures which the writers recommended.

At its concluding sitting Congress accepted the invitation extended on behalf of the VSK to hold the next Congress at Basle in 1916. Few then imagined that Congress would not meet again for eight years or that the concluding speech which they heard from William Maxwell, breathing optimism and the spirit of fraternity, was the last address he would deliver in person to an international Congress of Co-operators.

## *Chapter Three*

# World Wars, Revolutions, Economic Depressions

The first World War, which broke out less than a year after the Congress of Glasgow, initiated a period of rather more than a generation during which many vital decisions of the Congresses and other Authorities of the ICA would be, not so much actions deliberately conceived for the advancement of Co-operation, as reactions forced upon them by world events and emergencies, which the Co-operative Movement was powerless to influence or modify. By 1913 the alliances of Great Powers were already moving too swiftly on a collision course for peace resolutions of international congresses, however widely publicised and thrust on the attention of statesmen, to avert catastrophe. It was only after the tempest of destruction had blown itself out that Co-operators were able to come back to the Glasgow resolution, as a rallying point around which they could muster their forces to make their own proper contribution to a better and more peaceful world order.

### *Constitutional Problems*

One problem of the utmost importance for the constitution and work of the Alliance and indeed, its survival, was solved at Glasgow to universal satisfaction by the appointment of Henry J. May to the General Secretaryship. It was the greatest good fortune for the Alliance that its chief executive office was filled for the next twenty-six years by one and the same powerful and dedicated personality. Henry May's unexpectedly rapid appointment at Glasgow placed the British Co-operative Union, whose

Parliamentary Secretary he was, in a difficulty for it had no obvious successor.

At its first meeting the new Executive Committee was waited upon by a deputation from the Parliamentary Committee which requested that May might be permitted to continue provisionally as Parliamentary Secretary. The request was granted, subject to the right of the Alliance to claim his full-time services at any time it needed them. This provisional arrangement was to last nearly nine years.

The other important constitutional problem, outstanding since the Hamburg Congress, was not solved at Glasgow. This was the composition of the Executive Committee. There was general agreement in principle that the Executive ought to be international in its membership. On the initiative of Aneurin Williams, the all-British Executive had already proposed that members of the Central Committee interested in particular questions on the agenda might attend any Executive meeting. This concession, however, was hardly ever utilised, because of the practical difficulties of time and expense. In the Central Committee at Glasgow, when a new Executive had to be elected according to rule, a discussion was sparked off by a resolution of Dr Karpeles proposing an Executive Committee consisting of two British, one German, one Dutch and one French-speaking members. The discussion proved abortive, mainly because the members felt that they needed the support of their parent organisations before agreeing to such a proposal. As a provisional arrangement, therefore, the retiring all-British Executive was re-elected. It was also decided to convene the next Central Committee meeting for Hamburg in April, instead of September 1914, when special consideration would be given to the composition of the Executive. At this meeting, at which the Dutch Co-operative leader, G. J. D. C. Goedhart was unanimously elected to the chair in place of Maxwell, too unwell to attend, the general opinion was that a definitive solution was not immediately possible. The provisional Executive was accordingly re-elected, to hold office until the next Congress. Meanwhile a new rule should be drafted for submission to Congress, constituting an Executive Committee of the President and Vice-President *ex officio* and not less than three other members of the Central Committee. In order to keep the Central Committee informed of the questions before the Executive and enable the members to influence its decisions, it was further agreed that copies of notices convening the Executive and of its agendas should be circulated a fortnight in advance to each member of the Central Committee. The question of the new rule appeared on the agenda of the Executive's meetings but was always adjourned from month to month until October 1914, when it was adjourned *sine die*.

## *War in Europe*

The first action of the Executive, on the outbreak of war in Western Europe in the first days of August, was to consult the Central Committee on the stand to be taken by the Alliance. A letter, drafted by the General Secretary and circulated by post to the Executive members for suggestions and comment, was issued in its final form on 10 August over the signatures of Maxwell as President, Williams as chairman, Deans, McInnes and Whitehead, as Executive members, and May as General Secretary. After a reference to the declaration of the Glasgow Congress in favour of international peace, the Executive continued:

“We have therefore felt bound to consider whether any steps could be usefully taken in the present crisis to reiterate and emphasise to our co-workers the world over our determination to promote peace and amity amongst all. We do not feel that any manifestation to the world or even to the Co-operators of the various countries should emanate from the Executive alone without the concurrence of the Central Committee itself. We should therefore be very glad if you will express your opinion as to whether such a pronouncement should be issued by the Alliance and if so, will you kindly send us a draft of the thoughts you would like to see embodied in it.”

On the work of the Alliance, the Executive declared:

“We assure you that the work of the Alliance will be carried on during the war as nearly as possible in the usual way. Some parts of our work may be stopped by the interruption of the postal communication and by other causes, but we shall go on with our work until such a stoppage actually occurs.”

The letter concluded:

“On receipt of replies to this letter, if it appears to be the desire of the Central Committee that we should do so, steps will at once be taken to issue a circular in the name of the Central Committee to all unions and societies in the Alliance.

On the other hand, if you think that this letter sufficiently expresses the attitude of our Alliance towards the present unhappy events, we shall be glad if you will communicate its contents to all the Co-operators in your own country.”

If the dislocation of postal services did not retard the arrival of this letter in the hands of Central Committee members, it certainly delayed their replies to such an extent that the lapse of time would certainly diminish the impact of any manifesto. The general opinion was therefore in favour, not of issuing a special declaration, but of relying on the wide publicity given to the letter by the *International Co-operative Bulletin* and the national co-operative journals as a means of making known the attitude of the Alliance. The number of the *Bulletin* for August 1914, in



which the letter was published, also recorded the assassination on the 31st July of Jean Jaurès with a short appreciation of his life and work by Daudé-Bancel.

### **Distress and Destruction**

Almost immediately the Alliance became involved in efforts to relieve human distress due to the severance of normal lines of transport and communications, the movements of armies and the destruction of people's homes and workplaces. While recognising the special claims of Co-operators on other Co-operators for assistance, the Executive Committee also believed in mobilising the resources of the Co-operative Movement to assist public authorities and voluntary organisations in the relief of human distress anywhere. The Executive accordingly approved of the General Secretary joining a committee formed by the Society of Friends (Quakers) to assist distressed German, Austrian and Hungarian families left stranded and without resources in Great Britain by the outbreak of war. Through the Alliance a British Committee, desirous of rendering agricultural aid to Serbia, which had suffered grievously from invasion in recent Balkan wars as well as in the European war, was brought into contact with the Serbian Co-operative Union. As a result, not only was much reliable information obtained, but the whole co-operative organisation became available as a means of distributing aid to the impoverished peasantry. This action had to be suspended in 1915 as Serbia was overrun by the armies of the Central European Powers.

In the autumn of 1914 news began to filter through to London of the situation of Co-operative Societies in Belgium and north-eastern France after the advance and retreat of great armies, the devastation caused by bombardments and restrictions due to military occupation. A rumour that Godin's famous Familistère and its workshops at Guise had been destroyed was later found to be exaggerated, although there had been some damage. In December 1914 the Executive Committee received a deputation, headed by Joseph Wauters, one of the leaders of the Belgian Labour Party, which had come to London to solicit aid to enable the Belgian co-operatives to continue trading. The societies were perfectly solvent, but their capital resources were either invested in real estate or deposited in banks which were restricted in the sums they might pay out to their clients. Such an appeal, which obviously would not be the last of its kind, obliged the Executive Committee to formulate a long term policy. From the outbreak of war the Executive had recognised that it would be necessary, at the appropriate time, to issue an appeal to the whole membership of the Alliance to come to the help of those co-operative organisations which had suffered losses or damage through hostilities. It decided, however, to

hold back this appeal until the full extent of the losses and needs of co-operatives in the different countries was known. Meanwhile, the case of the Belgian societies was submitted to the British Co-operative Movement with a view to immediate action, which should include whatever aid was possible to the co-operatives in north-eastern France, after consultation with the French National Federation of Consumers' Co-operatives. By the middle of 1915 about £2,500 had been raised by British Co-operative organisations and it became possible to discuss how the fund could best be distributed. The General Secretary visited Paris for this purpose in January 1916 and found that the French co-operatives, except for those in areas of military occupation, had been able to adjust themselves to war conditions. News of Belgium was obtained from Camille Huysmans, secretary of the International Socialist Bureau, when he visited London in the spring of 1916. He gave re-assuring information about the safety of Victor Serwy and other leading Co-operators. About the same time the Hungarian Wholesale Society "Hangya" reported serious damage to co-operatives in Galicia and northern Hungary, but in this case the possibility of rendering assistance through neutral channels was more remote. At different times approaches were made by other national organisations, such as the Italian Lega Nazionale and the Dutch Wholesale Society, which needed help to overcome shortages of commodities or equipment. In 1918 the Finnish Wholesale SOK reported on the losses incurred by its affiliates in the civil war. This and the announcement of the formation of a new Co-operative Union, prompted the Executive to write to Väinö Tanner for an account and explanation of what had occurred. Thus as the war progressed, the Secretariat of the Alliance was able to build up a picture of the situation of its affiliated organisations and locate where aid would be chiefly needed when hostilities came to an end.

### **G. J. D. C. Goedhart**

An important factor was undoubtedly the existence in Europe of a considerable number of neutral countries which were able to communicate with both sides of the firing lines. No less important was the fact that the Co-operative leaders were willing to transmit messages and information in both directions so that, with however long delays, the ICA Secretariat ultimately became aware of important events. None rendered greater services than the eminent Dutch Co-operator G. J. D. C. Goedhart, through his knowledge of languages and of the continental Co-operative Movements. Before the war he had become one of the most highly respected and trusted members of the Central Committee. In Maxwell's absence he had presided over the Central Committee meeting at Hamburg in April 1914. After Dr Hans Müller had declined the invitation of the

Central Committee to continue working from Zürich in the fields of publications and research, Goedhart willingly consented to assist the newly-appointed General Secretary in editing the *International Co-operative Bulletin* by transmitting news and information about the Co-operative Movements in the German-speaking countries.

### **The International Co-operative Bulletin**

Under war conditions, when movement from country to country by civilians became increasing difficult and dangerous and when postal and telegraphic services were slow and indirect, if not entirely severed, the circulation of the *International Co-operative Bulletin* became vital to the existence of the Alliance, as the chief and even the only means whereby its members could be held together, whether their governments were neutral or in one or the other of the belligerent alliances. Until the war ended it was the ICA's only publication, for the year-book planned for 1915 had to be abandoned. On the outbreak of war, the Executive Committee decided to suspend the issue of the French and German editions of the *Bulletin* and for the sake of economy, to reduce the English edition from 32 to 16 pages. The material, however, was prepared in French and German, with the hope of publication at some later opportunity. A regulation of the British government, forbidding the publication of any periodical in the language of a country at war with Great Britain, made it impossible to print the German edition in England.

In the spring of 1915, however, the Executive suggested to the German Central Union, through G. J. D. C. Goedhart, that it should publish the German edition of the *Bulletin* on its own responsibility. The material could be sent from the ICA Secretariat in London, so that the German could correspond with the English and French editions, and the translation made in Hamburg. The Central Union would be able to collect the subscriptions due from individuals and organisations. Within a month the Central Union's acceptance of this proposal was received and the first batch of material was immediately forwarded. This arrangement, which also included the despatch of printed copies of the *Bulletin* from Hamburg through Holland to London, worked without a hitch throughout the war, except for one occasion when the copies were held up by British officials owing to a tightening of the regulations. From the beginning government regulations allowed the despatch of publications abroad, subject to special permission of the censor and the declaration of full particulars. This permission was granted to the Alliance without difficulty on the General Secretary's application. The French edition of the *Bulletin* did not appear in 1915, mainly as a result of the French societies' and their Federations' war-time difficulties, but it was ascertained that the edition

could be printed in Switzerland. When the General Secretary visited Paris towards the end of 1915, he found that the leaders of the Movement were ready once again to receive the French edition, if it could be distributed gratis for the period of the war to the French societies and to such Belgian societies as it was possible to supply with copies. Thus from January 1916 the *Bulletin* once again appeared in identical editions in the three official languages. Stimulated by the Executive, the national unions in Great Britain, France and Germany made successful efforts to increase the circulation, notably in Great Britain, where the number of societies adhering to the Alliance was steadily increasing throughout the war period. Interest amongst Co-operators at large was stimulated by a report on the work of the Alliance which was published in the *Bulletin* and also off-printed for discussion at conferences and other meetings.

### *Looking towards Peace*

In the report the Executive Committee could justifiably claim that "we have maintained much better than might have been expected, our communications with most of the countries and continue to receive, for instance, the regular issues of the French, German, Swiss and Russian Co-operative Unions". The concluding paragraphs, look forward confidently to "a new and brighter era for the common peoples of the world". The grounds for this optimism were, in part, a growing feeling amongst Europeans that the end of the war would provide opportunities of rebuilding society on new foundations and of conducting international relations on a totally different system from the traditional "balance of power", but in part also the certain knowledge that amongst belligerent and neutral countries alike, the economic stringencies of war were forcing governments and the public to recognise the value and advantages of the Co-operative Movement. A notable example was the manner in which the consumers' societies in France came to the rescue of the government when it decided, in order to maintain the physical vigour of the industrial population, especially the munition workers, to import frozen meat. The private butchers, who had been making large profits on home-produced meat, refused to distribute the frozen article. Whereupon the Co-operators of Paris, after a visit to England to learn how the trade was handled by the CWS and the consumers' societies, set up a joint organisation to retail frozen meat in the city's markets and to open restaurants using frozen meat to provide meals at relatively low prices. Innumerable works canteens also adopted the co-operative form of management under the encouragement of Albert Thomas, the Minister of Munitions.

The General Secretary, when he visited Paris at the end of 1915, found that the French Co-operative leaders were envisaging a meeting of the Central Committee after the war on the same constitutional basis as before. In July 1916 the Executive had to decide upon an invitation from the French National Federation to be represented the following September at its congress, the general meeting of the Wholesale Society, (M.d.G.) and a conference of Co-operative representatives from countries of the Western alliance. This invitation posed several delicate questions and discussion of them terminated in a resolution, adopted unanimously by the Executive and later entirely approved by the French organisations. The Executive cordially accepted the invitation to be represented at the congress and general meeting, but declined to take any part in the conference for the following reasons:

“In as much as the proposed conference of Co-operative organisations will not represent even the neutral countries, they fear that their attendance would be inconsistent with their position as the Executive Committee of the Alliance of the Co-operative Organisations of all countries and might be capable of misinterpretation. Therefore, while expressing their gratitude to their French friends for the invitation, they feel that it would be wiser not to take part in the conference. They are, however, confident that the conference will bear in mind the hope, shared by all, of re-establishing when peace is restored, friendly relations between Co-operative Organisations of all the countries of the world.”

### **The First Inter-Allied Conference**

The best guarantee that the Executive's confidence would not be betrayed was the presence at the conference of Professor Charles Gide who, in welcoming the delegates from Great Britain, Belgium and Italy, recalled the fervent manifestation for peace at the Glasgow Congress and re-affirmed the loyalty of all taking part to the International Co-operative Alliance. He regretted that the Russian co-operatives had not been able to send delegates, while relations with Serbia and Roumania were practically impossible. The conference, he said, had been convened in the hope that the war, once it had been decided on the battlefield, would not be continued in the economic sphere. The agenda comprised three main subjects:

- 1 The economic policy of the Allies during and after the war.
- 2 Responsibilities towards co-operative societies in the Allied countries which have suffered by the war.
- 3 Relations to be established between the co-operative wholesale organisations from the standpoints of trade and production.

For the discussion of the first subject Professor Gide had prepared a memorandum, the main contentions of which were reproduced in the

resolution adopted by the conference. This advocated the conclusion, amongst the countries of the Entente, of commercial treaties and the extension of international agreements to all forms of exchange, communication and migration of labour, so as to unite these countries in what came to be called, forty-years later, a "common market". Neutral countries should benefit by the "most favoured nation" clause. The policy of the open door should be applied to colonial territories. There should be no boycott of Germany, Austria and their allies, but they should be allowed free access to Entente markets if they were willing to adhere to the same conditions. New industries should be established to strengthen national economies. Co-operative forms of economic organisation and the participation of workers in industrial control should be encouraged. The second subject was introduced by A. J. Cleuet who emphasised the severe competitive conditions to which co-operatives, which had suffered loss or damage during the war, would be subject as soon as reconstruction began. Their need for financial help was imperative and the conference agreed that in each country a committee should be appointed to collect funds for assisting co-operative societies which had suffered destruction through invasion. The fund should be administered by a joint committee of two representatives from each nation together with a member of the Central Committee of the ICA for that nation. The French and Belgian Wholesale Societies would apply for a loan to their English and Scottish counterparts. The third point was covered by a resolution approving in principle of the establishment of an International Bureau of Commercial Information (as the embryo of an International Wholesale Society) under the auspices of the ICA.

The agenda of the first Inter-Allied conference thus opened up important questions for the Authorities of the Alliance when they resumed their normal functions after the war. Meanwhile the Executive Committee was confronted by other questions which required statesmanlike handling. One was the representation of the Alliance at national congresses. This had been suspended in principle since the outbreak of war, mainly owing to the Executive's feeling that it would not be right or expedient to appear to discriminate between members of the Alliance whose countries took different sides in the conflict. The French Congress of 1916, which was attended by Maxwell and May, made an exception. The invitation was repeated in 1917 but declined. The French Co-operators, intent on laying foundations for the work of the Alliance after the war, replied urging reconsideration of the decision. In a further letter the Executive amplified its reasons by pointing out that it was not refusing to send delegations to any national congress during the war, but that the appointment of representatives from neutral countries to attend congresses

in enemy countries would embarrass the Alliance in its relations with the British Government and that in any case the Executive could not incur the responsibility for arranging contacts which might lead to discussions beyond its knowledge or control.

These considerations were important because at this period of the war, conversations and correspondence were being carried on between member organisations concerning the possibility or desirability of convening an International Co-operative Congress or a meeting of the Central Committee. The Swiss Co-operative Union VSK and members of the Central Committee sent a letter in November 1916 suggesting a meeting of the Central Committee at the same place and time as the delegations of the belligerent nations might assemble to consider terms of peace. If this proposal were not adopted, the Swiss Union desired to offer an invitation to the Central Committee to meet in Switzerland, at a time and place chosen by the Executive. In its reply the Executive expressed doubts, first, whether an early meeting of the Central Committee would best conduce to the restoration of the good relations all Co-operators desired; and, second, whether the possibility and conditions of peace were not too doubtful at that time to enable any sure judgement to be formed. In the middle of 1917, the French National Federation transmitted a telegram from the Secretary of the Council of the Russian Co-operative Congress suggesting that an International Co-operative Congress should be convened immediately "with a view to the establishment of international economic relations, the liquidation of the war and the consolidation of fraternity". About the same time a letter was received through the London office of the Moscow Narodny Bank from the editors of the *Russian Co-operator*, asking that a small representative meeting be held at Swansea, simultaneously with the British Co-operative Congress, to consider the question of an international congress. The reply of the General Secretary, subsequently approved by the Executive Committee, pointed out that a formal meeting was not desirable and that, having regard to the political neutrality of the Alliance, the Executive was unlikely to take the action indicated in the telegram. Further suggestions for an International Co-operative Congress, emanating from Hungary and some other countries but not communicated to the ICA, were reported to the Executive a few weeks later by G. J. D. C. Goedhart.

### **The League of Nations**

At its meeting in September 1917 the Executive had to consider an approach made by an association advocating the establishment of a League of Nations, as part of the prospective peace settlement, with an invitation to the Alliance to associate itself with its work. A League of Nations being

then an unfamiliar notion and the Alliance for ten years or more already in friendly collaboration with the International Peace Bureau at Berne, which had similar objects, the Executive Committee took up a non-committal attitude. In April 1918, however, the League of Nations Society sent a letter, along with literature setting forth its aims, inviting the Alliance to use its influence in persuading the Co-operative Movement to include the idea of a League of Nations in its new programme. The response of the Executive was to adopt a resolution declaring that it "heartily endorses the principle of a League of Nations as a guarantee of future peace and as a practical demonstration of the principles for which the Alliance stands. Further, it declares its determination to promote the idea by all the means in its power". It is impossible not to perceive in this solution the influence of Aneurin Williams who was in the chair when it was passed. He had already regained a seat in Parliament in 1914 and took a leading part in the formation of the British League of Nations Society, of which he became Hon. Secretary. At the invitation of this society's French counterpart, he lectured in Paris at the turn of the year 1917-1918 and had mutually enlightening conversations with the leaders of the central organisations of the Co-operative Movement. In June 1918 the French National Federation of Consumers' Co-operatives, through Ernest Poisson, raised with the Executive Committee the question of the representation of the Alliance at the eventual Peace Conference. The Executive was not in favour of the proposal to convene any meeting of the ICA immediately after hostilities had ceased; and it stated its reasons in a memorandum from which the two following paragraphs are extracted:

"Men's minds will necessarily be full of war bitterness and very difficult questions with regard to territory, nationality, annexations or no annexations, indemnities or no indemnities, will have to be decided. These questions do not directly concern the Alliance as such. At the co-operative gathering serious friction might arise, with consequent great injury to the future harmony and usefulness to the Alliance."

"It is therefore suggested that a declaration by the Co-operators of the world in favour of a League of Nations would be more useful than the immediate meeting and that, after an interval of time, a meeting of the Alliance might be held with excellent hope of the re-establishment of relations between Co-operative bodies in various lands."

### **The Transition to Peace**

The memorandum was sent to the French National Federation with the request that it would prepare a similar brief statement of the grounds for its proposal of a meeting. No reply had been received from France when the Executive met in the middle of October, by which time it had become almost certain that the end of fighting on the Western European front was



at hand. British co-operative societies had written to suggest an early international co-operative gathering, while Dr J. P. Warbasse, President of the Co-operative League of the USA formed in 1917, sent a letter urging the representation of the Alliance at the Peace Conference. It was pointed out in reply that, without the authority of the Central Committee, the Executive could take no steps to secure representation. Simultaneously, the French National Federation was pressed for a reply to the ICA's previous letter and for its opinion whether the Executive should invite the Central Committee to authorise efforts to arrange representation.

The final item of the Executive's agenda in this October meeting was the question of the Alliance's own preparations for entering into peace-time conditions. A plan was agreed under the following six heads:

- 1 The Executive to prepare a report, for submission to the Central Committee, on the activity of the Alliance and its own work during the war.
- 2 The Secretariat to collect information on the extent of the war damage suffered by co-operatives in Belgium, France, Italy, Roumania, Serbia, Bulgaria and Russia.
- 3 To convene a meeting of the Central Committee.
- 4 To submit the question of the next International Co-operative Congress to the first meeting of the Central Committee.
- 5 To re-open the question of the regularisation of the constitution of the Executive Committee.
- 6 To resume communications with Co-operative Organisations in the belligerent countries. With this object in view G. J. D. C. Goedhart was to be approached concerning his willingness to visit the German and Austrian Central Unions of Consumers' Co-operatives in order to ascertain their attitudes to the Alliance and to the rehabilitation of Co-operative Movements in all countries which had suffered destruction or damage in the course of military operations.

Before the Executive met again the expected Armistice had been signed.

### *The Co-operative Movement in War-time*

Before entering upon the post-war history of the Alliance, it will be appropriate to fill in the picture of its war-time activities by recording certain events and other facts illustrating the differences between the ICA which emerged from the war and the ICA which went into it. The pages of the *International Co-operative Bulletin* offer abundant evidence that the war, even in the belligerent countries and the neutrals whose commerce and industries were most directly dislocated by military operations, blockades, and the interruption of normal trade and communication, did not everywhere check the progress of Co-operation. Co-operative business

might—and did—contract in volume, but the importance of the role of co-operatives in war-time economies and their prestige were enhanced wherever they faithfully stuck to their principles and manifestly served the public interest as well as that of their own members. In consequence, when they had recovered from the shocks of a war situation, the morale of Co-operative Movements rose again and their leaders began boldly to improvise new applications of Co-operative methods, as in Great Britain, where the CWS acquired thousands of acres of agricultural land, becoming the nation's largest farming enterprise, and also in Switzerland, where the VSK engaged in agriculture and horticulture on a large scale to increase the country's food supplies. In Scandinavia the Wholesale Societies of Denmark, Norway and Sweden joined forces to overcome their import difficulties by setting up their common purchasing agency, *Nordisk Andelsforbund*. French and Belgian Co-operators began to plan the reconstruction of Consumers' Co-operation in the war-devastated areas on regional, rather than the traditional local basis. In Russia there was rapid expansion, notably of Consumers' Co-operation, which showed itself to be virtually the only kind of business organisation which could cope with the problems of war-time food supply. The Moscow Narodny (People's) Bank, the central financial organisation of the whole Movement, opened an office in London and was admitted to membership of the ICA. The secretariat of the All Russian Union of Consumers' Co-operative made suggestions in 1917 for the publication of a Russian edition of the *International Co-operative Bulletin* as a supplement to its journal. These were approved by the Executive but frustrated by the course of events. The formation, followed by application to join the ICA of the Co-operative League of the USA, with Dr James Peter Warbasse as its president, was a new initiative which promised a genuine consumer's Co-operative Movement modelled faithfully on the Rochdale system. In Spain progress in and around Barcelona led to the establishment of a regional Co-operative Union for Catalonia and the Balearic Islands, comprising both consumers' and workers' productive societies.

These events emphasise the remarkable fact that during the war the Alliance's growth, though retarded, was not on the whole arrested. In Great Britain alone, the number of affiliated societies nearly doubled in the war years. This was reflected in the subscription income, which fell from over £1,600 for 1914 to just over £1,000 for 1915 but thereafter steadily increased year by year. The organisations in Central European countries, while unable to pay contributions, had remained steadfastly loyal and took the earliest opportunity of making up their arrears. The burden, however, was increased for them, and the yield for the Alliance was simultaneously reduced, by galloping currency depreciation. In the late summer of 1917

the offices which the ICA had occupied for several years jointly with the Co-operative Union's Parliamentary Committee in St. Stephen's House, Westminster, were commandeered by the British Government for war purposes. Accommodation was found near by in Orchard House, 14 Great Smith Street, for the Alliance and Parliamentary office, then both under Henry May's direction. Later, when May resigned the Parliamentary Secretaryship, the parliamentary office staff was moved to other premises, but the Alliance was destined to remain in Orchard House for a further thirty years, as the tenant of the family publishing and bookselling firm of P. S. King and Son, which had taken charge in 1896 of the public distribution of the ICA's first Congress Report.

One other factor, perhaps imponderable but none the less real, enhanced the self-awareness and self-confidence of Co-operators in the last two years of the war. This was the increasing dependence of all the belligerent governments on the support and good will of the common people, and especially the industrial workers. As it became clearer that victory in the field was based on productive power and efficiency at home, governments and employers had to concede to an increasing extent to workers' demands for more humane treatment, consultation and participation, through their trade unions, in all kinds of decisions. Besides measures of price control and rationing, intended to stabilise the purchasing power of wages and ensure fair distribution of necessities in short supply, governments sought to maintain morale and the level of output by the promise of all manner of benefits to be enjoyed on the restoration of peace. Nevertheless, dissatisfaction grew, not simply through war-weariness, but through a shrewd suspicion that the war itself was the consequence of disastrous blunders by statesmen on both sides of the firing line, that the dreadful slaughter of week-long or month-long battles was due to the incompetence of military leaders, and that the manufacturers of armaments were in no great hurry to see the war ended. The uprising in March 1917 in Russia awakened echoes among the wage-earning populations all over Europe, with a withdrawal of respect for governing classes and administrative hierarchies. The grievances of the British Consumers' Co-operative Movement against the government for its high-handed and allegedly unfair treatment of co-operative societies in matters of man-power, rationing and taxation came to a head at the Congress at Swansea in 1917, when it was decided, by no means unanimously, that the Movement should seek to place its own representatives in Parliament. As Parliamentary Secretary, Henry May was inevitably in the thick of this battle and figured as the first Co-operator officially nominated as a Co-operative Parliamentary candidate in an election at Prestwich, near Manchester. He was not elected, either then, or in the general elections immediately

following the Armistice, when he stood as candidate for Clackmannanshire in Scotland. He therefore remained free to take charge of the reconstitution of the Alliance, which may be said to have begun with the meeting of the Executive in January 1919.

### *Re-building the ICA*

Three months previously the Executive had provisionally drafted its programme of work. This it was now able to discuss around the table with Victor Serwy and his colleague Adolf De Backer, who had come to the Executive meeting as a deputation from Belgium to re-affirm the loyalty of their Consumers' Co-operative Movement and to solicit aid in the form of supplies and finance. Their report convinced the Executive that a visit should be paid to Belgium by the President and Secretary at the earliest opportunity, but also that an up-to-date account of the position of Co-operation in all the countries of the Alliance was an immediate necessity. The signing of the Armistice had opened the sluices for a stream of letters from affiliated Organisations, ranging from National Federations down to Women's Guilds, pressing for action of various kinds in different directions. The task of the Executive was to sift the urgent and the practicable from the merely desirable and unpractical. It therefore ruled out, for the moment, the idea of convening the Central Committee and still more, a Congress. It accepted, however, the proposal of the French National Federation to arrange a second "inter-allied" conference in Paris in February and decided that this time the ICA should be represented by its President and Secretary, acting in a consultative capacity only, for the purpose of giving information and advice. The conference resulted in setting up a special committee to deal with relief and aid. More important it opened the way for a further conference in June to which representatives from neutral countries were invited. Unfortunately, after the February Conference, the President and Secretary decided to travel from Paris to Brussels by road across the war-devastated regions. The journey proved too arduous for Maxwell at his advanced age, despite his courage, and May had to complete it alone.

Through the *Bulletin* and by correspondence the whole membership of the Alliance was kept aware of the proceedings of the conferences, the agendas of which were compiled from the suggestions submitted to the Alliance. Contact with the Co-operative Movements in the Central European countries was first made through G. J. D. C. Goedhart, who was requested to obtain special reports from them. About twenty national Co-operative Movements were represented at the Inter-allied and Neutral

Conference at Paris in June 1919, which marked a considerable increase in the pressure on the Executive to arrange for the resumption of the normal working of the Alliance. The Conference urged that the Executive should hold a special meeting on the 19th August, for the purpose of considering the date, place and agenda of the next Central Committee meeting. The Executive accordingly met in London on the date indicated, along with Central Committee members from Great Britain, Belgium, France, Switzerland, Russia and Finland. They decided that a meeting of the Central Committee should be convened for December 1919 at Geneva. Additional representatives of organisations, whose subscriptions had increased during the war, and from national organisations, subsequently admitted to membership of the Alliance, should be allowed to attend in a consultative capacity. The agenda should include the resumption of normal working of the ICA; the arrangements for the next International Congress; consideration of the decisions of the Inter-Allied and Neutral Conferences. It was further agreed that the rules of the Alliance on representation and voting should be revised and that Central organisations should be requested by letter to include in their reports on the war-time activities of their national Co-operative Movements, or to submit as a separate document, a statement of their present attitude to the principles of the Glasgow resolution on peace. This last decision was not reached without keen debate, opinions being divided between those who demanded such a statement as essential to the re-unification of the Alliance and those who feared that to insist on it would result in recriminations and controversy calculated to defeat any such purpose. Both sides were willing to adhere to a draft resolution in the above terms submitted by the General Secretary.

The Executive had already taken steps to implement two other recommendations of the June Inter-Allied Conference. The first of these was to enlarge the Inter-Allied Co-operative Committee dealing with relief and rehabilitation into a committee consisting of one delegate from each National Co-operative Union and a delegate from each Wholesale Society taking part in the Committee on trade relations. This was to hold its first meeting on the 20th August. The second referred to a meeting on the same date of representatives of Wholesale Societies and the British Co-operative Productive Federation to consider problems of international trade.

### **Liberation and Division**

In the event it was found to be impossible to hold the Central Committee meeting in December 1919, because of winter travel difficulties, and it was postponed until April 1920. Meanwhile the Executive was obliged to

solve a number of problems posed by the collapse of the former Russian and Austro-Hungarian empires and the redrawing of national frontiers, many of which had received the sanction of the peace treaties signed at Versailles in June 1919. These problems were complicated in some cases by the fact that newly-liberated nations were themselves politically divided and that these divisions were reflected in their Co-operative Movements. In Finland, for example, national freedom was not gained without the pangs of civil war, one consequence of which was to accentuate a conflict within the Co-operative Wholesale Society SOK. This resulted in the secession of a large number of societies and the formation of a new Central Union, KK, and Wholesale Society OTK, which in due time applied for affiliation to the ICA and were admitted. Väinö Tanner, who had been SOK's representative on the ICA Central Committee, was a leading figure in the new organisation and SOK replaced him by Jalmari Sahlbom. Unions of Co-operative Societies which had previously been represented in the Alliance through All-Russian organisations sent in applications for separate membership for example, the Ukrainian, the Armenian, the Transcaucasian and the new Baltic republics. Class-consciousness separated the worker's consumers' societies from the neutral Co-operative Union in Holland and from the rurally-based *Hangya* Wholesale Society in Hungary. The separation of Czechoslovakia from Austria led to the formation of a Union of German Economic Societies based on Prague, just as the transfer of Transylvania from Hungary to Roumania resulted in the formation of a Union of German Credit Societies in that province. In general, the older or original members of the Alliance in any country raised no objection to the affiliation of the new organisations, nor was there any provision of the ICA rules which prevented the admission of provincial or district unions. The policy of the Executive was therefore to admit them, although Serwy and Poisson on the 19th August were strongly in favour of amending the rules of the Alliance so as to admit only national unions.

### *The Central Committee*

The meeting of the Central Committee at Geneva in April 1920 was the first of three which were necessary before the first post-war Congress of the Alliance could be held in regular fashion. The broad questions discussed at the Inter-Allied Conference at Paris in June 1919 formed the nucleus of their agenda, which developed stage by stage through the addition of other questions of growing importance as the nations and their co-operative organisations grappled with the economic, social and political

consequences of the war and the peace treaties. Emergency problems, such as aid to co-operative organisations in making good the devastation of war and redeveloping their business, were dealt with by the International Committee of Co-operative trading and financial experts and vanished from the agenda as they were solved. Questions of long-term policy, on the other hand, demanded increasing attention and deeper study, as many of the most alert and active affiliated organisations were insistent that the Alliance should enlarge its functions as representative and spokesman for the whole International Co-operative Movement.

The Central Committee meeting at Geneva was attended by thirty members from fifteen countries, German and Danish members being notable absentees, owing to travel difficulties. This was the last ICA meeting, over which Maxwell, honoured with a knighthood a few months previously by the British Government, presided and he announced that failing health would prevent him from serving as President any longer than next Congress. The agenda provided for the discussion of constitutional problems, policy questions and the fixing of the date and place of the Congress. The constitutional problems all involved the amendment of the rules. The larger and more diversified membership of the Alliance, with the existence within the same country of co-operative organisations of different nationalities, languages and ideologies, all desirous of full international participation, required adjustments to the membership rules, new regulations for the composition and election of the Central Committee and a re-casting of the Executive so as to transfer the responsibility from the shoulders of the British representatives, who had borne it over a quarter of a century, to a body of mixed nationalities. Chaos in the international currency exchanges and the prospects of ultimate stabilisation demanded careful re-drafting of the rules governing rates and payment of members' contributions. The policy problems were, in substance, those relating to the need to re-organise the international exchange of goods and persons so as to modify the ruthless competition for markets and sources of supply which gave rise to power conflicts and ultimately war. The Central Committee took note of the manner in which the treatment of these problems had developed under the intellectual leadership of Professor Charles Gide and his French colleagues, and decided that the determination of policy was a matter for Congress when the leaders of other national organisations could expound their views and the delegates of all member organisations take final decisions. To fix the date of the Congress was not easy, for those who wished for an early date and those who advocated a later one in the hope of meeting in more settled conditions were numerically evenly matched. The decision to hold the Congress at Basle in August 1921 was carried in the end by one vote.

The Central Committee next met on the 11th October at the Hague under the chairmanship of G. J. D. C. Goedhart. Again fifteen countries were represented. These included Germany and Denmark but not Austria, Norway or Sweden. Eastern Europe was represented by members from Russia, the Ukraine, Georgia and Lithuania. An interim report from the rules revision committee, consisting of the Executive, together with Poisson, Goedhart, Kaufmann, Serwy and Selheim, showed that the whole body of rules had been under review, from the definition of the objects of the Alliance to the standing orders for the Congress and Central Committee meetings. A novel proposal, to take the place of the remaining rules about individual membership, was to set up a Committee of Honour, as a means of showing appreciation of Co-operators in any part of the world who had rendered outstanding service to the International Co-operative Movement. No final decisions were taken on the interim report, so as to leave time for mature consideration before the next Central Committee meeting and, ultimately Congress. The revision committee had postponed consideration of the basis of assessment for members' contributions, pending the draft of a programme of work for the Alliance and submission of figures of estimated annual cost. The Central Committee fixed the main lines of the Basle Congress and decided that it should open on the 22nd August. It regretfully accepted the resignation of Aneurin Williams, whose Parliamentary duties had become too onerous and elected Sir Thomas Allen to replace him on the Executive.

### **Co-operation at the ILO**

The International Labour Office, established by the Treaty of Versailles in 1919, had held its first International Labour Conference at Washington DC and appointed Albert Thomas as its Director. In setting up its secretariat at Geneva Albert Thomas introduced a technical section dealing specially with Co-operative affairs. Its function was to collect documents and ensure for the ILO a continuous supply of information about the progress and development of every form of Co-operation throughout the world. At the head of the section he placed Dr Georges Fauquet, one of the French representatives from 1921 onwards on the ICA Central Committee. Article 389 of the Peace Treaty had fixed the composition of the International Labour Conference and the other ILO authorities as representatives of governments, employers and workers. There was thus no opportunity for the ICA to be represented on them. Its member organisations might achieve this indirectly, if they could induce their own national governments either to include Co-operators as technical advisers in their own delegations or to choose as government or workers' representatives ministers, officials or trade unionists who were



known to be well acquainted with Co-operation and its contribution to economic and social life. These matters, already reported to the Central Committee by Albert Thomas at Geneva, were the subjects of a strong resolution at the Hague welcoming the action of the ILO Governing Body, at Albert Thomas's suggestion, in recommending governments to secure representation of consumers' interests at International Labour Conference through the Co-operative Organisations of consumers. The Central Committee further instructed the Executive Committee to guide and follow up the action taken in each country to secure recognition of the right of Co-operative organisations to representation.

### *The Co-operative Movement in Russia*

Throughout the war the Secretariat of the ICA found greater difficulty in maintaining touch with the Co-operative Movement in Russia than with that of any other country. How to resume effective contact was first considered by the Executive in the summer of 1918 after conversations with a British journalist, Dr Harold Williams, and his Russian wife, who had come to England directly from Russia not long before. The British Co-operative Union and the two Wholesale Societies joined in these conversations during which sending a delegation to Russia was seriously considered. The march of political and military events prevented this project from being realised. The revolution of October 1917, the treaty of Brest-Litovsk, the outbreak of civil war in different parts of the former Tsarist empire, the military support given by the Western Allies to armies aiming at the overthrow of the Soviet Government and the imposition of a blockade nullified all hope of useful action throughout the year 1919. In January 1920 there came a change of policy. The Allied Supreme Council in Paris decided:

“That it would permit the exchange of goods on the basis of reciprocity between the Russian people and the Allied and neutral countries. For this purpose it has decided to give facilities to the Russian Co-operative organisations, which are in direct touch with the peasantry throughout Russia, so that they may arrange for the import into Russia of clothing, medicines, agricultural machinery and the other necessaries of which the Russian people are in sore need, in exchange for grain, flax etc. of which Russia has surplus supplies.”

This looked like the sort of opportunity many Co-operators in those days were seeking, of showing how Co-operation could work effectively under conditions where ordinary trading methods were useless. Enquiries addressed to Moscow by the ICA elicited the reply that the All-Russian

Central Union (*Centrosoyuz*) had received permission from the Soviet Government to enter into direct commercial relations with co-operative societies and firms in Western Europe. Before the end of February the appointment of a Trade Delegation to London, consisting of Litvinov, Krassin, Nogin, Rosovsky and Khinchuk, was announced. These names could only signify that the delegation was not simply authorised, but had been appointed, by the Soviet government. The questions immediately arose: in what sense was such a delegation truly representative of the Russian co-operative organisations and what was the relation of the latter to the government? The facts were reported to the Central Committee at Geneva, where the Russian members repeated a message they had received from Russia confirming the promulgation of decrees subjecting the Co-operative organisations to the direction and control of the Government. The inevitable result was the addition to a resolution, approving the raising of the blockade and the participation of co-operative organisations in the re-establishment of trading relations, of a protest against "the loss of the independence and full autonomy of the Russian Co-operative organisations and a declaration that the Central Committee "considers as representatives of Co-operation only such persons as have received their mandate from free democratic Co-operative organisations."

Between the Geneva and the Hague meetings the Executive Committee pursued negotiations with the Russian Trade Delegation in London. At a special meeting of the Executive in London, attended by Russian, Ukrainian and Georgian members of the Central Committee, the General Secretary reported on the interview he had had with Krassin and Nogin and Krassin's request for ICA aid in opening up trade and for ICA's recognition of the delegation as representative of the Russian Co-operative Movement. The Executive's reply to Krassin, while affirming its desire to promote trading through Co-operative organisations, contained a number of questions and a request for documents concerning the control exerted by the Soviet authorities over the Co-operative organisations, more particularly the text of the Decree of 20 April and subsequent decrees. At the Hague the Executive submitted two questions for consideration and decision by the Central Committee. The first was the representation of the Russian Co-operative Organisations on the Central Committee—a question which could not be answered without reference to their right to membership. The second was the promotion of economic relations with Russia through Co-operation. The first question was answered only in part. The Central Committee repeated its protest against the deprivation of the Russian organisations of their autonomy, declared that only those who are duly accredited by free and democratic Co-operative organisations could be regarded as representatives, ruled that the present Russian

members of the Central Committee were entitled to hold office until the next Congress and authorised the Executive to send a deputation to Russia if a suitable occasion arose. The second question was answered by a general appeal to all Co-operative organisations to exert all their influence to hasten the resumption of economic relations everywhere.

The report submitted by the Executive to the Central Committee at Copenhagen in April 1921 came under strong criticism and was, after discussion, referred back for further consideration but with no other instruction. In effect, the Central Committee declined to accept the actual position of the Co-operative organisations in Russia as one which the constitution of the Alliance would permit it to recognise. The Russian members of the Central Committee were not only cut off from the organisations which had elected them by the fact that they were resident in London, but had in effect been superseded by the Trade Delegation. Failing any suggestion by the Central Committee, the Executive, as a last resort, invited the two groups of Russian representatives to a joint meeting at ICA headquarters in London with a view to an amicable settlement. Neither group would meet the other and the Executive was compelled to work out suggestions which would at least regularise the representation of Russian Co-operation on the Central Committee. These suggestions were embodied in a resolution which stated:

- 1 That the only authority which can properly nominate representatives of Russian Co-operation to serve on Central Committee of the ICA or appoint delegates to the Congress at Basle, is the Board of the *Centrosyuz* at Moscow.
- 2 That the form and constitution of the Board and of the All-Russian Central Union is primarily a matter for the decision and approval of the Russian Co-operators in Russia.
- 3 That, therefore, the Executive have no alternative but to accept any properly authenticated nominations for the Central Committee, or appointment of delegates to Congress, which may be forwarded to the Alliance by the Board of the Central Union at Moscow, in accordance with the rules of the ICA and that the General Secretary be instructed to act accordingly.
- 4 Finally, that the Congress at Basle be strongly recommended to adopt these conclusions as the solution of the present deadlock in our relations with the Russian co-operative movement.

The Executive's resolution failed to gain the support of a majority of the Central Committee at the meeting held on the eve of the Congress at Basle. The Central Committee in fact adopted a resolution "regretting the absence of the delegates of the present organisation at Moscow which has prevented it from coming to a definite decision on the question of Russian representation of the Alliance" and declaring that as no decision

could be reached by Congress, the Russian places on the Central Committee should be left vacant until the next meeting of the Central Committee.

### **The Verdict of Congress**

The Russian question, on which the majority of the Central Committee and the Executive came before Congress in open conflict, was raised early in the second session, on the report on the work of the Alliance since the Glasgow Congress. In the absence of a member appointed to propose the Central Committee resolution, the text was read by President Goedhart. Then the General Secretary rose to speak in defence of the passages of the report in which the resolution of the Executive had been reproduced verbatim and against the recommendation to leave vacant the Russian representatives' places until the next meeting of the Central Committee. This recommendation, he declared, was contrary to the rules of the Alliance. Neither the Central Committee nor Congress itself was entitled to deprive any national organisation, which continues its membership, of its right to nominate representatives to the Central Committee. In view of the facts that *Centrosoyuz* had been a member of the ICA since 1903, that its subscriptions for current year had been accepted, that its representative was sitting in Congress, this organisation had the right to nominate representatives to the Congress and the Central Committee.

The view of the majority of the Central Committee was expressed first by Poisson, who argued that the question at issue was whether *Centrosoyuz* as it then existed was a co-operative organisation or not. If it were, it had a right to a place in that assembly; if it were not, there was no place for it in the ICA. He regretted that the delegates who could answer the question were not present. He was followed by Heinrich Lorenz who stated that the purpose of the resolution was to give power to the Central Committee to hear delegates from Russia before coming to a final decision. Sir Thomas Allen supported the Executive as the true interpreter of the constitution of the ICA. He was followed by Dr Polovtseva, the representative of *Centrosoyuz*, who, in the course of a lengthy historical review, described the evolution of *Centrosoyuz* before the revolution of 1918 and since the revolution, when it was called upon to discharge functions of distribution on a unprecedented scale in the national interest. It was now regaining its independence and becoming the collaborator and nearest assistant of the State power in building up the economic life of the country. In an extension, by leave of Congress, of the time allowed to speakers she went on to give figures illustrating the scope of the operations of *Centrosoyuz*, but had not finished when the closure was applied for the second time. After Albert Thomas had pointed out that

Dr Polovtseva had not given a clear answer to the question whether *Centrosoyuz* was a co-operative basis or not, the President consulted the delegates as to whether the debate should continue, several speakers still wishing to speak. Congress decided not to hear them. After ten minutes for consultation, a card vote was taken with the result that the Central Committee's resolution was defeated by 733 votes to 474.

### *The Congress of Basle*

The rejection of the Central Committee's resolution was only one of the decisions which made the Congress of Basle a great landmark in the history of the ICA. We must therefore review the Congress proceedings from the beginning. The Congress, over which G. J. D. C. Goedhart presided throughout, was attended by some 400 delegates from 22 countries, all European except Argentina and the USA. Sir William Maxwell, prevented by ill-health from making the journey from Scotland, had prepared an inaugural address, which was read to the Congress. Its theme was the unity of the Co-operative Movement at all levels throughout the world. Expressing tempered hopes for the future of the League of Nations, Maxwell emphasised that the Movement should mobilise all its power for the material and social uplifting of the peoples and make its voice articulate, not only in local councils, but in national assemblies of governments throughout the world. He cited the example of syndicates, combines and companies taking financial interests in one another's enterprises as something which Co-operators could emulate and surpass, given the three essentials of confidence in each other's honour, goodwill accompanied by tolerance, and strong financial support from all. Urging greater interest in the world's sources of raw materials, he asked: are we to wait till these undeveloped areas are secured by the syndicates and countries, and then depend for all time on the class who have little or no sympathy with the mass of the people, nor with our methods of equity and justice? Maxwell uttered a warning for the future to primary co-operatives which "could not afford to remain longer in small and detached groups which would be much easier vanquished than one great and powerful organisation with one policy to guide it and one great objective in view", and concluded with the injunction to the delegates to have trust in each other irrespective of nationality.

#### **Programme for the ICA**

In the session devoted to the Central Committee's report the Congress allowed to pass without comment the programme of work adopted at

Copenhagen. This programme comprised action already in progress, objectives attainable within a few years and other aims which have proved not to be attainable in any foreseeable future. Nevertheless it provided guide-lines for the development of the Alliance for the ensuing twenty years and is therefore reproduced textually below:

- 1 The convening of international Congresses for the purpose of exchanging ideas and experience on methods of organisation, lines of development, and policy. Also with the object of concerted action to secure objects of national and international importance.
- 2 The initiation of propaganda meetings in great centres to spread the co-operative faith nationally and internationally.
- 3 The organisation where possible, of international exhibitions of co-operative productions to aid 1 and 2.
- 4 The publication of journals, books, and pamphlets, such as the "Bulletin", Year Books, Congress Reports, and smaller publications dealing with the history, principles, and present practice of Co-operation; also economic problems and statistics.
- 5 The establishment of a regular Press exchange for the double purpose of placing the publications of each national organisation at the disposal of all the others, and of providing a special Press service to supply information for publication in every country.
- 6 The establishment at the seat of the Alliance of a permanent library of co-operative literature and publications.
- 7 The promotion of international co-operative trading.
- 8 The promotion of international co-operative banking.
- 9 The establishment of a central bureau of economic statistics and information.
- 10 The development of a policy of international co-operation with a view to establishing fiscal relations between nations on the principles of Co-operation.
- 11 The co-ordination of "co-operative production" in order to secure to the co-operative world the most efficient service at the lowest cost and supplies direct from their sources.
- 12 The preparation of charts, diagrams, photographs, etc., illustrative of the works of Co-operation.
- 13 The promotion of relations with other international organisations, such as the International Labour Bureau, the Trade Union International, the Bureau of International Statistics, Housing, etc.
- 14 The collection and publication, where desirable, of full information on the constitution, methods, experience, results, etc., of the various national co-operative organisations.
- 15 The promotion of the study of languages by co-operators.
- 16 The organisation of holiday travel and study travel, and the general facilitation of personal relations between co-operators of different countries.
- 17 The development of the ICA into an effective League of Nations.

It was estimated that, in order to support the programme the Alliance would require an annual income of not less than £15,000. In fact, the subscription income, even in the most prosperous years between the world wars hardly ever exceeded two-thirds of that amount.

### **International Co-operative Trade**

International Co-operative economic relations were debated in three different contexts. The first was the section of the Central Committee's report which recounted the action which culminated in the establishment of a special committee to develop trading relations. About 20 organisations, all wholesale societies except the British Co-operative Productive Federation, took part. A. W. Golightly, a member of the Board of the English CWS was elected to the chair and Thomas Brodrick, Secretary of the same organisation, appointed secretary. A sub-committee of seven members produced a set of five directives:

- 1 The co-operatives in each country should form one body with which wholesale societies in other countries could transact business.
- 2 Each wholesale society should establish an export department.
- 3 Invitations should be extended to all wholesale societies to join in the scheme and circulate information.
- 4 The Committee should endeavour to focus orders through one buyer whenever joint-purchasing would be advantageous.
- 5 A central bureau for information and statistics to be established at Manchester.

The report of this committee concluded with references to the difficulties encountered in transacting business under prevailing conditions and an expression of opinion that the better course was to make headway slowly by dealing primarily with articles manufactured by the wholesale societies themselves. The Central Committee's report also mentioned the formation of the Scandinavian Wholesale Society as a joint purchasing agency, but this gave rise to no discussion in Congress.

The cautious conclusions of the Wholesale committee's report were not calculated to please those Co-operators who saw in the retarded resumption of normal international trade an opportunity for the Co-operative Movement to display its own principles to advantage. Resolutions were submitted from Great Britain by the Women's Co-operative Guild and the Leicester Co-operative Society, the one urging the Wholesales' Committee "to make the fullest use of the opportunities afforded by the present breakdown of international trade through capitalist channels for the purpose of establishing international trade through co-operative channels", the other pressing for examination of the practicability of

establishing an international clearing house to facilitate the exchange of goods between nations. What underlay these proposals was the belief that direct exchanges between Co-operative organisations could obviate the effects of depreciated currencies and the lack of ordinary trade credits. Golightly's contribution to the discussion was to describe in greater detail what had already been done by the Wholesales' committee, to point out that the CWS had already advanced credits totalling £800,000 to co-operative organisations in 4 countries and to indicate that the national Wholesale Societies were, more often than not, unable to supply from their own production goods which other wholesales wished to purchase. After a representative of the International Credits Section of the League of Nations had explained a scheme then under consideration for financing trade and stabilising currency exchanges, the Women's Guild resolution was passed and the Leicester resolution withdrawn.

The second discussion on international economic relations was not a debate but an exposition by Poisson and his colleague Gaston Levy, manager of the bank of the French Consumers' Co-operative Movement, of the need and advantages of an International Co-operative Bank. The French National Federation had stated the case in a memorandum submitted to the delegates. Poisson moved a resolution in favour of convening a special conference of co-operative banking officials for the purpose of formulating a scheme for an international co-operative bank. Gaston Levy, in seconding the resolution, emphasised that the same considerations which had led the National Movements to organise their own banks or banking departments of Wholesale societies led to collaboration internationally in the banking field, especially if international co-operative trade were to be developed. The resolution was adopted unanimously and the way thus opened for the establishment of the ICA's second auxiliary committee.

In its third discussion on international economic relations the Congress had before it a paper prepared by Heinrich Kaufmann at the request of the Central Committee on "The Relations to be established between the ICA and an International CWS". This paper included a close examination of the relations between Co-operative Unions, or departments discharging the functions of unions, and the Wholesale Societies in a dozen European countries. Kaufmann took for granted that the endeavour to develop international co-operative trading relations would inevitably lead to the formation of an International Co-operative Wholesale Society. The joint organisations of the two Wholesale Societies in Great Britain and the three Wholesale societies in Scandinavia could be regarded as precursors of a more comprehensive organisation, which would ultimately develop out of successful experience in the international exchange of



goods. Evolution would proceed from the present loose form of organisation between the wholesale societies to the formation of an International Union of Wholesale Societies which in due time might assume a more closely integrated structure as the International Co-operative Wholesale Society. But the International Union of Wholesale Societies ought to be related organically to the International Co-operative Alliance, just as the national co-operative unions and wholesale societies are organically linked, by the exchange of representatives on their respective governing authorities and a variety of other ways. Kaufmann therefore envisaged that the International Union of Wholesale Societies would be a company, registered probably in Great Britain, whose general meeting would be parallel to the Central Committee of the ICA, its board parallel to the Executive Committee, and two parallel Secretariats. Close correlation and personal contact could be ensured by holding regular meetings at the same time and place.

The Central Committee, having read Kaufmann's paper arranged for him to propose in Congress the following resolution:

“This International Congress of representatives from all the countries comprised in the International Co-operative Alliance agrees with the principles as laid down in the paper submitted by Herr Kaufmann for the establishment of an International Co-operative Wholesale Society and its relations to the International Co-operative Alliance and notes with satisfaction the efforts already made to form such an organisation. It therefore pledges itself to do all in its power to further promote these proposals and refers them to the Committee of the National Wholesale Societies.”

Kaufmann, on rising to present his paper, announced that there were British objections to the proposal that two representatives of the ICA should sit on the Board of the International Society and vice versa and that, in the British view, it was desirable to wait some years before considering whether closer relations were desirable. He even proposed that the British advice should be accepted. Further explanations were given by Golightly who claimed that the success of the Wholesale Societies in Britain was due to the fact that they had kept solely to trading and apart from propaganda and education. He therefore desired that the words “and its relations to the International Co-operative Alliance” should be deleted from the resolution. Congress, on the question being put to the vote, accepted the resolution as amended. The consequences of this decision will become apparent later in this history, but for the moment it will suffice to record Henry May's indignant comment that Kaufmann, by accepting the amendment, had consented to completely stultify the resolution he had submitted on behalf of the Central Committee.

## *The Rules of the Alliance*

The revised Rules of the International Co-operative Alliance, which completed the constitutional development initiated at Hamburg in 1910 were introduced by Goedhart, who had been chairman of the rules revision committee. He emphasised that the tendency of the revision was towards converting the ICA from a loose federation of organisations and individuals into a closely-knit alliance of national organisations, attempting to influence social and economic conditions internationally. This idea found expression in the addition of a second paragraph to Art. 1, the text of which still stood unaltered until 1969 as follows:

“The International Co-operative Alliance, in continuance of the work of the Rochdale Pioneers and in accordance with their Principles, seeks, in complete independence and by its own methods, to substitute for the profit-making régime a co-operative system organised in the interest of the whole community and based upon mutual self-help.”

The concept of the Alliance as an association solely of national co-operative organisations, strongly held by the French National Federation and pressed on its behalf by Ernest Poisson, was not adopted by the Central Committee because it implied a drastic change for which the International Movement as a whole was not yet ready. Article 2 was therefore amended only in such a manner as to give national organisations prominence in comparison with regional federations and primary co-operative societies. It was supplemented by a new version of Article 8 specifying the organisations eligible for affiliation, once again giving pride of place to national unions or federations, but also defining eligibility in relation to the practice of Co-operative principles by consumers' societies and other associations based on mutual self-help. The new Article 17 determined the basis and rates of members' subscriptions. Here again the Central Committee felt obliged to forego the best solution, which it considered to be to base subscriptions on turnover, and to accept for the time a system based on societies' membership. The distinction between the scales for individual and collective membership of the Alliance was maintained. While making the £ sterling the standard currency, the situation of the national movements and the instability of currencies then prevailing made it necessary to permit payments to be made at the mean rate between the £ sterling and a given national currency quoted in London.

The other amendments of major importance related to the Executive Committee and the officers of the Alliance. The new Article 30 laid down that the Executive should consist of the President, two Vice-Presidents and seven other members elected by the Central Committee immediately

after each Congress. The new Article 29 also provided that the President of the Central Committee should preside over the Congress, being replaced if necessary by one of the Vice-Presidents. The presidency thus became no longer an honorary, but an active office. On the other hand a new Article 14 created a Committee of Honour, not limited in numbers, of persons who had rendered eminent services to the Co-operative Movement in any part of the world. They were to be nominated by the Central Committee and elected by Congress and enjoy the privilege of attending both these assemblies in a consultative capacity. Article 33 delegated to the General Secretary certain functions hitherto discharged by the Executive and defined with greater precision his responsibilities, while giving him entire command of the Secretariat. The revised rules further fixed the seat of the Alliance in London and designated English, French and German as the official languages of its Authorities.

### *International Co-operative Policy*

No less significant than the revision of the rules of the ICA were the efforts to establish the bases of the general policy to be pursued by the International Co-operative Movement in the strange post-war world which Co-operators and their fellow-citizens were only beginning to understand. The lead had already been taken by the French National Federation of Consumers' Societies in the successive conferences of co-operators from the Western Allied and neutral countries held in the second half of the war. This was followed up by the ICA Central Committee, once it had resumed regular meetings. The results of its deliberations were presented to the Congress at Basle in the form of papers by Albert Thomas, Anders Oerne, Charles Gide and Victor Serwy, with appendent resolutions. On the one hand, there was amongst most Co-operators a strong desire to re-affirm continuity of both ideas and action. This led to attempts to ascertain how much of the unanimity experienced at the Glasgow Congress had been left intact by the cataclysm of war and revolution. On the other hand, the majority were also ready to recognise that the shattering of old institutions offered opportunities of rebuilding something better to take their place and had released progressive forces that were working on the international level for the same ends as the Co-operative Movement itself. As so often in the Movement's history, the task of the Congress was to reconcile continuity with necessary changes.

The paper submitted by Albert Thomas took for granted the premise which went almost unchallenged at that time, that the causes of war in the contemporary world were predominantly, if not entirely,

economic. War was the outcome of competitive rivalry in the exploitation of markets and sources of raw materials, the pursuit of profit and lucrative investment and the fiscal and legislative support given by governments to the economic interests of their own nationals. As opposed to the struggle for economic power by both competitive and monopolistic methods, the Co-operative Movement had been successfully developing its own system of supplying consumers' needs, based on the correlation of production with distribution and consumption. It was therefore bound to condemn, not only protectionist policies, but also free trade where that became an instrument of economic aggression. In any case, what was needed was a positive system of organisation of international exchanges which should result in justice in distribution and an equitable and rational use of the world's natural resources. This system of organisation could be demonstrated through the combination and integration of the different forms of Co-operative activity, especially consumers' and agricultural. Albert Thomas, who had already been for two years Director of the International Labour Office, naturally did not fail to point out that the League of Nations and the International Labour Office had already begun to grapple with problems relating to distribution and raw materials.

The resolution moved by Albert Thomas denounced competition and war in all their forms but declared that Co-operative policy cannot be either nationalist, protectionist or free international competition, since the object of the Co-operative Movement is association between all nations. The resolution did not demand the abolition of customs duties or of commercial treaties. On the contrary, it favoured the multiplication of commercial treaties which should be concluded for long periods in order to ensure sound industrial development. After declaring support for the efforts of the League of Nations to regulate the distribution of raw materials and foodstuffs and to institute control over international monopolies and trusts, the resolution looked forward to the establishment of an International Statistical Office which would collect and publish information on production, supplies and requirements in different countries. It concluded with a strong recommendation for the promotion of direct relations between organised consumers' and agricultural producers' organisations and further, the unity of the co-operative organisations of the whole world in the International Co-operative Alliance.

In the debate, criticism of Albert Thomas's thesis was concentrated upon his refusal either to accept free trade as entirely satisfactory from a Co-operative standpoint or to condemn customs duties root and branch. Neither British Co-operators, who for nearly twenty years had been fighting political efforts to swing their country back to a protectionist system, nor continental Co-operators, who had been opposing import

duties, notably on foodstuffs, which lowered the purchasing power of wages and consumers' standards of living, could be converted all at once to any toleration, even on grounds of temporary expediency, of fiscal systems which they opposed on principle. In replying to the discussion Albert Thomas agreed to delete from the resolution the reference to customs duties and commercial treaties. Thus amended, the resolution was adopted by a majority vote.

This decision announced, the Congress listened to Anders Oerne, then General Secretary of *Kooperativa Förbundet*, presenting a paper, ostensibly on the same theme as that of Albert Thomas but with so little in common with it, that, as Oerne himself said, they did not appear to treat the same subject. Neither the paper nor the introductory speech was debated in Congress which, on Anders Oerne's motion, referred the whole policy question to the members of the Alliance with a request for publicity in their journals and the submission of their observations to the Executive. Oerne, unquestionably the foremost theoretician in the Swedish Co-operative Movement, had very modestly presented his paper as a contribution to discussion. It concentrated attention on the economic aims of the Co-operative Movement, and of consumers' Co-operation as its most important element, as the chief determinants of its structure and policy. By its insistence on the economic principles and their successful application, as the sole means by which Co-operation could advance towards its goal and win ground from profit-seeking enterprise, Oerne's paper was an effective complement and, to some extent, a counterpoise, to that of Albert Thomas. It presented moreover, a Scandinavian view of Co-operation in a coherent and concentrated manner for the first time in an International Co-operative Congress and foreshadowed future achievements and contributions to Co-operative progress.

### **Co-operation and World Peace**

Professor Charles Gide introduced the question of peace with a paper on the Principles of International Right according to the Spirit of Co-operation. The celebrated resolution of the Glasgow Congress of 1913 had to be re-examined in the light of eight year's experience. The war, foreseen by many Co-operators, the Co-operative Movement and other pacific organisations had proved unable to prevent. Millions of Co-operators had been compelled as citizens to fulfil warlike obligations or been impelled by patriotic sentiments, to volunteer for the defence of their fatherlands. Although the Movement had in a few countries benefited from war conditions, the fundamental premise of the Glasgow resolution had not been shaken, namely, that the maintenance of peace and goodwill among all nations constitutes an essential condition for the development of

Co-operation and the realisation of the Movement's ideals. On the other hand, the assertion, that armaments and the possibility of international conflicts would disappear as the social and economic life of every nation became organised according to Co-operative principles, was unsupported by his reading of history. Economic organisation and economic reasoning would not of themselves prevent wars. The Co-operative Movement therefore could make its most effective contribution to peace by employing moral and educational means and by making itself the mouthpiece of "those dumb crowds" as President Wilson called them, the millions of women and children who were the innocent victims of war. The Movement ought therefore to support the League of Nations and even act as a guide to its policy.

The resolution which Charles Gide proposed expressed the leading ideas of his paper. In the subsequent discussion, however, his tendency to discount the economic factors of war came under reasoned criticism from the German delegation. This led to an intervention by Ernest Poisson who proposed that a commission of one French, one English and one German delegate should be appointed to sit with Professor Gide and work out a text which had a chance of being accepted unanimously by the Congress. This proposal was adopted. The commission sat overnight and the following morning Gide presented the revised text, which, after slight verbal amendments, was accepted unanimously as follows:

"That this International Co-operative Congress assembled at Basle, in resuming the work of the International Co-operative Alliance, after the most terrible of wars, reiterates the declaration of the Glasgow Congress that 'Peace and goodwill among all nations constitutes an essential condition for the realisation of the co-operative ideal.'

"The Congress expresses the conviction that, notwithstanding the cruel deception experienced, the progressive general adoption of the co-operative programme in the economic order will gradually eliminate causes of war. "In order to attain this aim, the Co-operators of all countries have the duty not only to work continuously for the economic development of their societies, but also to put into action, at every favourable opportunity, the moral factors of Co-operation against any conflict between peoples and against the political or economic oppression of any people.

"The Congress requests the National Co-operative Unions and all co-operative societies, each in its sphere of activity and with its own means to exercise vigilant action in order to prevent any political and economic conflict between peoples, and specially to endeavour to propagate the idea of diminishing everywhere the military expenses to the strictly necessary, in order to lead the way to a general, complete, and simultaneous disarmament on land, on sea, and in the air."

"It further recommends that a larger place be given in the schools to co-operative instruction and to propaganda of all the facts exposing the disasters of war and the blessing of peace.

“And in case the folly of man should provoke another war, the ICA, without contesting the right of every country to defend its independence, but considering that any war, even a defensive one, should not be allowed to settle differences between nations, is confident that the Co-operators of all countries, even those who believe themselves to be the victims of aggression, without fear of patriotic prejudice and official censure, will unite to impose on the belligerents the cessation of the conflict and the adoption of the method of peaceful arbitration.”

The practical complement to this resolution followed later in the same sitting when Congress passed two resolutions, one on the League of Nations, the other on the International Labour Office. The first resolution, while welcoming the idea of the League of Nations, urged Co-operators of all countries represented in the League to press their respective governments to secure a more democratic constitution for it so that it could become a real Society of Peoples. The second resolution had a similar tendency, in that it voiced approval of the steps taken by the ICA and a number of affiliated organisations to secure for consumers' co-operative organisations the direct representation due to them because of their special characteristics. This direct representation of consumers should apply to the International Labour Conference as well as the Governing Body of the International Labour Office.

### **Co-operation and Trade Unionism**

Victor Serwy's theme included in the agenda at his own request, was the relations between Co-operation and trade unionism. This was generally recognised as a matter of great practical importance. The Co-operative Movement had often suffered, in the price situation and the chaotic supply and currency fluctuations after the war, from unreasonable demands and treatment on the part of workers and their leaders who had no respect for co-operative societies, especially of consumers, as protectors of the purchasing power of wages and the living standards of the lowest paid workers. Serwy repeated in his paper a number of elementary lessons about the proper relations which should exist between co-operatives and trade unions, which had been forgotten or never learnt by the contemporary generation of trade union leaders. The resolution appended to his paper urged systematic Co-operative propaganda amongst the working populations to induce them to strengthen existing co-operative organisations and to establish co-operatives where none existed hitherto. The resolution also appealed to trade unionists to recognise the anti-capitalistic character of co-operative societies and the necessity of concluding collective labour contracts which would not diminish the co-operatives' power to compete against capitalist enterprise.

In its final sitting the Congress approved the first list of names

for the Committee of Honour as follows: E. De Boyve (France), Sir William Maxwell, D. McInnes, J. Deans, A. Williams, E. O. Greening, H. W. Wolff (Great Britain), K. Kokrda (Austria), L. Bertrand (Belgium), S. Jørgensen (Denmark), A. György and J. Mailath (Hungary), L. Luzzatti (Italy), O. Dehli (Norway), V. Totomianz and V. Selheim (Russia), J. Salas Anton (Spain), Dr. O. Schär and E. Angst (Switzerland). All were Co-operators who had rendered distinguished services, in some cases life-long, to their national Co-operative Movements, as well as to the ICA. Of these Greening, de Boyve, Williams, McInnes and Dehli did not live to see the next Congress.

### *Distress, Depression, Devaluation*

The newly-elected Executive Committee, the first to be pluri-national in its membership, consisted of G. J. D. C. Goedhart, President; A. Whitehead and E. Poisson, Vice-presidents; Sir Thomas Allen and W. Gregory, Great Britain; Victor Serwy, Belgium; Heinrich Kaufmann, Germany; Dr A. Suter, Switzerland; E. Lustig, Czechoslovakia; A. Oerne, Sweden. It held a two-day session in London on the 31st October and 1st November 1921. The tasks remitted to it by the Basle Congress and Central Committee were formidable. Its material resources were restricted and uncertain—an office staff of four and an annual income, diminished by successive currency devaluations, of roundabout £3,000. The war had inflicted on the Alliance a loss of £7,000 in arrears of subscriptions. A special financial appeal to affiliated organisations brought in no more than £626. Three years were to elapse before the new scales of subscription and the accession of new affiliates effected a visible improvement. Meanwhile, the Alliance had to contend, like its member organisations, with the dislocation of trade and production, brought about not only by the war but by the economic consequences of the peace treaties, and respond as best it could to the appeals for help from regions which were facing famine.

The appeal on their behalf to the central co-operative organisations affiliated to the Alliance, embodied in a resolution adopted by the Basle Congress, brought in about £6,600, actually handled by the Secretariat. An almost equal amount was contributed by co-operative organisations through other channels, notably the Red Cross relief organisation administered by Dr Nansen at Geneva. The ICA had a representative on the committee which supported Dr Nansen and, to begin with, money was remitted through Geneva. However, after the visit of the ICA delegation to Russia in 1922, arrangements were made to send contributions direct to



*Centrosoyuz* which was already operating a well-administered system of relief. By general consent about three-quarters of the money collected was allocated to Russia and the remainder to Georgia. The fund to aid Co-operative organisations in war-devastated areas, created early in the war, had grown by the end of 1922 to a total of £18,727, inclusive of £5,000 worth of goods contributed by the English CWS. Authority to distribute the fund was given to the General Secretary and to A. Whitehead, General Secretary of the British Co-operative Union. The recipients of aid were the French consumers' and workers' productive movements and central organisations in Belgium, Serbia, Italy and Georgia.

The Authorities of the Alliance frequently had to lend assistance in the form of moral support and active intervention with governments where co-operative societies or their unions complained of harsh or unfair treatment. The transfer of power to new national states was accompanied by re-adjustments of frontiers which could not always coincide with ethnic divisions. Thus, affiliated societies of the Hungarian Wholesale Society "Hangya" located in areas transferred under the peace settlements to Czechoslovakia, Jugoslavia and Roumania found themselves severed from their parent federation. They could not feel at home in the co-operative union to which the majority of the Co-operators in the new state belonged, while the attitudes of public officials were often unsympathetic. The restoration of an independent Polish state placed Ukrainian Co-operators in Galicia in a similar predicament. Elsewhere, under the influence of the revolutionary movement in Russia, co-operative societies of wage-earners tended to become aggressively class-conscious, breaking away from unions which adhered strictly to political neutrality or engaging in activities which brought upon them the suspicions and sometimes punitive measures of the public powers. All these divisions and collisions had repercussions within the Alliance, raising delicate questions of the representation of different groups on the Central Committee. With time and patience, as old resentments died down and a more co-operative spirit began to assert itself, these thorny questions tended to disappear from the agenda.

More and more also, the attention of governments turned away from militaristic adventures and towards reconstruction in the economic and commercial fields, equilibrium in national finances and the amelioration of social conditions. This offered opportunities which the Authorities of the ICA were not slow to seize, of calling attention to the value of Co-operation as a system which enabled the common people to participate, both as consumers and as producers, in promoting economic stability and progress, as well as of expressing the Co-operative view of international economic policy. Moreover, there now existed two international institutions, the

League of Nations and the International Labour Office, to which the ICA's suggestions, recommendations and protests could properly be addressed.

### *Co-operation and Reconstruction*

The Executive Committee, meeting in Brussels in January 1922 adopted unanimously a lengthy declaration submitted by the French National Federation of Consumers' Societies. The declaration called attention to the unity of the essential interests of all nations, resulting from the international division of labour and the universalisation of exchange, and the economic chaos which was impoverishing the world. This was only to be remedied by a programme of economic mutual aid. A universal economic conference should be convened as soon as possible, to which the Co-operative Movement should be admitted, more particularly as the international representative of consumer interests. The League of Nations, should prepare the way for the world organisation of production and exchange and admit the ICA to representation on its economic and financial organs. The International Labour Office should complete its enquiries into production and unemployment by a similar enquiry into consumption, assisted by the ICA and its national organisations. This declaration indicated the broad, general framework within which the ICA could act as particular situations required. The first occasion was the convening at Genoa of a European conference, to which all the recently belligerent and the neutral powers were invited, to discuss economic reconstruction. The Central Committee of the Alliance meeting at Lincoln about the same time, emphasised, in a resolution welcoming the convocation of the conference, the international character and spirit of the measures which ought to be taken to resolve the world economic crisis; foreshadowed the establishment of a world organisation to regulate international payments, including war repatriations, declared the readiness of the International Co-operative Movement to collaborate, like the trade union movement, in the work of the conference; and made a claim to representation. An additional paragraph pointed out the importance of the position occupied by Co-operation in the economic life of Russia and invited the attention of the conference to *Centrosoyuz* as an organ facilitating commercial relations between Russia and other countries. At its next meeting the Executive Committee appealed to the members of the Alliance to urge their respective governments to give Co-operation a place in all meetings for the discussion of international reconstruction in its moral and economic aspects.

## **Representation**

This pressure for representation was slow in producing results, partly because, as Albert Thomas used to complain, Co-operators were too modest. An important obstacle, however, was encountered in the constitutions of the League of Nations and the International Labour Office which had been laid down in the peace treaties of 1919 and were therefore practically impossible to amend. After a number of resolutions on economic policy adopted by the Authorities of the ICA had been sent to the League Secretariat over a period of some two years, a communication was received by the ICA from the Secretary-General stating that the League Council had decided that a resolution submitted by the ICA (and similar bodies) could not be officially received, as the Alliance was not an official organisation. Representations could be received only when they were submitted through the government of a country in membership with the League. The remark of one shrewd observer that the League was not so much a League of Nations as a League of Governments was thus not without its foundation of fact. Not much greater progress was made with the representation of the ICA in the International Labour Office. Representation on the Governing Body could only be achieved by revising the treaty. However, a resolution was adopted by the International Labour Conference in 1923 recommending the Governing Body to invite international Co-operative organisations to appoint delegates to act in an advisory capacity on questions of special importance to Co-operators. In addition, a Correspondence Committee of experts in Co-operation was created, the ICA assisting with nominations made by its member organisations. In 1924, when the question of "Night-work in Bakeries" came before the conference, a request for representation submitted by the ICA was granted. The General Secretary and Ernest Poisson accordingly attended the Conference and presented the Co-operative view point to the Commissions dealing with night-work and workers' leisure respectively.

## **Trade-Union Relations**

Victor Serwy's proposals at Basle Congress for closer collaboration between Co-operatives and trade unions began to produce practical results when a meeting of representatives of the Alliance and of the International Federation of Trade Unions met at the Hague in December 1922. A joint sub-committee worked out, in a series of meetings, an agenda which was discussed by both Executive Committees at Paris in May 1924. The constitution of the Joint Committee, to consist of the two Executives meeting at least once a year, was agreed, but the form and content of a proposed model agreement for Co-operative-trade union collaboration was referred back for revision after a lengthy debate. A

complicating factor was the intervention of the Labour and Socialist International, which had expressed the wish to be admitted as a partner in the discussions and collaboration between ICA and IFTU. This suggestion was rejected by the ICA Executive on the ground that the Rules of the Alliance imposed strict neutrality in matters of politics and religion. The question of ICA collaboration with the "Profintern" had already been raised by Russian representatives and received a negative answer for the same reason. The consensus of the Central Committee was expressed by Bernhardt Jaeggi, who said that the ICA should avoid associations which would offend some of its members and that its relations with the IFTU should be limited to practical matters.

### **Delegation to Russia**

Before entering more deeply into the debates on neutrality as a principle of Co-operation and on the neutrality of the ICA in particular, it is desirable to go back to 1922 when the ICA was invited to send a delegation to Russia for the purpose of ascertaining how the Co-operative Movement was working under the economic and political conditions then prevailing. Meeting at Brussels in January, the Executive decided to accept the invitation and appointed the General Secretary as the representative of the Alliance. Members of the Executive were invited to join the delegation on condition that their own organisations met the expenses. The committee of wholesale societies was also asked to appoint two representatives, to explore the possibility of economic relations with Russia through Co-operative channels. The General Secretary was authorised to engage an independent interpreter at the cost of the participating organisations. The delegation reached Moscow on the 5th March and the tour occupied altogether 30 days. In this space of time the delegation, which consisted of the General Secretary; Sir Thomas Allen, A. W. Golightly, J. English, J. Hawkins (Great Britain); E. Poisson (France) and Victor Serwy (Belgium), attended meetings which included a national congress, four conferences with the administrative committee of *Centrosoyuz*, other meetings at regional and local levels, besides visits to distributive and productive enterprises and educational institutes. Dr J. Huber (Switzerland) replacing Dr Suter, joined the delegation in Moscow. The interpreter was Dr Winter of Prague. Besides Moscow, the great centres visited were the cities then known as Petrograd and Nizhni-Novgorod.

The conclusions of the delegation were reported by May, Poisson and Allen to the meeting of the Central Committee at Milan. On the position of the Co-operative Movement in Russia the delegation stated its conviction "that a complete internal transformation of the Movement is being accomplished in the direction of uniformity in principle with the

Movements of other countries. There is therefore, no longer any reason for discussing the relations of Russian Co-operation to the ICA, in which we believe it is entitled to the fullest rights and privileges of all members . . .” On the possibility of establishing economic relations with Russia the delegation’s opinion was that it was “imperative and mutually advantageous that economic relations should be established, preferably through an international co-operative wholesale society and an international co-operative bank, but immediately by every direct and indirect means of joint buying and selling between the Russian co-operative organisations and those of other countries”. The delegation went on to urge the Central Committee to make appropriate recommendations to the Geneva Conference, combined with pressure on national governments to secure Co-operative representation and consideration of ICA policy at Geneva. Finally, the delegation recommended a further appeal for the relief of distress caused by the Russian famine, the distribution through *Centrosoyuz* of all moneys collected and the representation of the Russian Co-operative Movement on the Executive Committee. The Central Committee unanimously accepted the conclusions and the recommendations, with one exception. Until the Rules of the ICA could be amended at the next Congress, a Russian representative could be added to the Executive only in a consultative capacity.

### **Delegation to Georgia**

At Milan the Executive Committee decided to accept the invitation to send a delegation to Georgia to hand over money contributed for famine relief and to gain first-hand knowledge of the condition of the Co-operative Movement. The mission was undertaken by Victor Serwy who was accompanied by Gugushvili, representative of the Georgian Co-operative Union in London. Their visit lasted three weeks and Serwy’s report gave a detailed picture of the situation of the Movement in a country which had recently come under Russian military occupation and the political domination of the Communist Party. The hitherto vigorous agricultural Co-operative Movement had been deprived of its freedom of action. Factories and workshops had been nationalised and were mostly not working. Warehouses and depôts were empty. Credit was difficult to obtain from the State and interest charged at extortionate rates. The Executive Committee received the report, cordially thanked Serwy for his services and decided to submit the report to the Central Committee. A protest by A. A. Kissin, the Russian representative, who demanded an adjournment until *Centrosoyuz* had had an opportunity to reply to Serwy’s statements, was overruled. A written statement, afterwards handed in by Kissin, was embodied in the minutes. It claimed that Serwy’s statements

were inconsistent with the known attitude and policy of the Soviet Government towards Co-operation; that Serwy's report had been influenced by the Government's political opponents; and that the Alliance had been exploited for political purposes. In the period of nearly two years which elapsed between the Milan meeting of the Central Committee and its next meeting in Prague in April 1924, the Georgian question was debated once more by the Executive Committee in February 1923 when further statements and counter-statements were made by Khinchuk on behalf of *Centrosoyuz*, Gugushvili and Serwy. The General Secretary also reported a telegram from the Central Co-operative Union *Tsekavshiri* at Tiflis replacing Gugushvili in London and his colleague at Berlin by two other nominees as the Union's representatives. This decision, confirmed by a further telegram, was brought to the attention of the Central Committee at Prague, when the General Secretary and Professor Gide related the substance of a conversation they had had with Georgian representatives in Moscow on the occasion of the 25th anniversary of *Centrosoyuz*. The Central Committee was bound by a previous interpretation of the Rules, to accept the nominee of *Tsekavshiri* as the representative in the Alliance of the Georgian Co-operative Movement. The resolution which ended the debate confirmed this, having previously declared that Co-operation should be able to develop under conditions of liberty and recognition of the essential rights of individuals, and appealed for the help of *Centrosoyuz* in establishing a voluntary co-operative organisation in Georgia.

### **Co-operation under Fascism**

Systematic violence, outrage and destruction compelled the Italian Co-operative League to appeal to the Alliance for aid from 1921 onwards. The Congress of Basle protested strongly against the brutality and devastation meted out by bands of fascists to thousands of co-operators and their active members. At the request of the Executive Committee, Dr Suter made a tour in Italy to collect first-hand information of what was happening. His report, published in the *Bulletin* of December 1922 and January 1923, revealed that the League had lost about one-third of its affiliates and had no funds. The lack of security made monetary aid from outside on a loan basis almost inconceivable. Dr Suter doubted whether the Fascists, after they had seized power, were amenable to any external moral influence. Only material damage to Italian interests, such as a refusal by dockers to handle Italian shipping, was likely to make an impression. The best that the Executive could recommend in such circumstances was a conference with the Italian Co-operative leaders and an attempt to interview Benito Mussolini. Antonio Vergnanini, the League's General Secretary, stated in a letter, however, that it was useless

to approach the Prime Minister, and that to initiate Co-operative commercial relations might prove more promising. In 1923 Mussolini, like Louis Napoleon in his day, made certain pronouncements expressing sympathy for Co-operation. A national committee was even set up to prepare the Italian exhibit for the International Co-operative Exhibition planned for 1924 at Ghent. But Vergnanini saw to it, through an article in the *Bulletin*, that these actions threw no dust in the eyes of members of the Alliance. Any Co-operators from another country who had seen the pretentious Italian exhibit might have been pardoned for believing that Italy was the European country *par excellence* where Co-operation was favoured and promoted. But the magnificent illusion was a hypocritical disguise for the shabby reality. The Fascist Movement had been hostile to Co-operation from the first, as it was to all democratic associations which enabled the common people to govern their own affairs. A regime of terror, brutality and destruction was instituted, under which it was hopeless for the victims to turn to the public authorities for redress. Out of the 8,000 societies affiliated to the *Lega* in 1921, almost one half had disappeared by 1924 and a year later no more than 1,000 were left. The Authorities of the Alliance did their utmost to intervene, in the hope of bringing about some kind of settlement which would at least permit the surviving societies to continue, if in a restricted manner. The Ghent Congress received an impudent invitation to send a deputation to Italy to report on the actual state of affairs, but every attempt to arrange for a visit was stone-walled. Antonio Vergnanini, General Secretary of the *Lega*, was forced to recognise that the Italian Government and Fascist Party were not to be moved by any appeals from at home or abroad. The only hope was to keep loyal Co-operators in touch with one another until tyranny had wrought its own doom. "On Saturday, 11th November (1925)" runs the Stockholm Congress Report:

"As Antonio Vergnanini was leaving the office of the *Lega Nazionale*, he was met by a party of Fascists, accompanied by carabinieri and police, who compelled him to return to the office, where they informed him that a decree had been promulgated by the Prefect of Milan, dissolving the *Lega Nazionale* and ordering the delivery of the keys of the office into the hands of the Fascist co-operative chief, Alfieri, who had been appointed by the Government to take over the confiscated goods of the Co-operative Movement."

An appeal to the head of the Government by the ICA and representations to their own governments by 25 of its affiliated Organisations produced nothing but abusive articles in the Fascist Press. The General Secretary was authorised to use £1,000 to aid Italian co-operators to re-form their organisation. After a visit to Milan and a conference with Vergnanini and his colleagues in March 1926, the General Secretary was

able to report in May to the ICA Executive that it had been agreed to set up a consultative office under Vergnanini's direction to serve as a link between Co-operators and with the ICA. Later the co-operatives which still survived or had been formed under Fascist auspices were grouped in a national institution, the *Ente Nazionale*, and Luigi Luzzatti, stricken with years, was made president of its supreme council. Mercifully, he did not long survive this indignity, but died on 29th March, 1927. Twenty years later history swept the debris of Fascism into limbo and Italian Co-operators regained their freedom to re-build the *Lega Nazionale* and the other central organisations they needed.

### **The Ruhr Occupation**

Another threat to the unity of the Alliance, was presented by the military occupation of the industrial areas of the Ruhr basin in the attempt to extract more punctual reparation payments, notably coal deliveries, from Germany. 'The Central Union of Consumers' co-operatives published a manifesto denouncing the occupation in the strongest terms and demanded its reproduction in the *ICA Bulletin*. The General Secretary, as editor, was willing to grant this request but, on the advice of the President, modified certain expressions in the text which were liable to give offence to Co-operators in other countries. In the Executive both Belgian and French members were of the opinion that, in justice to the German Co-operators, the text should have been left just as it stood in the original. This raised the delicate question of the rightness and desirability of the Executive's interference with the normal discretion of the editor. The fact, however, that the Executive did not rally at once to the resolutions of protest against the occupation passed by other international organisations, caused resentment in other quarters. It was not until April 1923 that the Executive rallied to the resolution passed by the World Peace Congress in December 1922, when the occupation was already threatened, and at the same time adopted a resolution of its own urging the Co-operators of France, Belgium and Germany to press their governments to submit the question of the financial consequences of the war to international arbitration. The resolution also appealed to the French and Belgian governments to allow every facility to co-operative societies in the occupied districts to carry on their normal business.

The entry of the troops had been inevitably accompanied by distressing incidents, due largely to ignorance among the officer grades of what a co-operative and its functions were, and the ICA made approaches to the governments to obtain relief where gratuitous hardship was being inflicted. Much greater damage was caused to the consumers' societies by the galloping currency depreciation which followed the occupation. Their



liquid resources and the savings deposits of their members disappeared and hundreds of small societies had to close their stores. For over a year the German organisations maintained that they would not be able to take part in the next International Co-operative Congress at Ghent, but signs of change for the better, notably the introduction of a new German currency, the *Rentenmark*, encouraged them to send the usual delegation.

### *International Co-operative Day*

In contrast to the national conflicts which imposed severe strains on the internal harmony of the ICA, the Executive Committee succeeded in the early 1920's in achieving something positive, the effect of which in strengthening the unity of the Alliance has been incalculable. This was the institution of International Co-operative Day. The idea of a general Co-operative demonstration and festival held on the same day year by year had already been discussed for some time amongst Co-operators when the Executive Committee decided, at its first meeting after the Congress of Basle, to study the question. The President undertook to prepare a paper. This, when it came up for discussion by the Central Committee at Milan, turned out to be a general paper on propaganda in which the suggestion of a "propaganda day" in every country, town and village on the same date in order to attract the attention and interest of the whole world, was put forward. The Central Committee formally accepted the proposal for a Co-operators' Day, remitting other suggestions for consideration by the Executive. In the autumn the Executive Committee decided to recommend to the affiliated organisations that they adopt the first Saturday in July as the day for special propaganda, along the lines suggested by the President. In response to a circular the organisations expressed their general approval. The Executive accordingly charged the President and General Secretary with the drafting of a manifesto on behalf of the Alliance for circulation to the organisations; decided that efforts should be made to obtain a flag for the Alliance, the design being based on the seven colours of the rainbow; to enquire into the possible production of a badge and to try to arrange international speakers for demonstrations in large centres. The first manifesto, issued in June 1923, proclaimed the purpose of the Day as "an Annual Festival of Celebration and Propaganda which shall have the effect of demonstrating to the whole world the solidarity of Co-operators and the efficacy of their organisation as a means of economic emancipation and a guarantee of world peace". It called upon all Co-operators to rally to the standard of "Each for all, and all for each" in a great international demonstration. There was a positive response in twenty countries, over

half the number then represented in the Alliance. Notwithstanding the novelty of the idea and the relatively short time for preparation, demonstrations in several countries were widespread and made an appreciable impression on the general public and the press. The first International Co-operative Day could therefore be accounted a success and promised greater success in the future.

It was natural and entirely appropriate that such an attempt to reach the minds and hearts of the common people should give rise to the search for and study of symbols and emblems which not only conveyed an idea but also had overtones evoking an emotional response. The rainbow flag for example, could not only symbolise the fundamental character of Co-operative association, "the one in the many, the many in the one". It was an emblem of hope and immortality in the national lore of many nations. Its embodiment in a flag or banner however, was beset by a number of artistic, technical and financial difficulties with which the Executive Committee, some National Unions and a few co-operative textile factories had to contend for several years before reasonably satisfactory results were achieved. The quest for a universal Co-operative badge that men and women Co-operators might wear on all appropriate occasions was, for similar reasons, only partly successful. The suggestion of a film to convey the Co-operative message was impracticable in the early 1920's in the then state of the finances, not of the Alliance alone, but of the national organisations struggling with currency depreciation.

The harsh fact that the Alliance's annual income was no more than half what it should have been compelled the Executive to consent for a time to a reduction in the size of the *Bulletin* but also to adopt more positive measures, in concert with the national organisations, to make receipts balance its costs of production. Once it had been established that a circulation of 2,000 would make each of the three editions, English, French and German, self-supporting, it was possible to take this figure as a target and to enlist the collaboration of different groups of organisations using the respective editions in achieving it. Additional revenue to subscription income was secured by inviting national organisations to insert, for a fee of £10 per annum, five-line advertisements giving particulars of their addresses, volume and nature of their business, etc. This system not merely provided income, but also helped to provide a current directory of organisations affiliated to the Alliance.

### *Auxiliary Committees*

In the three years between the Congress of Basle and of Ghent the number of auxiliary committees working in concert with the International Co-

operative Alliance increased by three, concerned respectively with Banking, Insurance and Women's Activities. The Committee of Wholesale Societies, which dated from 1919, had continued to hold meetings and to issue reports which were published in the *Bulletin*. These reports contained trade statistics which had been collected from the participating wholesale societies. The chief emphasis was laid, however, upon the fluctuating exchange and market conditions which rendered any more ambitious efforts to develop trading relations either imprudent or impossible. The Basle Congress nevertheless had adopted a resolution in favour of the establishment of an International Co-operative Wholesale Society and this, after its own fashion, the committee proceeded to carry out. At a meeting held in March 1924 at Prague the committee adopted the rules of an Association of Wholesale Societies which came to be known as the International Co-operative Wholesale Society. The report submitted to the congress at Ghent includes the "objects" rule of the Society which runs as follows:

"The objects of the International Co-operative Wholesale Society are to collect and distribute information and to foster development and promote trade and trading relations and interests between co-operative societies in all parts of the world. The society itself shall not undertake any actual trading."

The last sentence was printed in italics in the report, the concluding sentences of which are an apologia expressing the Committee's complacency with the absence of positive results: "The Committees themselves are quite satisfied that everything has been done to promote international co-operative trade, which has been possible under the very exceptional conditions of Europe since their appointment, and that the lack of more rapid development is well known to be quite beyond the control of any body of Co-operators". It is curious that no one took the floor in Congress to comment on this report, for it must have been known to a number of delegates that the Scandinavian Wholesale Society, which started trading in the year when the Wholesale Committee had been set up, had more than doubled its turnover by 1924.

International Co-operative Banking, which the Basle Congress agreed should be the subject of a special conference, was reported on at Ghent by Gaston Levy, appointed secretary of the committee which the conference, with the approval of the ICA Central Committee had set up. The Committee's report contained a detailed account of the functions which an international co-operative bank might be expected to discharge. The information collected from its members revealed an almost complete absence of international relations between co-operative banks, even as an adjunct of the import trade of their corresponding wholesale societies.

There was next to no mutual clearing; the means of payment was the ordinary bill of exchange. The enquiries also revealed a regrettable dispersion of co-operative financial organisations. National concentration and consolidation had to precede international organisation. The committee, therefore, on the motion of Bernhard Jaeggi, adopted a resolution recommending the concentration of each National Movement's money and credit business in one co-operative bank; that the national wholesale societies should make, wherever possible, all their international payments through central co-operative banks; and that the chief administrators of these banks should consult one another on the best means of developing them, institute international clearing operations for the wholesale societies and so pave the way for a real international co-operative bank. Gaston Levy's report included references to contacts with the International Federation of Trade Unions, justified on the ground that the Co-operative Movement was the natural banker of the national and international trade union organisations, and also with the International Committee on Co-operative Insurance.

The Insurance Committee came into existence as a result of the initiative taken in 1921 by Joseph Lemaire, manager of the Belgian Co-operative Insurance Society *La Prévoyance Sociale*, to establish relations with similar societies in other countries, seeking at the same time the approval of the ICA. With the latter's encouragement a conference of representatives of co-operative insurance societies met at Rome in April 1922. The result was a joint international committee for the study of co-operative insurance problems, like the Banking Committee, under the auspices of the Alliance. At the time of the Ghent Congress, when the committee and Lemaire, as secretary, were engaged in collecting and sifting information, they were in touch with 15 societies in 13 European countries, besides a number of co-operative organisations already doing insurance business or intending to start a regular insurance society.

The remaining committee to report was the International Co-operative Women's Committee, set up by the Women's Conference held at Basle in 1921 in connection with the ICA Congress. Its president was Frau Emmy Freundlich (Austria) and its secretary Miss A. Honora Enfield (Great Britain). Its original members represented women's guilds or associations with similar objects in Austria, England, Belgium, Holland, Ireland, France, Scotland, Norway, Sweden and Switzerland. Members were later co-opted from Czechoslovakia and the USA. The main purpose of the committee was to prepare the way for a permanent International Co-operative Women's Guild, but while these preparations were afoot, the Committee devoted much energy to propaganda for the formation of Co-operative women's guilds in countries where none yet existed and to

action on the international level, of particular interest and value to women, in support of peace and disarmament, the relief of distress and famine, participation in International Co-operative Day celebrations.

### *The Congress at Ghent*

By the time that the 11th International Congress assembled at Ghent on the 1st September 1924, the clouds on the economic horizon appeared to be lifting. The post-war depression was receding. Measures of stabilisation were proving effectual and, even if politicians and the public were by no means clear in their minds whether re-construction meant a return to the world of pre-war or its replacement by something better, the future could be anticipated with greater optimism. The Congress coincided with the festivities of the Belgian Socialist Consumers' Co-operative Movement celebrating the fiftieth anniversary of the foundation of its pioneer society, *Vooruit* of Ghent. A remarkable, in many ways unique, exhibition, conceived by Edouard Anseele, founder of *Vooruit*, had been organised at the *Palais des Fêtes* under the direction of Willy Serwy, the able and devoted son of Victor and his father's assistant in the secretariat of the Co-operative Union. The exhibition was planned to illustrate the achievements of the International, as well as the Belgian, Co-operative Movement. No less than 32 countries, European, Asian, American, were represented by exhibits. The central concourse was assigned to International Co-operation. A series of pictorial panels illustrated the countries of the International Co-operative Alliance. The basic idea was conveyed by a piece of sculpture, specially commissioned from the artist Sarteel, depicting a group of working men and women supporting the globe. No such effective and diversified display of the creative and constructive power of Co-operation had ever been presented before and its influence on the morale of the Congress delegates, who met in an adjoining hall, was incalculable. It was scarcely possible for even the most knowledgeable Co-operator to leave the exhibition, after making the round of the stands, without feeling that all his conceptions of Co-operation, its role and its possibilities had been enriched and enlarged.

Another feature, this time of the Congress, which revealed the enhanced importance and prestige of Co-operation in general and the Alliance in particular was the imposing array, at the opening session, of representatives of national governments and international organisations. No less than ten European governments were represented by members of parliament or senior public officials. The international organisations which sent fraternal delegates were the International Labour Office, the Internat-

ional Institute of Agriculture, the International Federation of Trade Unions, the International Committee to Promote Universal Free Trade and the International Town Planning and Garden Cities Association.

### **The Neutrality of the ICA**

The delegates of affiliated organisations represented 29 countries of which five formed part of the Soviet Union. This was the first International Co-operative Congress at which the ICA's collective members in the Soviet Union had been represented and the consequences were not long in making themselves seen and heard. President Goedhart had scarcely resumed his seat, after an introductory speech in which he explained the nature and necessity of the neutrality practised by the ICA, when an Ukrainian delegate was proposing the addition of Russian to the three other official languages. This proposal had already been considered by the Central Committee, which had rejected it. The Congress followed suit. The next speech was delivered by a Russian delegate in German but the President disallowed its translation because of its political content. There then followed a speech from a Russian delegate criticising the steps taken to obtain recognition of the ICA by the League of Nations on the ground that the Alliance, as an organisation of the proletarian and peasant masses in all countries, did not require recognition by the League of Nations at all. Hopes founded on collaboration with the International Labour Office were without foundation. Only in complete union with proletarian class organisations would the Alliance be able to accomplish its international tasks. The speaker went on to draw the complementary inference that the Alliance should enter into collaboration with the "Profintern", "the Red Trade Union International". This proposal was put in the form of a resolution which was later debated in conjunction with one proposed by the British Co-operative Union, to refer the question back to the Central Committee for further consideration. The Central Committee's resolution, which was in the end carried, after the two other resolutions had been defeated on a vote, was to approve the action taken to seek relations with the IFTU which would facilitate united action on purely economic questions of common interest, but to adjourn consideration of the projected constitution which would place joint action on a permanent footing, combined action on specific matters continuing meanwhile.

The division of opinion registered in the foregoing votes made the question of the political neutrality or the class-character of the Alliance a recurrent theme in the Congress. It appeared in the form of amendments moved to the resolution on the place of women in the Co-operative Movement and inevitably in the debate, on a resolution submitted by Great Britain, calling the attention of affiliated organisations to the need

for respecting the neutrality of the Alliance, just as the Alliance respected the independence of the national organisations. The resolution went on to authorise the Central Committee to demand, if necessary, from the members an undertaking strictly to observe the neutrality of the Alliance and to permit no infringement of the rights of national movements to carry on their work freely and without foreign interference. The occasion of the resolution, as the mover, W. R. Rae, explained, were the utterances, at recent meetings of the Communist International and Communist Co-operators at Moscow, concerning the use of co-operative societies as instruments in the class-struggle. The British resolution was supported by Danish and German and opposed by Czechoslovakian and Russian delegates. The Russian delegate rejected neutrality if it were infringed when any judgement was passed by the Alliance condemning or protesting against hostile acts of governments towards co-operatives. The British resolution was carried, at the end of the debate, by 397 votes to 183.

### **Inter-co-operative Relations**

A much more constructive contribution than these barren controversies, and one much more in line with the proper evolution of the policy of the Alliance, was the paper on the Relations between the Different Forms of Co-operation presented by Albert Thomas. This represented a return to lines of thought opened up at previous congresses by Aneurin Williams and Heinrich Kaufmann, although the approach was somewhat different. Albert Thomas emphasised the fact that co-operative societies are in continual evolution, modifying their original forms and functions according to circumstances and the needs of their members. Development may proceed, as traditionally in Denmark, by forming a new society for every special purpose, or it may proceed by adding department to department. The different forms of Co-operation do not operate in water-tight compartments. Moreover they tend to approach one another and combine for a variety of common purposes—a tendency which needed further study and analysis. He drew attention to two sets of problems: first, the relations between consumers' societies and various forms of agricultural co-operation, which involved relations between town and country and agricultural and industrial nations; second, the possible role of autonomous groups of workers in Co-operative industrial organisation, which involved the wage-system and industrial discipline. In dealing with the first series of problems Albert Thomas referred, in particular, to an invitation from the Governing Body of the ILO to the International Institute of Agriculture to join in an investigation of the means by which direct contact could be organised between consumers and agricultural producers. The common sense underlying this idea was that it was inconceivable that the Con-

sumers' Co-operative Movement would be able in the near future by its own organisation to supply all its members' requirements in agricultural produce. The practical consequence was the establishment of joint organisations, like the agency set up by the English CWS and New Zealand Producers' Co-operative Marketing Association to supply the British market. The solution propounded by Albert Thomas for the second group of problems was the establishment of co-operative labour contracting associations or, in other words, the general adoption of a system whereby the organised workers contract for the performance of work under their own foremen and managers in return for a collective payment which they would distribute amongst themselves according to their own ideas of equity. The ordinary wage-system and its accompanying autocratic discipline would thus be eliminated.

Albert Thomas concluded by suggesting that the Co-operative Commonwealth should be conceived neither on a consumer nor a producer basis exclusively, but it must always place the general interest before any other consideration. Appended to the paper was a scheme of inquiry into relations between the various forms of Co-operation. The draft resolution before Congress had run into opposition in the Central Committee, which appointed Heinrich Lorenz to express its views to the delegates. The point of objection was, of course, the proposals on the organisation of labour, which were regarded as impracticable and impossible. An amendment modifying the text of the resolution, proposed by Victor Serwy was accepted by Thomas, and ultimately by Lorenz, and the resolution was adopted unanimously.

### **Constitutional Amendments**

The Ghent Congress resolved certain constitutional questions which arose, partly from proposed amendments to the Rules, partly from the proceedings of the auxiliary conference on international Co-operative banking. The first amendment to the Rules was to raise the amount entitling a National Movement to one additional representative on the Central Committee to a completely paid-up £100. This would have two desirable effects; it would tend to retard the growth of the Central Committee and to increase the income of the Alliance. It also meant that smaller organisations, whose subscriptions would need to be combined to make up £100, would have to agree amongst themselves on a common representative. The second amendment abolished the long-standing provision that half the Central Committee should retire in rotation. The third amendment was to increase the number of the Executive Committee members by one. The Russian organisations had been represented, up to the time of the Congress, by one of their officers, L. Khinchuk, who had



been invited in a consultative capacity. In Congress Khinchuk made a counter-proposal that the Russian Movement should be allotted 2 members in an Executive increased from 7 to 9 members. The General Secretary pointed out that, in the Central Committee the election of the Executive was approached from an international, not a national, point of view. The Central Committee was free to appoint those of its members who were most worthy by character and experience. The amendment to increase the Executive from seven to eight members, additional to the President and two Vice-presidents, was adopted. The problem raised by the Banking Conference was that of the participation in the Banking Committee of organisations which, while not co-operative in form or affiliated to the ICA, served the purposes of the Co-operative Movement. This delicate question, which might also concern the Insurance Committee, was one to which the Executive Committee was charged with finding a satisfactory answer. The solution ultimately reached was that Banks wishing to join the Banking Committee should be invited also to apply for affiliation to the ICA. If they were found on enquiry to be eligible for membership and the Central Organisation of their countries, itself affiliated to the Alliance, approved of the application, they should also be deemed eligible to participate in the Banking Committee.

### *Growth of the Alliance*

Even before the Congress of Ghent, the Alliance and its members, had entered upon a period in which a climate more congenial to constructive work and development tended to prevail. The number of countries represented in the ICA rose from 24 in 1920 to 30 in 1924 and to 35 in 1927. While its European membership increased in variety of co-operative types, as well as in magnitude, its links with Asia became stronger through affiliations from India, Japan and Palestine. In the Americas, however, its adherents consisted as yet almost entirely of consumers' organisations in the Argentine, Canada and the USA. By 1924 the individual members of the affiliated organisations totalled 40 million, approximately double the total for 1913. As business conditions became more settled and national currencies stabilised, the majority of the national organisations were able to make good their war-time arrears of subscriptions, pay at the normal rates laid down in the rules and bear an increasing financial burden as their own membership grew year by year. The ICA's annual subscription income exceeded £5,000 in 1926 with a balance in hand greater than one year's income. This financial buoyancy encouraged the Executive and the General Secretary to carry out plans for the expansion of the Alliance's

publications and other information services which had been in cold storage since the Congress of Basle. One of the most urgent tasks was the regular collection and presentation of up-to-date and comprehensive statistics, primarily of the Alliance's own affiliated Co-operative Movements. Those not yet affiliated could be more effectively covered by the ILO, with its facilities for using governmental channels.

### **Publications**

Problems of expanding publications were remitted by the Executive to a special sub-committee. The *International Co-operative Bulletin*, still the Alliance's only periodical publication, had to serve all purposes—news, information, propaganda and scientific discussion. On the other hand, the national Co-operative press was becoming a factor of increasing importance both for informing and inspiring the Movement's rank-and-file membership and for keeping the economic and technical knowledge of its leaders and officials up to date. The appetite of the Movement's journals for news, information and ideas became increasingly difficult to satisfy. Their editors and contributors looked to an increasing extent to the Alliance, not simply as a source of printable material, but also as a means of mutual help and joint action. Through its International Directory of the Co-operative Press, periodically brought up to date, the Alliance revealed the full extent of the Co-operative Press and the purposes served by it and thus facilitated for the working journalist all kinds of useful and fruitful collaboration with his colleagues in other lands than his own. The information given in a condensed form by the Directory was reinforced and vivified by the Press Exhibition arranged for the International Congress at Stockholm in 1927.

From the end of 1925 the Alliance once more took over, from the National Organisations which had supported the several editions, full financial responsibility for the *Bulletin*. But it was already apparent that what was necessary was to re-define its purpose and contents so as to make it, not simply an official organ through which the Alliance could discharge part of its function of leadership, but also a forum for the discussion of every issue of Co-operative theory and practice of significance for the International Co-operative Movement. Hence from 1928 onwards the *Bulletin* became the *Review of International Co-operation* and the function of distributing news, rapid information and reliable documentation transferred to a stencilled publication, the *Co-operative News Service* of the ICA. Henceforward the Alliance had an organ through which its members could both increase and more equitably share their common intellectual interests, at once adding to their stock of positive knowledge about Co-operation throughout the world and clarifying their ideas concerning its basic principles and ultimate aims.

Increased staff and other resources made possible a return to an earlier practice of the Alliance at its Congress, that is, submitting, as a part of the documentation reports on the progress of the Co-operative Movement in the different countries. At the Stockholm Congress of 1927 each delegate received a volume of reports, entitled *International Co-operation*, on the progress of Co-operation in 31 countries during the three years 1924–1926. This was the first of the series which, despite technical and financial difficulties, has been maintained until the present time through the willingness of the affiliated Organisations to supply material to be edited by the Secretariat. The picture of the national movements was completed by a pamphlet, specially written by the General Secretary and later translated into a number of languages on the *International Co-operative Alliance, its History, Aims, Constitution and Government*.

### **Propaganda and Education**

In the two related fields of propaganda and education notable advances were made. Year by year the annual festival and demonstration, International Co-operative Day, was observed with enhanced importance. While, on the one hand, the growing numbers of national organisations observing the Day were in no way inhibited in the manner or media of their manifestations, the ICA attempted to introduce features which could be adopted everywhere, so as to reinforce the sense of unity with the International Movement felt by the participants. One was the display of the Rainbow Flag. The Executive Committee decided that the official design should be the seven colours of the spectrum arranged in horizontal stripes in their natural sequence with the red uppermost. Reproduced in different kinds of fabrics and sizes the Rainbow Flag soon established itself as the appropriate emblem for all kinds of Co-operative occasions. Another feature was the issue of an official manifesto, approved by the Executive Committee in the name of the Alliance, in a form suitable for reading aloud and adoption as a resolution in large assemblies, making an impressive, because more or less simultaneous, affirmation of faith and loyalty by literally millions of Co-operators.

In the field of education the Alliance began to play an official role in the planning and organisation of the annual International Co-operative Summer Schools, initiated in 1921 by the British Co-operative Union's Education Department, chiefly for British Co-operators who wished to study Co-operation abroad. This was work which obviously belonged to the sphere of the Alliance but which at that time it had not the personnel or other resources to undertake. In 1926, when the School was held at the Union's headquarters, Holyoake House, in Manchester, the international participation by students reached on unprecedentedly high level, while

about half the members of ICA Executive delivered lectures. In 1927 the School was held at Vår Gård, the school of Kooperativa Förbundet at Saltsjöbaden near Stockholm, in the week immediately previous to the Congress, with even greater success. Within a few years, the Alliance was able to take over entire responsibility for the School, from whose title the word "summer" with its easy-going implications, was henceforth omitted.

### *The Meaning of Neutrality*

The debate on the political neutrality of the Alliance at the Congress of Ghent did not by any means remove this question from the agenda of the Executive or Central Committee. The speech of the Dane, Axelsen Drejer, in support of the British resolution, represented the view, common to all the Scandinavian and Finnish Co-operative Movements, that "the Alliance in the future should concern itself more with purely Co-operative questions and less with international problems of a more general nature". Disapproval of the policy pursued by the ICA since 1919 was expressed in much stronger terms in a letter handed in at Ghent by the Wholesale Society SOK. A special conference was accordingly convened at Stockholm in June 1925 when the Executive Committee met officers of the Danish, two Finnish and the Esthonian Co-operative Unions, together with Albin Johansson, a Swedish member of the Central Committee, under the chairmanship of G. J. D. C. Goedhart. From the statements submitted by the four unions it was clear that they interpreted neutrality to mean the exclusion of all questions from consideration but those of sole concern to the Co-operative Movement. They deprecated the intervention of the ICA in the discussion of international economic policy in the manner of the Inter-Allied and Neutral Conferences and subsequent debates in the Executive, Central Committee and Congress. Even representations to the International Labour Office, or the Genoa Economic Conference were in their opinion violations of neutrality.

Members of the Executive put forward their individual views. Khinchuk pointed out that all political questions had an economic character. The right way to observe neutrality was to recognise the solidarity of the proletariat. The resolution of the Ghent Congress must be observed until the next Congress. Lustig remarked that in questions of a mixed political and economic nature it was difficult to say exactly what ought to be done. If national organisations appealed to the ICA for support was it always possible, or in the interests of the Alliance, to ignore their demands? Kaufmann maintained that the Alliance must leave aside everything that could be interpreted as a breach of neutrality by its

members. He desired the General Secretary to prepare a memorandum stating the purely Co-operative questions with which the ICA should deal. Poisson held that it was necessary to distinguish between questions which force the Alliance to exterior action and those which can be solved within the Movement. He did not regard collaboration with the ILO as a breach of neutrality and when co-operatives were attacked and oppressed by their governments, the ICA was obliged to defend them. Fagerström (SOK) urged that in such times as the present, it was necessary to fix very narrow limits for the neutrality of the ICA, but Whitehead considered that the safeguards in the Ghent Congress resolution were adequate. Orne said that the policy indicated by Khinchuk would alienate the Swedish peasants from the Co-operative Movement. By concentrating on purely co-operative questions the Movement would be more united and powerful. Closing the discussion Goedhart promised that the proceedings would be faithfully reported to the Central Committee.

The memorandum submitted to and adopted by the Central Committee at Paris in October 1925 was based on the premise that neutrality was a restraint on the ICA's activities as a collective body; it imposed no similar restraint on its own members exercising their proper functions on their own territory. Where National Organisations acted against the interests of the Movement outside their own national boundaries, this was not a violation of the neutrality of the Alliance, but rather a breach of elementary good faith. The Rules in any case provided authority for dealing with action contrary to the interests or principles of the Alliance. On the vexed question of association with other international organisations the memorandum laid down that:

- 1 The subject of joint action must be consistent with the aims and principles of the ICA.
- 2 The means to be employed must be free from "party" political action or religious bias.
- 3 The independence and authority of the ICA in all such association must remain absolutely unimpaired.

The suggested lines on which the Alliance could work without breach of neutrality included:

- 1 Collective action, through representations to national and international authorities on behalf of member Co-operative organisations suffering injustice or disability, provided that causes of a political or religious nature were not involved.
- 2 Declarations by authorities of the ICA against conditions in any country militating against Co-operative development.
- 3 Relations with international organisations within the limits prescribed by the Ghent Congress resolution which would permit joint action in

favour of universal peace, the resolution or avoidance of labour disputes in co-operative employment, international fiscal policy and other economic questions which would facilitate Co-operative development.

### **ICA attacked**

The aim of the majority of the Executive and Central Committees was to pursue, and maintain the support of the Alliance's Congress and members for a middle course between the extremes represented by the Scandinavian participants in the Stockholm conference and the view on solidarity with the proletariat expressed by Khinchuk. This course brought the Alliance, its authorities and some of its affiliated organisations under frequent attack in Communist publications. At its first meeting after the Ghent Congress the Executive had to consider statements published in the *Information Bulletin* of the Co-operative Section of the Communist International, No. 8, abusively attacking the principles and methods of the Alliance. Challenged by Kaufmann to declare his attitude, Khinchuk denied that *Centrosoyuz* had had any part in or responsibility for the material published. The bulletin in question was published in Berlin and no Russian edition of it existed. He declared categorically the loyalty of *Centrosoyuz* to the Alliance and its adherence to its rules and principles. The Executive's resolution on the matter, which was considered and adopted at its next meeting, declared that the support or countenance of attacks of the kind complained of were entirely contrary to the spirit of the rules of the Alliance, and expressed the Executive's determination to maintain respect for fundamental principles and to enforce the provisions of the rules in all cases of default. The General Secretary was instructed to report immediately any breach of the rules which came to his notice. The *Information Bulletin* previously mentioned returned to the attack in its No. 14. This also contained information concerning the Stockholm meeting of the Executive which could have come only from someone present, although it had been agreed that the proceedings should be regarded as confidential. Khinchuk again repudiated responsibility, in the name of *Centrosoyuz*, for anything published outside its own organisation and declared that he personally had respected the confidential character of the Executive's proceedings. When the question of Communist publication of unauthorised partial accounts of the proceedings of ICA authorities was again raised by the British at the Central Committee meeting in Hamburg, Khinchuk, challenged by Kaufmann to explain why inaccurate and misleading reports all emanated from Moscow, replied that Russian co-operators always abstained from making communications to the foreign press, but that like everybody, they had the right to criticise in their own country what happened in the ICA. The report which the General Secretary had

been instructed to make was duly submitted to the Central Committee, confirmed, and embodied in its Report to Congress. In the Congress debate A. A. Kissin defended the action of the Russian representatives on the ground that the activities of the Alliance, its Central Committee and various Authorities, belong to the public, "We are not in the Alliance to enforce our own will, but we are sent here by millions of organised workers and peasant Co-operators to receive our mandate from those who sent us here and we believe that we owe them an account of our work. Therefore, we say that we do not carry on Communist propaganda". He was answered, after their several fashions by Heinrich Lorenz and the General Secretary. The latter, replying to the discussion, emphasised that it was no longer possible to tolerate "the introduction of politics and political questions, instead of economic and political ones, into every meeting of the Alliance, until the main and real work of the spread of Co-operation is hindered and menaced on every hand."

### *International Economic Policy*

Efforts to define the economic policy of the Alliance and to draw up an economic programme for the International Co-operative Movement were made persistently after the Congress of Basle, but were on the whole barren of positive results. The chief reason was the wide difference in outlook and approach exemplified in the papers of Albert Thomas and Anders Oerne at Basle or, in other words, inability to bring to a common denominator the problems of constructing an international system of division of labour and exchange, to replace that which had collapsed in 1914, and the problems of realising in developing institutions and expanding influence the economic potentialities of the Co-operative Movement. The action of the Alliance therefore was limited, apart from the promotion in various ways of closer inter-co-operative relations, to occasional pronouncements such as the Central Committee's resolution in 1925, addressed to the League of Nations, recommending widespread adoption of commercial treaties of an universal (e.g. non-exclusive) type and the establishment of an International Economic Council. In September 1925, however, the Assembly of the League of Nations decided to convene an International Economic Conference with the object of studying the economic obstacles to international collaboration, trade expansion and greater security. For this purpose, the governments which composed the League were obliged to recognise that the help of non-governmental organisations was indispensable. A preparatory committee was set up, consisting, not of governmental officials or others acting as representatives,

but of individuals qualified by knowledge and experience to carry out the work of preparation.

The Central Committee, meeting in Paris the following month, welcomed this decision and intimated the willingness of the Alliance to assist with the preparations. The ICA itself, as an organisation, was excluded from the preparatory committee but two well-known Co-operators, Anders Oerne and Frau Emmy Freundlich, received invitations to take part in its work. Although their participation was not in a representative capacity, these two Co-operators worked in close consultation with the authorities of the ICA, while, in the first stages the ILO made an appeal, supported by the Alliance, to Co-operative Organisations to help the preparatory committee in the collection of economic data. At the Central Committee meeting at Hamburg in October 1926 a counter-proposal was submitted by the Russian members, to the effect that the ICA should convene a so-called World Economic Conference in conjunction with the International Federations of Trade Unions. This proposal was rejected, but its supporters persisted with its advocacy until its rejection a second time by the Congress of Stockholm. Meanwhile, the preparatory committee had held its first meeting, when it was found that two documents submitted by the Co-operative Service of the ILO dealing respectively with the importance of Co-operative organisation in the marketing of cereals and milk products and with price-fixing by co-operatives, compared with private traders, had attracted considerable attention especially among the agricultural experts present. Before the second meeting, the Co-operators and trade-unionists serving on the committee met and unanimously agreed to recommend for inclusion in the Conference agenda the following themes: 1 Stabilisation of the Exchanges; 2 The Struggle against Obstacles to International Trade; 3 Effective Guarantees for International Economic Association to protect the Interests of the Consumers' and the Workers; 4 Organisation of the Migration of Labour; 5 Establishment of a permanent Economic Institute. Of these five subjects, Exchange Stabilisation was considered to be already too advanced to need discussion, while Migration of Workers was not yet ripe for decision.

### **World Economic Conference**

The Conference opened at Geneva on the 4th May 1927 and continued for three weeks. The non-governmental organisations invited to send delegates included the ICA, whose representatives were the General Secretary and Frau Freundlich. Thirteen prominent Co-operators were official delegates of their respective governments. Nine more attended as experts. At the opening plenary session the General Secretary was called upon to address



the Conference to which he gave an account of the constitution and aims of the Alliance, as well as its continuous and expanding action to promote economic progress as a foundation for international peace. Frau Freundlich was appointed a Vice-President of the Conference and *ex-officio* member of the co-ordinating commission. The specific contribution of Co-operation was most effectively made in the Agricultural Commission. The other Commissions discussed commercial and industrial problems respectively. The report of the Agricultural Commission, which found overwhelming support in the final plenary session of the Conference, contained the well-known and often quoted resolution on Relations between Agricultural Co-operative Societies and Consumers' Co-operative Societies. It will be sufficient to reproduce here the first paragraph of the second section of this resolution, which was at once a charter for inter-co-operative relations and an outline-programme for their realisation. The paragraph runs:

“The Agricultural Co-operative Societies will contribute to a still greater rationalisation of economic life in proportion as they develop their relations with the Consumers' Co-operative Societies. Direct commercial relations between producers and consumers, and between associations of producers and consumers, eliminate superfluous intermediaries, and, when they are sufficiently widespread, they result in the establishment of prices, which are advantageous to both parties. In addition to material profit, producers and consumers learn to know each other and to take account of the special characteristics and requirements of the other party. The Producers and Consumers' Co-operative Societies learn to appreciate the value of direct relations in accordance with their common principles. The clear realisation of the possibility of mutual collaboration and mutual confidence in business transactions are essential to a practical solution of the question of direct commercial relations between Producers' Agricultural Co-operative Societies and Consumers' Co-operative Societies — a question which has for a long time past been settled in theory.”

The concluding paragraph of the resolution declared that a joint committee representing international and national organisations of both types of Co-operative organisations should be set up, entrusted with a programme of research and documentation, as well as with studying the lessons of past experience and stimulating efforts at new achievements.

### *International Co-operative Trade, Banking and Assurance*

The formal constitution of the International Co-operative Wholesale Society at Ghent in September 1924 was approved by 26 national Wholesale societies on whose behalf its memorandum of agreement was duly

signed and sealed. Its Executive Committee consisted of representatives of wholesale societies in England, Scotland, France, Belgium, Germany, Holland, Russia, Sweden and Switzerland. The full committee, representing all members, met annually, the Executive more frequently, as the need arose. Because of its membership, the ICWS put inter-trading between wholesale societies in the forefront of its concerns, particularly in those commodities which the wholesales themselves manufactured, but the possibilities of joint international buying were also kept in view. In 1926 the foreign purchases of 18 of the member wholesales exceeded in value (at the exchange rates then prevailing) £45 $\frac{3}{4}$  million. As might well be expected the three principal groups of commodities were: 1 animal fats and meat, dairy produce and oils; 2 colonial and tropical products, fresh and canned fruit and fish; 3 cereals, pulses and sugar. The commodity most generally imported by European wholesale societies was coffee and this became the subject of study with a view to joint buying. A special meeting, attended by the Executive and the societies' coffee-buyers, made a preliminary exploration. The great diversities of taste between the countries were thought to present difficulties in the way of realising the advantages of joint buying. The resulting action was accordingly not in the coffee market, but in a wider and more thorough examination, by questionnaire, of the imports of the wholesales and their usual methods of buying.

The problem of the eligibility of banking institutions for membership of the International Banking Committee and its solution have already been described. When the Committee was formally constituted and for some time later, the Banking Departments of the English CWS and the German CEG withheld their participation for reasons never made public. Within a short time, however, it became evident that the Banking Committee must be taken seriously, for it was undertaking work of the utmost value. One was the study of the co-operative banking organisations of the several countries with a view to centralisation and the formulation of model rules. The other was the continuous study of the progress of currency stabilisation and the periodic circulation of annotated tables recording it. In a year or two the Secretariat had assembled information, although not always complete, relating to 57 banks in 29 countries and had been able to form a clear idea of their functions and their service to other types of Co-operative enterprise. These studies extend to trade-union banks, constituted as co-operatives and helping to finance consumers' or agricultural co-operative undertakings. At an early stage the Banking Committee began to envisage organic relations between co-operative banking and trading institutions and to recommend efforts to gain recognition for co-operative banks, so that payment for the purchases of the wholesale

societies abroad might be made through them. The next stage was to collect particulars of the correspondents of the co-operative banks and wholesale societies of each country for every kind of operation and to request the ICWS to urge its member wholesales to insist that their customers should make payments through a co-operative bank. In this way the committee hoped to create a feeling of solidarity between co-operative banks that would ultimately provide the foundation of an international co-operative banking organisation capable of financing international co-operative trading and productive enterprises.

The International Co-operative Assurance Committee was pursuing a roughly parallel course. That is, it had to determine the conditions under which an assurance organisation would be eligible to join the committee; it had to cultivate amongst its members the habit of punctually supplying the secretariat with detailed reports on their operations and financial position; and it had to organise the study of certain methods, for example, collective insurance, already employed by some of its members but interesting in some degree to all of them. At an early stage the Secretariat was called upon to supply information and guidance to half-a-dozen European Co-operative Movements which were seriously considering the establishment of assurance institutions. The Committee also encouraged its member societies to do business with one another, as well as exchanging information. This, it was well recognised, was the first step towards a regular system of re-assurance of some part of each others liabilities.

### *The First Stockholm Congress*

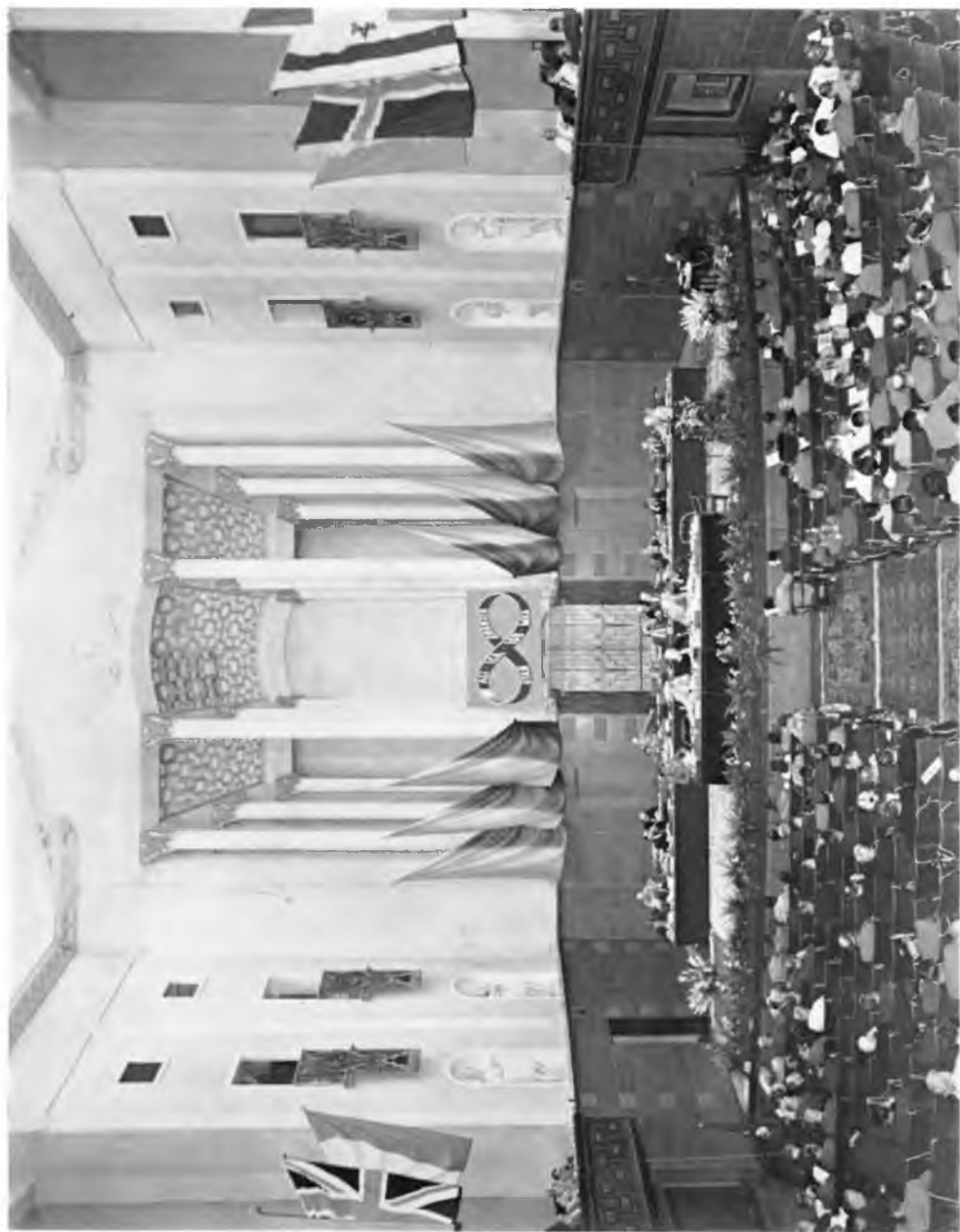
The Congress, which assembled at Stockholm on 15th August 1927 and was attended by 424 delegates from 28 of the 35 countries then represented in the Alliance, did not avoid controversy, but was marked by a more constructive disposition than almost any of its predecessors. This was apparent, not merely in the Congress proper, but in the series of specialised conferences which included, not only those arranged by the auxiliary organisations, but also one on Co-operative Propaganda and Education, organised directly by the ICA, in addition to the International Co-operative School. Two other remarkable features were a press and propaganda exhibition and a radio programme of short talks by Co-operators from six different countries. Here fully emerged what was to be for over forty years the normal pattern of an ICA Congress. In this connection it may be noted that no proposal to change the form of the Congress proper from a series of plenary sittings has ever met with the approval of the Central Committee since the first experiment at Delft in 1897.

The Executive Committee, when it met at Paris in October 1925, had to consider a letter from G. J. D. C. Goedhart resigning the Presidency of the Alliance, partly because of ill-health, partly because his advanced age made the long journeys and the proceeding of the meetings excessively fatiguing. The Executive was unwilling to accept the resignation without discussing it with Goedhart himself and therefore arranged to meet at the Hague three months later. At this meeting the President agreed to continue in office so long as his health permitted, providing that he had not to travel long distances. Under this arrangement he remained at his post one year longer, but early in 1927 on medical advice he tendered once more his resignation, which was final. The duties of chairmanship, including that of presiding over the Stockholm Congress, were shared by the two Vice-Presidents, Whitehead and Poisson. During the Congress the Central Committee elected Väinö Tanner President and re-elected by acclamation the same two Vice-Presidents. Väinö Tanner had joined the ICA some twenty years before as an individual member and served since 1910 on the Central Committee, first as a representative of the SOK and later of the Central Union KK, of which he was one of the founders. In 1926 he became Prime Minister of Finland's first Social Democratic Government and was holding that office when he was elected President of the ICA.

### **International Exchange**

Meeting some three months after the International Economic Conference of the League of Nations, the Congress was bound to re-echo a number of the latter's pronouncements. Two were of special importance: the need for greater freedom of international exchange and the advantages of more extensive and effective collaboration between the co-operative organisations of consumers and producers. The Congress resolution on economic policy, which expressed satisfaction with the result of the Conference, also agreed with the recommendation to reduce or remove customs barriers, emphasising that the time had come to put an end to the obstacles created by new tariff systems since the war. Both the Vice-presidents in their inaugural addresses drew attention to the close parallel between the recommendations of the Conference and the economic policies advocated by the Alliance. Sir Arthur Salter, chief of the Economic and Financial Section of the League, sent a special message in which he referred to the great possibilities open to the Co-operative Movement for mobilising public opinion to support free trade and more enlightened views on economic affairs. The distinguished English economist, Sir George Paish, speaking as a fraternal delegate from the International Committee for the Promotion of Universal Free Trade, went even further and prophesied "an almost complete breakdown of trade and credit with unemployment and





International Co-operative Congress Stockholm 1957

starvation on a stupendous scale". In less than two years his words began to come true. The fact that the Conference had resulted in little more than recommendations was taken by the Russian representatives as proof that they had been right in maintaining that it would not solve any great world economic problems in general or any workers' or co-operative problems in particular. They therefore opposed the resolution which was nevertheless adopted by Congress with a large majority.

### **Co-operative Trading Policy**

The relations between Consumers' and Agricultural Co-operative Societies formed the subject of a paper by Dr Bernhard Jaeggi, who built to a certain extent on earlier presentations by Heinrich Kaufmann and Albert Thomas, but took a realistic and practical view of the problems involved. He recognised more openly than some previous writers that the Consumers' Co-operative Movement could not undertake agricultural production on a large scale or unite all the elements which are necessary to build up an international economic system. It therefore needs to come to an understanding with the Agricultural Co-operative Movement, just as the agriculturists, because they are unable to conduct themselves all the business connected with agriculture, can benefit from close association with consumers' co-operatives and their wholesale federations. By good management and control of costs both sides should be able to make concessions to each other, when prices have to be fixed, and so compete effectively with private enterprises. Above all, there should be organic relations and joint institutions which permit the defence of common interests and the attainment of common economic and educational objectives.

The other special paper, presented to the Congress by Albin Johansson also had a strong practical bias. Under the general title of "Problems of Modern Co-operation" the author put forward a powerful vindication of the Rochdale system and its applicability under contemporary conditions. He emphasised the manner in which the consistent observance of the policy of self-financing, combined with cash-payments, demanded a rigid stock-control, made possible an active price policy and reinforced a society's financial stability and independence. He showed how such policies had been justified by the experience of the Swedish consumers' societies and the strength and solidity of their central institutions. It was essential, he maintained, that the national movements should have firm foundations before they could expect to make much progress on the international plane or offer a serious challenge to international trusts and combines. Albin Johansson's insistence on the rule of cash payments was, in the view of Gaston Levy, unrealistic,

because no modern Co-operative Movement could dispense with credit. The important consideration was that credit should be used as little as possible and be drawn from the Movement's own institutions. Gaston Levy was prepared to move an amendment to the resolution based on Johansson's paper, but, since the latter, like Dr Jaeggi's, had been prepared with a view to widespread discussion rather than a Congress policy decision, the amendment was not put to the vote, the resolution being adopted unanimously. Nevertheless the debate on the validity of the Rochdale principles and practices under evolving economic conditions continued long after the Stockholm Congress had dispersed and required in the end an authoritative pronouncement by the Alliance itself.

### **Rules and Resolutions**

Several amendments of ICA Rules were adopted at Stockholm for the purposes of improving the democratic machinery of the Alliance. Article 22 was amended so as to provide that no country or union of countries should exercise more than one-fifth of the total voting power of the Congress. Article 26 was amended so as to bring it into line with the decision of the Central Committee that the USSR should be regarded as one country and allowed to retain the 14 representatives it already had on that Committee. In fairness to all countries it was agreed that the maximum representation on the Central Committee should be 14 members, even though the annual subscription should exceed £1,300. If fewer representatives than 14 were actually present, they might still exercise the full voting power to which their country was entitled. Article 30 was amended so as to permit any member of the Executive Committee, prevented from attending one of its meetings, to appoint another member of the Central Committee as his substitute for that meeting. A proposal to add Russian to the official languages of the Alliance was defeated, but it was agreed that practical aspects of the language question should be further studied by the Central and Executive Committees.

On the question of World Peace the British Co-operative Union submitted a resolution which urged every Co-operative organisation to declare itself definitely against war and to make known, particularly to its own national government, its unflinching hostility to all policies, economic or militarist, which might provoke war or raise barriers to the realisation of the Co-operative programme. A final sentence which ran "and to be prepared, in order to maintain unrestricted progress of their ideas, to offer complete resistance to the declaration and prosecution of war" found objections in the Central Committee which had requested its withdrawal. On the other hand the Russian delegation proposed a lengthy addition to the resolution calling upon all Co-operative organisations to take action



against the war then raging in China and against every attempt at financial or economic blockade of or military offensive against the Soviet Union. Further, the amendment went on to specify a number of measures of protest, propaganda and mass-action which Co-operative organisations should support to counteract war preparations. When the different versions were put to the vote the text, amended as proposed by the Central Committee, was adopted by a majority which exceeded the total of votes for the other two texts. Two other resolutions proposed in the name of *Centrosoyuz*, the one in favour of a permanent commission of the ICA and the two trade union internationals, and the other on the future work of the ICA advocating "a proletarian policy" and a special committee of five to draft a programme on these lines, failed to find the approval of the delegates. An amendment proposed by Albert Thomas instructing the Central Committee to appoint a sub-committee to consider and prepare a programme of future work for the ICA, was, however, adopted.

### *Expansion*

In the late 1920's the Alliance, supported by the expansion of the National Movements, continued to develop its structure and activities on the lines apparent before, and generally approved by, the Congress of Stockholm. Membership steadily increased, notably through the affiliation of organisations in Eastern Europe, Asia and America, until by 1930 it represented 40 countries and over 50 million households. Subscription income rose by 50 per cent in 1926 to a new level, mainly owing to the adoption of "collective" membership by the Russian and Ukrainian organisations. Even so, the total was no more than half the annual income of £15,000 which the Central Committee had regarded in 1921 as necessary to enable the ICA to operate on an adequate scale. Nevertheless, some expansion of the information services was possible, together with the requisite additions to the personnel of the Secretariat. The collection from the affiliated organisations of annual statistical returns and their publication in special brochures became firmly established. The *International Co-operative Bulletin* completed its twenty-first year of publication in 1928 and its title was changed, by decision of the Executive Committee, to *Review of International Co-operation*, each monthly issue containing 40 pages. In the following year, in order to leave more space for lengthy reports and articles, minor items of information and news requiring quick transmission were transferred to the *Co-operative News Service*, appearing twice monthly. This was later supplemented by a similar service of economic and financial information. These developments were encouraged by the closer

relations between the ICA and the editors of the national Co-operative journals which followed the press exhibition and reception at Stockholm. A special Press Conference, convened at The Hague in July 1929, marked an important advance in collaboration which was consolidated by further conferences at Vienna in 1930 and Hamburg in 1931. The growing threat to consumers' interests as well as to the advance of Co-operation into production, resulting from the multiplication of cartel agreements, as well as industrial combinations of different kinds, on both national and international levels, induced the ICA and the ICWS to set up a joint committee to plan and direct research into their extent and activities in fields, such as margarine manufacturing, of special concern to the Co-operative Movement. The ICA undertook responsibility for the research, which necessitated the engagement of specialised staff.

### *ICA and the League*

The recommendations of the International Economic Conference of May 1927 were reported to the Assembly of the League of Nations in the following September and met with general approval. One of these constituted a Consultative Committee to follow up the application of the policy recommendations of the Conference. The ICA had been mentioned as a suitable organisation to appoint a representative to the Consultative Committee, but neither the Council nor the Secretariat of the League took any action to secure its collaboration, probably because it was not specifically mentioned, as the International Chamber of Commerce was, in the resolution adopted by the Assembly. The Executive Committee, meeting at The Hague in November 1927 adopted a resolution expressing its disappointment and pressing the claims of the Alliance as a representative of organised consumer interests, but this did not avail more than an invitation to appoint an expert to work with the Consultative Committee, without a seat on the Committee or a vote. The Executive promptly appointed the General Secretary to serve as expert. Fortunately, Väinö Tanner and Frau Freundlich were also appointed to the Consultative Committee by their respective governments.

Enquiries made by the ICA from the affiliated organisations revealed that their action in favour of the implementation of the recommendations of the International Economic Conference had been at least as vigorous as that of most governments. In addition, a special report on relations between Agricultural and Consumers' Organisations, prepared by the ICA and communicated to the Consultative Committee, displayed the whole range of relations of a public or voluntary character which

existed in 17 countries for promoting collaboration between the two branches of the Co-operative Movement, as well as the nature and scope of their mutual business transactions. In the second session of the Consultative Committee, early in 1929, a resolution presented by Frau Freundlich calling for the establishment of the Joint Committee, envisaged in the conclusions of the International Economic Conference, was rendered ineffectual by an amendment adopted by the Consultative Committee on the motion of the representative of the International Chamber of Commerce. The prospect of inducing the Secretariat of the League to take action thus seemed for the time without hope, but this did not weaken the determination of the Authorities of the Alliance to continue their efforts to secure an equal position within the framework of the League to that granted to other international organisations. Nor did the inertia of the League restrict the freedom of the Alliance to work by its own means and methods for a good understanding and advantageous business relations between the consumers' and the agricultural Co-operative Movements at all levels.

The programme for mutual relations put forward by Dr Jaeggi at Stockholm was circulated for study to the ICA's affiliated organisations. Wider studies of agricultural co-operative organisations outside the Alliance led to the convocation of an informal conference at Paris through the intermediary of Albert Thomas. Discussions between representatives of both branches of the Movement resulted in agreement that organic relations between them should be jointly studied on the international level; that a joint committee should be set up with an agreed programme of work; and that both sides should maintain absolute political neutrality.

### *International Wheat Pool Conference*

It was entirely within the framework of this policy that the Executive Committee, when it met at Bremen in March 1928, had instructed the General Secretary to attend the Third International Wheat Pool Conference convened for the first week of June at Regina, Saskatchewan. This mission was the first occasion of which the ICA had sent an official representative to a Co-operative conference outside of Europe. It implied recognition, far-reaching in its consequences, of the importance of an agricultural Co-operative Movement which had grown up on solid local bases in the wheat-growing regions of Canada and other countries of the British Commonwealth, besides the United States. Resentment against the speculative operations of the centralised grain exchanges and disappointment with the reluctance of governments, after a period of war-time

control, to regulate the marketing of cereals, of which wheat was the chief, spurred the farmers and their leaders to carry Co-operation to the limit by concentrating or pooling their output of wheat in order to sell directly to the millers, not least to the consumers' Co-operative Wholesale Societies of Great Britain. In Canada, the Wheat Pools of Manitoba, Saskatchewan and Alberta had a central selling agency with its own elevators in the ports of Lake Superior which could be reached by ocean-going cargo vessels.

The declaration which the General Secretary made on behalf of the Alliance outlined the previous history of efforts to bring consumers' and agricultural Co-operation into organic relations, but also clearly recognised the genuine Co-operative character of the Wheat Pool organisation. Closer association for the achievement of common aims, notably orderly marketing and economic security, was the natural corollary. It could be realised in practice by the entry of the Wheat Pools into membership with the ICA or by association with the ICWS, which organised contacts with its affiliates, even if it did not trade on its own account, or again by the establishment by the ICA of a special Agricultural Department which would act as a two-way agency and central documentary and statistical bureau. Confident that the seeds thus shown would germinate in time, H. J. May, when he reported to the Executive and Central Committees, expressed the opinion that mutual relations between the ICA and the Wheat Pools should be allowed to develop naturally, without any attempt to force the pace. His wisdom was confirmed in the event. Within two years the Wheat Pools had joined the Alliance and one of their officials contributed a paper to its Vienna Congress.

The General Secretary's eight weeks' tour of Canada and the United States yielded invaluable results because it brought him into close touch with the consumers' co-operative organisations and their leaders, as well as with the producers' organisations. He attended the congress of the Canadian Co-operative Union at Lloydminster and gained first-hand knowledge of the weakness of its membership and the paucity of its resources. That it continued to exist at all was due to the self-sacrifice and devotion of its secretary, George Keen, one of Co-operation's heroic pioneers. The General Secretary's proposal, that the sum of £500 should be sent by the Alliance to subsidise the propaganda of the Union and its attempts to gain more members, was immediately accepted by the Central Committee—again the first time the Alliance had done anything of the kind.

The fact that the Wheat Pools were recognised as genuine co-operatives by the Alliance created greater sympathy between the producers' and consumers' co-operative movements in Canada itself, encouraged the

establishment of wholesale societies which could supply both the farming and the urban population, leading ultimately to a great accession of strength to the Co-operative Union of Canada.

### *Industrial Concentration and Cartel Development*

The successful campaigns fought by the Swedish Co-operative Movement in the 1920's against trusts and cartels in different branches of industry and trade form a memorable chapter in Co-operative history. As was apparent in Albin Johansson's paper at Stockholm Congress, he was quite ready, as the leading tactician in these campaigns, to make the knowledge and experience he had gained available to consumers' Co-operative Movements in other countries, all the more since the movement towards cartellisation had entered an international phase. The memorandum, which Albin Johansson submitted to the Executive at Liège in July 1928, besides surveying the ground, contained a detailed proposal for the establishment of an international cartel information bureau, carrying out research and issuing regular reports for the benefit of the participating organisations. The bureau could be located at Stockholm and *Kooperativa Förbundet* would bear the expense for the first two years. The Executive was generally in favour of the scheme, but recognised that the Central Committee and the ICWS should be consulted. In the Central Committee Albin Johansson's proposal encountered objections voiced by the English CWS on the general ground that it was unwise to set up specialised bureaux for particular purposes outside the orbit of the ICA. The force of these objections was admitted, but so also was the need to take action. A meeting of the Executives of the ICA and the ICWS was held in Paris in May 1929 when arrangements were agreed for collaboration in the collection of information and the technical study of cartel organisation and operations, the necessary research being the responsibility of the ICA. A beginning was made with margarine production, in which cartellisation on the international scale was already advanced, concerns established in certain countries having already acquired a firm foothold in other national markets. It was already public knowledge that vast schemes were afoot for gigantic international horizontal and vertical combinations leading to unified control of the whole productive process from the marketing of the raw materials to the retail distribution of the final product.

It was also Albin Johansson's conviction that, in his own words, "the Co-operative Movement must take a step forward from the passing of resolutions to true international constructive work". It galled him that capitalism should be leading the way in the internationalisation of economic

life. Fully aware of the successful development of the Scandinavian Wholesale Society, he found it difficult to accept the policy of the ICWS not to engage in trade on its own account. A very different policy was advocated on both theoretical and practical grounds in a brochure, entitled *International Wholesale Co-operation*, by one of his colleagues in KF, Anders Hedberg.

At Geneva in 1928 the Committee of the ICWS did indeed decide to establish an agency for trade promotion with an office in London in close contact with the Scandinavian Wholesale Society, and appointed a sub-committee to work out the details. Not all the national wholesales were willing to participate in the agency and this became a reason for shelving the plan in favour of a scheme for collective commodity buying. Certain members however, considered sympathetically the idea of small international groupings, similar to the Scandinavian Wholesale Society, as an alternative to more general types of organisation.

### **Banking and Insurance**

The progress made by the other two economic Auxiliaries, the Banking Committee and the Assurance Committee, although it was considerable in the fields of information and analysis, did not yet allow them to contemplate anything in the shape of international organisation in the strict sense. Both, however, were able to recruit more participating and corresponding organisations from year to year. The Banking Committee, after having investigated the structure and organisation of the national Co-operative banks widened its enquiries to include the manner in which the funds controlled by Co-operative Banks were invested. One result was to reveal an encouraging yearly increase in these funds and another, to confirm that co-operative investments averaged a fairly consistent proportion of two-thirds of these funds. With a view to international lending between Co-operative Organisations, the Committee also undertook a study of the methods by which private banks conducted their international operations, issuing meanwhile a request that Co-operative organisations needing loans should notify the Committee's secretariat in order that the member banks should be informed and, if possible, give assistance. The recommendation of the Assurance Committee to its members that they should look into the possibilities of doing business with one another resulted in international collaboration in the form of re-assurance contracts between several of them which undertook fire and accident assurance. The pioneers were the Belgian, Bulgarian and French Co-operative Insurance Societies, but they were soon followed by the Hungarian "Corvinia" and the British CIS, making altogether five out of the eleven societies grouped in the Committee. Already the ultimate objective of an International

Co-operative Re-assurance Society had appeared above the horizon of the secretary, Joseph Lemaire.

### *Women's Organisation*

The International Co-operative Women's Guild, which had been definitively constituted at Ghent in 1924, developed steadily throughout the 1920's under the leadership of its President, Frau Emmy Freundlich and its secretary, Miss Enfield. By 1929 it had received the affiliation of twelve national Co-operative Women's Guilds, but was in regular correspondence with women's organisations in more than twice that number of countries. Its work was restricted by its small and uncertain income, much of which consisted of grants from a number of national Co-operative Unions and Wholesale Societies. The ICA also assisted by providing space for notes on women's questions regularly in the *Review of International Co-operation* and incorporating the International Co-operative Women's Conference in its series of meetings preceding its triennial Congresses. The Guild's primary interest was, of course, the encouragement and promotion of active participation by women in the conduct of the affairs of the Co-operative Movement at all levels. One of its standards for measuring its success therefore became the numbers of women who reached high elective offices, not merely in the primary co-operatives, but more especially in the central federal organisations of the National Movements. These numbers naturally tended to increase as the national guilds grew in membership and effectiveness. The Guild constantly took advantage of the Co-operative Movement's structure and usages to promote international contact between women Co-operators and develop a broader outlook through participating in International Co-operative Day and all manner of public actions, in concert with other international organisations in favour of peace and disarmament. The social, industrial and political disabilities of women and the need for the extension of welfare services in the interests of children gave the Guild opportunities of action from time to time, in conjunction with the International Labour Office and the League of Nations. Its President's membership of the League's Economic Consultative Committee and of the Central and Executive Committees of the ICA brought the Guild's leadership a keen sense of the immediacy of international affairs.

On the specifically economic side, the Guild displayed a lively interest in consumer questions, such as the prices and qualities of food products and other household necessities, as well as the policies of the Co-operative Movement for the defence of consumer interests. After the

Stockholm Conference the Guild sought contact with the women of the Agricultural Co-operative Movement with a view to collaboration to raise rural standards of living.

### *The Congress of Vienna*

With the first International Co-operative Congress at Vienna in 1930 the ICA reached its apogee between the two world wars. The attendance of 554 delegates from 35 countries, apart from guests and visitors, made it the most representative Congress the Alliance had yet held. The Congress proper was organised as the culmination of a series of events which began a week in advance with the opening of the tenth International Co-operative School, which attracted 150 participants from 20 countries. Later followed conferences on Education and on the Co-operative Press, the special conferences of the Wholesale Trade, Banking and Insurance Auxiliaries and the International Co-operative Women's Conference. Besides the preparatory committee of Austrian Co-operators, the City administration of Vienna offered unstinted hospitality which gave added warmth to the normally friendly atmosphere of the International Co-operative Congress. Although the clouds of economic depression hung heavily all round the horizon, the sun shone in Vienna.

At the opening session the delegates adopted the revised procedure for Congress which had been worked out in the Central and Executive Committees in the preceding two years. Besides procedural rules which facilitated the preparation of the Congress agenda, imparted a more business-like tone to its discussions and enabled the delegates to speak with fuller knowledge and authority, Congress approved by a small majority the proposal of the Central Committee to delete the rules providing for the nomination of the Committee of Honour, apparently agreeing with the German member who declared that "such an institution is out of date and there is no room for it in the modern Co-operative Movement". An amendment proposed by the USSR delegation, limiting the subscription of any country or union of countries to one-fifth of the total income of the ICA was rejected. The mover, Jakobenko, pointed out that the co-operatives in the Soviet Union were already paying 43 per cent and might soon be paying 75 per cent of the Alliance's income. He thought that the same principle might apply to subscriptions as to voting-power. The counter arguments, that the Alliance might lose as much as £2,000 a year and that its small surplus of income over expenditure might be turned into a deficit, with disastrous results for its policy of expansion, were conclusive for the majority of delegates.



## *The Rochdale Principles*

Before the specially written papers, Congress dealt with a brief memorandum and resolution, submitted by the French National Federation of Consumers' Co-operatives and introduced by Auguste J. Cleuet, managing director of the Wholesale Society MdG, on the Rochdale Principles of Co-operation. The text of the resolution ran as follows:

“The Congress of the International Co-operative Alliance asks the Central Committee to appoint a Special Committee to enquire into the conditions under which the Rochdale principles are applied in various countries and, if necessary, to define them.”

The memorandum declared that reference to the Rochdale principles was being used excessively to restrict the examination of the new problems arising from the unceasing development of commerce and industry, problems which a century before had neither the same aspect nor the same dimensions. In moving the resolution A. J. Cleuet said that the chief object of the proposal was to obtain what had never yet been obtained, a correct and complete list of the principles of Rochdale. Next, it was necessary to know how the principal rules laid down by the Rochdale Pioneers were interpreted by the different National Movements in membership with the ICA. Finally in view of the difficulty of trying to solve all problems by means of rules which were nearly one hundred years old, it was necessary to reach agreement on the present interpretation of the different methods of applying the any given principle. The chief purpose in view was to obtain a clear definition of Co-operative doctrine and of those methods which are to be recommended in the interest of the development of the Co-operative Movement in every country.

In the short debate, the British delegate, J. J. Worley, while not opposing the French resolution, pointed out that the principles were stated in the rules of the ICA and the other objects of the suggested Committee formed part of the normal work of the Central and Executive Committees. The Soviet delegate I. A. Zelensky, spoke in favour of the French proposal on the ground that, since the original statutes of the Rochdale Pioneers had been published, many things previously regarded as part and parcel of the original principles were not included in them, such as the myth of political neutrality. The principle of equal shares was a capitalist principle and so was the principle of the distribution of the surplus in proportion to purchases. In the Soviet Union the system had been abandoned in favour of the collective utilisation of the surplus for common purposes. The principles should be thoroughly revised and adapted to the aims of the modern working-class movement. After these statements had been controverted by Dr V. Totomianz, making his last

speech as a member of the Committee of Honour, the French resolution was adopted.

### **International Economic Policy**

The special Committee, appointed by the Central Committee after the Stockholm Congress to prepare a programme of economic action for the Alliance, had not finished its work before the Vienna Congress, but on its recommendation, the Central Committee laid before the latter Congress two resolutions of particular importance. The first called attention to a widespread tendency to increase customs tariffs and reiterated earlier declarations in favour of restoring greater freedom of exchange and communications through long-term trade agreements and customs unions. The second denounced the exploitation of consumers, through the monopolistic policies of cartels and trusts and the financial dependence of certain governments upon them, and called on consumers to organise themselves co-operatively and to press for national and international control of cartels. Amendments to the first resolution, one textual, the other calling for the enlargement of the committee and its activity, moved by Albert Thomas, were referred to the Economic Policy Committee. Both resolutions were adopted, but the sections of the report of the Central Committee to which they were appended came under strong criticism from the Soviet delegation which reminded Congress of its previous warning not to expect any effective action from the League of Nations and forecast that customs duties would continue to rise as the economic situation became more critical. Similarly, it was useless to campaign for control of national trusts by governments and of international trusts by the League of Nations. What were they, if not instruments in the hands of monopoly capital?

### **Consumers and Producers**

In the paper presented by Sir Thomas Allen on the Marketing, Pooling and Financing of Co-operative Productions in relation to the Consumers' Movement the factual background was no longer mainly European, with its Co-operative Movements of peasants attempting to come to terms with consumer co-operatives and their wholesales in their home markets (certain exceptions apart, of which Denmark was the most outstanding). It was rather inter-continental, with the two British wholesale societies not merely purchasing from the Co-operative marketing organisations created by the farmers, in North America, Australia and South Africa, but also forming joint organisations with them and making special financial arrangements. After a world-wide survey, Sir Thomas concluded that the interests of producers and consumers were reconcilable, where both sides

are actuated by Co-operative principles. The entry of Canadian Wheat Pools into membership of the ICA would serve as an example to other agricultural organisations seeking a regular and organised market. It was for the consumers' Co-operative Movement to find how this relation could be developed. The paper was supported by an account of the Canadian Wheat Pools presented by Andrew Cairns, statistician of the Central Selling Agency of the Canadian wheat growers. The resolution submitted by Sir Thomas Allen affirmed that the establishment of organic relations between consumers' and agricultural producers' organisations was a natural step in the development of the Co-operative Movement as a world economic force and urged the Central Committee to continue its efforts to reunite the agricultural producers' organisations to the membership of the Alliance. The adoption of the resolution was not unanimous, although an amendment proposed by the Hungarian Wholesale Society "*Hangya*", asking that the economic and financial resources of the consumers' organisations in Europe should be made accessible to agricultural countries for the development of the processing of farm produce, was withdrawn. The speaker for the Soviet delegation, Tataev, maintained that the Canadian Wheat Pools were not truly co-operative as, he alleged, they were partly under the control of banks. Their policy would always be directed towards reducing the standard of living of the consumers, in contrast to the agricultural societies and collective farms in the USSR which were composed of the poorer section of the peasantry and aimed first and foremost at collective production and not private capitalist trade.

### **Modern Systems of Credit Trading**

The general enquiry into the Principles of Rochdale which Congress had already approved was anticipated in respect of one important question, the employment by co-operative societies of methods of credit trading and instalment payments like those coming increasingly into use by their competitors. Vollrath Klepzig, a new member of the Board of the German Central Union of Consumers' Societies, presented a paper on the principles of Rochdale in relation to these trading methods, with an appendix giving the substance of the replies given by ICA member organisations to questions on the effects of credit trading. Klepzig's thesis was that the granting of credit in any form has a bad effect on the consumer. The resolution which he moved urged the necessity of maintaining the unconditional recognition and observance of the well-tried principle of cash-payments in all consumers' societies. An amendment, proposed by Dr Georges Fauquet in the name of the French delegation, sought to make a clear distinction between "credit trading" and legitimate credit organisation and recommended the provision of credit through special savings and

credit co-operatives. The credit system called "mutuality clubs" practised in the United Kingdom was defended by British delegates on the ground that it diverted more of the spending of the people into co-operative channels, without persuading the Congress not to adopt Klepzig's resolution or that of the French delegation.

### *The Darkest Decade*

The advance of the Alliance, which had been accelerating since 1924, lost some of its momentum after the Congress of Vienna. No longer borne onward by the tide of economic expansion, Co-operative Movements almost everywhere had to row hard against the ebb. From the Wall Street crash in the autumn of 1929 to the attack on Poland, which opened the second World War, stretched a decade in which the lamps re-lit after 1919 were one after another again extinguished. The economic effects of the stock-market collapse and the abrupt fall in wholesale prices were felt soonest by the North American economies and by the world's producers of raw materials and foodstuffs, who saw their expected profits turn into heavy deficits and the credit basis of agricultural production, marketing and supply completely shattered. Enormous commodity surpluses, unsold and carried over from one crop-year into the next and next-but-one, retarded indefinitely the prospects of recovery. Few organisations passed through a severer crisis than Canadian Co-operative Wheat Producers, Ltd, the central selling agency of the Wheat Pools, which had to abandon, as the price of rescue by government-guaranteed bank-credits, its policy of direct selling overseas and to submit, not only to the conditions of the ordinary marketing system, but also to misrepresentation by the press which sought to pin on to it the odium attaching to a monopolistic trust.

As the purchasing power of agriculturists all over the world dwindled away, production became unprofitable in the manufacturing industries of North America and Europe, bringing partial or total unemployment to their workers. In 1931 the failure of two well-known Central European banking institutions started something like panic and the enforcement in country after country of restrictive and deflationary measures. In parliaments and chancelleries, as loss of confidence entered by the door, the idea of international co-operation flew out of the window. Governments whose persistence in economic nationalism had been one of the chief factors of the crisis, had no prescription for relief or remedy other than to apply more of the same stupidity, each nation trying to lift itself by its own bootstraps. As the depression continued and government measures seemed unavailing, economic insecurity gave rise to political unrest and

ministries began to topple. The minority government of Ramsay MacDonald was defeated and replaced by a coalition which not only took the £ sterling off the gold standard and devalued it, but also abandoned Great Britain's policy of free-trade, surrounding the world's largest import market for foodstuffs with a tariff barrier. President Hoover, with nothing better to offer the people of the USA than the hope that prosperity was just around the corner, failed to secure re-election and was replaced by Franklin D. Roosevelt who promised a "new deal". In Germany reaction against parliamentary democracy grew, fomented by a movement with similar features and methods to the Italian fascism of ten years before and propaganda which found ready listeners amongst those whose livelihood had collapsed and the young whose prospective careers seemed blighted.

The establishment in Germany of the self-styled "Third Reich" encouraged reactionary elements everywhere which believed in government of the people by a combination of despotism and demagogy. In the economic sphere they evolved so-called "corporative" systems of industrial and commercial regulation within which Co-operative organisations had perforce to find a place or face extinction. In the political field they created a series of police states without respect for human rights or civil liberties. In such a political climate the Disarmament Conference at Geneva, presided over by Arthur Henderson, was doomed to failure. Ironically, re-armament played an important role in lifting the depression and bringing back prosperity and regular employment to parts of most national economies in the later 1930's.

### *ICA Finances*

If the ICA and the International Co-operative Movement as a whole made slower progress than had been hoped, and sustained some set-backs during these sombre years, that did not signify any lessened militancy or weakening of determination among its leaders. On the contrary, most of them saw, in the manifest inability of the national economies under capitalist domination to solve the problems created by their own economic evolution, a justification of Co-operative criticism and enhanced opportunities of calling attention to the health and stability, a few exceptions apart, of Co-operative undertakings. Consumers' Co-operative Movements, in particular, were confidently withstanding the stresses and strains of the depression wherever they commanded the respect of the public and observed "union discipline" in the management of their affairs. In periods of unemployment and low-earnings, the savings made in the co-operative store gain in importance in the eyes of working people. Thus the membership of the

consumers' societies went on growing while the volume of goods handled was increasing, even if their money turnovers appeared to decline. Because of the embargo on payments abroad imposed by many governments as an emergency measure, the ICA was unable to pursue during 1931 its normal policy of keeping current expenses within current income. That same policy however, had enabled it during an earlier period to build up a reserve fund out of belated subscription payments and it was now able to draw upon this. Through the devaluation of September 1931, the £ sterling, in which subscriptions were payable, lost about three-eighths of its purchasing power abroad. Such a situation demanded action by the Authorities of the Alliance. The Executive called upon all organisations which had not yet paid the whole of their subscriptions to pay at the exchange rate prevailing on the 1st January, when they were due, and requested authority from the Central Committee to take any measures necessary to balance the budget and stabilise the finances. The Executive early in 1932 approved the measures already taken by the General Secretary to effect economies and a budget which looked ahead for three years, keeping expenditure at a level which would limit withdrawals from the reserve to about £500 in any year. Meanwhile, the Executive decided that member organisations should continue to pay subscriptions based on the £ gold and invited all in a position to do so, to make supplementary payments up to 25 per cent of their normal subscriptions. Beyond this, it was generally recognised that the scales of subscription for all kinds of organisation in membership needed re-calculation. New scales, based on membership, were approved by the London Congress of 1934 and embodied in the rules, becoming operative in 1935.

Recovery of financial stability was aided by two factors: the reinforcement of the sub-structure of the Alliance through the formation of more numerous unions and federations within the affiliated National Movements and the increase of their individual membership. Mainly because of a phenomenal increase to a total of 73 million in the USSR, the aggregate individual membership adhering to the ICA attained 100 million for the first time in 1934. Liability according to the rules to pay contributions to the ICA calculated on such a huge membership would appear to explain the abortive attempt by *Centrosoyuz* at Vienna to amend the rules so that no organisation would be obliged to contribute more than one-fifth of the Alliance's annual subscription income, as well as the subsequent negotiations which resulted in the acceptance by the Executive Committee of an annual payment of £2,750 as the combined subscription of all the Russian affiliated organisations. Even after the Executive and Central Committee had passed from emergency measures to the adoption of new scales payable in gold £ on a membership basis, the Soviet representatives

continued to press for a reduction on the ground of the effects of the world economic depression, notwithstanding the acceptance of increases by the organisations of other countries.

### **Publications and Press Work**

Financial stringency in the worst years of the depression checked the development chiefly of the ICA's publications and research work. Just as the latter was being placed on a permanent basis, staff had to be reduced, with a consequent diminution of output. In addition to one brochure "*Results of State Trading*", which was an immediate success, the research staff produced a steady stream of reports, memoranda and articles published in the *Review of International Co-operation* which was increased in size to accommodate them. Other improvements in the contents and appearance of the *Review* and the launching of a new scientific quarterly had to be postponed. Statistics of affiliated organisations continued to be collected and published, although in a more economical style. A roneotyped *Digest of the Co-operative Press* was issued monthly to complement the *Co-operative News Service*, while the *Economic News Service* was expanded by a Banking and Financial Supplement. The second volume of the series *International Co-operation*, the third edition of the Directory of the Co-operative Press and the second Catalogue of Co-operative Films were also published in the period between the Vienna and the London Congresses.

Collaboration with the editorial staffs of the national co-operative journals was carried a further step forward by a week-end school for the Co-operative Press, held at Hamburg in May 1931. Attention was focused mainly on the press work of the ICA and problems of co-ordination. Suggestions were submitted for increasing the circulation of the *Review of International Co-operation* as the best means of making good the financial deficits on all three of its language editions. With a view to improved co-ordination, a request was formulated for the Executive of the ICA to set up machinery by which the proposals of the Press Conferences might be given effect. A conference attended by the directors of Co-operative educational activity in all countries was held at Basle in July 1931 to consider the information collected by the ICA on Co-operative educational organisation in the countries of the Alliance and discuss aims and methods of International Co-operative Education. The hope of making such conferences annual features of the Co-operative calendar was quenched, not merely by economic and financial difficulties temporarily insuperable, but also by the tension and anxiety created by events in Central Europe, the consequences of which for the German and Austrian Co-operative Movements must now be described.

## *Germany and Austria*

One widespread effect of the economic depression was to intensify the hostility of private traders and industrialists towards Co-operative organisations. To suppress or restrict co-operatives became a favourite means of protecting traders' profits or their share of a given market. Not a few governments yielded to agitation or lobbying for increased taxation of co-operatives or their compulsory inclusion in trade regulations intended to protect the single-shop business from the competition of enterprises with multiple branches or stricter enforcement of out-of-date laws penalising sales by co-operatives to non-members. In Germany, something much more sinister began to appear when, as in Italy ten years previously, bands of uniformed members of what called itself a party, but was in reality a private army, defaced and damaged co-operative premises, assaulted the employees, and threatened would-be customers, without interference by, and even with the connivance of, the police. Although this violence was calculated to please the traders and secure their support, consumers' co-operatives suffered most from falling turnover and withdrawals of savings due to unemployment. But the accession to power of the Nazi party, with the Chancellorship in the hands of its Führer, was a much graver menace, for this party hated Co-operation even more for its democratic character than for its economic action. The anxiety of the Central Union of Consumers' Societies was revealed by the absence of its representative, Vollrath Klepzig, from the ICA Executive meeting held at Brussels in April 1933. On the 2nd and 3rd May the General Secretary was in Hamburg for talks with the Boards of the Central Union and the Wholesale Society GEG at the precise moment when the intentions of the Nazi regime towards the consumers' Co-operative Movement began to reveal themselves. The trade union headquarters, adjoining the offices of the GEG, had been seized by storm troopers and leading trade unionists arrested. The offices of the joint trade union and co-operative insurance society *Volksfürsorge* had been raided and documents commandeered for investigation. As part of the insurance staff worked in the offices of the Central Union, a storm trooper guard was mounted there also and challenged the ICA General Secretary and all others wishing to enter. In conference on the prospects of maintaining the freedom of the Movement to practice Co-operative principles and methods without molestation, the two Boards informed Henry May that outside protest or intervention, however well-meant, would not avail to help them and might well make their situation worse. Arrangements were made to terminate at once the printing in Hamburg of the German edition of the *Review of International Co-operation*.



### **The Basle Conference**

To the Executive meeting in Paris the General Secretary reported on the situations at Hamburg and was authorised to cease circulating the *Review* in Germany if circumstances so required. It had already been decided to postpone for a year the International Congress planned for London in 1933 and to hold instead a special Conference on the 9th and 10th June at Basle to consider the present situation of the Co-operative Movement and the recommendations to be submitted to the World Economic Conference convened for later in the year at London. In addition, the Executive decided to insert in the first conference resolution a declaration affirming the voluntary and autonomous character of the Co-operative Movement. By this time the German Movement was so palpably and completely under government control that no one expected it to send representatives to the Conference. It was with astonishment therefore that a telegram was received from Hamburg on the eve of the Conference to the effect that the Central Union would be represented by Klepzig, Erich Grahl and Robert Schlösser. The two latter were administrators appointed by the Nazi party to control the Co-operative Movement. Grahl was a Hamburg business man, Schlösser had been director of the Christian Co-operative Union at Cologne which was not affiliated to the ICA. Klepzig attended the Executive meeting and gave an account of the situation in Germany. Having heard him, the Executive decided to accept the nomination of the German representatives "in the spirit of the constitution of the ICA", to reserve judgement on the changes being effected in the German Movement's organisation, to register its determination to maintain the voluntary and democratic character of Co-operative organisation and to protest against all interference by the state or other authority which would limit the freedom, abrogate the rights and interfere in the direction of voluntary organisations.

The Conference, after some discussion, accepted the Executive's recommendation to admit the German representatives, one of whom intervened in the discussion on the present position of the Co-operative Movement with an impudent eulogy of the new political regime and its intentions regarding Co-operative development. He was answered in such scathing terms by the General Secretary that the German delegation withdrew from the Conference and did not re-appear. The nazification of the consumers co-operative organisations continued throughout the summer of 1933. In July they were incorporated in the *German Labour Front*. In August the special general meetings, attended by a mere handful of societies' representatives, were held which sanctioned the dissolution of the Central Union and its Christian counterpart, the *Reichsverband deutscher Konsumvereine*, together with the transformation of the GEG, the

joint Publishing Society and the other wholesale society *Gepag*, in order to constitute a new national union embracing the whole consumers' co-operative system and entitled "*Reichsbund der Deutschen Verbrauchsgenossenschaften GEG Hamburg*". The new administrators gratuitously assumed that these constitutional changes did not affect the eligibility of the *Reichsbund* for affiliation to the ICA and nominated three Nazi agents to replace three Co-operators on the Central Committee. The Executive, however, was convinced by the General Secretary's interpretation of the rules that a new affiliation was necessary. Forms of application were in fact sent to Hamburg. But the Executive also adopted the General Secretary's report on events since the Basle Conference and passed a resolution declaring that an investigation on the spot might be necessary to establish whether the practice of the German Movement conformed to the rules of the ICA. Enquiries were made whether the *Reichsbund*, if the ICA sent a deputation of investigation to Germany, would grant all the requisite facilities. Such a procedure was rejected on the ground of its incompatibility with the dignity of the German organisation, which would rather invite the President and General Secretary of the ICA to Hamburg for a direct discussion.

At its meeting at Miramar d'Esterel in January, 1934 the Executive declined to admit the *Reichsbund* to membership and decided that the suggested interview would serve no useful purpose. The Executive's resolution was communicated to the *Reichsbund* and the receipt acknowledged. There were thus no German representatives at the London International Congress of 1934 or at the two next succeeding congresses of the Alliance.

### **ICA Intervention in Austria**

The violent conflict which broke out in Austria in February 1934 had a happier outcome, thanks to the prompt and brilliantly effective action of Henry May. Immediately the result of the fighting in Vienna became known abroad, he did what was possible to ascertain the affects on the position of the Co-operative Movement and to obtain clemency for Dr Renner and Frau Freundlich, both of whom were under arrest. Anton Dietl, director of the Union of German Economic Societies at Prague, hastened to Vienna where he collected a mass of well-documented information. Armed with Dietl's report, May set off for Vienna and made contact with Dr Vukovich and Andreas Korp who had remained at their respective posts in the Central Union of Consumers' Societies and the Wholesale Society GOC, directing affairs under the administrators appointed by the government. From Vukovich and Korp the General Secretary learned of the danger to the Movement's trade and assets resulting from its close

personal associations with the Socialist Party. The government's order for the closing down of Socialist organisations was ignorantly applied to numbers of consumers' co-operative societies, which risked serious losses if their business was suspended. The Central Union and Wholesale Society had appealed, on the one hand, to the societies to keep clear of the fighting, but to maintain their normal trading activity, on the other hand, to the Chancellor to check unwarranted interference with co-operative societies and the destruction of their assets. Simultaneously the Co-operative organisations emphasised their willingness to collaborate in safeguarding the Movement's interests and restoring tranquillity. Government decrees promulgated on the 16th February suspended the authority of the governing organs of the Wholesale Society GOC, replacing them by a committee of administration, which also took the largest consumers' society, the Viennese, under its charge. Similar administrative committees were authorised for other consumers' societies. The Austrian Labour Bank was dissolved and its affairs liquidated. The Central Committee of Administration was composed chiefly of prominent members of other branches of the Co-operative Movement. With them it was possible for the directors of the consumers' organisations to establish a good practical understanding.

The General Secretary interviewed some members of the Committee of Administration and finally was received by Dr Dollfuss, the Chancellor, in person. The Chancellor explained that his policy was to maintain the economic structure of the consumers' Co-operative Movement. Governmental control would be ended as soon as it was certain that the consumers' societies' involvement with politics had ceased and the members were willing to limit their activities to the economic, social and educational fields. On his side, the General Secretary emphasised to those whom he interviewed the policy and aims of the ICA, as well as the necessity of freedom for the consumers' societies to protect consumers' legitimate interests. The General Secretary's action was whole-heartedly approved by the Executive and Central Committees, which took note of the Chancellor's assurances that the control over the consumers' Co-operative Movement was intended to support the Co-operative economic structure and that complete autonomy would be restored, and expressed their solidarity with the Co-operators of Austria. An appeal was issued to the ICA's affiliated organisations for funds to be used for co-operatives and Co-operators who had suffered through the civil war. Frau Freundlich, on being released, wrote resigning her position on the ICA Central Committee. The Austrian Central Union nominated by letter Dr A. Vukovich and A. Korp as its representatives on the Central Committee to replace her and Dr Renner who retired into private life.

### **A Frustrated Conference**

The International Conference on Disarmament, convened by the League of Nations, and presided over by the former British Foreign Minister, Arthur Henderson, opened at Geneva in February 1932. At the meeting of the ICA Central Committee at Paris in October 1931, the wish was expressed that the Alliance should maintain its traditional advocacy of peace and submit a declaration in favour of general disarmament to the Conference. Diversity of opinions among the members prevented the Central Committee from producing more than a dry statement recalling the resolutions on peace adopted at the previous five Congresses and urging the affiliated organisations to use every possible means of assisting the work for peace which the Disarmament Conference would stimulate. As this statement included no clear pronouncement on disarmament itself, it gave little satisfaction to a number of organisations, notably the British, which requested the Executive Committee to consider the subject at its Strasbourg meeting just before the Disarmament Conference opened. The result was unanimous approval of a letter, drafted by the General Secretary, for submission to the President of the Conference. The letter, after quoting passages from resolutions adopted by the Glasgow, Basle and Stockholm Congresses of the Alliance, went on to emphasise that the ICA was a peace-promoting institution, whose development depended upon international amity. It represented a multitude of the very people who suffered most from the burden of armaments and the wars which inevitably resulted. The communication was mentioned by the President at the opening session of the Conference. It was also circulated to the affiliated organisations with the request for their active support. The General Secretary had previously written to the League of Nations asking for the privilege of representation at the Conference. This was granted by the League Council and the General Secretary, President, Vice-Presidents and one member of the Executive of the ICA were accordingly authorised to attend as observers and to receive official papers.

When the ICA's fourteenth Congress assembled in London in September 1934, the Disarmament Conference, prolonged into its third year, was still sitting. Arthur Henderson came in person to address the Congress. In a remarkable passage he stressed that, fundamentally, peace depended on a new habit of mind. To make peace secure, the peoples must learn to think in terms of the world as a whole. Their failure to do so when dealing with the results of the world wide economic depression had created an atmosphere of tension, fear, suspicion and distrust which had poisoned the stream of international affairs. The result was an increase in the very insecurity which they were trying to fight. The Disarmament Conference was asking governments to break with old established traditions and allow

their armaments, for the first time in human history, to become subject to international control. The aim was to start then on the road to a co-operative system for dealing with armaments. Alas for Arthur Henderson's hopes. Thirty years later another Disarmament Conference at Geneva had still not achieved that same object.

### *The World Economic Crisis*

Although the Co-operative Movement in many countries grew steadily in magnitude and influence despite the chaotic state of trade and industry, the leaders of the Alliance did not look on complacently while statesmen and economists sought for palliatives and solutions for the protracted crisis. Anxious to keep the merits of Co-operation before the mind of the public and, at the same time, to ensure that the Movement's image was not damaged by any failure of efficiency or morale, the Central Committee adopted at Paris in October 1931 a brief statement emphasising the need of applying co-operative principles of commercial and industrial organisation, if present difficulties were to be resolved. The affiliated organisations were urged to demonstrate the superiority of the Co-operative System by exercising the utmost vigilance and economy in purchasing and handling their stocks; by distributing all commodities to their members at the most equitable prices; by resisting all attempts of capitalist enterprise to exploit the situation for private profit and to employ every available means to mitigate the evils and distress attendant upon the increasing unemployment of workers all over the world.

By 1933 organised attacks on the Movement through the press and political agitation were achieving some success by misleading the uninformed public and politicians by biased and half-true accounts of its aims, methods, legal and fiscal position. The Executive Committee at its meeting at Brussels in April entrusted the General Secretary and Victor Serwy with the drafting of a Manifesto addressed to the Co-operators of the World, and beyond them, to consumers in general, warning them against the efforts of private traders' organisations to persuade public authorities to subject the Co-operative Movement to special taxation and legislation calculated to paralyse its normal activities. The Manifesto expressed the solidarity of the Alliance with those Co-operative organisations which were defending their rights and their freedom of action and called upon Co-operators everywhere to unite in defence of their institutions and their heritage. The ICA was due to hold its 14th Congress in London in the late summer, but the majority of the Central Committee, consulted by correspondence, were for the most part in favour of post-

poning the Congress for twelve months. At the same time it was recognised that the need for consultation was imperative, not merely on the attitude of the Alliance to world affairs and the hostility manifested towards the Co-operative Movement, but also on a presentation to be made to the World Economic and Financial Conference which was due to meet in London. The Executive accordingly decided to convene the Special Emergency Conference at Basle on the 9th and 10th June.

The discussions were introduced by two reports, the one prepared by the General Secretary on "The Present Position of the Co-operative Movement in the Various Countries", the other by Ernest Poisson on "The International Co-operative Movement and the World Economic Crisis". Notwithstanding the German intervention, already described, the Conference unanimously adopted a resolution on the solidarity of International Co-operation which, after a preamble, called upon the Co-operators of the whole world, and especially the ICA's own affiliates to give effect by every possible means to six principles:

- 1 Their inflexible determination to maintain the voluntary and autonomous character of Co-operative organisation, its international unity, and its liberty to pursue its aims by its own methods under its own control;
- 2 Peace as the tradition and goal of the International Co-operative Movement and the fundamental necessity of economic recovery;
- 3 Solidarity against the pressure of economic and political reaction hostile to voluntary associations of co-operators;
- 4 Intensive Propaganda on behalf of Co-operative principles, coupled with reinforcement of the Movement's international organisation to increase Co-operation's influence on the solution of vital economic problems;
- 5 Complete Freedom for every citizen voluntarily to join the Co-operative Movement;
- 6 Re-organisation of distribution and production so as to create equilibrium between supply and demand, coupled with international Co-operative organisation of commercial and industrial activities suitable for voluntary co-operative enterprise.

The debate on Ernest Poisson's report with some difficulty reached agreement on a memorandum to be submitted to the World Monetary and Economic Conference. The privilege of presenting this document was obtained as a special concession, after the organising committee of the Conference had refused the ICA direct representation and the General Secretary with the support of the Prime Minister J. Ramsay MacDonald had protested. The World Conference in the event, was abortive. Its recommendations had little chance of adoption, for one reason because it chose to ignore a whole series of problems, such as inter-governmental

indebtedness, protective tariffs, and under-consumption. The ICA Memorandum urged the following measures as essential to the restoration of order by concerted international effort:

- 1 The stabilisation of currencies under international control with the ultimate object of establishing a uniform world currency.
- 2 The definite settlement of the urgent problem of all inter-governmental debts.
- 3 The endeavour to set up an economic organisation for the fixing of prices which will sufficiently remunerate the producer without unduly burdening the consumer.
- 4 The conclusion of an international convention for the abolition of all direct and indirect protection and the substitution of international solidarity for competition.

The memorandum concluded with the affirmation that "in its nature, its aims, principles and institutions, the International Co-operative Movement holds the full and definite solution to the problem of economic chaos and of the world disequilibrium between production and consumption."

The World Conference, in the atmosphere then prevailing, probably never had much chance of success, but Henry May was disturbed by the failure of the Basle Conference to rise to its opportunities. The points of the memorandum were valid but they left gaps which might have been filled if the Basle Conference had been capable of bringing the accumulated experience, national and international, of the Co-operative Movement to bear upon the world economic situation. Writing in the *Review of International Co-operation* for August 1933 on the two conferences, May regretfully explains his disappointment at Basle by the fact that "the Co-operative Movements of the world do not take their great mission to mankind with sufficient seriousness . . . the turmoil and difficulties of modern economic life tend to divert the Movement into side-channels in search of commercial success and the glamour of big business . . . we become more concerned with equalising the budget than in furthering the great mutual principles on which the new civilisation must be built."

### **The Co-operative Economic Programme**

Nevertheless, it is possible that the Basle Conference would have been less disputatious and more constructive, had the Special Committee on the Economic Programme made more rapid progress with its discussions, which had been proceeding with much writing and amendment of drafts since the Stockholm Congress of 1927. It did, however, with the approval of the Central Committee, submit a policy statement to the London Congress of 1934. This statement indicated the elements of a programme

of economic development for the International Co-operative Movement in the following terms:

1 **Problems of Co-operative Distribution**

The development of improved forms of distribution and the application of the newest methods and most practical devices which, by the rationalisation and the standardisation of products, will satisfy the maximum needs of the consumer.

2 **Problems of Co-operative Production**

The promotion of co-operative production, nationally and internationally, extensively with the organisations of consumption and distribution.

3 **Problems of Co-operative Co-ordination**

The establishment of international business organisations on a mutual basis of trading and production and, as stepping stones to their realisation, the exchange of goods between National Movements and the adoption of systems of collective purchase.

The promotion of direct relations between the various Organisations of Consumers and Producers by Joint Committees for directing policy and commercial relations, orderly marketing of agricultural produce, etc.

4 **New forms of Industrial Production**

The application of Rationalisation to co-operative enterprise as a technical system of the scientific organisation of labour; standardisation of material and of products, and the simplification of processes.

5 **The Problem of the Raw Materials**

The investigation of the sources of the raw materials of industry, the conditions under which their distribution takes place, and the initiation of improvements in the interests of consumers.

6 **The Problem of International Exchange**

The gradual development of the international exchange of goods, labour and capital, on the basis of the mutual satisfaction of common needs and the exclusion of the profit-making motive.

7 **Problems of Finance and Credit**

The establishment of International Co-operative Banking and Assurance on a mutual basis which will satisfy the needs of short, medium and long term credit and, as steps to the achievement of that object, the closest relations between existing National Co-operative Banks with a view to the evolution of uniform methods of business organisation and the exclusive use of Co-operative Banks for co-operative operations.

### *Inter-Co-operative Relations*

The idea of an international joint committee of the agricultural and consumers' Co-operative Movements, recommended by the World Economic Conference of 1927 was never realised by the League of Nations. Despairing of effective action by the Economic Department of the League,



Henry May turned to Albert Thomas who, in addition to being a member of the ICA Central Committee, was in friendly contact with the International Commission of Agriculture. Through Thomas's good offices, representatives of the Alliance and the Commission in conference worked out a constitution for a committee of 14 members (7 from each side) with an independent chairman. This was approved by the Executives of both organisations. At the first meeting of the joint committee in February 1931 at Geneva, Albert Thomas was elected chairman. The secretarial services were carried out at first by Dr Georges Fauquet, chief of the ILO Co-operative Service and, after his retirement, by his successor, Maurice Colombain. The joint committee's work was inevitably research, directed towards the study of common undertakings of producers' and consumers' organisations and of already existing joint committees of consumers' and producers' co-operatives. The ultimate aim was to identify the best types of inter-co-operative relations which could be recommended as examples for imitation or emulation. The untimely death of Albert Thomas in May 1932 led to a minor re-organisation. Albert Thomas's successor as Director of the ILO, Harold Butler, became chairman, supported by Ernest Poisson and the Marquis de Vogué as Vice-chairmen. A bureau was constituted from these three and the secretaries of the two parent organisations, Henry May and A. Borel. In fairness to the League of Nations, it should be recorded that its Assembly in September 1932 adopted a resolution desiring the Economic Organisation of the League to follow closely and support the work of the Inter-co-operative Committee.

### *The Principles of Rochdale*

The ICA Executive Committee proceeded to implement the resolution of the Vienna Congress on the application of the Rochdale Principles by constituting a Special Committee of its own members, adding to them Dr Suter (Switzerland), M. Rapacki (Poland), Ventosa Roig (Spain), E. de Balogh (Hungary) and reserving a place for Dr Warbasse (USA), in case he could take part. The method adopted was first, to draw up a questionnaire, to be addressed to the national organisations on their application of the Rochdale Principles, under six heads: One man, one vote; Cash trading; Dividend on purchases, elimination of profit on price; Limited interest on capital; Political and Religious Neutrality. The great majority of the affiliated organisations sent replies, but for their proper evaluation it was necessary for the General Secretary to prepare a memorandum including the original rules and constitution of the Rochdale Pioneers' Society and an account of their resolutions and practice, based on

Holyoake's *History of the Rochdale Pioneers* and other relevant documentary evidence. Assisted by the General Secretary's researches the Special Committee drew up a list of seven essential principles which could be justified by reference to the constitution, rules and practices of the Rochdale Society, as follows: Open Membership; Democratic Control; Dividend on Purchase; Limited Interest on Capital; Political and Religious Neutrality; Cash Trading; Promotion of Education. The Committee further named two other principles inherent in the Co-operative system, although not explicitly formulated in any Rochdale rules: trading exclusively with members and voluntary membership. Both these points had been the subject of dispute between Co-operators and their governments, where the latter had framed legislation or administrative rules in such a manner as to interfere with the natural liberties of co-operatives as trading enterprises or of their members as individual persons. The Special Committee also made pronouncements on other practices, such as sale at current or market price and the individuality of net assets and allocations to indivisible reserves which might be considered an integral part of Co-operation. Much more significant appears to be the distinction drawn by the Special Committee between the four and the last three principles in its list. The first four, in its view, were of major importance in deciding the essential Co-operative character of any society or organisation, which could not be said to be based on Rochdale Principles unless it adopted and practised them. The last three, in the Committee's opinion, formed part of the Rochdale system but were to be regarded "as essential methods of action and organisation rather than standards the non-observance of which would destroy the Co-operative character of a society". All seven principles, however, should be faithfully maintained and observed.

The report presented to the London Congress of 1934 insists that "no modification of the Rochdale Principles is either necessary or desirable". The Special Committee justified its attitude by answering some of the arguments which had been advanced at Vienna, for example, by British speakers in defence of the introduction of forms of credit trading in the sale of clothing and of "consumer durables" (although that term had not yet been invented). In its discussion of sale at market prices, the Committee emphasised that many co-operative organisations were already powerful enough to fix prices in their home markets to which other traders must conform, and the same consideration applied to trading methods. Departures from Rochdale practice, either to help the poorer citizens or to keep pace with contemporary business methods, had not been justified on ethical or social grounds. It was not the function of Co-operation to follow the methods of competitive private trade, but to point out and lead in the better way.

On the basis of its findings the Committee recommended amendments to the Rules of the Alliance, more specifically, either in a new Article 2 or in Article 8 which defined the conditions of eligibility for membership. Its proposal was to include in the one or the other the full list of seven principles. Further, it recommended that a strictly limited rate of interest on share capital should be added to Article 8 as the necessary complement of the other conditions laid down, and that the same Article should conclude with a statement of the moral obligation resting on all members of the Alliance to observe the whole of the principles and follow other methods approved by Congress as essential.

In introducing the report of the Special Committee to the London Congress of 1934, the General Secretary explained that the Committee regarded the first four principles in its list as "absolutely essential to the recognition of any organisation . . . as Co-operative in spirit and purpose", whereas the last three formed "part of that moral and social scheme of regeneration" which Co-operation sought to establish. These were moral obligations because they were essential to the realisation of the Movement's purposes, a moral obligation being conceived as something "a little less fixed and compulsory" than a legal obligation. In respect of political and religious neutrality, for example, no organisation was expected to observe neutrality, as proof of its Co-operative character. It was free to act in the manner it judged effective for the attainment of its purposes. On the other hand, the ICA could not act on any other basis than neutrality which signified not impotence, but "independence of any party label or attachment."

The debate which followed ranged widely over a number of topics not all of which had direct relevance to the report, the speakers for the most part airing their own convictions or defending the practice of their respective organisations. Thus E. Stavenhagen of the Finnish SOK attacked Article 1 of ICA from the well-known standpoint of his organisation which would even extend the application of neutrality from politics and religion into the economic field. The speaker for *Centrosoyuz* of the USSR, Kampenius, not unexpectedly took the opposite extreme view, which rejected neutrality in favour of the whole-hearted participation of the Co-operative Movement in "the united class struggle of the proletariat". The French delegate, Paul Ramadier, contended that, in so far as the Rochdale principles included elements of the liberal economic system, they were bound to be revised in the future. Sir Fred Hayward for the British Co-operative Union proposed that those parts of the report dealing with political and religious neutrality and with cash trading should be referred back to the Committee for further consideration. He defended credit trading on the ground that such trading was "essential to meet the changing conditions of competitive trade". While accepting neutrality as

a principle for the International Co-operative Alliance, he refused to recognise "moral obligations", but contended that the ICA must not only admit "open membership" but allow its member organisations complete freedom in carrying on their activities in their own countries. Hayward was supported later in the debate by A. Barnes, then chairman of the Co-operative Party, and Neil Beaton of the Scottish CWS. Meanwhile Dr Fauquet, on behalf of the French delegation, commended the report with reservations. The first concerned the principle of indivisible collective reserves, which he maintained should have been regarded as essential, as it was in the Co-operative systems of Buchez and Raiffeisen. He pleaded for flexibility in the interpretation and application of principles, because Co-operative institutions were living organisms and the essential thing was that the co-operative spirit should always exist and be active. As against the British position Axel Gjöres from the Swedish KF declared that those Co-operative organisations which had tried to engage in politics had proved to demonstration that Co-operation was not a political instrument and that it was a bad habit to buy turnover by a system of credit sales. He was in favour of the reference back in order that the Committee could study the working out of the principles in practice against the background of present economic realities. This suggestion was at once accepted by the British delegation which withdrew its previous proposal. M. Rapacki (Poland) was willing to accept the reference back in order to clarify the application of the principle of cash trading. J. Corina (Great Britain), speaking as an individual, deprecated the reference back of the whole report rather than that of the two disputed principles. After the General Secretary had replied to the discussion, pointing out that the Special Committee had already suggested a renewal of its mandate in order to extend its investigations to other forms of Co-operation than consumers' societies, Congress adopted the proposal for reference back by a large majority.

### *The London Congress of 1934*

The London Congress of 1934 was, of course, originally planned for 1933 but postponed because of the tense economic and political situation. This enabled the delegates, when they ultimately assembled, to deal with the agenda in a more relaxed atmosphere, even though the loss of a year had lent greater urgency to some of the problems they had to consider. The project of an international co-operative exhibition, similar to the one at Ghent ten years before, had to be abandoned in favour of a British national exhibition at the Crystal Palace. Otherwise the Congress was preceded by

an International Co-operative School and a full programme of auxiliary conferences. The reports of the auxiliary committees inevitably reflected the continued economic depression and the accentuated economic nationalism which followed the breakdown of the London World Economic Conference. The International CWS had little to report, apart from the fact that member wholesale societies had maintained their position, and the success of joint purchase of American dried fruit through the New York office of the English CWS. The International Co-operative Banking Committee had continued its collection of information about Co-operative banking and its studies of contemporary developments in the banking and financial world. Efforts to establish business relations with the new Bank for International Settlements at Basle had proved unsuccessful. The optimism of the report for 1930–33 submitted to Congress was, however, shattered in 1934 by alarming news about the position of the French Co-operative Bank, of which Gaston Levy was managing director. Under Levy's management the Bank had invested money in enterprises which had nothing in common with the Co-operative Movement and run into a payments crisis which forced it to liquidate. Thanks to the soundness of the French Movement's trading organisation and the prompt and energetic intervention of the General Secretary of the ICA who mobilised assistance from the British and other continental Co-operative Movements, it was possible in the end for the Bank to be reorganised, to come to an agreement with its creditors, and to return to normal functioning in the interests of the Movement as a whole. But the catastrophe inevitably brought about the dismissal of Gaston Levy and his retirement from the secretaryship of the International Co-operative Banking Committee, whose work remained suspended for many years. The International Co-operative Assurance Committee could report that neither itself nor its member institutions had been greatly affected by the disturbed economic situation. The number of reinsurance contracts in force between Co-operative institutions was increasing rapidly, as confidence grew between them on the basis of greater mutual knowledge. For the first time, however, the Committee had had to consider the possibility of state-established or state-controlled insurance services and the necessity to make clear to the public the differences between private enterprise insurance and the socially-oriented insurance based on Co-operative principles. The International Co-operative Women's Guild, in spite of the depression had increased its membership and its effectiveness as an educational and propagandist organisation. It reported not only increased willingness on the part of Co-operative women to join actively in its work, but also a growing appreciation of the value of guild work among the national Co-operative Unions.

The only amendments of the Rules adopted by the Congress were the proposals of Central Committee for new subscription scales, with a minimum of £20 instead of £10 for individual membership and that the standard unit should be the £ gold and no longer the £ sterling. Russian amendments in favour of retaining the £ sterling (with the £ gold optional) and imposing a maximum subscription of £2,750 for any national Union or federation of unions were withdrawn when Congress accepted a French proposal requesting the Central Committee to consider favourably the Russian representations that the strict application of the rule to their case would impose an intolerable burden. The attention of the delegates was called by the introduction of the Central Committee's report to the manner in which the inadequate income of the Alliance had contributed, through the restriction of its research and publications services, to the inability of the organisations to come to agreement on economic policy. Financial stringency had also prevented the creation of a fund for missionary propaganda for Co-operation and recruiting members for the ICA in areas of the world which remained, in a co-operative sense, undeveloped.

### **Co-operation's Place and Mission**

The conclusion of the report, headed "The Future Orientation of the ICA" raised much wider issues, namely, the significance of the long-term economic evolution away from free enterprise and exchange towards increased regulation by the state of industry and commerce and attempts to realise "planned economy". Co-operation was one method, as Albert Thomas had pointed out to the International Labour Conference, of achieving planned economy. There were systems of economic regulation and planning, exemplified by President Roosevelt's National Recovery Act, under which the Co-operative Movements retained their freedom of development. There were, however, corporative economic systems under which the Co-operative Movement was either deprived of its freedom entirely or else restricted and controlled in such a manner that its special aims and character lost their meaning. The vital question therefore was to determine the place of Co-operation in the new scheme of things.

President Väinö Tanner, in his inaugural address, emphasised that the proper task of the Congress was to strengthen the policy of the Alliance for its future operations. Although the economic programme had so far been established only in its general outlines, the more important consideration was that the decisions of the Congress should make the future operations of the Alliance clearer and more distinct to the Co-operators of the world. Under the title "The Role of International Co-operation in Present-day Economic Development" a paper, written in



Albert Thomas



Albin Johansson



Anders Oerne



Alexander Klimov





collaboration with Thorsten Odhe, was presented by Albin Johansson. This began with a review of the world depression and the measures rightly or wrongly adopted for its relief, as well as of the short-sighted protective and restrictive policies of the preceding decade which had inevitably resulted in the economic crisis. In consequence, Co-operative Movements, even in countries governed by parliamentary democracy, found themselves compelled to participate in and execute policies at variance with those laid down, with their support, by the Congresses of the ICA. They had no option but to accept this situation; to agitate and take political action against their own governments would be a breach of political neutrality. Only in this way could Co-operation conform to the concept of a movement working in the economic sphere. Its true mission was to improve industrial and commercial organisation, so that the real costs of production and distribution were reduced. Lower prices would release more purchasing-power which, translated into demand, would tend to promote employment and a rise in consumers' living standards. The essential conditions for co-operative enterprise to carry out this mission were financial independence and international collaboration, as the experience of international co-operative wholesale trade in Northern Europe had proved in the preceding seventeen years. Even if the nations sank further into isolation and autarky, the work of the International Co-operative Alliance must continue, so that it could pave the way for the creation of an economic body for the solution of certain international questions and counteract that other internationalism of the trusts and cartels which worked against the interests of the people all over the world.

A resolution summarising the main argument of the paper was submitted, but it was hardly to be expected that Albin Johansson's views on neutrality would go unchallenged in the debate. Victor Serwy strongly protested in fact against the idea of complete subservience of the Co-operative Movement to the state. For the rest, the suggestions in the paper for inter-co-operative collaboration between consumers' and agricultural organisations were supported by Dr Keler (Hungary) the recommendations for an International Co-operative Wholesale Society by A. J. Cleuet (France) and V. Ramadas Pantulu (India). A British motion to terminate the debate was carried and the resolution, minus the references to political neutrality, was adopted by a large majority, the Russian delegation abstaining. Briefly, the resolution urged first, the continued development of Co-operative industrial and commercial organisation on the basis of the Rochdale Principles; second, that the Co-operative Movement should protect both consumers and producers against exploitation by capitalist combinations; third, the closest possible relations between Co-operative organisations of producers and consumers; fourth,

the development of the ICWS into a powerful international economic organisation; fifth, the development of research and exchange of information and experience in the legislative, scientific and educational fields through the ICA. The resolution concluded by calling upon the constituent National Movements to make increasing use of the resources of the Alliance and so enhance its capacity for aiding them in the realisation of the economic ideas inherent in Co-operation.

Two other resolutions passed by the London Congress require to be noted. One was a brief statement affirming the Alliance's traditional attitude to Peace and Disarmament, which the Central Committee hoped would be adopted unanimously. Two of the five speakers in the debate, however, radically criticised it. A. Axelsen Drejer reiterated the already well-known opinion of the Danish (and other Northern European Movements) that the resolution should not have been presented to Congress at all. I. A. Zelensky, on behalf of *Centrosoyuz*, moved an amendment designed to make the ICA play a more active role in mobilising the forces of the workers' movements against the dangers of war, by calling upon all co-operative organisations to conduct a widespread campaign against fascism, the build-up of armaments and a new war. The amendment was not carried, but the Soviet delegation voted for the original resolution, which was adopted with few dissentients. The other resolution was on the subject of the utilisation of leisure. It was submitted to Congress by the French Consumers' Federation with a supporting memorandum, which argued that the organisation of peoples' leisure was a task which the Co-operative Movement was called upon to undertake on social, educational and propagandist grounds. A. Fauconnet, moving the resolution, pointed out that the organisation of leisure was growing in importance with the reduction of working hours. The Co-operative Movement, in helping the workers to solve their leisure problems, could also help itself by attracting the best elements among the people. The resolution, adopted unanimously, requested the Central Committee first, to carry out an enquiry among the affiliated organisations about the means adopted for, and the results they had obtained in, the organisation of leisure and second, to arrange regular international conferences, similar to the press and education conferences, for the exchange of experiences and the stimulation of initiative.

### *Orientation of the ICA*

Henry May's comment on the London Congress was that it made no startling decisions but rather showed a disposition to wait upon events in

order that the world-wide eruption of nationalism might work itself out and clarify the trend of the new order. Not so the Executive. At its first meeting after the Congress it grappled with uncertainties prevailing about the orientation of the Alliance. It instructed the General Secretary, in a circular letter to the affiliated organisations, to dispel any mistaken impressions due to the reference back of the report on the Rochdale Principles and to confirm that the principles and policy of the ICA, as laid down in its Rules, remained unchanged. The Executive further required the General Secretary to ascertain from the national organisations by questionnaire whether any contemplated measures of economic planning would affect the structure of their Movements and how they proposed to safeguard the future of Co-operation's freedom of development. While strengthening the General Secretary's hands in dealing with the national organisations in regard to their subscriptions on the new basis, the Executive recognised that there were vast fields of co-operative activity, not yet explored by the Alliance, from which an increasing membership could be recruited and declared that acquaintance with these areas should be cultivated by correspondence and other suitable means.

While the new Rule basing subscription payments on the £ gold ensured that the day-to-day work of the Secretariat would be less restricted financially than it had been since the world depression, the increase in income was considerably less than had been expected. A few organisations found the increased burden imposed by the £ gold was too much. The Russian organisations continued to protest at having to pay more than £2,750, but the British, whose total subscriptions rose above £3,000, resumed their former place as the main financial support of the ICA. In 1935 the subscriptions received for the first time exceeded £10,000. At this level the reserves could once again be built up. With the technical help of the Co-operative Insurance Society a contributory pensions scheme could be inaugurated for members of the Secretariat, some of whom had already served the Alliance for many years. The publications were not a source of net revenue, but the reverse. Despite repeated appeals the circulation of the *Review of International Co-operation* remained low, the German edition showing a heavy deficit after it no longer circulated in Germany itself. However, an old project to give the *Review* a new format and more attractive appearance was realised. Fresh editions of the Press Directory and Film Catalogue were compiled. The series of periodic reports and statistics of national organisations were continued. Research, the results of which were published in the *Review*, was carried on in various fields, such as retail and wholesale distribution; state and collective marketing; monopolies in the production of staple commodities. The annual International Schools were held regularly until 1938. A special

Press Conference met at Basle in the autumn of 1935. The enquiry into the organisation of leisure produced useful information but did not evoke interest enough to justify convening a conference.

### **Co-operation and Authoritarian Government**

The 1930's were notable in Europe for the recession of democratic and parliamentary forms of government and their displacement by authoritarian rule or out-and-out dictatorship. The effects of these changes upon certain national Co-operative Movements caused recurrent anxiety to the Executive and Central Committees of the ICA and emergency situations called from time to time for the prompt intervention of the General Secretary. Deadlock was reached on the question of the eligibility of the newly-created *Reichsbund* for membership of the Alliance, but at the request of the former leaders, Everling and Klepzig, Dr Väinö Tanner had stopped in Hamburg on his way to the Executive Meeting at Paris in February for a talk with the Board of the *Reichsbund* which hoped that the ICA could usefully intervene to influence the government to treat the 'consumers' Co-operative Movement with greater consideration. After receiving the President's report, the Executive resolved that he should inform the *Reichsbund* that an invitation would receive sympathetic consideration if it were intended to lead to the restoration of the Movement's democratic basis and freedom to propagate Co-operative principles. At the very time in May 1935, when the General Secretary was visiting Hamburg, the government issued a decree providing for the liquidation of over 80 consumers' co-operatives, the re-payment of their members' shares and savings' deposits and the transfer of their business and property to private hands. Not only was the Movement deprived of more than one-half of its economic power, but a re-organisation of the *Reichsbund* was carried out so that the trading activities were taken out of its control and entrusted to the *Deutsche Grosseinkaufsgesellschaft* (German Wholesale Society) which had no visible or necessary connection with Co-operation at all. In the following October, the Central Committee adopted a resolution deploring the dismantling, without any economic justification, of the German Consumers' Co-operative Movement and hoping the government would re-examine its attitude. Copies of the resolution sent to the Chancellor and his Finance Minister, Schacht, were never acknowledged. A little later Everling and Klepzig retired, the former to carry on his old trade of goldsmith and silversmith until destiny called him ten years later to initiate the re-construction of a genuine consumers' Co-operative Movement.

In Austria the intervention of the General Secretary, early in 1934, and the real understanding of the Chancellor Dollfuss led to an early

improvement in the situation of the Co-operative organisations. Following the release of Dr Renner and Frau Freundlich, the government began in November 1934 to take steps to restore the autonomy of the consumers' Co-operative Movement. Free elections of the Supervisory Council and Management Board were held in the Vienna Consumers' Society in January 1935 and by the 1st June the society was again fully autonomous. At the end of 1935 the control was lifted from the Wholesale Society "GÖC". The liquidation of the Austrian Labour Bank, which had been collaborating with the ICA auxiliary Banking Committee, proved to be a triumphant vindication of the soundness of its management, for it was able to pay its depositors in full and its shareholders as well, in marked contrast to the Austrian commercial banks which had been among the first to collapse during the depression.

Equally successful, if less spectacular, were the results of the General Secretary's visits to the Balkans in 1934 and 1935. In Bulgaria and Roumania, governments had been making changes in a bureaucratic and high-handed manner which restricted the autonomy of co-operative organisations and increased their dependence upon state regulation and approval, particularly in financial matters. In both these countries and in Yugoslavia, then a monarchy, the General Secretary was able to put the case of the ICA's member organisations to the responsible ministers and contribute by public lectures to greater enlightenment about the nature and aims of Co-operation. The Baltic states, Estonia, Latvia and Lithuania, were visited by the General Secretary in 1936. In all three Co-operative activity had developed rapidly and become an important feature of the national economy, based as that was upon agriculture. For this reason the governments, especially in Estonia and Lithuania, were tempted to try co-ordinating co-operative institutions through the establishment of "chambers" which were given authority, under government, to regulate the business operations of their members. In Latvia the National Council of Co-operation discharged similar functions in close relation with the government. The effect of the General Secretary's visits was to encourage the Co-operative leaders to stand up for the right of the Co-operative Movement to develop freely according to its own principles, when restrictions were proposed in the name of "planned" or "directed" economy.

### **Russian Re-organisation**

An astonishing illustration of the manner in which both the structure and the development of a Co-operative Movement can be dislocated by sudden changes in national economic planning was given by the Soviet Government's Decree of 29th September 1935 under which the consumers'

co-operative societies in 580 urban centres of the USSR were liquidated and their property and functions transferred to the state trading department. Shortly after, *Centrosoyuz* also lost to the state trading department its functions as the central import organisation for consumption goods. Henceforth its activities were to be concentrated on the organisation of village trade and the marketing of agricultural commodities. The magnitude of this abrupt re-adjustment is indicated by the census of distribution taken in the Soviet Union in April 1935 when, out of a total of 261,461 distributive units, 144,785 belonged to the co-operative net-work. Of the latter, 34,948 were located in urban, 109,837 in rural areas. In 1934 the total turnover of the urban stores amounted to Rs. 22,882 million, that of the rural stores to only Rs. 8,914 million. The reasons for the change were stated, in the preamble to the Decree, to be the bad management and malpractices which had undermined the financial position of the village societies; the lack of participation by the members and the widespread violation of rules for the election of officials; the inability of the structure and methods of the central and regional unions to cope with new problems arising in village and urban trade. The exclusion of *Centrosoyuz* from import trade inevitably meant the severance of its direct relations with the wholesale societies of Western Europe. The sudden fall in individual membership of the societies was recognised by the ICA Executive as a reason for reducing the annual subscription demanded from *Centrosoyuz* from £4,000 to £3,000. The Executive, however, was not satisfied that the information which the Secretariat had been able to collect indicated the full significance of the changed role of consumers' societies in the Soviet economy. At its meeting at Vienna in June 1936 it resolved to call on *Centrosoyuz* to assist by furnishing a full statement on the question. After seven months a report entitled *The Present Position of Co-operation in the USSR* was presented to the Executive meeting at Strasbourg. The explanation of the changes then offered was not considered to be an adequate answer to the Executive's enquiries, but it did not appear that any further pursuit of the matter would be fruitful.

### **Co-operation and the Spanish Civil War**

The Co-operative Movement in Spain enjoyed a few years of accelerated growth immediately after the expulsion of the monarchy, but the explosion of civil war in 1934 was the prelude to years of disaster which ended with the destruction of its organisation and the death or exile of many of its leaders and most loyal adherents. When fighting broke out in Toledo and Asturias in the autumn of 1934, many societies suffered heavy damage, the National Federation of Consumers' Societies had to postpone its congress and some co-operators to take refuge from political persecution

in hiding or flight abroad. By scrupulous observance of political neutrality the consumers' co-operatives were able to avoid interference and, with the return of more settled conditions, to resume their efforts to establish a central wholesale society. The postponed congress held at Madrid in the Spring of 1935 was attended by the General Secretary of the ICA who expressed solidarity of the International Co-operative Movement. In July 1936, however, the civil war broke out again in a more virulent form, when it became evident that not even the political neutrality of the co-operatives would exempt them from the hatred felt by the revolting military for all forms of democracy. Solidarity had therefore to be expressed through material assistance and in September the ICA issued an appeal to its members to provide funds from which, not only co-operative organisations damaged, but also individual co-operators and their families made destitute by war could be helped. In addition, certain national organisations, notably the French National Federation, made arrangements for the care of hundreds of children removed from the fighting zones. Assistance sent to Spain itself took the form of goods consigned to Co-operative organisations in districts still being served by ordinary transport, the major roles being played by the wholesale societies in Great Britain and their affiliated societies which raised some four-fifths of the money. These various forms of succour and assistance continued throughout the civil war and, after the defeat of the democratic forces, for the benefit of those Co-operators who were driven into exile to escape persecution by the reactionary regime.

### *The Significance of Co-operative Economy*

Even while the Authorities of the ICA were engaged in formulating the economic programme of International Co-operation, it was becoming more and more evident that the Movement's freedom of existence, to say nothing of its power to execute any programme of development, was being restricted and menaced more and more by authoritarianism. Understanding, consultation and collaboration between Ministries of Economics, Finance, Trade and Industry, on the one hand, and the leadership of commerce and industry, not excluding trade unions, on the other, were becoming ever closer. The great body of consumers lacking organisation, and the farmers whose professional organisation was not always powerful and active, as well as unorthodox kinds of economic organisation, like co-operatives, were largely disregarded or placed at a disadvantage through taxation or corporative regulation. The ICA Executive accordingly instructed the General Secretary to collect facts and opinions from the

affiliated organisations and, to supplement them by the researches of the Secretariat. Before these had been completed the Executive felt the necessity of issuing a declaration, addressed to the people no less than the government of every country, re-stating and re-affirming the Co-operative Movement's basic principles and practices. This declaration, issued in January 1936, is too lengthy for textual reproduction here. To summarise its contents: it begins with a statement about the Alliance, its membership of various types of co-operative societies over 100 million families, its potential progress in Asia, Africa, the Americas and the Antipodes, its essentially pacific basis in the principle of "Each for all and all for each". The declaration then claims, on the basis of its principles, the right of the Co-operative Movement "to at least an equal place with any other form of economic enterprise within the policy of any and every state". The relevant principles are, of course, the four which, according to the Special Committee, determined the character of Co-operative enterprise, plus political and religious neutrality. Their practical application results in certain differences from capitalist economy as follows:

- 1 It substitutes the service of the community for the profit of the individual; establishes a genuine interdependence between its members throughout the world and a means, through international association, of achieving equilibrium in the economic sphere between the needs of the people and world resources.
- 2 It dethrones capital from the dictatorship of economic life and puts in its place the Association of Mankind on the basis of mutual and active participation in the enterprise.
- 3 It provides in its economic device of "Dividend on Purchase" an immediate financial benefit, and an access of independence to the Wage-Earning Consumer.
- 4 It secures to the Agricultural Producer, amongst other benefits, relief from exploitation in the purchase of the machinery and materials of his industry, and also markets for his produce which yield him a reasonable return without exploiting the consumer.
- 5 It confers direct benefits upon a very large section of the community irrespective of their social condition.
- 6 It provides a solution of the problems of employment, wages, and general conditions of labour on the highest plane of advantage to the employees which economic conditions permit.

The declaration goes on to protest against the action of governments which at the bidding of capitalist enterprise place stumbling blocks in the way of Co-operation's advance and makes three demands in favour of the national Co-operative Movements:

- i* Complete freedom to develop on equal terms with every other economic enterprise which is permitted by the laws of the respective States;



- ii Legal protection by all the forces of the State in the exercise of their undeniable rights as citizens;
- iii A special place, appropriate to their special economic characteristics and where they will have reasonable opportunity of self-determination, within the framework of any system of state or planned economy that may be set up.

## *World Peace*

The international political crises which succeeded one another in the 1930's, often coinciding with meetings of the Authorities of the ICA, evoked from them two notable declarations and finally the rather exceptional act, after some hesitation, of joining officially in the Universal Peace Campaign. The first of these pronouncements was made at Prague in the autumn of 1935, when the Central Committee seized the occasion of the fortieth anniversary of the Alliance to reiterate that the pursuit of peace, based upon the mutual confidence and respect of the people, was one of the main purposes of Co-operation and the initial impulse to the foundation of the Alliance. The declaration went on to affirm that in the present crisis it was necessary for Co-operators to demonstrate their solidarity with the world organisation of the peoples in the maintenance of peace and called upon the affiliated organisations to bring all their influence to the support of The League of Nations and its efforts to establish collective security.

This was followed in March 1936 by an indignant protest by the Executive against the failure of statesmanship and diplomacy to prevent the constant recurrence of crises which threatened to destroy civilisation, and an expression of confidence in the system of collective security the League was designed to establish. A month later a conference, organised by leaders of peace movements in France and Great Britain, was held in Paris. The outcome was the establishment of an international bureau for the organisation of a Universal Campaign in favour of peace. It found support among national and international organisations in over twenty countries and the ICA was invited to join it. The Alliance was represented by Ernest Poisson as an observer at the conference which met at Brussels. The basis of the campaign was insistence upon four principles:

1. The inviolability of treaty obligations;
2. The reduction and limitation of armaments and the suppression of profits from their manufacture;
3. The strengthening of the League of Nations and its power to prevent or stop wars;
4. The creation within the League of efficient machinery for dealing with international situations likely to provoke war.

The co-operators of various countries attending the conference submitted

through Poisson a recommendation to the Alliance to adopt the four principles and affiliate to the Universal Peace Campaign and request its affiliates to join the national committees in their respective countries. Although it had never been the practice of the Alliance to affiliate to other international associations, the Executive Committee decided unanimously, after an interval for reflection, to agree to the recommendation.

### **American Contacts**

In the summer of 1936 a Commission of Enquiry appointed by President Franklin Roosevelt toured Europe, giving special attention to Scandinavia, for the purpose of studying different aspects of Co-operation and its contribution to social stability and progress. The General Secretary had a number of discussions with members of the Commission and supplied them with information. A little later the Alliance was invited by the Co-operative League of the USA to be represented at the latter's tenth Congress to be held in October at Columbus, Ohio. The importance of this invitation was immediately recognised by the Executive which unanimously decided to accept it and appoint the General Secretary to attend. The Executive even looked ahead to the possibility of sending a delegation, headed by the President, in the future—a project which was not to be even partially realised for over twenty years. However, the General Secretary not only attended the congress at Columbus but carried out a tour covering ten of the United States and parts of Canada. In seven weeks he visited forty co-operative societies of various types and gave press conferences, radio talks, lectures and speeches. The result was a great gain in mutual knowledge and appreciation between Co-operators on both sides of the Atlantic from which the Alliance derived a considerable increase in strength and cohesion.

### *The Paris Congress of 1937*

The fifteenth Congress of the ICA conformed to precedent in that it was held at Paris in the *Maison de la Mutualité* in September 1937, and thus coincided with the great International Exhibition of that year. The French Co-operative Movement seized the opportunities afforded by both events to demonstrate its present importance by a Co-operative Pavilion, in which the ICA was given a section, and to recall its historic contributions to the International Co-operative Movement by organising a pilgrimage to Fourier's tomb and monument at Montmartre and a visit to the Familistère at Guise created by Fourier's disciple, J. B. A. Godin. But the Congress was also remarkable for its documentation, much of which

repays study to-day, a generation afterwards. The report of the Central Committee, the special papers and the annexes mark the increasing breadth and profundity of the Movement's thinking. The reasons seem to be twofold. First, in the formulation and discussion of the successive declarations on Co-operative and public policy, even though these may not have greatly influenced the course of events, Co-operators were obliged to make up their minds where they stood and what they stood for. Second, and perhaps of greater long-term importance, the results were visible of the patient accumulation and analysis of knowledge year by year in the Secretariat, the Auxiliary Committees and the Inter-co-operative Committee.

The enquiry into the application of the Principles of Rochdale was brought to a satisfactory conclusion. The first comparative study of the financial structures of the national Movements, with special reference to investment policy and liquidity, was completed. The studies and researches of the Inter-co-operative Committee had broadened out from the promotion of inter-co-operative trading relations to state intervention in agricultural marketing and distribution as well as to assistance to the League of Nations and the ILO in their early efforts to take the measure of world problem of nutrition.

### **Principles of Co-operation**

After the inconclusive debate in the London Congress of 1934, the Special Committee had gone on to complete its task. Having already dealt with the primary consumers' societies, it examined the practices of Co-operative Wholesale Societies; Workers' Productive Societies; Agricultural Productive Societies; Credit Societies and Co-operative Banks on the basis of information furnished in reply to questionnaires. The Committee's report to the Congress of 1937 presented the results of its studies under three aspects: 1. The Principles of Co-operation as practised by the Rochdale Pioneers; 2. Their Present Application and 3. Conclusions and Recommendations. As the full report was re-printed and circulated by the Alliance as recently as 1965, simultaneously with the enquiry instituted by the Congress of 1963, it would appear unnecessary to attempt to summarise it here. It should be sufficient to point out that the Committee's more extended enquiries into the practices of the various forms of Co-operation did not shake, but rather confirmed, its thesis that the seven principles enumerated in its first report were not principles peculiar to Rochdale or to Consumers' Co-operation alone, but were valid for all genuine Co-operative forms. Nevertheless the Committee discussed rather more fully than in its previous report the claims of certain practices to be recognised as essential principles, claims which it felt bound on consideration, not to

accept, while acknowledging that the practices concerned formed part of the Co-operative system. These were: trading exclusively with members; voluntary Co-operation (as distinct from obligatory membership of co-operative societies); sale at current or market price; the disposal of collective assets. The general tendency of the Committee's observations was that all these practices, applied with common sense and due concern for the spirit of Co-operation, had their value in given circumstances, but were not factors that determined the genuineness of a co-operative association.

The broad conclusion of the Committee's report was that "the Consumers' Co-operative Movement of the world is generally, but insufficiently and incompletely, based upon the Principles laid down by the weavers of Rochdale in the statesmanlike constitution and subsequent practice of the Rochdale Society of Equitable Pioneers in 1844". Referring to the other types of co-operative society the Committee reiterated its conviction that the seven principles had not been impaired in their validity by modern developments of industry and commerce, but that a less rigid interpretation of certain principles was necessary in those organisations which were different from the simple form of consumers' society. The principle colloquially called "Dividend on Purchase" should be given a more general formulation thus: Distribution of the surplus to the members in proportion to their transactions.

The final point made by the Committee was to discriminate in the importance to be attached to the seven principles in deciding the essential co-operative character of any society or organisation. The genuineness of a co-operative depended on the adoption and practice of the first four, namely, 1. Open membership; 2. democratic control; 3. Distribution of the surplus to the members in proportion to their transactions; 4. limited interest on capital. The remaining three principles: 5. political and religious neutrality; 6. cash trading; 7. promotion of education "while undoubtedly part of the Rochdale system and successfully operated by the Co-operative Movement in the different countries are, however, not a condition for membership of the ICA."

In Congress the discussion of the Special Committee's report was shorter and, if anything, less penetrating than the corresponding debate in 1934. Professor Hall (Great Britain) deprecated excessive rigidity in interpreting the clauses laying down conditions for membership of the Alliance. The important consideration was to keep in association those working in the Co-operative spirit. Professor Ioan (Romania) thought that discrimination between the first four principles and the last three would create confusion and lead to greater involvement with politics.

Professor Partheniu (Romania) regretted the omission of what he called the principle of the priority of the consumers' co-operative societies. A British delegate condemned voluntary Co-operation, on the ground that anything that is good ought to be made compulsory, but his views were repudiated as unrepresentative of British Co-operative opinion by Sir Fred Hayward, chairman of the Co-operative Union and another British delegate. F. Modracek (Czechoslovakia) thought that the principle of trading exclusively with members ought to have been given the foremost place. Mrs Miturina (USSR) thought that the labour expended on producing the report could have been more profitably employed in other ways. Soviet Co-operators educated, according to the principles of Marx, Engels, Lenin and Stalin, were not doctrinaires. It was not the letter of the Rochdale Principles which counted with them, but the spirit. The present situation of the Movement involved the abandonment of political neutrality and of some of the other Rochdale principles. Only the complete victory of the workers over capitalism would put an end to exploitation in every sphere of economic life. The report of the Special Committee was in the end adopted with only two dissentient votes.

#### **Amendments to the Rules**

The Congress next considered the Central Committee's proposals for amendment of the Rules, the first of which was a new text, based on the Special Committee's recommendation, for Article 8 defining the eligibility of consumers' societies for membership of the Alliance. This proposal was contested by the French delegation whose spokesman, Dr Georges Fauquet, maintained that the older wording was clearer and more precise, in that it specified three ways, instead of only one, of allocating surplus. The effect of mentioning distribution in proportion to transactions alone was to create ambiguity and might mean the elimination of the collective uses of surplus and the accumulation of indivisible collective reserves. He was answered by R. A. Palmer (Great Britain) who declared that Dr Fauquet's interpretation of the Special Committee's intentions was incorrect. The surplus to be distributed was that which remained after allocations to reserves and for educational and social objects had been made. Dr Kuncz (Hungary) moved an amendment to eliminate the principle of limited interest and change the order of the remaining three, but this was rejected and the proposal of the Central Committee adopted by a large majority. Two other amendments to the Rules were adopted, one extending the scale of subscriptions to include rates for societies with 10,000, 15,000 and over 15,000 members respectively, the other limiting the number of representatives on the Central Committee for any country or union of countries to nine.

### **Co-operation in Different Economic Systems**

The paper contributed by the President, Dr Väinö Tanner, on the place of Co-operation in different economic systems marked the climax, not merely of the Congress, but also of the discussion which had been developing for several years at all levels among the membership of the International Co-operative Alliance. It may be described, with little exaggeration, as the classic treatment of its subject. Its value is by no means exhausted over thirty years after it was written.

The writer's starting point was naturally the liberal system of free enterprise and governmental *laissez faire* prevailing when the Co-operative Movement was launched and for almost two generations afterwards. He regarded the first World War as a turning point in the development of world economy, because of the enormous increase in state intervention and control under war conditions. In the subsequent period of economic and political emergencies state regulation could not be abandoned and the way back to the liberal system was thus blocked for ever. Economic nationalism and efforts at autarky, reinforced in Italy and Germany by political revolutions resulting in dictatorship, made regulation ever more rigid and complicated. The growth of cartels and other industrial combinations made state regulation in some ways easier, and after the world depression the reaction away from competition forced the pace of government regulation in favour, for example, of agriculturists and other classes wielding political influence. The effects of these tendencies on the Co-operative Movement differed in extent and severity from country to country, the most serious being the restrictions imposed on the opening of new shops or productive enterprises by consumers' societies, thus limiting their competitive power.

Dr Tanner examined one by one the consequences for Co-operation of the dictatorial capitalist planned economies, established in Italy, Germany and Austria, and came to the conclusion that the functions of the Co-operative Movement and its scope for development depend altogether on the attitude of the government towards it. He went on, however, to emphasise that there was an enormous difference between capitalistic and socialistic planned economies, the latter being exemplified by the USSR. He reviewed the evolution of socialist theory about the place of Co-operation in the new proletarian state, pointing out that experience of post-war distributive problems suggested that consumers' Co-operation could be adapted to the new system, and tracing the evolution of the Co-operative policy of the Soviet government down to the Decree of April 1935 relegating Co-operation to the countryside. His conclusion was that the position of the Co-operative Movement in a dictatorial socialist state was subject to considerable fluctuation, following the variations in policy. If the dictatorial system tended towards decentralisation, then perhaps the

whole of distribution and a considerable part of production could be organised on a purely co-operative basis. On the other hand, a centralised nationalised economy, working under a dictatorial system, and a comparatively independent Co-operative Movement go very badly together.

Co-operation ought to occupy a conspicuous place in a democratic socialist economic system, but the positive opportunities for the development of Co-operative activities within the framework of planned economy depended solely on what attitude those in power take up towards Co-operation. One of the chief practical difficulties would be to find the right forms for Co-operation under the new conditions. In his conclusions, Dr Tanner stressed that the tasks of Co-operation remain, even under a system of regulated and planned economy. The Co-operative Movement believed that democracy was necessary, not only to Co-operation itself but to the successful development of social life in general. The Movement, however, rejected complete nationalisation of the means of distribution under any form of government, on the ground that this meant replacing a capitalist oligarchy by a state-bureaucratic oligarchy and was contrary to economic democracy. If people were to support the economic system, they must also take a direct part in the administration of economic enterprises.

The debate revealed that the delegates as a whole supported the resolution submitted by the Central Committee. The British delegation, however, proposed an amendment which would have deleted the first paragraph and changed the wording of the third to an appeal by the ICA to its members to use all their power to secure from the state full recognition of the value of the Co-operative Movement. The Soviet representative also declared that the resolution was not acceptable, claiming that the British amendment supported the argument of his delegation that the Co-operative Movement could only expand when capitalism is abolished and attain its full development in a socialist system of society.

After the British amendment had been rejected the following resolution was adopted:

“That Co-operation, as a form of expression in social activity of its own, is possible and necessary in all the different kinds of economic and political systems, even though its tasks and importance vary in different systems, principally depending upon the character of the social groups which have obtained possession of the State power.

That the Co-operative Movement in all economic systems demands for itself complete freedom of activity on the basis of its own principles, and repels all efforts to control politically its activity.

That the Co-operative Movement, wherever a regulated economy in some form or other has been put into power, rejects measures that hinder the national or international development of its activity, just as it rejects any efforts in a socialist economic system to concentrate the whole economic activity in the hands of public bodies.”

### **International Exchange—General and Co-operative**

In the seven years since the Congress of Vienna the widespread adoption of restrictive and protective measures to safeguard national markets had made the declaration then adopted of “faith in the principle of unrestricted freedom of communication and exchange of goods between all nations” sound unrealistic and unconvincing as a basis of policy. It was the task of A. J. Cleuet at the Paris Congress to review the evolution of international trade since the world depression and to formulate recommendations, which the Alliance and its affiliates could whole-heartedly urge upon national governments and international authorities, and which could not be summarily rejected as unrealistic and impracticable. This was all the more necessary because Cleuet’s second task was to announce to the congress the adoption of a more vigorous international co-operative trading policy and to justify the hopes of this colleagues of the ICWS and himself that it could operate successfully under the prevailing condition. His paper was accordingly divided into two chapters which were presented and debated separately.

The resolution on the first chapter, which addressed itself to the problems of restoring a greater measure of freedom to the international exchange and suppressing the practice of “dumping”, the greatest deterrent to free trade, ran as follows:

The Fifteenth Congress of the International Co-operative Alliance, expressing itself in favour of the Freedom—under certain conditions—of international exchange,

- 1 Declares itself against all forms of Protection, direct or indirect, and demands the formation of an extensive scheme for the reduction of customs barriers preceded by an equitable solution of the problem of international debts, accompanied by the close collaboration of the issuing Institutions, with a view to re-establishing, as soon as possible, an international monetary standard on a stabilised basis.  
This scheme would aim at securing, to the greatest possible extent, the freedom and development of international trade under such conditions of loyalty and sincerity that no State would be afraid that any other contracting State would practise “dumping”, or dread the action of too influential Trusts and Cartels on the market for raw materials.
- 2 Considers that the generalised practice of Co-operation, or State policies co-operatively inspired, would help in the carrying out of this programme, especially in facilitating agreements between producers and consumers, and in securing the distribution of world resources amongst the markets under the most economic conditions and without any spirit of competition.

Cleuet’s chapter on co-operative international exchanges comprised a lengthy historical account, from the end of the first World War, of the development of inter-trading between the consumers’ Wholesale societies and the practical work of the ICWS. It included an extract from Anders



Hedberg's book "International Wholesale Co-operation" stating the case for an international co-operative purchasing agency, which Cleuet himself accepted. Its main intention, however, was to outline a general plan of action designed to make the Movement's international commercial activities more effective. For that reason Cleuet did not envisage the disappearance of the ICWS, even if the proposed agency were successful, but rather the continuance of its role of initiating and encouraging inter-co-operative commerce and production, exchanging experience and co-ordinating effort. The general plan was summarised in the resolution adopted by Congress which recommended:

- A To the Co-operative Retail Societies: the greatest possible fidelity to their National Wholesale Societies, in order to strengthen the commercial and industrial force of the latter.
- B To the Co-operative Wholesale Societies:
  - 1 Their affiliation to the International Co-operative Wholesale Society, and their active participation in its work; and also the continuation and extension of their own commercial relations;
  - 2 The renewal and development of the experiments in mutual purchasing which they have already made, with a view to the creation of an International Co-operative Agency, the only organisation capable of directing these operations in a rational manner, especially in conjunction with Co-operative Agricultural and Productive Organisations;  
The study and creation of specialised International Co-operative Societies, with a view, on the one hand, to safeguarding the interests of the consumers in the face of the modern forms of commercial and industrial organisation employed by International Trusts and Cartels, and, on the other, to improving, without any thought of competition, the technique and means of supply of the Wholesale Societies on the world market.

In the course of discussion Neil S. Beaton, President of the SCWS, announced that the Agency was already founded, that it had members in 16 countries. Its office would be in London and its manager would be Waling Dykstra, for a number of years an official of the Dutch Wholesale Society *De Handelskamer*.

### **Dismemberment**

In small particulars history sometimes repeats itself. The Congress of Paris in 1937, like the Congress of Glasgow in 1913, accepted an invitation for the succeeding congress which had to wait for its fulfilment for the outbreak and cessation of a world war. Whatever resemblances, however, may appear between the twelve months which succeeded the Congress of Paris and the corresponding period after the Congress of Glasgow, the differences involved much severer trials for the Alliance. The delegates had scarcely time to reach home and report to their organisations before the

exchange of telegrams took place between the General Secretary and the Secretary of the Japanese Co-operative Union which opened a rift between the two organisations. The subject was the Japanese invasion of China, which the Japanese member claimed was being misrepresented in the West by Chinese propaganda. The General Secretary retorted that the facts alone of what was being done in China were sufficient to arouse world-wide indignation. There were further communications declaring the Japanese Union's support for what was represented as a defensive war. The Executive, when it met in December 1939, unanimously endorsed the General Secretary's attitude. The Japanese Union's subscription to the Alliance was paid for one more year, after which its membership lapsed. At the same meeting the General Secretary had to report that, in consequence of a new Co-operative enactment, the Latvian Co-operative Unions had been deprived of their autonomy. Before the Executive could meet again in May 1938, Austria had been annexed to the Nazi Reich. Immediately after the German forces had taken possession on the 12th March the Co-operative organisations were placed under the control of a commissar and in time subjected to a similar regime to that imposed on co-operatives in the Reich itself. The two Austrian representatives, Andreas Korp and Dr Andreas Vukovich, renounced their mandates on the Central Committee. The Central Union of Consumers' Societies was obliged to convene a special congress and withdraw from the Alliance. The *Review* might no longer be sent to the societies and the International Women's Notes over the signature of Emmy Freundlich were discontinued.

The Executive accepted an invitation from the Czechoslovak Central Co-operative Union to hold the next meeting of the Central Committee at Prague in the last week of September, but the meeting was never held. Instead, the Executive met at Amsterdam in October to consider the situation after the Munich agreement, with Czechoslovakia partitioned and the German-speaking provinces incorporated in the Reich and Poland. The result of this operation was the complete dissolution of the Union of German Economic Societies and its Wholesale Society, the *GEC-Verband*, both of which had their headquarters in Prague, for their membership was almost entirely in the ceded areas. Just twelve months after the annexation of Austria the Reich's forces seized the remainder of Czechoslovakia, over which a "protectorate" was established, with the necessary consequence of a reorganisation of the Czech Consumers' Co-operative Movement in conformity with the so-called "leadership" principle and the system of centralised control applied in Germany. If those disasters were not enough, the Alliance had to witness throughout 1938 the continual contraction, under the pressure of the

rebel armies, of the areas in which the Spanish Federation of Consumers' Societies and its affiliates could operate. The courage and optimism of the Co-operators and the material help given them in goods and transport vehicles could avail little when the resistance of the Republican forces was crumbling. Wherever the rebel forces penetrated, the co-operatives were put out of action or destroyed. At the end of January 1939, Barcelona fell to the rebels. Early in February two groups of Co-operative officials and militant members crossed the Pyrenees, to be received and cared for by the French Co-operative Movement. A few months more and the armies of the Reich were advancing on Warsaw, while Great Britain and France launched ultimatums. The second World War had begun.

### *The Role of the ICA*

It was not to be expected that under Henry May's leadership, the ICA would adopt a passive role. So long as fighting had not actually begun, all its influence would be exerted on the side of conciliation, compromise, even appeasement, if that were consistent with justice. If fighting could not by any means be averted, then the mission of the ICA was to give what protection it could to Co-operative organisations, to assist them to discharge their proper economic functions, to help them make good their losses and generally to express the fundamental solidarity of the Movement, besides supporting every effort which would terminate the war by a just settlement. Writing in the *Review* for January 1938 on the role of the Co-operative Movement in the circumstances then prevailing, he declared:

“The Co-operative Movement of the world should stand unflinchingly for the principles of toleration, equity and justice in all the relations of life; respect for the rights of others; the settlement of disputes by reason and the abolition of armed conflict; the honourable fulfilment of all contractual obligations and association for the security of all in the exercise of their legitimate functions.”

May next addressed a memorandum to the members of the Central Committee, inviting them to express their opinions on his suggestions, first for a campaign for peace to be waged by individual Co-operators and by Co-operative organisations on the local, national and international levels; and second, for the use of all available economic means to stop the aggression of the Japanese against China. The arguments of the memorandum were based on the premise that the Co-operative Movement cannot make progress with the application of its principles within its own framework, if these principles are not adequately recognised in the external world. If military aggression involved not only the slaughter of millions of

combatants and non-combatants, but also the suppression of liberty and democracy, it was not the role of the Co-operative Movement to stand aside and wait for better times, but to join actively in the International Peace Campaign and proclaim its proper message of peace through association. The boycott of Japanese trade by the combined withdrawal of the purchasing power of the Co-operative Movement would produce economic effects which the militarist government of Japan could not ignore and moral consequences which might stiffen the attitudes of other governments. In the *Review of International Co-operation* space was given to articles on the development of small-scale industries in China, the output of which would serve to strengthen the country's resistance to Japanese attacks. These suggestions were taken up and promoted by the Nanking Government until the growth and achievements of Chinese industrial co-operatives became known throughout the world. May also joined Ernest Poisson as ICA representative on the International Peace Campaign, presiding over the Co-operative Commission of its London Conference in February 1938, which laid down directives for aid to China in her struggle against the invaders. The replies which he received from members of the Central Committee and the approval of the Executive Committee encouraged him to return to the question of the ICA's attitude to war and peace in the leading article "Peace, Pacifism or Passivity?", which appeared in the *Review* for June and in his lecture to the International Co-operative School at Brussels in August. At the meeting of the Central Committee in January 1939, his exposition of the subject was criticised by members who held that the ICA should be a simple bureau for giving information, advice and guidance on Co-operative matters but welcomed by those who recognised that Co-operation was threatened by general tendencies at work in the world, as well as by others who were prepared to adopt economic methods of resistance to aggression as a means of promoting world peace.

### **Co-operative Solidarity**

In his attempts to mobilise the resources of the members of the Alliance for their fellow members in distress, the General Secretary received the support of the Executive Committee, even if the affiliated organisations were variable in their response. His own view was expressed to the Central Committee in the sentence: "Unless the solidarity of Co-operation is above party strife, national political policy and racial prejudice, it is of little value". The action of the Executive and Central Committees in appealing for funds on behalf of Spanish Co-operators in distress was approved by the Congress of Paris, and fresh appeals were made from time to time as the distress increased and the special needs of the children

became more fully recognised. Altogether £33,737 was raised for Spanish relief of which £21,750 was used for food distributed by the Spanish Co-operative Wholesale Society. After the end of the war the remainder of the fund was used to support Co-operators who took refuge in France until they could support themselves and to aid some who emigrated to Latin America. The fund in aid of Czechoslovakia was opened by the transfer of £2,000 from the reserves of the ICA in the autumn of 1938 when the German-speaking Co-operative Movement was destroyed. Through the good offices of the Czech Co-operative Union it was possible to help refugees from the German Movement in Prague. If any of them succeeded in reaching England they were supported, if necessary from the fund, pending employment or their re-emigration further afield. The fund totalled £11,419. A considerable number of Co-operators from Spain and Czechoslovakia, as well as some from Austria and Germany, attached themselves to the Co-operative Movements in the countries of their adoption. The experience and knowledge of such Co-operators as J. Ventosa Roig in Mexico, A. Fabra Ribas in Colombia and Emil Lustig in Argentina enabled them to make notable contributions to Co-operative progress in countries where the Movement was still in an early stage of development.

### *The Course to the Abyss*

As the spring of 1939 wore into summer it became apparent that the appetite of the Third Reich had been whetted rather than appeased by the earlier annexations. Appeasement as a policy had failed, even in the eyes of its authors. War became more and more regarded as inevitable. The tendency everywhere was to shorten sail in the hope of riding out the gale. The International Co-operative School, projected for London in the summer, failed to raise the required minimum of 25 students from outside Great Britain and was abandoned. The attitude of the Alliance, however, was not one of supine acceptance of the inevitable. Early in July one more appeal was launched over the signatures of the President and the General Secretary, addressed not to the members of the Alliance alone, but to the Co-operators of all the world, urging them to mobilise all their material and moral resources in a supreme effort "to prevent the adversaries of world peace and security from launching upon the world a conflict which would annihilate millions of us and, in a large measure, destroy civilisation". The appeal recalled the essentials of the Co-operative Movement, its universal character, knowing no limitations of frontier, colour, race or creed; its equitable economic system, sharing the resources of nature

according to every man's needs; the programme of the ICA which recognised no differences between political parties or religious creeds. Co-operators were reminded that the task before them was, not merely to avert the horrors which threatened humanity, but to work for the realisation of equity, justice and freedom between the peoples of the world. The appeal concluded with the words: "Co-operators of the world, arise in your millions, lay aside every mental reservation and prejudice which might weaken your action, relegate the economic interests to the second place and put your maximum effort into the achievement of the unity of the peoples of every land in the pursuit of the triumph of the right."

This idea found expression again in the leading article which Henry May wrote for the September issue of the *Review* after war had been declared. Expressing relief that at long last the conflict had been joined and encouragement, because of the number of leading authorities who had appealed or offered their services for the maintenance of peace, May declared:

"True neutrality was never better exemplified than in the instinctive action of those leaders of thought and of peoples which thrilled the world before the die was cast. No thought of the protection of sectional interests, religious or political differences, entered into their appeals. Transcending every mundane consideration there arose the poignant cry of the victims of injustice and tyranny; the brutal denial of the rights of others; the wanton, ruthless slaying of men, women and children, not even in recognised warfare, but in cold blood and every kind of bestiality of force which threatened civilisation. It is for the overthrow and subjugation of these evil forces that war is being waged."

In the same issue appeared the text of the report on the present position of the ICA which had already been submitted to the Central Committee the preceding January. It presented a survey of the Co-operative situation in countries which the General Secretary had roughly classified as democratic, authoritarian and totalitarian in their government, leaving the USSR in a category of its own. His conclusion was that, notwithstanding the losses the ICA had sustained in the preceding fifteen years, its forces were not so depleted as to give rise to alarm or to justify exceptional measures for the restoration of the former membership. In his opinion, the national Co-operative Movements in the democratic countries were capable of standing up by themselves to the adverse conditions. The ICA was still the strongest and most compact international force of workers operating in the world.

With this confidence in the forces of Co-operation and drawing upon his experience of the first world war, Henry May wrote for the November issue of the *Review* the article on the war-time tasks of the ICA which was to be his final message and bequest to the International

Co-operative Movement. The main tasks of the ICA as he saw them were six in number:

- 1 To maintain communications and, as far as possible, personal contacts with the membership, i.e., the National Affiliated Organisations.
- 2 To maintain the publication of the Official Journal *The Review of International Co-operation*, and the several News Services, with the special features of a chronicle of information on matters of war-time importance to the National Movements.
- 3 To consider and prepare the main lines on which full activities may be renewed after the war.
- 4 To seek agreement on the principles and considerations which should govern a World Settlement calculated to ensure Freedom, Security, and Universal Peace.
- 5 To determine what would be the contribution of the organised Co-operative Movements to the adoption and realisation of such a programme.
- 6 To institute a more intensive campaign of recruitment to the ranks of the Alliance of Movements of Co-operation now developing on other Continents than Europe.

On each of these points May had comments to make in which previous experience, intelligent forecasting of war-time limitations and a sense of the revolutionary changes which would accompany the war were blended with judgement and wisdom. On Point IV, the way to peace, he wrote: "Whatever form the Association of Nations may take which is to build the new world, it must have from the beginning the co-operation of all the peoples on a basis of human equality and mutual tolerance". On Point V, the contribution of Co-operation to post-war settlement, he was insistent on the necessity of vigilance to ensure that the Co-operative Movement made its voice heard early enough. "United and common action on the part of Co-operators is necessary. The organisations of capitalism, private trade and industry will not remain meekly in the background to accept the crumbs that fall from the conference table. Neither should we, but rather take all action to present the claims of the organised consumers and the superlative value of the Co-operative economic system as an equitable means of sharing the world's resources and guaranteeing good relations between all people. It is ours to formulate the Co-operative point of view and to educate public opinion to accept it: eventually to press it upon governments and all authorities that have responsibility in these matters". On point VI, May looked forward to missionary effort to bring new membership into the Alliance. "On other continents—Australia, New Zealand, South Africa and Asia, there is room for the recruitment to the ranks of the Alliance of healthy organisations which would bring new and vigorous blood to our International Movement". These, drastically summarised, were May's suggestions to

“any who are concerned that Co-operation should play its full part in the revolution of tomorrow.”

In the middle of November, Henry May went into hospital to undergo a major operation, from which he did not recover. He died on the 19th November, aged 73 years and 4 months. Difficulties and dangers of war-time travel prevented the concourse of Co-operators from many lands, who might have assembled, from attending the funeral ceremony, but the written tributes, not from Co-operators alone but also from eminent men who knew him in other walks of public life, filled the December number and overflowed into the next following issue of the *Review of International Co-operation*. The Executive Committee of the ICA at its meeting in Paris in March 1940 placed on record its profound sense of the inestimable loss which the Alliance had suffered and expressed its high appreciation of his services in the following passage:

“Throughout the period of his Secretaryship—August, 1913, to November, 1939—Mr May had upheld the dignity and increased the prestige of the Alliance all over the world.

“By his wholehearted and courageous devotion to the work of the Alliance and to the principles of Co-operation; by his untiring advocacy of peace through Co-operation; by his unshakable conviction in the ultimate triumph of Co-operation as one of the greatest forces in the world for peace and economic and social justice; by his comprehension and sensitive appreciation of the internal and external conditions of co-operative development in relation to economic and social changes; by his efforts to promote International Co-operative Education, International Co-operative Trading Relations, and relations between the National Co-operative Banks and Insurance Institutions; by his readiness at all times to respond to appeals for help from Organisations in difficulty and his bold advocacy of their cases before the highest authorities of the State; by his great sympathy and unceasing endeavours during the later years of his life on behalf of the victims of aggression—Mr May won, and richly deserved, the respect, the admiration, and affection of the whole International Co-operative Movement, of which he was indeed the soul and inspirer.”

Miss Polley, who had held the post of Administrative Secretary since 1932, took over the direction of the Secretariat, as she had been accustomed to do during the absence of the General Secretary. R. A. Palmer, the British Vice-President, who was also General Secretary of the Co-operative Union, maintained close touch with the work and was constantly available for consultation if the need arose. The Executive Committee, which was unable to meet before March 1940 in Paris, endorsed this arrangement. It was unanimous in deciding that a new General Secretary should not be appointed during the war. The work of the Alliance was handicapped still further by the inability of Dr Väinö



Tanner, the President, to keep contact with the Alliance as a result of the war between Finland and the Soviet Union. R. A. Palmer thus had to act for him and early in 1941 called a meeting of the British members of the Central Committee. Through subsequent periodic meetings these members were able to act as a provisional executive committee, thus reviving the administrative system which the Alliance had been obliged to adopt for the first quarter of a century of its existence. The work of the Secretariat continued on the lines which had become more or less settled, although on a reduced scale, notwithstanding the bombing attacks on London which reached a climax in September 1940, continued throughout the following winter and were resumed with unmanned devices in 1944.

Two international initiatives, one in the field of trade, the other in the field of education were extinguished by the war. One was the International Co-operative Trading Agency which had begun business in offices at the Port of London Authority building in January 1938. The word "trading" had been inserted into its title in order to avoid confusion in the use of the initials ICA. It just completed two years trading and did enough to demonstrate that it might become a sound business proposition, before the dislocation of trade forced it to close its doors. The other initiative was the ICA Study Centre, the purpose of which was to enable students, especially from other countries than Great Britain, to pursue courses of systematic reading, at ICA headquarters under tutorial guidance, in some aspect of Co-operation in which they were interested. The official syllabus comprised:

- 1 The Principles of Co-operation and their Application by different types of Organisation.
- 2 The History of Co-operation and its Development in Various Parts of the world.
- 3 The Work of the International Co-operative Alliance and its Auxiliaries.
- 4 The Economic Problems of Co-operative Development.
- 5 Inter-Co-operative Relations.
- 6 Co-operative Education and Propaganda.

It had been hoped that the Study Centre would develop in time into the permanent educational institute attached to the Secretariat of the Alliance which had been visualised many years before. As the Agency for lack of trade, the Study Centre closed down for lack of students under war-time conditions.

## *Chapter Four*

# Growth and Development

### *Relief and Reconstruction*

With an income cut by half and the personnel of the Secretariat reduced to eight, it was nevertheless possible for the ICA, once the pattern of its war-time administration and operations had been set, to define and develop the role of the Co-operative Movement, national and international, first, in the relief of distress and then, in economic and social reconstruction after the war. For these activities the background was clarified in 1942 by the Atlantic Charter, in which the war and peace aims of the Western Allies were formulated, and the emergence of the concept of the United Nations which were to collaborate in both waging war and establishing peace. As part of its task of maintaining communications between the members of the Alliance, the Secretariat was in frequent contact with the eight exiled governments from occupied countries which had their headquarters in London. The formation of an Inter-Allied Committee for Post-war Reconstruction, in 1942 presented the opportunity of approaching their Ministers of Reconstruction, in order to make them aware of the concern of the Alliance for its erstwhile members and its readiness to render assistance when that once more became possible.

By February 1943 the provisional Executive was convinced that the time was ripe for the Alliance to launch an appeal for financial means to assist the rehabilitation of Co-operative Organisations in countries ravaged by war and subjected to military occupation. The appeal emphasised the necessity of restoring the Co-operative Movements' productive and distributive mechanism as soon as possible to working order, so that they could both promote their members' welfare and fulfil their proper role in the revival of the respective national economies. A minimum target of

£500,000 was fixed, and the member organisations were urged to make generous donations. The sum actually received by the ICA exceeded £300,000 at the end of 1945, but the total amount of aid in cash and kind was considerably greater, as a number of National Organisations, for example, the Swiss and the Swedish, made gifts from their own resources. Previous to its general appeal the ICA had raised more than £50,000 altogether for the relief of Spanish, Czechoslovakian and Finnish Co-operators and their organisations.

A broader appeal to all Co-operative organisations, indicating the tasks which they should make ready to undertake in the post-war era was made in the ICA Declaration for the 21st International Co-operative Day. The general lines of Co-operative action were stated to be:

To prepare energetically to play their part in the restoration of national and international life after the war;

To give their full support to the efforts which the Alliance is making to assure, and to contribute to, the rehabilitation of the Co-operative Organisations in the occupied and war-stricken countries;

To promote by all the means in their power a deeper understanding of the Co-operative Idea and its further penetration into national life and national economy;

To achieve an ever-increasing degree of unity within and between different sections of the Movement, and a fuller appreciation and acceptance of individual responsibility on the part of their members;

To pledge themselves to secure for the Co-operative Movement its rightful place in national and international life after the war.

A closer examination of the practical problems to be solved was made by the International Conference of Consumers' Agricultural Co-operative Organisations and convened by the ICA in London later in the same year. The participation included not only representatives of several European Consumers' and Agricultural Co-operative Movements, but officials of the New Zealand Produce Association and Overseas Co-operative Federations, Ltd but also a number of government representatives. The themes for discussion were first, the Place of Co-operation in Post-war Economy, introduced by J. A. Hough, Research Officer of the Co-operative Union; and second, Relations between Co-operative Organisations of Producers and Agricultural Producers, introduced by George Walworth, the same Union's agricultural adviser. The problems of Co-operation in Post-war Economy noted by the Conference may be summarily listed as: the need for better understanding of the Co-operative system of economy; freedom of action and development for voluntary Co-operative organisations; the removal of barriers to free international intercourse and exchanges; the prohibition of cartels and private monopolies; the expansion of inter-co-operative and international co-operative

trade; international co-operative action in production; national organisation of agriculture by co-operative methods so as to raise standards of nutrition and health; application of Co-operative principles to the exploitation and distribution of the world's natural resources. The recommendations under the head of consumer-agricultural relations emphasised the need for the ICA to unite all Co-operative types for common action and for the formulation of appropriate rules governing business relations between different branches of the Co-operative Movement. Consumers and Agricultural organisations should base their collaboration on an agreed division of functions, with a jointly administered central organisation. In addition there should be joint organisations for education, propaganda, research and defence of common interests.

### **Co-operation and the New International System**

Simultaneously with this action by the Alliance within the field of its own membership, efforts were being made to secure recognition by the mostly embryonic international institutions which were in due time to form the system of the United Nations and its Specialised Agencies. One of these institutions, of course, had come a long way from its embryonic stage. The International Labour Office, almost a quarter of a century old, was the most important component of the former League of Nations system to be carried forward into the new era. At the outbreak of war it removed its headquarters to Montreal and during the war held its conferences in North America. The ILO Conference of 1942 recommended the appointment of a committee for the study of reconstruction, as well as emergency measures to relieve unemployment in the transition from war-time to peace-time conditions. The committee was authorised to enlist the collaboration of other agencies working in the economic and social fields. The ICA offered its services but there is no record of the committee's being established. At the Conference of 1944, however, the Alliance's request to appoint an observer was granted, and Dr J. P. Warbasse attended in that capacity. The Swedish Government was the only one to appoint a Co-operator amongst its advisers. The most notable outcome was a decision to set up a representative committee to act as a link between the ILO and the Co-operative Movement and also to admit representatives of International Co-operative Organisations to the Conference regularly as observers. A proposal at the Conference of 1945 to form a Co-operative Advisory Committee was implemented by the Governing Body in 1946. The Committee was to consist of representatives of the Governing Body and the Co-operative Movement and members specially invited to participate. Within the same period the Co-operative Service of the ILO had prepared and published two important volumes

which were of immense value in drawing the attention of all agencies concerned with rehabilitation and reconstruction to the achievements of Co-operation in its various forms and its unique advantages, as a means of restoring health to economic life and repairing the wastage caused by the war. These volumes were respectively entitled "Co-operative Organisations and Post-war Relief" and "The Co-operative Movement and Present-Day Problems."

Practical efforts to implement the principle of "freedom from want" enunciated in the Atlantic Charter may be said to have begun with the United Nations Conference on Food and Agriculture, held at Hot Springs, Virginia, in May and June 1943. At this conference the contribution which Co-operation could make to a better-nourished world was recognised in a resolution reminiscent of that adopted sixteen years before by the World Economic Conference at Geneva. The resolution alluded in its preamble to the importance of Co-operation in rural areas to small farmers and in urban areas to families with low incomes; to the benefits Co-operation could offer in the adjustment of the production and distribution of agricultural commodities; and to the influence of Co-operative principles of democracy and education in promoting good citizenship and sound economic conceptions. The resolution then went on to recommend:

"That in order to make it possible for people to help themselves in lowering costs of production and cost of distribution and marketing:

- (a) All countries study the possibilities of the further establishment of Producer and Consumer Co-operative Societies in order to render necessary production, marketing, purchasing, finance, and other services;
- (b) Each nation examine its laws, regulations, and institutions to determine if legal or institutional obstacles to co-operative development exist in order to make desirable adjustments;
- (c) Full information as to the present development of co-operatives in different countries be made available through the permanent international organisation recommended in Resolution II."

The "permanent international organisation recommended" was realised in due time as the United Nations Food and Agriculture Organisation, with headquarters located at Rome, with which the ICA was destined, as the years passed, to enter into increasingly close collaboration.

## UNO

Before the end of hostilities the Powers turned their attention to the erection of the central pillar of the new international system, the United Nations Organisation. Its Charter was due to be adopted at the Conference convened for San Francisco in April 1945. Mindful of the disappointments

of 1919 and 1920, the provisional Executive Committee was ready to take measures to press the claim of the Alliance, representing the largest international movement, to official recognition as a consultant and to representation in the Conference. When it became known that the International Trade Union Movement had already made similar claims, approaches were immediately made to the British Government and a deputation was received by the then Deputy Prime Minister, C. R. Attlee, the principal British delegate to the conference. The first results were not encouraging. There was to be no consultative representation for either the Co-operative or the Trade Union Movement, nor would the British Government invite representatives of non-governmental organisations to the conference. The claim of the Alliance to recognition was accordingly renewed in a statement addressed to all of the United Nations sending delegates to the Conference. The statement urged:

“The aims of the International Co-operative Alliance are economic, social, and humanitarian in the fullest sense, and the whole of its activity during the past fifty years constitutes a campaign for economic and political peace.

“With its affiliated National Federation in 35 countries, in which approximately 75 million co-operators are organised, the ICA is by far the most powerful Voluntary International Organisation. It is the only international representative of the organised consumers of the world; it defends the interests and is becoming more and more the central international organisation of the co-operatively organised producers of the world.

“Moreover, as it represents the Co-operative Societies of all types, whose members are drawn from every social and economical section of the people, as well as from every political party and religious denomination, it rightly claims to be the most representative organisation of the people.

“Its wide international character gives the Alliance a unique position in world affairs, and although, being a non-official organisation, it could not have representation within the League of Nations, the significance of its views in regard to international problems has always been recognised by the League. The Alliance received an invitation from the Council of the League to the International Economic Conference in 1927, and it participated in a consultative capacity in the Economic Consultative Committee which was subsequently formed.

“Since that date the importance of the International Co-operative Alliance has become appreciably greater, while during the present war the tasks of relief and rehabilitation, as well as in post-war economic and social life, has been emphatically recognised by the United Nations Relief and Rehabilitation Administration, by the United Nations Conference on Food and Agriculture, by the last Conference of the International Labour Office, as well as by the Governments of a number of the United Nations.

“The International Co-operative Alliance is therefore confident that the governments of all the nations represented at the San Francisco Conference

will recognise that the World Co-operative Movement has an outstanding contribution to bring to the solution of all international economic, social, and humanitarian problems.

“And that, as the representative of the World Co-operative Movement, the International Co-operative Alliance will be brought into effective relationship with the New World Organisation through participation in the deliberations of the Economic and Social Council and/or in any other way which the constitution of the organisation may permit.”

### **Consultative Status**

The Co-operative League of the USA, deputed its assistant secretary, Wallace J. Campbell, to attend at San Francisco, make contact with the national delegations and transmit the ICA statement to the Secretary-General for distribution. The ICA Executive had already urged its affiliated organisations to ensure, as far as possible, that their own government delegates included Co-operators as advisers. It was therefore not difficult to win support for a three-point programme which comprised: 1 Participation of the ICA in the work of the proposed Economic and Social Council; 2 Establishment of an International Co-operative Office under the Council; 3 Promotion of trade and educational relations between Co-operatives throughout the world, with special reference to the projected International Co-operative Petroleum Association. The Charter finally adopted by the Conference provided in Article 71 that the Economic and Social Council might “make suitable arrangements for consultation with non-governmental organisations which are concerned with matters within its competence.” At the meeting of the UN Assembly at London in February, 1946, the International Co-operative Alliance and the World Federation of Trade Unions were specially named in a resolution directing the Economic and Social Council to make such “suitable arrangements”. What was considered suitable in the view of the Council’s committee which made the arrangements was the privilege of sending observers to Council meetings and those of its subsidiary Commissions, of circulating written statements to Council members, and of making oral statements on questions appearing on the Council’s agenda. The Council’s Committee on Arrangements also divided the non-governmental organisations seeking consultative status into categories. The ICA, as an organisation which had “a basic interest in most activities of the Council” and was “closely linked with economic or social life”, was placed in Category A, along with the international federations of trade unions, the International Chamber of Commerce, the International Federation of Agricultural Producers and the World Federation of United Nations Associations. The concept of consultative status came in time to be widely accepted throughout the United Nations system and the ICA was admitted to

consultative status, not only with the Economic and Social Council, but also with the ILO, FAO and the Special Agency for education, science and culture, UNESCO, established at a Conference at Paris in November 1946.

### **A Centenary and a Jubilee**

The closing months of the second World War coincided with two commemorations of world-wide significance for the Co-operative Movement. The first was the centenary of the opening on 21st December 1844 of the Toad Lane store of the Rochdale Equitable Pioneers' Society. The second was the fiftieth anniversary of the foundation of the International Co-operative Alliance. At least seven years before the hundredth anniversary of the Rochdale store Henry J. May suggested to the authorities of the Alliance that the time had come to give thought to its fitting celebration. When the date was reached, war-time stringencies, military occupation and the oppression of totalitarian governments prevented Co-operators in many countries of the Alliance from marking the occasion as they would have wished and the Alliance itself from putting forward proposals which would have secured world-wide participation and support. The Secretariat, however, produced one remarkable piece of research work which aroused widespread interest because it filled a gap in many Co-operators' knowledge of their Movement. This was a brochure entitled "A Century of Co-operation—an Epitome of the Birth and Growth of the National Movements in 44 Countries" issued on International Co-operative Day 1944. Owing to the shortage of paper the brochure was not printed and the number of roneotyped copies was restricted. At the New Year, 1945, the Alliance sent out to its national affiliates for re-production in their journals and published in its *Review* a declaration which summed up the achievements of the Co-operative Movement's first century and looked forward to the tasks of the second. The declaration ended with an appeal to all Co-operators and men and women of good will outside the Movement to unite their forces to work through Co-operation for peace and a new world order.

The provisional Executive, when it came to consider the fiftieth anniversary of the Alliance, concluded that the commemoration should take a permanent form on which all the affiliated organisations should be invited to express their views. When the question was raised at the London Conference (to be described later) the Belgian delegation suggested a Triennial Literary Prize. A further suggestion from Dr Georges Fauquet was a Jubilee History of the Alliance. Both suggestions were adopted by the Central Committee at its first post-war meeting, and the writing of the history was entrusted to Dr Fauquet himself. The scheme for the ICA Jubilee Triennial Prize was in due course worked out by the Executive Committee and the prize awarded for the first time at the Congress of



1948, the winning volume being a study of Co-operative Retailing by John A. Hough (Great Britain).

### *The Alliance Reconstituted*

The liberation of France in the late summer of 1944 was the signal for the Alliance to restore the normal working of its administrative organs, to welcome back its lost members and to discover by discussion what policies its members would unite to pursue in the post-war-world. Just as at the end of the first World War, there were not wanting Co-operators who called for an international Co-operative congress at the earliest possible moment, but the provisional Executive recognised that it was necessary to hold informal consultations before regular meetings of the Central and Executive Committees could be convened. The situation of the Co-operative Movement in France, which had suffered, not only materially by military action, but also morally through its forced subservience to a fascist regime, necessitated a visit to Paris by the acting President, the Administrative Secretary and Neil S. Beaton. The visit served to clarify many many matters, not least the forms of help which the Alliance could render. Consultations by post with a number of national organisations led to a decision to convene an international conference in London in the second week of September, 1945. The purpose of the Conference, which was attended by 56 delegates from affiliated organisations in 14 countries, all European except Palestine and the USA, was to discuss the future government, work and policy of the Alliance and to make recommendations. Two articles, contributed by R. A. Palmer to the *Review* in August 1944 and January 1945, dealt with all the important issues. In particular, while emphasising the necessity of closer unity between all forms of Co-operation, in order to counteract monopolistic restrictions and expand international Co-operative exchanges, the articles foreshadowed decentralisation within the Alliance to permit of freer and more effective collaboration between Co-operative organisations neighbouring countries in different regions of the world.

Communication having been re-established and proposals put into circulation, the next objective was to fill the vacant places in the Central Committee so that it could resume its normal functions. At the outbreak of war it consisted of 57 members from 23 countries; at the end no more than 29 in 13 countries still held office. The National Organisations were accordingly requested to complete or replace their representatives. At the first meeting held at Zürich, since January 1939 the attendance of about 30 from 10 countries included 4 substitutes. There were 11 countries

entirely unrepresented, mainly because of distance or travel and visa difficulties. The first business was to elect a President to succeed Dr Väinö Tanner who had written to R. A. Palmer, then acting President, asking to be relieved of his office. Dr Tanner's participation in the work of the Alliance ceased when postal communications were cut between Helsinki and London and his duties devolved upon the Vice-Presidents, Poisson and Palmer, and, from the middle of 1940, on Palmer alone. Over a year later when Finland became involved in the World war, the British members of the Central Committee, acting as a provisional Executive, issued a declaration that, these events notwithstanding, Dr Tanner retained his position as President of the Alliance, according to its rules, until the Central Committee should meet again. Most of the members of the Central Committee who could be contacted in other countries were in agreement and approved of the recognition of R. A. Palmer as acting President. At the London Conference, to which Dr Tanner's letter of resignation was read, it was agreed by all but the Soviet representatives to record the delegates' appreciation of his services to the Movement and to the Alliance. At Zürich the Central Committee accepted Dr Tanner's resignation and unanimously elected R. A. Palmer, who had been elevated to the House of Lords and had adopted the title of Lord Rusholme, to the Presidency of the Alliance. As Vice-Presidents it elected Albin Johansson (Sweden) and N. P. Sidorov (USSR). The Executive Committee, to hold office until the next Congress, consisted of Dr J. Huber (Switzerland); M. Brot (France); N. S. Beaton and T. H. Gill (Great Britain); J. J. A. Charbo (Holland); M. D. Lincoln (USA); F. Nielsen (Denmark); W. Serwy (Belgium).

The absence of a number of familiar names from this list marks the changes in the leadership and of the National Organisations which had occurred during the war years and the advent to responsibility of a new generation. The Central Committee was also informed of the demise of former members some of whom had died in harness and others, already retired from posts of responsibility, whose presence had been cherished as a link with the early days of the Alliance and their own National Movements. Among those departed leaders to whose memory the Central Committee (and a few months later, the Congress of Zürich) paid fitting tribute were Henry May, the General Secretary; a past President, G. J. D. C. Goedhart, and a Vice-President, A. Whitehead, who had known the Alliance from its earliest days; two more former Vice-Presidents, Ernest Poisson, the great militant of French Consumers' Co-operation, and Sir Thomas Allen, a distinguished member of the CWS Board; Victor Serwy, the doyen of the Belgian Socialist Consumers' Co-operative Movement; Dr Bernhardt Jaeggi, chairman of the Board of the VSK,

founder of the Co-operative Seminar; Marjan Rapacki, president of the Polish Consumers' Co-operative Union, *Spolem*; Sir Fred Hayward, chairman of the British Co-operative Union; K. De Boer, Secretary of the Dutch Co-operative Union; V. Ramadas Pantulu, President of the Madras Co-operative Union; Sir Robert Lancaster, Secretary of the International CWS and Trading Agency.

### **The General Secretaryship**

The procedure recommended by the British members for filling the office of General Secretary was adopted by the Central Committee at the same meeting. The Executive Committee was authorised to draft conditions and empowered to advertise the vacancy, inviting applications as well as nominations for the post by member organisations. It was hoped that the Executive would be able to make a selection which could be submitted to the Central Committee at its next meeting. Agreement was, however, difficult to obtain and the problem was not finally solved until the Central and Executive Committees met at Avignon in 1947. At that meeting the Central Committee authorised the Executive Committee to carry out its proposal to appoint a Director, who should be the first officer of the Alliance, as well as a General Secretary, and to define the functions of both offices, even though this meant anticipating an amendment to the rules by next Congress. The Executive at once offered the post of General Secretary to Miss G. F. Polley, who had discharged the duties in an acting capacity, with entire devotion and the greatest distinction, since the death of Henry May. This offer Miss Polley accepted.

### **Membership of the ICA**

The war did not by any means bring the expansion of the ICA to a complete standstill. In Latin America the educational and propaganda activity of political exiles aroused greater interest in the Alliance and promoted a better understanding of its aims and work. If this did not result everywhere, as it did in Argentina, in the acquisition of new members during the war, it promoted friendly communications which led to affiliations later. On the other side of the Pacific Ocean the encouragement given by the Alliance to the Chinese industrial co-operatives was followed by the affiliation of the Co-operative League of China, with headquarters in Nanking. The most notable affiliation in war-time was perhaps that of the Co-operative Federation of Australia in which both producers' and consumers' organisations were united. A survey made by the Secretariat of Co-operative developments in the territories of the British colonial empire attracted no little attention. Progressive opinion was coming to accept and insist on the inevitability of self-government and ultimate independence

for these territories and government policy was inclined more and more to encourage Co-operative enterprise amongst their inhabitants. The Alliance gained very valuable reinforcements, not through direct membership, but indirectly through the coming together of producers' and consumers' Co-operative organisations in North America under the auspices of the Co-operative League of the USA and the Co-operative Union of Canada. Both these organisations emerged after the war as federations of truly national scope and importance, representing powerful interests and expressing views of which governments were obliged to take notice.

In Europe, with the end of the fighting and the withdrawal of German military occupation, the resumption of normal relations between the ICA and the Co-operative Movements in the countries of the Atlantic seaboard simply depended on the speed with which travel, postal and telegraphic services could be restored. In those countries, on the other hand, where Co-operative organisations in general or some important union or branch of the Movement had been completely suppressed, the resumption of membership had to follow the necessary re-building of the Movement's local and national structure. In Italy, the country which had been longest under authoritarian government, the Ente Nazionale, the fascist government's instrument for controlling Co-operative activity, went the way of the regime itself, and the genuine Italian Co-operators were quick to re-constitute the former *Lega Nazionale* and apply for membership of the Alliance. In Austria, which owed to Dr Karl Renner the rapid establishment, even under quadripartite occupation, of a central government, the consumers' co-operatives, which had been suppressed by the Nazi regime, quickly revived, re-formed their Union and re-joined the ICA in time to be represented at the Zürich Congress. The Czech Co-operators were equally speedy in establishing their Central Co-operative Council, representing all types of Co-operative association, which sent observers to the Central Committee at Zürich and subsequently joined the Alliance.

In Germany, with no central government and Four-Power administration stiffening into the complete freeze-up of the "cold war", the pace of revival was slower. There were two main problems: first, to identify and take under control the property and other assets sequestered from the former consumers' societies under the Nazi Law of 1935 and war-time Ordinance of 1941; second, to re-build genuine co-operative societies and federations capable of taking over the assets and using them for their proper purpose. The Alliance, through the British members of the Central Committee and the Secretariat, was quick to bring the problem to the attention of the British government and to press for prompt and effective action. An ICA delegation visited Hamburg and Vienna in

March 1946. In the first weeks of 1947 a second delegation, comprising the President, Administrative Secretary and members of the Executive Committee, toured all four Occupation Zones, held conferences with Co-operative leaders and addressed large gatherings of Co-operators. At a conference of Co-operators and government representatives from the four Zones, held at Hamburg in March 1947, the ICA was represented by Albin Johansson. In the Soviet Zone the re-building of the consumers' Co-operative Movement had begun in the autumn of 1945 with an ordinance providing for the formation of multi-purpose co-operative unions on the Soviet model and the transfer to them of all former co-operative property, but efforts by a Four-Power working party to formulate a uniform system of regulation for Co-operation for all Germany were abandoned by the end of 1947. As the three Western Zones were combined into one economic unit, they organised separate procedures for the restitution of the consumers' societies' assets, the societies themselves were once more grouped in auditing unions and the revived Central Union and GEG held their first general meetings as self-governing bodies in September 1948.

There remains the case of Spain. The membership of the Alliance, which lapsed with the destruction of the ill-fated Republic and the dispersal of the former Co-operative leaders, has not yet been resumed after more than thirty years. Whatever forms of co-operative association survived or have been developed in Spain during that period have always remained subject to the control of the organs of the national corporative system and presumably, therefore, ineligible for affiliation to the Alliance. Although the question has been discussed unofficially their eligibility has not been tested by an application for admission.

The political transformations which took place behind the advance of the Soviet armies into Central Europe in 1944 and 1945 affected the membership of the ICA but not in any uniform manner. Where the change of regime left an existing Co-operative organisation to continue serving its members in its accustomed manner, there was no break in ICA membership. Thus the Polish Union of Consumers' Societies *Spolem* survived the dismemberment of the former Polish Republic and the German occupation, to become one of five central organisations in which, by a decision of the Lublin Congress in 1944, the Movement was unified. It consequently retained its membership of the Alliance. On the other hand, in countries where the new government introduced radically different economic policies and concepts, the Co-operative structure was liable to be drastically re-modelled, entailing the dissolution of old ICA members and a fresh application for admission on the part of the new organisations which replaced them. In Asia the ICA lost its Japanese and

Korean members in 1940, the one for political, the other for financial reasons. During the post-war period of United States' control the Co-operative Movement underwent re-organisation. The former Central Union was replaced by a new Central Union of Agricultural Co-operatives, while consumers' and fishery societies were grouped in separate national unions.

At the time of the Zürich Congress of October 1946, the Alliance had affiliated organisations in 25 countries, of which 17 were in Europe, 3 in Asia, 3 in America, 1 in Africa and 1 in Australia.

### **Finance and Representation**

The thorough-going revision of the rules of the Alliance which the lapse of time and the changed circumstances had made necessary could not be carried out in the short interval between the first meeting of the Central Committee and the Zürich Congress. It was a matter of urgency, however, to provide the Alliance with an increased income, not only to make good the losses of the lean war years, but also to enable it adequately to discharge its new consultative functions in connection with the United Nations and Specialised Agencies and to extend its activities in other directions. The Central Committee therefore concentrated on two problems, to solve which the Zürich Congress was invited to adopt amendments to the rules governing the basis of members' subscriptions and their representation on the Central Committee. The London Congress of 1934 had adopted the rule that the standard of subscription should be the £ gold. Many organisations honoured the rule by observing it, others had to crave the indulgence of the Executive Committee for consent to pay in £ sterling. The new proposal was to take the £ sterling as the standard but to double the minimum rates formerly expressed in £ gold. Thus the minimum rate for a National Organisation paying on an "individual" scale would be raised from £20 gold to £80 sterling, the £ sterling being half the value of the £ gold.

The rates for primary societies, laid down in the "individual" and "collective" scales respectively, were also approximately doubled and trebled. No national organisation would be obliged to contribute more than £5,000 annually. Consistently with these increases the scale of representation on the Central Committee was amended so that each National Organisation should be entitled, in addition to one representative in virtue of its membership, to one further representative for every complete £200 of annual subscription up to a maximum of 10 representatives. These amendments were adopted unanimously without discussion at the Congress.

## *The Congress of Zürich*

The Sixteenth Congress of the ICA which, but for the war, would have been held in Prague in 1940, was convened, after lengthy discussion in the Central and Executive Committees, for Zürich, mainly on the ground that better travel and other facilities would ensure an adequate attendance of delegates from the affiliated organisations—a vital consideration after an interval of nine years since the preceding Congress. About 350 delegates from 18 countries were present. Significant was the presence among the guests of honour of officials of the United Nations and three specialised Agencies, two international non-governmental organisations and seven national governments. Lord Rusholme, in his presidential address, welcomed the emergence of the United Nations Organisation, which had given new importance and significance to the work of the ICA. The Alliance had henceforth to operate on the international plane as the Co-operative Unions did on the national plane, reflecting the economic needs and aspirations of the peoples which were not necessarily identical with the policies of governments. Nations had to learn the lesson taught by Co-operation, to act together for the common good. He looked forward to vigorous efforts to promote international co-operative trade and production on a much larger scale than in the past. He welcomed the project of United States Co-operators to develop trading in oil through an international association.

The report of the Central Committee and the resolutions arising from it occupied four sessions of the Congress. Appropriate homage and thanks were expressed in resolutions appreciative of the services of Henry J. May to the Alliance over more than a quarter of a century, as well as of those of Lord Rusholme, Miss Polley and the British members of the Central Committee who had maintained the life and activity of the ICA throughout the war. A proposition, submitted by W. Serwy on behalf of the Belgian delegation, that the Central Committee should take the necessary measures to establish the *Henry J. May Foundation-Centre for the Study of International Co-operation*—was adopted unanimously, thus endorsing a decision which had already been taken by the Executive Committee. The passage of the report in which thanks were rendered to Dr Väinö Tanner, the former President, evoked no such unanimity. In a speech which, because of its length, could not be wholly translated, N. P. Sidorov (*Centrosoyuz*) blamed the Central Committee for the ineffectiveness of its efforts, which had been made too late and had been limited to the membership of the Alliance, to avert the second World War, and blamed Dr Tanner for this weakness. The same line of argument was taken up by subsequent speakers from the Soviet Union who advocated

strong action against the post-republican government of Spain. In his reply to the discussion, before the unanimous adoption of the report, the President corrected N. P. Sidorov's misunderstanding of the situation. "Anyone who knew the late Henry J. May," he said, "will know full well that neither Mr Tanner nor any other President would have had any influence upon Mr May, who acted in accordance with the decisions of his Central Committee and the dictates of his conscience. As far as the Peace Programme of the Alliance was concerned, Mr Tanner had no influence upon it detrimental to the desires of the Central Committee or of Mr May himself, neither had he any influence upon its work during the war."

The general trend of the debate on the report, however, was not towards vindictiveness or keeping old quarrels alive, but forward-looking. Co-operative journalists, who had met the previous week in conference, were anxious to see the ICA establish a press agency. A. Antoni (France) welcomed the decisions to try once more to form an auxiliary committee for the workers' productive societies. S. Apelquist (Sweden) emphasised the need for co-operative insurance institutions to develop and strengthen their position against private companies and plans for nationalisation. Murray D. Lincoln (USA), who had been acting as consultant for the ICA at the UN Economic and Social Council, strongly urged that the Alliance should have full-time personnel to attend all UN meetings and keep governmental agencies informed about Co-operation. His compatriot, Howard A. Cowden, moved a resolution, submitted by the Co-operative League of the USA, in favour of the international control of world oil resources and administration of Middle East oil by an authority of the United Nations. In doing so, he informed the Congress that the International Petroleum Association was already in course of formation and that central Co-operative trading organisations in 20 countries were willing to subscribe to its share capital. He was strongly supported by A. J. Cleuet, Albin Johansson and other speakers but had to concede an amendment to the French delegation which preferred to base the argument for international control on the Atlantic Charter, rather than the United Nations.

### **Co-operation in the Post-war World**

The proper role of the International Co-operative Movement and the policies it should adopt in the world situation of the late 1940's were considered by the London Conferences of November 1943 and September 1945, before the organs of the Alliance had begun to operate normally. The latter Conference received and ultimately adopted a joint statement by the Swedish and US delegations, based on the Atlantic Charter, in favour of the United Nations taking measures to restrain monopolies and



cartels and to enable Co-operative organisations to obtain equitable shares of raw materials, in order to realise the peoples' aspirations for freedom from want. In a further statement the Swedish delegation pointed out that if the economic system were to be based on the full employment of all productive resources, the economy must expand and the Co-operative Movement with it. This required 1 stabilisation of currencies and exchange rates; 2 the elimination of obstacles to international trade; 3 the abolition of quota systems for raw materials and imported goods; 4 the abolition of restrictive monopolistic policies.

A third statement, submitted by the French delegation but later re-cast as a resolution of the Central Committee, stated the claim of the Co-operative Movement to be allowed by the public authorities full liberty of development in those economic fields where it had proved its ability to reconcile order, efficiency and liberty.

These broad issues were taken up by the Central Committee and carried forward into the agenda of the Zürich Congress. A sub-committee prepared a preliminary statement on the future programme and policy of the ICA which was introduced to the Congress by Dr Mauritz Bonow, Sweden. The statement dealt with both internal and external policies. The former included the development of the ICA so that it should represent all Co-operative Organisations of importance throughout the world; the enlargement of the ICA Secretariat so that it could maintain on its staff experts in economic and social questions in continuous contact with the newly-formed international organisations; the propagation of the application of the Rochdale Principles internationally in the fields of trade and industrial production; the promotion of closer relations between consumers' and farmers' Co-operative organisations. Under external policy the tasks of the ICA were to represent the world-wide Co-operative Movement before national states and inter-governmental organisations, so as to protect the interests of Co-operators and the people as a whole. In face of the expected and foreseeable extension of state intervention in various forms, the Co-operative Movement would need to be ready to distinguish those which would promote general welfare from those which would be injurious both to its own interests and those of the people.

The sub-committee therefore suggested a more comprehensive study based on the experience of the Co-operative Movement in different countries.

Besides the report just summarised, the Central Committee had arranged for the two vast subjects of the International Exchange of Goods from the Consumers' Point-of-View and Co-operation and the Public Authorities to be opened up in papers by Anders Oerne (Sweden) and Professor Louis de Brouckère (Belgium) respectively.

## **International Exchange**

Anders Oerne dealt with a minor and a major problem. The minor problem was the special concern of the Co-operative Organisations: how to combine to co-ordinate the production and international exchange of commodities of essential importance to their membership. The major problem was how to organise the international exchange of goods in order to achieve the best possible results from the consumers' point of view. The common factor was that the trade barriers between the different countries were obstacles to both the international expansion of Co-operative enterprises and higher standards of living for consumers. The overall need was to transform the entire globe into a single field for human endeavour. No form of enterprise was more fitted than Co-operation to demonstrate how this could be done. The significance of the International Co-operative Trading Agency was therefore greater than might appear at first sight. Oerne concluded with a condemnation of bi-lateral trade agreements "which had everywhere proved highly unsuitable when it came to satisfying real, existing needs. If the world were ever to regain full economic health there must be a return to completely free multi-lateral trade". This assertion provoked dissent from the British delegation, which maintained that it was unrealistic under the conditions then prevailing, and which proposed that the questions of currency stabilisation and removal of barriers to exchange should be further considered by the Policy Subcommittee. Oerne's reply was he was attempting to indicate the directions in which it was desirable to move and the delegates showed, by rejecting the British proposal and adopting the resolution appended to his paper that they agreed with him. It may be recalled that it was optimistically anticipated that the International Conference, later to assemble under United Nations auspices at Havana, Cuba, would lay the foundations of an International Trade Organisation and inaugurate a new era in world trade. The resolution pleaded strongly for the removal of the obstacles to a rapid rise in the volume of international trade, stability in fiscal and financial policy, restraints upon economic nationalism, more thorough investigation into the possibilities of international Co-operative production and collaboration of the organs of UNO with the ICA. A further resolution on the International Trade Organisation was adopted in the last sitting of Congress.

## **Co-operation and the Public Authorities**

Professor Louis de Brouckère took as the factual basis of his paper the contributions, material and moral, made by Co-operative organisations to the relief of distress after the war and to the restoration of healthy economic

and social life. From this basis of experience he went on to discuss the proper attitudes to one another of Co-operative organisations and public authorities in making the fundamental changes necessary if the world were to advance towards a new and better regime. Answering the question: what should be the attitude of Co-operation towards the public authorities? Professor de Brouckère pointed out that the Movement could and should offer the public authorities the benefit of its experience of voluntary, democratic economic organisation which enabled it to create living organisms, instead of sterile administrative machines, to serve the community of consumers. It was the Movement's duty to use its educational and propaganda instruments to bring this home to governments and to the public and also to demand that governments should set up boards and committees to advise them on Co-operative matters. In answer to the converse question of the attitude of the public authorities to Co-operation, de Brouckère pointed out that the interest of the State in Co-operation has not always been well-intentioned. It had permitted powerful vested interests to promote anti-Co-operative legislation and itself adopted legal and financial measures damaging to the Movement's activity and interests. Co-operation had a right to an assured existence guaranteed by a proper legal status which would prevent enterprises which were not so entitled from using the Co-operative name. The State must also resist the temptation to re-model the Co-operative structure, but rather respect the Movement's independence and freedom to develop. And in return for its services to the community the Movement had the right to enjoy reciprocal services, notably the finance of new enterprises, especially if they implied collaboration with public authorities. In his introductory speech, de Brouckère also referred to the extension of public economy, especially through nationalisation, and the need for the Movement to decide whether it should yield ground or find a role within the public economy.

In the course of the discussion A. Cramois (France) cited the French Agricultural Co-operative Movement, especially its credit organisation, as an example of fruitful collaboration between Co-operation and the State. O. Spinelli (Italy, *Lega*) mentioned the measures taken to define the attitude of the State to Co-operation in the constitution of the new Italian Republic. Dr M. Bonow explained the opportunities open to the Co-operative Movement in Sweden to influence new legislation. A. Rapacki, Poland, indicated, with reference to Polish experience, the three most difficult tasks for Co-operation in a mixed democratic economy as: organisation of individual producers; social direction of capitalist initiative; development of the initiative of the workers. These entailed unification of the whole Co-operative Movement round a central wholesale society, new functions for co-operative enterprise, representation of

Co-operation on bodies defining and executing national economic policy, and freedom and independence for the Movement. For other speakers the recollection of the treatment of Co-operation by authoritarian governments before the war was too recent for them to ignore the fact that the relations of Co-operation with government depend on the character of the State, not to a certain extent, as de Brouckère had said, but completely, as A. P. Klimov (USSR) maintained. The latter emphasised the difference between the repressive policies of pre-war governments in Italy, Germany and Austria, Jugoslavia and Bulgaria, with the Movement's post-war revival in Jugoslavia, Bulgaria, Czechoslovakia, Romania and Poland. Co-operation, in his opinion, could exist and develop only if it worked with all progressive forces and with other workers' organisations for the democratic reconstruction of Society. Dr M. Voutchkovitch (Jugoslavia) and Mr A. Zmrhal (Czechoslovakia) expressed similar views, based on their own national achievements. In his reply to the discussion Professor de Brouckère agreed with those speakers who desired more research into the present state of relations between co-operatives and public authorities, so as to yield documentation on which more precise conclusions and effective action could be based. The resolution on his paper, which was adopted unanimously, advocated 1 the establishment of a general Co-operative statute, with protection of the "Co-operative" name; 2 the formation of a national centre representative of the various types of Co-operation; 3 the representation of Co-operatives on organs for the orientation and direction of the State's economic and social policy; 4 assistance from public authorities in introducing the teaching of Co-operation at every stage of the educational system.

### *From Zürich to Copenhagen*

The Congress of Zürich took note that the reconstruction of many national Co-operative Movements, as well as of the Alliance, had already begun. More important than the Congress decisions, were the opportunities afforded to Co-operators of different countries after years of isolation to renew their personal acquaintance and refresh their knowledge of each other's attitudes and viewpoints. To restore mutual understanding and confidence was indispensable for effective collaboration in tasks of reconstruction and the mutual adjustment of national and international priorities. The first task was to repair the damage to the Movement's fabric and, during the five years between the Congresses of Zürich and Copenhagen, this often necessarily took precedence of the creation of new structures.

### **A Director and new Offices**

At Zürich Lord Rusholme was elected President, with I. S. Khokhlov (USSR) and Murray D. Lincoln (USA) as Vice-Presidents. Their colleagues on the Executive were M. Bonow (Sweden), M. Brot (France), J. J. A. Charbo (Netherlands), J. M. Davidson and T. H. Gill (Great Britain), A. A. Drejer (Denmark), W. Serwy (Belgium) and M. Weber (Switzerland). The immediate necessity was to build up the strength of the Secretariat. This could be done without any financial difficulty because, besides the large increase in subscription income, there was a useful reserve, and clerical staff was engaged by the General Secretary. The most urgent need of specialist help was in the field of consultative relations with the United Nations and the Specialised Agencies. Murray Lincoln undertook the responsibilities of ICA consultant to the UN Economic and Social Council and members of the Executive—Lord Rusholme, C. H. Barbier, A. A. Drejer and others—could be called upon for occasional delegations to international conferences, but none could perform the same duties as a full-time officer. An admirable temporary solution was provided by Kooperativa Förbundet, on whose behalf Albin Johansson offered the services for one year of Thorsten Odhe, the distinguished economist who had edited its technical journal *Kooperatören* for many years. The offer was gladly accepted and the ICA was accordingly effectively represented at a critical period in the development of UNO's relations with the non-governmental organisations.

The importance and the rapidly increasing scope of this work were reasons which convinced the Executive Committee that the Secretariat ought to be headed by a Director, with special responsibility for the external relations of the Alliance, as well as a General Secretary to administer its internal affairs. It was Thorsten Odhe who was appointed to this new post in January 1948. The engagement of other specialised staff for education, press work and research followed after the Director had taken up his duties in London.

Larger and more commodious office premises were also necessary. The lease of the offices in Westminster, which had housed the Secretariat for thirty years, was renewed for three years more, while enquiries were set on foot for suitable premises. The search ended with the purchase of the leasehold house, 11 Upper Grosvenor Street, Mayfair, a different part of London from any in which the ICA headquarters had been located previously. The Alliance not being a body corporate in law, the ownership of the property had to be vested in trustees appointed by the Central Committee.

The Secretariat moved into its new offices, after considerable interior re-building and decoration, in August 1952.

### **Membership Policy**

The membership of the Alliance was estimated at 453,570 organisations of all types in 30 countries, with a total individual membership exceeding 98 million, about two-thirds of which was European. Within the next two years Italy and Germany were once again represented in the ICA after an enforced absence, in the one case of 24, in the other of 15 years. Within the same period consolidation on the national level in Bulgaria, Romania, the Netherlands, Argentina and New Zealand resulted in ICA membership passing into the hands of central federations. National organisations of agricultural co-operatives in Greece and France, a housing society in Colombia, and a general federation of all co-operative types, the *Confederazione Cooperativa Italiana*, increased the participation of other forms of Co-operative organisation than consumers', tending towards a better balance of co-operative types with the Alliance.

### **The Soviet Republican Unions**

Not all the applications for membership considered by the Executive were accepted without question. Some were rejected outright; others were left undecided pending the receipt of additional information or clarification of the documentation submitted. A number of applications received from the Co-operative Unions of certain constituent republics of the Soviet Union and of countries, in which political power had passed into the hands of Communist parties, raised questions of principle which the Executive was obliged to refer to the Central Committee. A test case was furnished by the application for membership submitted by the Co-operative Union of the Ukrainian Republic which came before the Central Committee when it met at Zürich on the eve of the Congress. At the outset the President inquired why it was necessary for the rules of this Union to be approved by the Presidium of *Centrosoyuz* and how it came about that the president of the Union, although it was not a member of the Alliance, was present at the Central Committee meeting. The meeting was informed by N. P. Sidorov that it was a decision of the Soviet Government that the rules of the republican unions should be approved by *Centrosoyuz* and that V. L. Lipovoy, president of the Ukrainian Union, was a member of the Board of *Centrosoyuz* and one of the latter's representatives in the Central Committee. Lipovoy declared that the Soviet Constitution permitted the Co-operative Movements of the individual Soviet republics to join international organisations. He further maintained that the Ukraine was an independent republic with its own constitution and autonomous Co-operative Movement. *Centrosoyuz* was only an organisation for planning consumers' Co-operation in the USSR as a whole. The Ukrainian union had its own rules and paid no subscription to *Centrosoyuz*.

Various opinions were expressed by other members of the Central Committee which in the end had to choose between three proposals: to accept the application of the Ukrainian Union; to reject it; to refer the question to the Executive for further examination. On a vote, the third proposal was carried and the President stated that this decision would also apply to the applications of the Republican Unions of Byelorussia, Estonia, Lithuania and Latvia. V. L. Lipovoy included a plea for the admission of the five Republican Unions in his intervention in the Congress debate on the report of the Central Committee. He was answered by Lord Rusholme to the effect that the independence of the Unions had not been proved by the documents submitted. The Executive, when it re-examined the question in January 1947, decided that the five organisations should be informed that, so long as their rules continued to indicate their dependence in relation to *Centrosyuz*, their application to be admitted as autonomous organisations could not be granted.

### **The German GEG**

In April 1948 the German Wholesale Society, GEG was re-constituted on co-operative principles, its management board becoming once more responsible to the affiliated societies in the three western Occupation Zones to which the shares were re-distributed. Shortly afterwards the GEG applied for membership of the ICA and was admitted. N. P. Sidorov, deputising for Khokhlov, opposed the application on the ground that the unification of the Co-operative Movement throughout Germany should come first. A central consultative organisation should be set up to decide the form of Co-operation for Germany. Sidorov's arguments were supported by a telegram from *Centrosyuz*. The Executive as a body took the view, however, that the GEG was truly co-operative in its constitution and activity and was entitled to membership, as were organisations that were truly co-operative, in all the Occupation Zones. At the Prague Congress in September 1948, the decisions of the Executive in the cases of the GEG and the five Russian republican unions were linked together in speeches by G. A. Nellis (USSR) and D. Kuszewski (Poland), criticising the policy of the Executive. The President answered them by pointing out that the application of the GEG was so far the only one received from Germany and that it complied with the required conditions. On the five republican unions he reiterated his reply at the Zürich Congress.

With the onset at the turn of the year 1947-48 of "the cold war", collaboration between the Soviet Union and the three Western Allies in administering occupied Germany ceased to have any significance. The three Western Occupation Zones becoming a single economic unit, normal relations were restored between the GEG and the Central Union,

reformed in the autumn of 1948, and the consumers' co-operative societies desiring to affiliate to them. Simultaneously, the legal procedures for the restitution of the societies' assets were promulgated and the transfer of ownership actually began.

### **The Interpretation of Article 8**

In the course of 1949 the efforts of the Executive to ensure the strict but just observance of the Alliance's rules governing admission of new members became to an increasing extent the subject of controversy. The heart of the matter, on which contradictory opinions were expressed in the Executive, was the question whether the re-formed or newly-established Co-operative organisations of the Soviet Union and countries in alliance with it were voluntary and autonomous associations, democratically governed in conformity with the Principles of Rochdale and the requirements of Article 8 of the ICA Rules. In January 1949 the Executive rejected by a majority vote the application of five Hungarian organisations, after an application from a General Co-operative Council had been withdrawn after re-organisation. Another application from the Federation of Hungarian Co-operatives, which replaced one of the rejected five, was also rejected in November 1949. The applications of seven regional unions of consumers' societies in Eastern Germany were adjourned. Before dealing with particular applications the Executive had debated the membership question in its general aspects, on the basis of a recommendation from the sub-committee on policy. The text of this recommendation, adopted after amendment and against the dissent of the Italian member, Giulio Cerreti, was as follows:

"The Executive Committee, whose duty it is to decide on admissions to membership of the ICA, consider it necessary to clarify the provisions of Article 8 of the Rules as they understand they should be applied, considering that the unity of the International Co-operative Movement cannot be established unless the most important general principles of Co-operation are strictly observed by all the affiliated Organisations.

"These principles, without which any genuine co-operative activity is impossible, are:

- 1 Co-operative Organisations must be open to everybody who desires and is able to employ their services, without any discrimination on political, religious, or racial grounds;
- 2 The organisation of co-operatives must be democratic at all levels; that is to say, they must have the right to elect their committees or other governing bodies without any intervention or pressure from outside, and all members of co-operatives must have the same rights and be able to form and express their opinions freely;
- 3 Co-operative Organisations must be completely free and independent and must be able to take up a position with regard to all the problems



which affect their own interests, or the general interests, independent of the state and public authorities generally, as well as of private organisations (political parties).

“In countries where the right of free association is denied and where any divergent opinions are suppressed, free and independent Co-operative Organisations cannot exist.

“It is only in this way that the Co-operative Movement can be in a position to fight against oppression in all its forms and for the liberation of all the social groups, and thus contribute to ensuring peace, and in this way only will a real co-operative system based upon mutual self-help materialise.”

As neither N. P. Sidorov nor A. P. Klimov (USSR) nor A. Zmrhal (Czechoslovakia) had been able to attend this meeting and had protested against this declaration, no more applications for membership were considered before the Central Committee had had an opportunity to pronounce upon it. The Central Committee met at Helsinki in August 1950 and had before it, not only the text adopted by the Executive Committee, but also three draft resolutions submitted by *Centrosoyuz* (USSR); the Central Co-operative Union (Poland) and the *Lega Nazionale* (Italy), condemning or revoking the decision of the Executive and, in the case of the Russian resolution, granting the Hungarian and East German applications which the Executive had rejected. The respective resolutions were moved by A. P. Klimov, E. Przczolkowski and G. Cerreti who argued that the Executive's action was contrary to the Rules of the ICA, that it was discriminatory and that it was calculated to split the Alliance. The President, Sir Harry Gill, pointed out that the admission of new members was determined by Articles 31, 8, 9, and 10. The resolution adopted by the Executive was not an amendment to the Rules but a definition, for their own guidance, of principles already in the Rules in order to ensure uniformity of treatment for all applications that might come before it. At the opening of the discussion Dr M. Weber (Switzerland) moved an amendment to the resolution of the *Lega Nazionale*, but at the end of the discussion the Russian and Polish resolutions were withdrawn in favour of the Italian resolution which ran as follows:

“The Central Committee of the ICA meeting at Helsinki on the 16th, 17 and 18 August 1950, having considered the Resolution presented by the Executive concerning Article 8 of the Rules dealing with eligibility for membership,

Declares itself unauthorised to take action in this matter, seeing that, according to the Rules, it has only the power to interpret the policy laid down by the Congress.

Therefore, the Central Committee decides to adjourn the question for consideration by the next Congress and states, in the execution of its duty, that, according to Article 8 ‘Associations of persons or Co-operative Organisations which observe the aims of the ICA and the policy laid down by its Congress shall be eligible for membership of the ICA’.”

Dr Weber's amendment stated:

"The Central Committee takes note of the interpretation of the principles contained in the Rules concerning the admission of new members into the ICA, which was voted by the Executive at its meeting in Paris on 17th and 18th November 1949.

The Central Committee declares that it is within the competence of the Executive to formulate for itself directives intended to define precisely the principles governing the admission of new members, and it approves the decision taken by the Executive which is in conformity with the Rules."

On the vote being taken Dr Weber's amendment was carried by 55 votes for to 32 votes against. The resolution of the *Lega Nazionale* was defeated by 43 votes against to 25 for.

### **The Polish Case**

Two or three days before the foregoing debate in the Central Committee the Executive had been discussing a letter from the Central Co-operative Union of Poland informing the Alliance that, by a decision of the last Congress of the Central Federation of Consumers' Societies *Spolem*, the rules had been amended and the name changed. About the same time a publication issued by the Polish Embassy in London reported that *Spolem* had been merged with a state trading company to form a state-owned central organisation for foodstuffs. The Executive decided that there was a prima facie case for investigation, rejecting N. P. Sidorov's suggestion that the matter could wait until the next Central Committee meeting for an explanation by the Polish members. At the next Executive Meeting, the Secretariat submitted extracts from an article published in the press organ of the Ministry of Justice, Warsaw, giving a full account of the successive legal enactments by which the consumers' Co-operative Movement in Poland had lost more of its autonomy and been brought under the organs of state economy, one of which, the Central Union of the Co-operative System (CZS), was a compulsory union for all central Co-operative organisations, including the Union of Consumers' Societies, formerly *Spolem*. The majority of the Executive saw no reason to delay action and voted to reject the request that the Union be accepted as a collective member of the Alliance. This decision was confirmed at the Executive's meeting in Paris in March 1951, when the President ruled that the organisation concerned had the right to appeal to the Central Committee under Article 10 of the Rules.

The next meeting of the Central Committee, held at Oslo in May 1951, rejected appeals against decisions of the Executive Committee not to grant affiliations from the Union of German Consumers' societies, Berlin, and the regional union for Brandenburg; the Central Union of

Consumers' Co-operatives, Albania; and the Federation of Hungarian Co-operative Societies. The appeal from Poland was presented by D. Kuszewski who complained that no direct inspection of the Polish Co-operative Movement or its Press had been made, but that the Executive had based its decision on non-Co-operative publications and an article by an ill-informed author in a semi-official journal. He claimed that the changes made in *Spolem* represented the unanimous wish of the Polish Co-operators and that the Executive's decision was unsound both legally and on the merits of the case. In the course of the consequent discussion, the appeal was supported by Russian, Romanian, Czechoslovakian and Jugoslavian members. J. Efer (Israel) supported a proposal by Dr M. Voutchkovitch (Jugoslavia) for further investigation. Members of the Executive, defending its action, maintained that no Polish Co-operative organisation had been expelled. *Spolem* had disappeared and was replaced by a new organisation which was completely in the hands of the State. The proposal for further enquiry into the situation in those countries whose Co-operative organisations were not affiliated to the ICA was remitted to the Executive, but the result of the final vote was that the appeal was lost by 55 votes against to 25 votes for.

At the Congress of Copenhagen in September 1951 the guiding principles adopted by the Executive Committee in 1949 and its rejection of a number of applications from the "peoples' democracies" were presented in the Report and reviewed once more. Most of the arguments for and against were repeated. In order to arrive at a clear decision the President proposed that a card vote should be taken on the relevant section of the Report. He was supported, on a show of hands, by more than the necessary one-fifth of the delegates. The result of the card vote was the acceptance of the section by 623 votes for to 353 against.

### **Education and the Press**

Despite slow progress at first in restoring the personnel of the Secretariat to normal strength, the activity of the Secretariat in the fields of education and publications began to develop. The first action was to consult the national organisations on the implementation of the Zürich Congress resolution establishing a Centre for the Study of International Co-operation in memory of the outstanding character and services of the former General Secretary, Henry J. May. There was virtual unanimity on the choice of London as the location of the Centre. The Central Committee entrusted the Executive with the formulation of recommendations. The Executive reported with a number of suggestions of which the Central Committee approved. These were:

- 1 That from now onwards all educational activities of the ICA—

Schools, Conferences, etc—shall be planned and carried out under the name of the Foundation.

- 2 That the Foundation shall be financed out of the general funds of the ICA, and that no specific appeal be made to the Organisations in membership as had been suggested.
- 3 That as a Study Centre the Foundation cannot function until suitable accommodation is available, that is to say, until the new Headquarters of the Alliance are decided.
- 4 That the scope of the work of the Foundation shall be in abeyance until an Educational Adviser has been appointed who shall be asked, in collaboration with the other principal officials of the Alliance, to draw up a plan for submission to the Executive.

The sequence of annual International Co-operative Schools was resumed with the course held at Jiloviste in Czechoslovakia just before the Prague Congress, and directed by C. H. Barbier. This and the Education Conference convened in connection with the Congress were the first activities to be arranged under the auspices of the Henry J. May Foundation.

The ICA's own publications were gradually increased in number and scope. The French edition of the *Review of International Co-operation* was restored from 1948 onwards, and the German edition from 1950. The difficulty of increasing the circulation of all three editions was increased by continually rising costs of paper and printing. Although the readership was enlarged, the increase in subscription charges always lagged behind the increasing expense of production. The appointment of a principal assistant for economic research enabled the Secretariat to produce a small quarterly review which, because it was devoted to studies of monopoly and cartel developments and the defence of consumer interests against them, was entitled *Cartel*. Its concentration on a specialised field, in which the ICA's own research made valuable contributions, caused it to be esteemed by research workers even more outside than within the Co-operative Movement, but it never won the circulation necessary to balance its budget. Besides the reports of the Congress of Zürich and Prague, statistics for 1938–1944 and a supplementary press directory, the special publications issued in the late 1940's were Thorsten Odhe's brochure, *The Place of Co-operation in World Economy*, written mainly for the enlightenment of government, inter-governmental and non-governmental delegates and officials working within the orbit of the United Nations; *The Man of Peace through Co-operation and of Co-operation through Peace*, Victor Serwy's tribute to Henry J. May; and *Co-operative Retailing in Great Britain, 1914–1945*, for which John A. Hough had been awarded the first ICA Jubilee Triennial Prize. The *History of the International Co-operative Alliance*, which Dr Georges Fauquet had planned

and begun to write, he found unable to continue owing to failing health. On his recommendation the work was taken up by Dr Henry Faucherre, Principal of the Swiss Co-operative Seminar, who ultimately completed it, after extending it to the Alliance's sixtieth anniversary.

The recommendation of the International Conference of the Co-operative Press at Zürich that a Press Committee should be set up by the Alliance was endorsed by the Central Committee. The Executive, which was charged with the implementation of the Conference resolution, decided that the Press Committee should be only temporary; that its chairman should be the President of the Alliance or a member of the Executive; that it should not be authorised to take decisions, but only make recommendations; that the General Secretary or a member of the Secretariat should attend its meetings; and that other questions than that of the Press Agency might be remitted to it by the Central or Executive Committee. One of these questions was collaboration between the publishing houses of the Co-operative Movement and of other people's movements, on which a memorandum had been submitted to the Conference. Another task entrusted to the Press Committee was the nomination of the judges for the ICA Jubilee Prize, the drafting of rules for the guidance of those adjudicating and for the Secretariat in handling manuscripts received in different languages and the publication of prize-winning works and others of sufficient merit.

The Press Committee formulated a number of recommendations for measures preliminary to the establishment of the Press Agency proposed at the Conference by C. H. Barbier. These included the formation of a network of national correspondents responsible for the regular communication of news and information to the ICA and the assembly of a library of photographs and matrices available to national organisations at regular business rates. The Executive, in reviewing the recommendations, decided that most of them were already either operating or planned and that the idea of carrying on the publications services of the ICA under the title of International Co-operative Press Agency was premature. The Central Committee at Rome in May 1948 considered a memorandum in which C. H. Barbier put forward a plan for financing the Press Agency by annual voluntary levy on the members of the affiliated organisations, collected at the time of payment of their dividends on trade, but referred the question back to the Press Committee.

### **Auxiliaries**

The re-animation of the Auxiliary Organisations after the second World War began in 1946 and inevitably proceeded slowly at first. The International Co-operative Trading Agency was merged with the ICWS and

resumed business in 1946 under the management of E. Mynderup, manager of the London office of Nordisk Andelsförbund, who continued in the dual capacity until the end of 1947. For the year 1947 the turnover of ICTA amounted to £128,500 in comparison with £237,000 for 1939 when the purchasing power of the £ sterling was much higher. From January 1948 onward ICTA had its own manager, E. O. Maitland, who had to face two discouraging years when, because of scarcity of supplies, rationing and quota systems and government bulk-purchasing, turnover fell to £39,000 in 1948 and £68,000 in 1949. The year 1950, however, showed a recovery in turnover to £353,000, and the number of member organisations rose to 24. The other trading Auxiliary, the International Co-operative Petroleum Association, which had been projected before the war, also began business in 1946. At first it was hindered, as a new enterprise, by the allocation system introduced by the US government in 1947 and based on shipments for the previous year. Purchases by organisations in other continents than America were limited by the scarcity of dollars and the imposition of licensing systems for imports. Nevertheless the quality of its products, especially lubricants, ensured that the Association was supported by its 23 member organisations and by 1951 its authorised capital totalled \$15 million. This membership was composed, not merely of the wholesale societies of consumers' Co-operative Movements, but also of federations of agricultural co-operatives, some of them in the newly-developing regions of the world.

The remaining Auxiliaries were committees, of which the International Co-operative Assurance Committee was the only one active immediately before the war. Its first post-war Conference at Zürich enabled contacts to be resumed and a new executive committee elected, in which Joseph Lemaire, manager of the Belgian society *La Prévoyance Sociale* and the real founder of the Committee in 1922, was succeeded by his son Henri as secretary. The full Committee held its first meeting at Rome in 1948 when the American organisations came in to reinforce the older members. At first concerned with the threat of the nationalisation of insurance, the Committee turned, when the threat seemed to recede, to the problems of re-assurance. Preliminary studies showed that the establishment of an international co-operative for re-assurance was not practicable, but in June 1949 the Executive established a re-assurance bureau, the activity of which expanded with the steady growth of the membership of the Committee. The International Co-operative Banking Committee which had suspended activity since 1934, was re-established by stages. The International Co-operative Banking Conference at Zürich in 1946 was followed by the appointment of a sub-committee of six members, with the then manager of the CWS Bank as secretary. The sub-committee

immediately invited the constituent banks to resume the exchange of balance sheets and other information and to submit their observations on the prevailing financial situation, national and international. The secretary also explored the possibilities of the constitution of an International Co-operative Bank, but it was soon realised that such an institution was no more than a project for the remoter future. The immediate task was to get a permanent Banking Committee appointed, meeting regularly and convening conferences at appropriate times.

The idea of an Auxiliary Committee for the Worker's Co-operative Productive Societies, already approved in principle in 1937, was revived at Zürich with this difference, that the artisanal co-operatives which played an important role, not only in Central Europe, but also in non-European countries of more recent co-operative development, should be included in its membership. The constitution of the Committee was drawn up and approved in 1947. Six organisations, one more than the required minimum, declared their readiness to participate and the Committee held its first meeting at Prague in 1948.

During the same period the growing numbers and importance of the agricultural organisations in membership with the Alliance gave rise to demands for some organisation which would enable them to communicate, exchange ideas, make recommendations and take united action under the auspices of the Alliance. After an informal conference at Prague in September 1948, a provisional committee was appointed by the Central Committee in the following year to work out a constitution and programme for an Auxiliary Committee, this being considered the most suitable form of organisation. The qualifications for membership were direct or indirect affiliation to the ICA and conformity to the four basic Co-operative principles. Co-operative organisations of other types with an interest in agriculture were also eligible to participate. Following closely on the heels of the agricultural organisations were the housing co-operatives, also a growing section of the ICA's membership. A general resolution, calling attention to the importance of co-operative housing and building societies for the solution of the housing problems of classes of people with low incomes and recommending national organisations to study and give material assistance to such societies, was submitted by the Central Committee to the Prague Congress and adopted. When the programme of conferences in connection with the Copenhagen Congress came up for consideration by the Executive Committee, a suggestion of the Co-operative Permanent Building Society, London, was adopted and a conference on housing was added to the programme. This proved to be the first step towards the constitution of the Auxiliary Committee on Co-operative Housing.

From the beginning the relations of the Organisations with the Authorities of the Alliance were an object of concern to the Central and Executive Committees. After the Trading Agency had resumed business approaches were made by the ICA Executive to the management committee of ICTA and after a friendly discussion it was agreed that the ICA should be entitled to appoint an observer to attend the meetings of the committee. In the cases of the three most recent Auxiliary Committees, their constitutions and rules were approved by the Central Committee before coming into force and provisions for the attendance of a member of the ICA Executive, as well as of the Director and General Secretary, were written into them. For the sake of still closer liaison the secretarial functions required for the Agricultural and Housing Auxiliary Committees were assigned to the General Secretary of the Alliance.

### **Consultative Status**

The ICA was granted consultative status with the UN Economic and Social Council at a time when the Council itself and its officials were new to their work. What consultative status would mean in practice, exactly what privileges and responsibilities it would imply, had yet to be worked out. The ICA inevitably became involved in the interpretation and application of Article 71 of the UN Charter which authorised the making of consultative arrangements. What was obviously needed was more or less permanent machinery, together with agreed methods and usages which would operate with the minimum of friction. This naturally involved information services and the right to use them; participation in various kinds of meetings, with or without the concomitant right to submit factual or policy-making documents, and to make oral statements; the right to propose subjects for inclusion in agenda; the privilege of collaborating in the collection of information and research within a given organisation's field of action and experience. The process by which these and other problems of consultative relations were solved extended over five or six years and demanded, not only discussions by representatives of non-governmental organisations with one another, but also stiff argument with the UN officials responsible for liaison with them.

In these activities Thorsten Odhe, because of his own qualities and as representative of one of the most important organisations, played a leading and constructive role which earned him the esteem of his colleagues and enhanced the prestige of the Alliance. This was, of course, all extra to the main tasks of putting the Co-operative point of view and expounding the policy of the Alliance at appropriate times at various levels of the UN organisation. The ICA had been granted consultative status in Category A because it had an interest in all or most of the activities of the Economic



and Social Council—a field impossible for one man to cover adequately, even with the help of members of his Executive on important occasions. The ICA's income was insufficient to create a special section in its Secretariat. The most it could achieve was the appointment of two experienced Co-operators as part-time officers to maintain liaison, send reports and, under instruction, make representations at New York and Geneva. A sub-committee of the Executive, appointed in November 1949, studied a plan of work submitted by the Director who was authorised to make appropriate arrangements for permanent representation at both places. This resulted in the appointment of Dr Marcel Boson and Leslie Woodcock, who at the time of writing, are still holding their posts after nearly twenty years at Geneva and New York respectively.

### **World Oil Resources**

Probably the outstanding question taken up and pursued by the ICA through a series of sessions of the Economic and Social Council was the international control of world oil resources. Its history illustrates the difficulties and hazards in the way of effective action by non-governmental organisations. At the earliest possible moment after the Zürich Congress had passed the resolution, already mentioned, on the world's oil resources, the ICA submitted the text to the Economic and Social Council (ECOSOC) with the request that the subject should be included in the provisional agenda for the fifth session. This request was later presented both in a memorandum and orally by the Director, supported unreservedly by the World Federation of Trade Unions and sympathetically received by a majority of the Council, only to be met by the blocking motion of the British delegation "to do no more than take note of the proposals in the present session". The ICA Congress at Prague in 1948 renewed the attack by passing a resolution in similar terms to the Zürich resolution, and it was presented by the same procedure for consideration by the ninth session of the Council. Curiously, the documentation by a "technical error" of the UN Secretariat failed to be distributed to the delegates and the ICA's request was postponed to the tenth session. The Director, assisted by Howard A. Cowden, Secretary of ICPA, supported the request by impressive documentation, and the agenda committee decided to include the proposal in the Council's working programme, but also to defer discussion to the twelfth session. At Santiago, Chile, in February, 1951 the agenda committee recommended that the subject of international control be recommended for inclusion in the final agenda. At a stage when representatives of non-governmental organisations were not entitled to address the Council, the British delegation successfully moved the discharge of the subject from the agenda, on the ground that the world oil

situation was no longer one of shortage. The ICA Central Committee, to whom the Director duly reported, could do no more than express its regret. It was shrewdly suspected, however, that in reality none of the major Powers had been really happy that a question so full of political “dynamite” had been submitted at all.

### **Collaboration with Non-governmental Organisations**

Naturally, even inevitably, international non-governmental organisations, representing similar interests and enjoying the same relations with the United Nations and Specialised Agencies, would be drawn into increasingly closer collaboration. In particular, there were two which would seem to be natural partners for the ICA, namely, the World Federation of Trade Unions and the International Federation of Agricultural Producers. In the euphoria which followed the end of the second World War an attempt was made, as immediately after the first World War, to establish an all embracing international federation of trade unions, without regard to their political or religious affiliations. The early attempt had no enduring success and the ICA, unwilling to compromise its neutrality, abstained from collaboration with any. But when the World Federation of Trade Unions was constituted, a second opportunity for collaboration presented itself. The WFTU was among the non-governmental organisations invited to send fraternal delegates to the Zürich Congress, which passed a resolution strongly in favour of collaboration. In response to letters and personal approaches, the Executive Bureau of the WFTU approved a draft protocol of agreement between the two organisations, for which it asked the ICA’s approval, agreeing at the same time to ICA’s suggestion of a joint meeting between officers of both parties. At this conference slight amendments were made to the draft agreement, to which the Central Committee gave its approval in May 1948 and the WFTU Executive did the same a few months later. The agreement declared:

Article 1. The two Organisations, after mutual consultations, shall co-ordinate their action and adopt a common attitude on the international level and with regard to International Organisations dealing with problems of common interest.

Article 2. Collaboration between the two Organisations shall take place in the following ways:

- i* Permanent contact between the Secretariats.
- ii* Exchange of information.
- iii* Periodical consultation of problems of common interest and on the action to be undertaken to find the solution for them.

Article 3. The present Agreement shall come into force as soon as it has been approved by the competent authorities of each of the two Organisations and signed by the President and General Secretary of the WFTU and of the ICA.

As previously noted, the WFTU strongly supported the ICA's efforts to get the international control of world oil resources on the agenda of ECOSOC but the ICA did not take part with WFTU in activities on behalf of peace which had a pronounced political bias. In a regrettably short time, in fact, political dissension broke out within the WFTU and an important element of its membership withdrew in order to form the International Confederation of Free Trade Unions. Shortly afterwards, the Christian Trade Unions also established a separate International Federation and the ICA reverted to its former neutral attitude.

The International Federation of Agricultural Producers at an early stage made contact with the ICA at Secretariat level and invited fraternal representatives from the Alliance to all its general assemblies. They were thus able to take part, not only in plenary sittings, but also in the meetings of IFAP's Committee on Co-operation in which some affiliated organisations of the ICA were also represented. After the war the International Chamber of Commerce resumed relations with the Alliance, both through representation at congresses and participation in the ICC's committee on Distribution, where C. H. Barbier continued the attendance begun by Henry J. May in the 1930's.

### *The Congress of Prague*

The invitation to the ICA, first given at Paris in 1937 by Emil Lustig, general director of the former wholesale society VDP, to hold its congress at Prague was repeated at Zürich in the name of the new Czechoslovakian Central Co-operative Council and accepted. It was further decided that the congress should be held within two years. Accordingly 444 delegates from 24 countries assembled in the Czechoslovakian capital in the last week of September 1948. The auspices were not of the best. The European international situation was one of "cold war". In Czechoslovakia itself the effects of the change of regime earlier in the year, marked by the sudden and enigmatic death of Jan Masaryk, were already visible. The prevailing political tension made itself felt in the atmosphere of the Congress and from the beginning of its regular business the speeches and demeanor of certain delegates suggested that the Authorities of the Alliance were faced by an organised opposition. The debate on the report of the Central Committee, after the President's brief introduction, was opened by N. P. Sidorov, the first of three consecutive speakers from the USSR, all of whom contravened the standing orders by exceeding the time-limit for speeches or introducing irrelevant subjects. Sidorov alleged that the Central Committee had not effectively carried out the resolutions of

Zürich Congress or used all the possibilities of the Alliance and its national organisations in the fight for peace and democracy against imperialist war-mongers. After the end of the second World War Co-operators in all countries had learned to discriminate better in questions of economic policy. Democratic regimes under the leadership of the working class in Poland, Bulgaria, Rumania, Czechoslovakia, Hungary and Albania had liberated those countries from the chains of capitalism and created conditions for transition to the path of socialist development. The peoples of the world had understood, as never before in history, how great were the advantages of the Soviet social order as compared with the capitalist order. The world was split into two camps. The Co-operators of the whole world must summon the Central Committee to give up the famous political neutrality of the Alliance and join in the active fight against war and its causes.

Sidorov was followed by I. S. Krayushin who contrasted the economic recovery of the Soviet Union after the war with capitalist countries in which industrial production was reduced, unemployment increasing and the position of the working masses deteriorating. D. S. Timofeev pursued the same theme, giving figures of economic recovery in the Soviet Union. After the President had pointed out that these speeches had nothing whatever to do with the report of the Central Committee, Professor Casalini (Italy) intervened to appeal for greater interest in Agricultural Co-operation and Professor Edgard Milhaud (Switzerland) pointed out the need for a much larger scale of operations if the Alliance were to make the best use of its consultative status with the United Nations. Under the head of the Organs of the ICA, V. L. Lipovoy (USSR) expressed the disagreement of the Soviet delegation with the appointment of a Director and the proposed new rules defining his functions and then proceeded to accuse the Secretariat of intentionally not informing the millions of rank and file Co-operators of the work of the Central and Executive Committees. The attack was further extended to the personalities of the President, Director and General Secretary, who had allegedly not kept their promises or broken the rules, as a preliminary to stating the Soviet preference for the direction of the Alliance by a General Bureau consisting of the President, three Vice-Presidents and the General Secretary. J. Zerkowski (Poland) followed, blaming the Executive for persisting in the "hypocritical" conception of neutrality and its support of imperialism and the big American capitalists. Zerkowski saw, in the publications of the ICA and even the papers submitted to Congress, the influence of a capitalist milieu. G. A. Nellis (USSR) and D. Kuszewski (Poland) criticised the policy of the Executive in regard to the admission of new members, objecting to both the acceptance of the application of the

German GEG and the rejection of the unions of the Soviet Republics. They were supported by P. Kunc (Czechoslovakia) who declared that membership of the ICA must be granted only to the entire German Co-operative Movement, but especially to the Movement in the Soviet Zone which was more developed than that in the others.

Under the head of finances of the ICA G. A. Bokov (USSR) complained that it was difficult for delegates to approve the financial report because the finances of the ICA had not been checked by persons authorised to do so by Congress and mentioned the Soviet proposal for a new Article 35 in the Rules setting up an Auditing Commission elected by and reporting to Congress. P. I. Kolesnikov (USSR) invited the Congress to condemn the Central Committee for its rejection of the Soviet draft of a manifesto for the 26th International Co-operative Day.

The President, in his reply to the discussion, declined to follow the Central Committee's critics on to matters outside the scope of the report. He maintained that the admission of the German Wholesale GEG was justified by the fact that its constitution and activity complied with the conditions required by the Alliance. If Co-operative organisations in the French, American and Russian Zones could show the same, they also would be admitted. That would be an important step towards the unification of the German Co-operative Movement. On the question of membership, he repeated literally the answer he gave at Zürich. He explained the manner in which the ICA's accounts were audited, combated the mistaken idea that an international organisation can run on very small resources and reminded Kolesnikov that the Central Committee had preferred the General Secretary's draft declaration to the text unexpectedly presented by *Centrosoyuz*. He left the explanation of the reasons why the Central Committee had adopted the conception of a Director and General Secretary to C. H. Barbier who, having made his explanation, expressed the displeasure of the Swiss delegation with the attack on the General Secretary, "the very dignified representative of a tenacious, extremely loyal and hard-working nation who had kept the Alliance in being during the whole of the war and re-opened international relations immediately the war was over."

The report was adopted by 553 votes for to 378 against. The first resolution based on the report dealt with the promotion of Co-operation in the under-developed areas of the world and outlined a programme of action directed to reducing the differences in economic development and living standards between these and the more advanced regions. This action comprised, not only the promotion of commercial exchanges through such organisations as ICTA and ICPA and information, education and training for Co-operative leaders and officials in the less-developed countries, but

also support for the activity of the United Nations in accelerating general economic and social progress. The resolution was proposed and seconded by two Indian Co-operators, Professor H. L. Kaji and B. J. Patel. N. P. Sidorov proposed amendments tabled by *Centrosoyuz* which included four lengthy paragraphs condemning the inactivity of the Central Committee in the fight for lasting peace and democracy. These amendments and one proposed by B. J. Patel, who favoured setting up a special committee, were rejected and the resolution was adopted in its original text.

### **ICA Policy and Programme**

There was yet another clash, this time on the recommendations about the Future Policy and Programme of the ICA, the adoption of which was moved on behalf of the Central Committee by the Director. The recommendations, because of the difficulties the Policy Sub-committee had encountered in arranging meetings, were limited to the relations between 'consumers' and agricultural Co-operation and to relations between Co-operation and the State in countries of the mixed economy type. The first speaker in the debate, O. Kraus (Czechoslovakia), insisted on indivisible unity and material support between the Co-operative and Socialist trade union movements in capitalist countries. He was followed by A. P. Klimov (USSR) who, after condemning political neutrality, which had helped the fascists to consolidate their power, quoting what Lenin wrote in 1923 and attacking the "ruling circles" in the USA, Great Britain and France, presented what, according to his delegation, should be the basic aims of the future policy of the ICA:

*1* to fight for a stable and lasting democratic peace and activate the work of the national Co-operative organisations, "especially against states that are yearning for world supremacy"; *2* to mobilise the national Co-operative organisations, as democratic organisations, against fascism in all its forms; *3* to organise the fight of Co-operative organisations and trade unions affiliated to the WFTU and other democratic organisations of the working masses for the social and economic rights of the workers and the abolition of discrimination based on race, creed, sex, nationality or party; *4* to struggle for the unity of the Co-operative Movement on the national as well as the international level; *5* to explain the ideas of the Co-operative Movement and teach the toiling masses to realise that the improvement in their standards of living by means of Co-operation will be limited so long as the means of production and exchange remain in the hands of the exploiting classes; to secure the election to leading organs of the Movement devoted to the causes of Co-operation and peace and forbid the access of fascist elements and agents of capitalists and monopolies.

After A. Axelsen Drejer (Denmark) had welcomed the recommendations about the relations of consumers and agricultural Co-operatives, T. H. Gill (Great Britain) spoke in support of the Central

Committee's recommendations and against the amendment presented at the last moment by the Soviet delegation. This amendment might look quite innocuous, but, if related to the speeches delivered on the opening day of Congress, it had an altogether different significance. He invited the Russian delegates to identify the states which were yearning for world supremacy, and declared that people were as strong for peace in Western countries as anybody in the Eastern countries. If misrepresentation about each other's activities for political purposes were to continue, the result would be anything but peace and friendship. After A. Cramois (France) and Professor Milhaud had welcomed the recommendations, the vote was taken and the recommendations were adopted by a majority of 526 to 423.

### **New Rules**

After more than a decade it was necessary for Congress to approve a new code of rules, which, while leaving fundamentals unchanged, had been made at once more ample, so as to allow for recent developments and new departures, and more precise. For example, Article 2 on constituent members was phrased to harmonise with Article 8 in its specification of the types of Co-operative organisation eligible for membership of the ICA. In Article 3 and Article 4 the objects and methods respectively were spelt out in greater detail. Russian was added to the official languages in Article 5, which gave power to the Central or Executive Committee to decide the extent to which each language should be used. Article 7 was entitled "Independence" instead of "Neutrality" and began with the classic sentence on "Co-operation as neutral ground". Article 8 on Eligibility was re-cast so as to place the principles first and the types of eligible organisation last. The obligations of members in Article 13 were stated in seven clauses instead of three. Articles 16 and 19 introduced more business-like regulations for the payment of subscriptions and the nomination of delegates to Congress respectively. Article 30 added three members to the Executive and Article 31 defined its duties with greater precision. Article 33 stated the duties of the Director in addition to those of the General Secretary. Amendments proposed by the Finnish SOK and by the Soviet delegation on lines indicated in their earlier speeches, were rejected. The amended rules, as proposed by the Central Committee and modified by a verbal improvement suggested by the French delegation, were adopted by a show of hands.

### **Co-operative Development**

The special papers presented at Prague Congress were both continuations of and complements to those discussed at Zürich two years before. The

first on *The Practical Development of Co-operation in the Economic Sphere* was prepared by Albin Johansson. Briefly, the argument of the paper was that the proper line of advance of the Co-operative Movement into international trade lay in the direction of joint international enterprises in which the consumers' wholesale societies should play a leading role. This would not exclude participation by agricultural producers' co-operative federations in enterprises in which consumers' and producers' interests were the same. Joint manufacturing enterprises, for which the raw materials were supplied by farmers' marketing societies and of which the finished products were distributed by consumers' organisations, might well be effective means of realising the Co-operative programme. Opportunities, however, depended on the removal of restrictions and other practices of economic nationalism, and for that reason he was in favour of the projected International Trade Organisation. The resolution appended to the paper received various verbal amendments which did not run counter to its main idea, proposed on behalf of the French and Swiss delegation. N. P. Sidorov and A. P. Klimov took the floor to declare their belief that the proper method was to develop inter-trading between national wholesale societies and their disbelief in the virtues claimed for the projected International Trade Organisation, behind which they detected the hidden hand of American monopolists. Their amendment requesting Johansson to revise his paper and re-submit it to the Executive and charging the Executive to work more energetically for the development of international co-operative trade negotiations between national Co-operative organisations, was defeated. The resolution finally adopted declared that the Co-operative Programme demanded co-ordinated activity between the different types of Co-operative enterprise; recommended joint international enterprises in different branches of production and trade; recommended the affiliation of agricultural, artisanal and workers' productive organisations to ICTA and ICPA; welcomed the beginnings of a development towards less restricted trade foreshadowed by the Havana Charter of ITO; and urged the national organisations to press their own governments to carry out the main principles of the Charter.

### **Co-operation and Nationalisation**

The second paper, contributed by James M. Peddie, a director of the English CWS, dealt with "the Co-operative Attitude to Nationalisation" against the background of the development of nationalisation in Great Britain, both before and after the advent power of the Labour Government led by C. R. Attlee. He also indicated the support which the Co-operative Movement traditionally gave to proposals for nationalisation of public utilities and basic industries, such as fuel and power, as well as reservations



expressed concerning industries catering directly for consumers' needs. He saw no necessity that nationalisation and Co-operation should conflict, since both had ultimately the same economic, democratic and ethical objectives. Nationalisation and Co-operation could have complementary functions. Co-operation, based on voluntary effort, made a special contribution to democracy, impossible for State administration with its inherent compulsions.

The resolution proposed to Congress concentrated in its last paragraph the essence of the Co-operative attitude as follows:

"The Congress, therefore, on behalf of the Co-operative Movement, claims full and complete recognition of Voluntary Co-operation in the new collective economy; it rejects any suggestion of compromise that would offer to Co-operation some static position of subordinate or restricted form and enterprise; and demands for Co-operation the ability to function and expand, thus giving to the individual the democratic right to freely accept the principle of voluntary association. Such a dynamic function on the part of the Co-operative Movement would not weaken, but, on the contrary, would strengthen and give the necessary flexibility to any system of collective economy in which it might operate".

E. Ochab (Poland) urged, in criticism of the paper, that the attitude of Co-operation to the state depended on the kind of state. In a capitalist state nationalisation would be carried out in the interests of the bourgeoisie, as was shown in Britain in comparison with the historic achievements of proletarian nationalisation. I. P. Akhremchik (USSR) supported an amendment moved by the Polish delegation. This amendment was defeated by 523 votes to 425 and the resolution adopted.

## **Peace**

The concluding resolution of the Congress agenda, enjoining on the affiliated organs the duty, more pressing in the present international situation than formerly, to work for peace with all their resources, was carried unanimously. Marcel Brot, in moving its adoption, explained that the text before Congress was an agreed resolution which replaced two opposing drafts previously submitted to the Central Committee. To submit two opposing texts to Congress was impossible, "for those who are fighting for peace cannot fight amongst themselves". The resolution was seconded by D. S. Timofeev (USSR) who devoted his speech to controverting the remarks of T. H. Gill the previous day.

After the first ICA Jubilee Triennial Prize had been presented to John A. Hough, Research Officer of the British Co-operative Union, and invitations received to hold the next Congress in Denmark, Italy or India, the Congress took leave of Lord Rusholme as President of the ICA and welcomed his successor.

### **Change of President**

Lord Rusholme had intimated to the Central Committee immediately preceding the Congress that, in consequence of his appointment some twelve months previously to the British Transport Commission, he would not be available for re-election to the Committee. Marcel Brot, supported by Albin Johansson, voiced the thanks of the Central Committee for Lord Rusholme's great qualities and devotion to the Alliance, as well as its deep regret at his retirement. The newly elected Central Committee, meeting three days later, elected T. H. Gill to succeed Lord Rusholme as President. At the close of Congress Lord Rusholme introduced the new President, who had been a leader in the trade union movement, a member of Parliament and a member of the Board of the English Co-operative Wholesale Society. T. H. Gill expressed the gratitude of the delegates to Lord Rusholme and their good wishes for success and satisfaction in his new sphere of public service.

### **Headquarters Problem**

Before the Executive Committee met to discuss the implementation of the resolutions of Prague Congress, its administrative sub-committee held a meeting in London to consider the problems involved in adding to the numbers of the Secretariat and finding larger offices in which to house them. The Director presented a plan for increasing the staff in the publications section for producing the *Review*, the News Services and eventually books, possibly under joint arrangements with the National Co-operative Unions, for appointing an expert to take charge of educational work and two economists, one for research and the other for liaison with United Nations organisations. These appointments would naturally require additional clerical staff. The moves afoot to set up an agricultural Auxiliary Committee might also create the need for a specialist in Agricultural Co-operation on the staff. Meanwhile, the lease of the offices in Great Smith Street had been renewed for three years, expiring in 1951. The format of the *Review* was modernised and the German edition resumed publication with the support of the Central Union at Hamburg, re-affiliated in 1949. The International Co-operative School was continued and in 1949 an additional week's school for Co-operative journalists was successfully organised. Work was begun on the fourth volume of the *International Co-operation* series. The rising income from subscriptions made possible an improvement of the conditions of the staff, notably in respect of length of holidays, pay for absence through sickness and pensions for those recently engaged. The financial report to the Executive in March 1950 showed that the ICA's subscription income for 1949 exceeded £32,000 against an expenditure of £20,000, its credit balance at

bank exceeded £50,000 and the excess of assets over liabilities in its balance sheet amounted to £61,000. There was thus no financial obstacle to the engagement of an economist as principal assistant for research and the launching of the quarterly review *Cartel*.

### **Change of Director**

The Director, however, was dissatisfied with the rate of progress. To the Executive meeting at Zürich in November 1950 Thorsten Odhe submitted a lengthy statement giving the reasons why he felt that he could no longer shoulder the responsibility of remaining in office as Director. He had, in fact, accepted an offer from *Kooperativa Förbundet* to return to its service as Director of its Institute for Co-operative Research, as from 1st April 1951. Although this announcement caused the Executive considerable surprise and regret, the appreciation of the value of Thorsten Odhe's services to the Alliance and his very friendly relations with the members, expressed by the President and Vice-president Marcel Brot, was received with unanimous acclamation. In the circumstances the only action possible was to fill the position of Director, despite the objections in principle to the post previously put forward by the Soviet representatives. The affiliated Organisations were invited to nominate suitable candidates before the 31st January 1951. The sub-committee meeting in February had to consider only two nominations one of which could not be identified. The remaining candidate was W. P. Watkins, Great Britain, who was recommended by the four British national federations and national Co-operative federations in Austria, France, Germany and Iceland. After an interview with the full Executive at Paris Watkins was recommended for election by the Central Committee, which met in May at Oslo, and after receiving its approval, took up his duties at ICA headquarters on the 1st June 1951.

### *The Congress of Copenhagen*

The proceedings of the 18th Congress of the ICA were no more free from tension than those of the 17th. As before, the world political situation was a contributing factor. More important, however, were ideological discordances within the Alliance itself. These came to the surface in the debates concerning both its policy in general and, the interpretation and application of Article 8 of the Rules. At Copenhagen the principles formulated by the Policy sub-committee, accepted as directives by the Executive Committee and endorsed by the Central Committee, came before Congress as the highest tribunal of the Alliance and, on the President's proposal, were the subject of a special ballot vote, in which

623 votes were cast for acceptance of the Central Committee's report and 270 against. A similar division arose over the interpretation of the resolution of the Prague Congress on Peace which was interpreted by one side, as authorising the ICA to collaborate with the movement called "The World Partisans of Peace" and, by the other, as subordinate to the overriding principle that the Alliance should not compromise its political neutrality. Instead of unanimity, the result of the discussion on the customary Peace resolution was a ballot vote. On the other hand, there were also discussions and resolutions which, as the first reactions of the members of the Alliance to the impending technological revolution and to the initiatives of the United Nations in the field of technical assistance to newly-developing countries, gave promise of constructive work in the future. Besides these, the week preceding the congress had seen the constitution of the Auxiliary Committee on Agricultural Co-operation and progress towards the establishment of a similar Auxiliary on Co-operative Housing.

### **ICA Membership**

In the debate on membership, which was opened by A. Khokhlov, Congress was invited to reject the report and disapprove the action of the Central and Executive Committees on the ground that the declaration of principles was an amendment of Article 8 which they had no authority to make and that its purpose was to exclude the Co-operative Movements of the "people's democracies" or, at least, to make their application very difficult. This was an unjust discrimination because the ICA delegation which had visited Eastern Germany and the delegates who attended the Prague Congress had had every opportunity of confirming that the co-operative organisations in such countries were working in conformity with the principles of the ICA, free, independent and democratically administered. The Bulgarian and Rumanian speakers protested against the decision of the Executive not to change their status from individual to collective membership. G. Cerreti, president of the Italian *Lega Nazionale*, maintained that Co-operative organisations are at different stages of development and had undergone a different evolution, but that their underlying principles remained in general outline as they were laid down in the ICA Rules. The Central Committee's position was defined by Marcel Brot, who stated that, in the years following the war, the Alliance opened its doors very wide in the belief that the conditions existing in certain countries would be only temporary. After certain outflanking manoeuvres, such as the attempt to introduce the regional unions of East Germany and Soviet republican co-operative unions into the ICA, a directive became necessary for the Executive in order to preserve the true character of the Alliance as a meeting place of organisations of

Co-operators who associate voluntarily, conduct their institutions democratically and preserve complete independence *vis-à-vis* their government. In summing up the debate the President asserted his personal responsibility for the observance of the rules and declared that there were no grounds for the charge that Articles 8, 9 and 10 had not been observed. The purpose of the ballot vote, which he proposed, was to prevent the resumption of the discussion immediately after the Congress and consequent distraction of attention from the real work of the ICA.

### **Future Policy of the ICA**

Part of the ground of the debate on membership was traversed once more in the report on the Future Policy and Programme of the ICA and in the speech of Dr Mauritz Bonow who introduced it to Congress. The progress made in setting up the Auxiliary Committee on Agricultural Co-operation did not permit the sub-committee to advance beyond the recommendations on relations between Consumers' and Agricultural Co-operation adopted at Prague in 1948. On the relations between the Co-operative Movement and the public authorities in democratic states with mixed economies, insufficient relevant information had been submitted by the national Co-operative organisations. Czechoslovakia was the only state-directed economy on which the sub-committee had so far received information. The important consideration was to ensure that Co-operation received full recognition in every phase of the economic development of democratic countries under parliamentary government. The conclusions of the sub-committee were formulated as follows:

- 1 Co-operative Organisations must be completely free and independent. Therefore, they cannot exist in countries where the right of free association is denied.
- 2 The Co-operative Movement must exploit all possibilities in order to expand its sphere of action, and to intensify its influence not only economically but especially with a view to influencing the economic and social policies of the State.
- 3 Economic and social development in countries of the so-called mixed economy type is possible through increasing application of co-operative non-profit-making principles, and through the active participation of the Co-operative Movement in the preparation and the implementation of economic and social policies of the State.
- 4 The Co-operative Movement can influence the economic and social policy of the State in various ways, particularly by collaborating in Committees continually occupied with social and economic problems, thus ensuring a permanent contact which is of greater importance and value than the submission of written statements or collaboration in

*ad hoc* Committees; securing a hearing by the authorities with regard to the preparation and application of economic and social legislation.

- 5 The real influence of the Co-operative Movement on social and economic measures does not depend upon the form which its collaboration takes, but, above all, upon its effective force within the country.
- 6 It is in the highest interest of the democratic State, whatever may be the changes in the national economy, to assure freedom of action and development to the Co-operative Movement.
- 7 Co-operative Organisations can and must participate in the valuable work which the United Nations Organisations and the Specialised Agencies, particularly the ILO, FAO, and UNESCO, are performing in promoting the economic advancement of the under-developed countries.

The resolution, adopting these conclusions and approving the report, impressed on the affiliated organisations the imperative need for them to expand and permeate economic life with Co-operative principles, as well as to support the ICA in its efforts, along with the United Nations, to free international trade, control monopolistic combinations and promote Co-operation in the developing countries.

All of the last three points mentioned in the final paragraph of the resolution were the subject of additional special resolutions adopted almost without debate. The US delegation moved a resolution in favour of the encouragement of international Co-operative trading relations. The Central Committee submitted a resolution in favour of ICA action to initiate collaboration and division of labour between the international governmental and non-governmental organisations concerned with the promotion of Co-operation. Thorsten Odhe, who presented a paper dealing exhaustively with Co-operation and Monopolies, also moved a resolution which embodied a series of practical proposals for Co-operative, governmental and international action with the object of counteracting the abuses of monopoly power by means of legislation, publicity and Co-operative business expansion.

A broad view of the present situation of the Co-operative Movement was opened up before the Congress in the paper by C. H. Barbier on "The Development of Co-operation in the world; its Difficulties and its Chances." Barbier emphasised the necessity for the Co-operative Movement to come to terms with the existence in the economy of a large public sector with objects similar to its own and animated by the spirit, not of lucre, but of service to the community. This situation offered the Movement great opportunities of humanising both the economic system and the State, provided that it was willing to overcome three major obstacles which hindered its development. All three problems demanded education in

appropriate forms: first, the preparation of men and women, and especially of the young, to practise Co-operation in the forms required by the present era; second, the training of carefully recruited personnel for business management and democratic leadership; third, the substitution of co-operative methods of organising labour for the wage-system characteristic of capitalist enterprise. The discussion on the paper was, on the whole, not contentious and the appendent resolution carried unanimously.

### **Rationalisation of Distribution**

In the name of *Kooperativa Förbundet* Albin Johansson submitted a memorandum and resolution on the Rationalisation of Commodity Distribution. The memorandum drew attention to the expansion of distributive trade, accompanied by price inflation, which could be observed in many countries as their economies recovered from war-time stringencies. It was the function of the consumers' Co-operative Movement to counteract these tendencies and, by saving distribution costs, benefit its members and consumers in general by reducing or restraining rising prices. An international committee should therefore be set up, composed of representatives of wholesale and retail societies who had practical experience and responsibilities, to exchange technical information and ideas and agree upon measures for the solution of concrete problems. The resolution requested the President and General Secretary of the ICA to invite each national organisation to nominate one representative from wholesale and one from retail distribution, with a view to constituting the International Co-operative Committee for the Rationalisation of Commodity Distribution before the end of 1951.

The Committee held its first meeting in London in December, when representatives of 14 countries elected Albin Johansson as chairman and decided to take up three subjects for study by sub-committees: Cash Control in Co-operative Stores; Self-service; Stocks and Stock Control. A fourth sub-committee on Inter-co-operative Trading was set up in 1953. The results of comparative study showed that nearly all the systems employed for one purpose or another were capable of improvement and revealed where possibilities lay of more efficient and economical working through mechanisation. The sub-committee on self-service discovered that the extension of the system was retarded in several countries by obsolete restrictive legislation. This became the subject of a special enquiry by the ICA Economic Research Section and ultimately of representations by the ICA to the UN Economic and Social Council and its European Economic Commissions. The mandate of the Rationalisation Committee was renewed by the Paris Congress of 1954 and its work continued mainly by the

sub-committees on self-service and on inter-trading, until these were superseded by two regular Auxiliary Committees, one for retail, the other for wholesale distribution.

### **International Co-operative Trade**

Action by the Executive Committee to implement the Copenhagen Congress resolution on the encouragement of inter-co-operative trade was at first inhibited by disturbing news about the International Co-operative Trading Agency. The Agency in fact suspended business in May 1952. For some time it had not been receiving enough support from its members to enable it to cover its expenses. The manager, in order to meet its overheads, had engaged in non-co-operative transactions, one of which had led to a dispute and the threat of legal action. This was averted, but the majority of the committee held that the Agency should suspend business in order to avoid further losses. The Agency was not immediately liquidated but maintained in existence for some time as a means of communication and consultation between the members, its administrative work being carried on by the Secretary of the English CWS. The ICA Executive was unwilling to allow the matter to rest there. The problems of inter-co-operative trade were being studied by the Auxiliary Committee on Agricultural Co-operation and statistical material was available concerning the import and export trade of the Wholesale Societies, the sources of their imports, and the extent to which they were using co-operative channels. The Executive accordingly appointed a sub-committee to examine the facts and make recommendations concerning the possibility of and need for a new international co-operative trading organisation. During this period six Western European Wholesales began to hold discussions on the possibility of organising joint purchasing operations, but found that, owing to exchange difficulties and government manipulation of imports, a joint agency would be impracticable. They therefore had to be content for the time with regular exchanges of trade information.

With so much interest manifested in inter-trading problems, one of the themes chosen for special papers at the Congress of 1954 in Paris was "International Co-operative Trade, the Possibilities of Practical Collaboration between National Organisations and its Development by the Alliance" with Jan Roos, general manager of the Dutch Wholesale Society as rapporteur. Roos based his paper on the premise that international Co-operative trade was not an isolated problem for which a single, ready-made or quick solution could be found. Its practicability and development depended on the creation of favourable climate which in its turn depended on joint action in a number of different fields. A review of past experience which included the ICWS, the Trading Agency, NAF and



ICPA, led to a consideration of the possibilities and pre-requisites of developing international Co-operative trade. These pre-requisites were: a firm basis in the critical analysis of facts; agreement on the objects in view and loyalty in observing it; a programme limited to common interests; a favourable climate for collaboration and the avoidance of past mistakes; involvement of the men who do the buying and selling. Without attempting joint trading at all, there were important opportunities for collaboration in the exchange of business and technical information, joint research, conferences of experts, exchange of trainees—in all of which the ICA could fulfil useful functions of initiation, support and co-ordination. The resolution submitted to Congress summarised the argument of the paper, but ended with a paragraph entrusting its implementation to a Sub-committee of the Executive which should bear “the responsibility of preparing plans for giving effect to this resolution and, under the authority of the Executive, to implement the plans adopted, in collaboration with such individual experts and organisations as may be appropriate.”

The resolution was adopted without dissent. The Executive’s first step was to arrange a meeting between the President and the Officers, the members of the trading Sub-committee of the Rationalisation Committee, Albin Johansson and J. Roos. At this meeting it was agreed that trading operations should be the business of the Wholesale Societies; that the ICA Executive should deal with technical questions and be responsible for bringing together, at the request of affiliated organisations or the Trading sub-committee, the experts in any given branch of trade. On this basis the Executive set up the Sub-committee for Technical Consultation and Collaboration, with the President as its chairman. The Sub-committee met only once, in November 1955, when doubt was cast on its ability to serve any useful purpose. Opinion was veering towards another solution, namely, the formation of a new Auxiliary, to be called the Co-operative Wholesale Committee. The Executive, after some months of hesitation, secured the agreement of the Central Committee to the suppression of the sub-committee and, with the approval of the constitution of the Co-operative Wholesale Committee, the question of international Co-operative trade returned more or less to the situation of 1921.

### **ICA Policy**

After the Congress of Copenhagen the Sub-Committee on Policy concentrated its attention on those areas on which ICA Congresses had not recently expressed opinions in resolutions or laid down specific directives. The treatment of policy under two aspects, described as internal and external, was by this time generally accepted. Under internal policy were included the increase of the numerical strength of the Alliance by recruiting

organisations from more countries, by making its membership more fully representative of the different Co-operative forms and by aiding Co-operative development where it was still retarded or only recently initiated. In addition, it was necessary to strengthen the international cohesion of the Movement by promoting collaboration of every kind between Co-operative organisations of all countries. In order to accelerate these processes the Sub-committee recommended the creation of a new category of membership by which organisations could enter into regular relations with the ICA before they were able to fulfil the conditions of membership laid down by the rules. The external policy of the Alliance aimed at overcoming obstacles rooted in the Movement's non-co-operative environment and taking advantage of currents in international affairs favourable to the achievement of its aims. The action to be taken under these heads was set out by the Sub-committee under the following heads:

- 1 The removal of all legislative and administrative hindrances to the normal growth of co-operative enterprise and the development of inter-co-operative relations on the national and international levels;
- 2 The progressive abolition of governmental restrictions on enterprise and trade, particularly quota systems, state monopolies in foreign trade and complicated customs regulations;
- 3 The co-ordination of economic policy on the international level so as to facilitate multilateral exchanges and payments, to liberate forces making for an expanding world economy and to enable national economies to employ their human and material resources to the full and thereby benefit by a continuous rise in their standards of living;
- 4 Collaboration with international authorities concerned with basic problems of world economy, e.g. nutrition, so as to promote solutions which proceed on co-operative lines from the study of consumers' needs to the adjustment of production to consumption;
- 5 The stabilisation of world prices of staple commodities through long-term international agreements which take into account the interests of both consuming and producing countries;
- 6 The representation of the interests of consumers and primary producers, from the preparatory stage onwards, on the authorities set up to establish and administer new economic communities;
- 7 The formation of enterprises, both governmental and non-governmental, inspired by co-operative principles to ensure the access of all countries on equal terms to raw materials of world importance as well as the economical production and distribution of these materials;
- 8 Full support for the United Nations in implementing, through International Covenants, the Universal Declaration of Human Rights;
- 9 The promotion, in conjunction with UNESCO, other international and non-governmental Organisations, of education making for

international understanding, a widely diffused sense of human solidarity and an acceptance of the responsibilities of world citizenship.

The final report, when presented to the Paris Congress of 1954, was adopted by a large majority.

### **Cartels and Restrictive Practices**

One of the operative clauses of the resolution of the Copenhagen Congress on monopolies was a request to the ICA to appeal to the United Nations for renewed study of international monopoly organisation. The appeal was answered before it could be made by the decision of the Economic and Social Council to set up an *Ad Hoc* Committee to study and report upon restrictive practices tending to hinder international trade and retard the rise in the standard of living. The ICA accordingly availed itself of its privileges as a consultative organisation to submit two memoranda, one on the nature and effect of restrictive practices, the other on the structure and procedures of any international authority to be set up for their control, to the *Ad Hoc* Committee, as well as to make an oral statement at an open meeting of the Committee. The Committee issued a report in the spring of 1953, its principal feature being draft articles of agreement for international control over restrictive practices, based on the fifth chapter of the Havana Charter. On the whole, the Committee's recommendations were in line with ICA policy, but the Central Committee, meeting at Cannes, authorised the Secretariat to make two further suggestions, namely, that restrictive business agreements and other arrangements should be registered if they affected international trade, and that the right to submit complaints should not be restricted to national governments but extended to non-governmental organisations in Category A. Meanwhile, following a change of Presidency in the USA, zeal for the completion of the *Ad Hoc* Committee's work rapidly diminished among the major Powers. When the ICA responded to an invitation from the Secretary-General of UN to express its view, it was obliged to note with regret that the Economic and Social Council could hold out no hope of a speedy implementation of the *Ad Hoc* Committee's proposals.

### **Consultative Relations with Specialised Agencies**

If the ICA was frustrated for the second time in its attempts to secure from the Economic and Social Council a decision favourable to its policy, it was to some extent compensated by progress in its consultative and working relations with the Specialised Agencies. The International Labour Office had combined its Co-operation and Handicrafts Services under a single head and replaced its Advisory Committee on Co-operation by a Correspondence Committee numerically larger and representative of

many more nations. A meeting of this Committee convened at Geneva in December 1953 was presided over by A. Axelsen Drejer and attended by other members of the ICA Central and Executive Committees as well as by the Director as observer. One result was clarification of the relations between the Co-operation and Handicrafts Service and the ICA and of possibilities of collaboration between them. The Food and Agriculture Organisation was displaying increased interest in the views and activity of non-governmental organisations, not merely those representing agricultural, but also those representing consumer interests. ICA and IFAP were able to render each other mutual support at conferences of non-governmental organisations in pressing FAO to deal energetically with the world commodity situation and malnutrition. At a very early stage the ICA's relations with UNESCO began to extend beyond consultation pure and simple to the execution of practical projects. When UNESCO set up its Consultative Committee on Adult Education it appointed C. H. Barbier as a member in his personal capacity. Later, after the Committee had been re-constituted and the ICA was given a permanent seat upon it, he continued to serve as the representative of the Alliance. This permanent link greatly facilitated collaboration in a variety of fields, such as adult educational seminars and courses; exchanges of workers, youth organisation and research. For two years, UNESCO maintained a Centre for Adult Education near Compiègne in France and the ICA was permitted to make use of it for its 22nd International Co-operative School in 1952 and its first Seminar for Women Co-operators in 1953. In 1954, UNESCO offered the ICA the opportunity, backed by finance, of conducting a Seminar on economic and social problems, with special reference to Co-operation in the Caribbean. The Seminar was held early in 1955 in Jamaica, where the ICA already had one member, and initiated its exploration of the developing regions. The workers' study tours and other exchanges, promoted by UNESCO as means of assisting international understanding, were inaugurated in 1952. Though at first limited to Europe, workers' study tours, the expense of which UNESCO shared with the institutions arranging them, had an influence much wider than the limited circle of participants. A useful piece of research into the role of Co-operation in education for citizenship in rural communities was carried out for UNESCO in 1954 by the ICA Secretariat with the assistance of several national Co-operative educational institutions.

### **Technical Assistance**

The introduction and promotion of Co-operation in suitable forms in the economically under-developed regions of the world was a task for the ICA which its great General Secretary, Henry J. May, had envisaged in his

time. The idea was not lost to view by those who framed the Alliance's post-war programme of reconstruction and development, but the urgent necessities and emergencies of the late 1940's prevented the references to it in programmes and policy statements from being followed up by systematic thought and discussion by the Authorities of the Alliance. Action was perhaps hastened through the adoption by the United Nations' authorities, themselves under pressure by member governments of countries newly-liberated from alien rule, of an Expanded Programme of Technical Assistance, financed by a separate fund and administered by a Technical Assistance Board. This programme included aid for the promotion of forms of Co-operation, the total value of which in any one year might exceed twice the income of the ICA. It was evident that, if the ICA wished to maintain its standing and its authority, it must, not merely collaborate with the US Specialised Agencies, but also have its own programme of promotional activity, supported by its own resources. In May 1953 the Executive approved the proposal of the General Secretary that the unused balances of relief funds, no longer required for their original purpose, should be put together to form a Development Fund for the promotion of Co-operation. The Fund amounted, to begin with, to £5,500. Within a few months it had been increased by a further £10,000, through the transfer to the Alliance of a similar unused balance of a British society for encouraging Co-operative development in China which had been dissolved.

### *Co-operative Promotion*

In order to attract the attention of the National Organisations and win their support for a new departure of the greatest importance, "Co-operative Development in Under-developed Countries" was chosen as the theme of the second paper for the Paris Congress of 1954, and the Director was charged with its presentation. In the paper the writer first defined the under-developed countries as those whose natural resources were neglected or unexplored, whose agricultural and industrial techniques were out-moded, even primitive, and whose populations were dominated by their physical environment. The paper listed the chief regions of the world awaiting economic development on modern lines and indicated the economic, social and educational roles which Co-operation, based on self-help, could play in their advance. The basis, administration, methods and limitations of the technical assistance provided by UN and the Specialised Agencies were described and a possible policy for the ICA outlined. The ICA should increase its membership in the under-developed

regions and help those organisations not yet eligible for membership, because they were not fully independent and self-governing, to stand on their own feet and manage their own affairs. The three things necessary for effective action were a programme, funds and the missionary spirit. The Central Committee's resolution, which was adopted unanimously by the Congress, after welcoming the action of the UN organisations under the Expanded Programme of Technical Assistance, urged that there should be close consultation between them and the ICA at every stage in the preparation and execution of Co-operative projects, and concluded as follows:

“The Congress further emphasises the obligation which rests upon every member of the Alliance, and especially on those which are firmly established in their own countries, to supply every kind of aid and encouragement to co-operative pioneers and newly formed Organisations in the under-developed countries; and directs the authorities of the Alliance to draw up a programme of action by the ICA and its members for the promotion of co-operation in all its forms in the under-developed regions of the world and to consider ways and means of providing the finance necessary for the execution of this programme.”

In the course of the discussion, J. Efter (Israel) advocated the establishment of an international fund to foster, encourage and develop co-operative activities and enterprises in under-developed countries. S. Tanaka (Japan) proposed the formation of an Asian Regional Sub-Committee of the ICA and an annual or biennial Asian Co-operative Conference. A. Villeumier (Switzerland) announced the donation of Swiss Frs. 50,000 by the Co-operative Union VSK to the Development Fund, which had already received a donation of £5,000 from the Swedish KF.

The newly-elected Executive Committee promptly appointed a Technical Assistance Sub-Committee consisting of the President, Sir Harry Gill, and C. H. Barbier, Dr M. Bonow and R. Southern. The first act of the Sub-Committee was to lay down directives for its own guidance and the Alliance's promotional work. These were expressed in the following paragraphs:

- 1 That the ICA shall not envisage a programme which would compete with those of the United Nations and Inter-Governmental Organisations; rather that the distinctive and practical contribution of the ICA shall be supplementary to the work of those Organisations.
- 2 That the ICA shall make its contribution in the sphere of education, training and propaganda, especially for leaders, present and prospective, and members of Co-operative Societies in the under-developed countries, not for Government officials. In no case shall the Fund of the Alliance be used to finance economic undertakings.
- 3 That, in the first place, a short-term programme, two or three years,

be envisaged. On the results and experience of this, it should be possible to consider and draw up a long-term programme.

Concretely, the Sub-committee considered that the ICA could render most practical help by supplying Co-operative Organisations in the developing countries with various kinds of printed material and visual aids, as well as by organising regional education conferences and training-schools and by arranging technical training abroad, with the provision of bursaries for selected persons. The Sub-committee, however, was very conscious of the need for deeper and more precise knowledge of the conditions prevailing in the different parts of the world. It therefore resolved that the regions listed in the Congress paper should be examined one by one. Asia, because of its enormous populations and because the Japanese Co-operative Movement was already convening round-table conferences, was the first to be chosen for a fact-finding mission. This was carried out by Dr George Keler, a Co-operator of long experience in both the agricultural and consumers' movements who was released for the service of the ICA by *Kooperativa Förbundet*. Between December 1955 and 1956 he travelled through the countries of SE Asia from Pakistan to Japan, meeting leaders of Co-operative organisations and government officials responsible for the promotion of Co-operation. The copious reports which he sent back or wrote after his return to Europe provided the Sub-committee, and subsequently, the Executive and Central Committees, with a firm and reliable basis of information on which the Alliance could build its future relations with the South-east Asian Co-operative Movements.

## *Membership*

That this action of the ICA was not undertaken any too soon is proved by the fact that applications for membership were coming in increased numbers from other continents than Europe. Between the Congresses of Copenhagen and Paris, Japan returned to the Alliance through the admission of the national organisations representing consumers' and agricultural co-operatives respectively. In the Gold Coast Co-operative Federation and the Co-operative Union of Eastern Nigeria, the Alliance acquired two members from West Africa. From Brazil the National Centre of Co-operative Studies, Rio de Janeiro, made a link with Portuguese-speaking South America. The Hutt Valley Consumers' Society joined the ICA in order to maintain the connection which would otherwise have been broken when the New Zealand Federation was dissolved. From

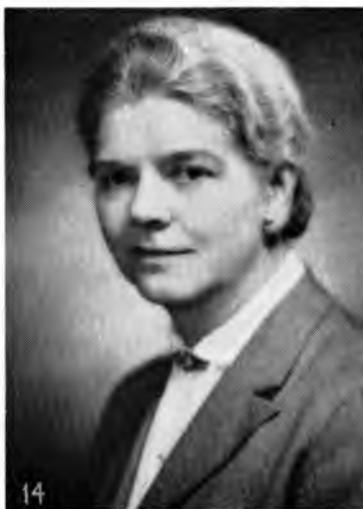
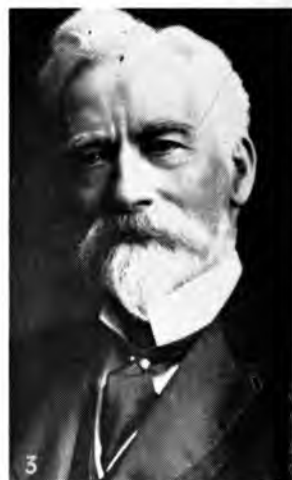
Europe the new members admitted were the principal co-operative housing federations of France and Sweden.

The statement of principles governing the admission of new members adopted at Copenhagen clarified the position, so far as the majority of the ICA's membership was concerned, but did not obviate further membership problems for the Executive and Central Committees. The recognition by the United Nations of the right to separate representation of the Ukrainian and Belorussian Republics encouraged the renewal of the applications for ICA membership of their Co-operative Unions. The Executive, however did not grant the applications, maintaining that these Unions formed part of *Centrosoyuz* and that, for the purposes of the Alliance, the Soviet Union should be treated as a single country, as had been the practice since the Central Committee so decided in 1926. The more difficult question whether organisations already in membership could continue to adhere to the Alliance, when they had wholly or partly lost their freedom of action, arose from events in Argentina and Czechoslovakia which the Executive and Central Committees had to consider more or less simultaneously. In Buenos Aires a general meeting of the Federation of Argentina Consumers' Societies had been packed by supporters of the Peron regime, who subjected the president, Dr Bernardo Delom, to personal abuse, expelled him and his supporters from the meeting and then proceeded to elect other officers in their place. In correspondence with the ICA Secretariat the new president claimed that the change had been made democratically and that the Federation was anxious to continue its association with the ICA. A remittance was sent covering outstanding arrears of subscription amounting to £96. Evidence in the Executive's possession confirmed that the Peron regime was a fascist dictatorship and was taking control of the consumers' Co-operative Movement by demagogic methods. The subscription paid was kept in a frozen account pending a decision by the Central Committee as to continued membership or expulsion of the Federation. In Czechoslovakia a radical change had been made, ostensibly by decision of the organisations' general meetings, in the status and economic functions of the consumers' Co-operative Movement. Broadly, the change was similar to that made in the Soviet Union in 1935, whereby distributive functions of the consumers' societies in Prague and other cities were transferred to government agencies, while the consumers' societies were left to serve the rural districts. The Executive took the view that the principles adopted at Copenhagen did not apply to cases where changes, inconsistent with the rules of the Alliance, were made in the constitution and functions of Organisations already in membership, but that the Alliance was not obliged to retain as members any organisations which acted inconsistently with its interests, rules or objects. The



*Presidents, Secretaries and Directors  
of the  
International Co-operative Alliance*

<i>Number of picture overleaf</i>	<i>Name</i>	<i>Position</i>	<i>Dates</i>
1	The Rt Hon Earl Grey	President	1895–1917
2	Henry W. Wolff	President	1895–1907
3	Sir William Maxwell	President	1907–1921
4	G. J. D. C. Goedhart	President	1921–1927
5	Väino Tanner	President	1927–1945
6	Lord Rusholme	{ Acting President President	{ 1940–1946 1946–1948
7	Sir Harry Gill	President	1948–1955
8	Marcel Brot	President	1955–1960
9	Dr Mauritz Bonow	President	1960–
10	E. O. Greening	Secretary	1895–1902
11	J. C. Gray	Secretary	1902–1907
12	Hans Müller	General Secretary	1908–1913
13	Henry J. May, OBE	General Secretary	1913–1939
14	Gertrude F. Polley, OBE	{ Acting General Secretary Secretary	{ 1939–1947 1947–1963
15	Thorsten Odhe	Director	1948–1951
16	William P. Watkins	Director	1951–1963
17	W. Gemmell Alexander	Director	1963–1968
18	Süven K. Saxena	Director	1968–







International Co-operative Alliance Head Office London

Executive accordingly referred to the Policy Sub-committee the question whether "a fundamental change in the status of a member of the ICA should not have consequences for the position of such a member in the ICA". The result of the Sub-committee's examination of the question was the following statement, which was later accepted by the Central Committee:

"Should an affiliated Organisation at any time voluntarily or involuntarily effect a change which means that it no longer complied with the statutory conditions of membership, such Organisation would make itself liable to the application of Articles 13 (a) and 11 (c) of the Rules".

### *The Fourth Congress of Paris*

In recording several important phases of the ICA's activity and policy in the preceding pages certain decisions of the 19th Congress were included. It is now necessary to turn to the Congress itself, which held its sittings at the Palais de Chaillot in Paris from the 6th to 9th September 1954. The decor of the hall, which three years before had housed the Assembly of the United Nations, did honour to the skill of the Parisian workers' co-operative productive societies. The Congress proper had been preceded by a full complement of Auxiliary Conferences: press, education, banking, insurance, agriculture, housing, workers' production, petroleum and women's rôle in Co-operation. The roll of delegates exceeded 600, from 24 countries. The international situation was more relaxed, because in some quarters hope had dawned that an arms race between the greatest World Powers might be averted in favour of more extended collaboration in developing the peaceful uses of atomic energy.

The Central Committee's report recorded that the Secretariat had been comfortably installed in its new headquarters, to the decoration, furnishing and equipment of which many National Organisations had most generously contributed. The Executive had met for the first time on its own boardroom, when the occasion had been marked by an opening ceremony performed by the President, Sir Harry Gill. The 20 per cent increase in subscriptions sanctioned by the Congress of Copenhagen lifted the annual income from £25,000 to roundabout £30,000, which, although it covered the cost of work in hand, left nothing to spare for expansion. Despite rising costs of printing and paper, it had been possible to maintain the periodical publications, revive the *Digest of the Co-operative Press*, initiate a service of copyright articles, bring out the first issue of an illustrated brochure: *The ICA: Its Aims and Work*, publish the fourth volume of *International Co-operation* and new editions of the Press Directory and Film Catalogue. The Economic Research Section was

adding to its reputation for the accuracy and authority of the quarterly review *Cartel* and its memoranda submitted to United Nations authorities. A liaison committee set up jointly by the ICA and the International Co-operative Women's Guild was producing constructive suggestions which included the ICA's first Seminar for Women Co-operators, in which women Co-operators from Canada and the USA as well as Europe participated. Disastrous inundations in the basin of the River Po in the autumn of 1951, which inflicted enormous damage on co-operatives of all types, and also floods in Belgium, Holland and Great Britain in the winter 1953, called forth, in response to the ICA's appeal, swift and generous help in cash and kind from the National Organisations, manifesting the solidarity of the members of the Alliance.

### **Membership: the Underlying Issue**

The first debate on the report was opened by I. S. Krayushin (USSR) who moved a resolution inviting re-consideration by Congress of the applications for membership of Polish, Albanian, Hungarian and East German organisations, all of which had been rejected by the Executive Committee and, on appeal, by the Central Committee. This resolution, as the President pointed out, became the real subject of discussion; no one desired to speak on the text of the Central Committee's report. The main burden of the arguments, presented by Krayushin, Timofeev and other speakers from the USSR and Czechoslovakia in support of the resolution, was that the organisations in question had been subjected to unfair discrimination. They were free and independent; they were fully democratic; their rules and activities conformed to the principles of Rochdale. The rejection of their applications was not only unjust, it was contrary to the principles on which the ICA was founded. The interpretation of Article 8 which had been adopted did not properly apply to these organisations. Against these contentions, R. Southern (Great Britain) and J. Voorhis (USA) urged that the words "Co-operation" and "democracy" were both capable of bearing different meanings, according to the intention of those who used them, and to adopt the meanings accepted by the supporters of the resolution would be to endanger the structure, purpose and functions of the Alliance which had hitherto rested upon the Rochdale Principles and traditions.

It was the President, however, who defined the fundamental issue by an intervention which, he said, was provoked by the failure of different speakers to face the realities of the situation. Since the Prague Congress, he continued, there had been two distinct opinions in the world Co-operative Movement. There was the ideology of the East and there was the ideology of the West. What was now taking place was animated by the desire and intention that the ideology of one side should prevail over the

ideology of the other. With ideology went the control of the Alliance. "When you come to vote on the matter," he told the delegates, "you will make your own decision . . . if you desire that the old traditions, the old Rochdale principles, the old ideas, which we have upheld in the past, shall be the controlling power in the Alliance, there is only one thing that you can do. If you are prepared to take the risk of a change to the new ideas, then open the gates and give control where it will then go". When the resolution was put to the vote it was defeated by 671 votes to 366.

### **Associate Membership**

The Congress approved by a majority vote a new rule providing for Associate Membership of the Alliance, as recommended by the Policy Sub-committee. As the scope and intention of this Rule since its introduction, have been frequently misrepresented, the clauses governing the status and privileges of Associate Members are given here textually:

I Co-operative Organisations of any of the types mentioned in Article 8, which through their aims and activity promote the development of co-operation in conformity with the objects of the Alliance, but which, by reason of the fact that in their early stages of development they are receiving outside support, have not yet complete control of their affairs, shall be eligible for Associate Membership as a transitional stage towards full membership . . . .

III Associates, subject to the full and up-to-date fulfilment of their financial obligations, shall have the right:

- (a) To receive gratis the regular publications of the ICA.
- (b) To nominate an observer to meetings of the Central Committee without the right to speak or to vote.
- (c) To nominate an observer to the Congress without the right to vote but with the right to speak subject to the consent of the Congress.
- (d) To receive from the Secretariat of the ICA all appropriate services, advice, etc.

There were several other amendments which were consequential on the new Article, besides amendments to Articles 19 and 24 laying down a time-table for the issue of Congress documentation, the receipt of motions or resolutions and amendments intended for the agenda and the nomination of delegates. A new rule was added providing for the appointment at each Congress of a Congress Committee to decide on emergency motions and to advise the President, if required, on questions of procedure.

### **Peace**

The resolution on Peace which came before Congress had already been adopted unanimously by the Central Committee. That, however, did not

prevent the Japanese delegation from introducing an amendment in favour of the abandonment and prohibition of every kind of atomic weapon, or the Soviet and Roumanian delegation from proposing other amendments. The Roumanian amendment was the only one which went to the vote and it was rejected. The others were withdrawn for the sake of unanimity and the following text was adopted unanimously:

The 19th Congress of the International Co-operative Alliance—Viewing with the gravest concern the menace to peace arising from intensive competition in the invention and adoption of ever deadlier and more destructive methods of warfare;

The growing danger to the common people, carrying on their peaceful occupations, caused by experiments and exercises with such methods of warfare;

Also the drain on national economies resulting from the withdrawal from productive labour of workers kept under arms and the allocation of industrial resources to arms manufacture, thus retarding the rise in the standard of living—

Appeals to the Governments of the world:

To renew their efforts, through the United Nations, to reach agreement on the limitation of armaments of every type, as a step towards total disarmament;

To create an impartial and effective organisation for the inspection and control of arms and arms production within all nations;

To speed up every measure, national and international, for the relief and eventual abolition of poverty and economic insecurity;

To co-ordinate their economic policies so as to promote international exchange, the full employment of all human and material resources, a steady economic expansion; and to offer the common people the certain prospect of peace with abundance.

Congress calls upon the Co-operators of the whole world, through their Co-operative Organisations, to work with the utmost energy for the attainment of these objectives.

### **Homage to Dr Georges Fauquet**

In the final sitting Congress was informed that the third award of the ICA Jubilee Triennial Prize had been made to the works on Co-operation of Dr Georges Fauquet. The prize could not be presented to him, because of his death. Nor could it be presented to Madame Fauquet, because in less than a year she had followed her husband to the grave. The Congress listened with close attention to the eloquent tribute paid to Dr Fauquet's eminent qualities of mind and character and his precious contributions to Co-operative thought by C. H. Barbier and stood in silence after its conclusion. A remarkably life-like portrait in oils of Dr Fauquet was



presented by C. H. Barbier to the headquarters of the Alliance in the name of the French and Swiss Co-operative Movements.

### **The Alliance's Diamond Jubilee**

At the Paris Congress the Alliance had already entered the sixtieth year of its existence. Dr Henry Faucherre, who had already completed his Golden Jubilee history of the ICA and delivered it for translation into English, volunteered to extend it for a further ten years. This offer was gratefully accepted. The July-August 1955 issue of the *Review of International Co-operation* was a commemorative number in which the story of the origin and development of the Alliance was re-told and tribute paid in the form of biographical articles to its founders and great leaders. Since the anniversary date and that of the 33rd International Co-operative Day were only separated by a few weeks the annual declaration of the ICA was concluded in terms appropriate to both as will be seen by the text:

“On the 60th Anniversary of its foundation, the International Co-operative Alliance greets its Organisations and their 118 million members in 34 countries, acknowledging with gratitude their past collaboration in seeking to attain the high aims proclaimed for the Alliance by its Founders.

From its creation, the Alliance has never ceased—at its Congresses and on other suitable occasions such as International Co-operative Day—to impress upon its members that they represent a great economic and social force which, whenever united in purpose and action, can exercise a beneficial influence upon national and international policy.

To-day, the need for that influence is imperative. Co-operators must unite in their efforts to arrest the desperate race in instruments of mass destruction, wasteful of the wealth of nations and threatening a world war in which civilisation may perish.

The International Co-operative Alliance, therefore, solemnly charges its affiliated Organisations and their members, in celebrating its 60th Anniversary on 19th August and the 33rd International Co-operative Day on 2nd July, to bring once more before their respective Governments, publicly and by the most appropriate direct means, the Appeal of the 19th International Congress.

Finally, the International Co-operative Alliance calls upon all Co-operative Organisations, and Co-operators, to unite in supporting their International Organisation, morally and materially, that it may steadily advance towards, and reach its goal. Thus may the peoples of the whole world see the dawn of a better life.”

The anniversary was observed by Co-operators in all parts of the world. Many messages of congratulations were received at headquarters where the day was marked by a reception attended by among others, representatives of the Co-operative Unions of Ghana, E Nigeria and

Malaya, organisations of recent affiliation from developing countries. Most of the national Co-operative journals featured the anniversary by means of articles and illustrations, while in some countries the ICA its history and work were the subject of radio talks.

### *The Presidency*

Rejoicings over the Diamond Jubilee of the Alliance were overshadowed by grief at the sudden death of the President, Sir Harry Gill, in May 1955. After the Congress of Paris the Central Committee elected Sir Harry to serve a third term in the office of President of the Alliance, but he was not spared to serve more than a few months of it. Elected for the first time at Prague in 1948 he had displayed such clearness of vision for realities and so firm a grasp of the affairs of the Alliance that there was general regret that his retirement from the Presidency of the English CWS would also mean his retirement from the ICA Central Committee at Copenhagen Congress. A solution was found in the amendment of the Rules which permitted the Central Committee to choose a President from amongst eminent Co-operators outside its own membership. Sir Harry was unanimously re-elected at Copenhagen and there was no question of any other candidate at Paris.

Before the end of 1954 the Central and Executive Committees lost by sudden death one of the ablest of their younger members, Gustav Dahrendorf, President of the Central Union of German Consumers' Societies and the Wholesale Society GEG. In April 1955 the Executive Committee held its meeting at Hamburg in order that the members could pay their tribute of respect at Dahrendorf's grave. Sir Harry spoke for them all with a pathos which touched the hearts of all his listeners. His speech at the conclusion of the programme of meetings, however, was full of vigour and optimism, and the members dispersed, re-assured in mind about his health. He informed the Director and General Secretary that he wished to talk over with them some ideas about the development of the Alliance which had been evoked by the discussion in the Executive, and a date was fixed for his visit to the ICA Headquarters. On the day in question, three hours before he was expected at the Secretariat, a message was received from the CWS headquarters in Manchester, that he had passed away at home in the very act of preparing to set out on his journey. For the only time in its history the ICA was without a President, for Sir Harry was the only one who died in office. The simple ceremony of farewell, so completely in harmony with his life and character, was attended by Marcel Brot, Vice-President, members of the Central and Executive

Committees and the officers of the Alliance, besides former colleagues of the CWS and other friends. In a few poignant sentences Marcel Brot recalled his personality and influence: "His clear judgement and the wisdom of his decisions invested Sir Harry Gill with a moral authority to which all gladly deferred. But he also won their hearts by that warmth of expression, proof of his deep convictions, in which were heard echoes of the ardour of past struggles . . . In the course of our last meetings, over which he presided with greater authority than ever, he delivered in the City Hall of Hamburg an address which was so lucid and full of energy that we felt certain that we would see him triumph once again over his illness. Our hopes, alas! were to be bitterly disappointed."

It was on Marcel Brot that the choice of the Central Committee fell, the following September at Basle, when it came to elect a successor as President of the Alliance. Dr Mauritz Bonow, who was also nominated but withdrew his candidature, was unanimously elected Vice-President.

### *Auxiliary Committees and Technical Conferences*

The increased activity of the Auxiliary Committees which had been noticeable before the Congress of Paris attracted in the following years much closer attention on the part of the Authorities of the Alliance. These Committees were called auxiliary presumably because they did not form part of the administrative machinery of the ICA, but, taking a broader view, it was no less the function of the ICA to be auxiliary, in the sense of giving aid and support, to them. Both the Executive and Central Committees discussed measures which would ensure, on the one hand, that the Authorities of the Alliance were able to follow with complete understanding the evolution of the Auxiliaries and their activities, on the other, that the members of the Auxiliaries would understand their place and role in the programme of the Alliance and feel assured of the interest in and appreciation of their specialised work by the other branches of the Movement. These measures were: to persuade the Auxiliaries to synchronise their meetings with the annual meetings of the Central Committee, so that interested members of the Central Committee could attend; to invite each Auxiliary to submit an annual report and arrange for its chairman and secretary to be present when the report is discussed; to consult the Auxiliaries on the implementation of ICA policy; to encourage the affiliated organisations to appoint experts to take part regularly in the meetings of the Auxiliaries; to draw upon the technical knowledge of the Auxiliaries for documentation and representation in connection with UN action interesting to the Alliance. The Executive Sub-committee was

charged with co-ordinating and rationalising the work of the Auxiliary and other specialised Committees.

In the later 1950's the Auxiliary Committees could be seen to be developing practical work on one of two main lines. One line was the organisation of business relations amongst their members, such as the inter-trading of wholesale societies, or the use of one another's facilities by banking organisations, leading sooner or later to the establishment of some kind of permanent international organisation. The other line, represented by the Agricultural and Housing Committees, was participation in the consultative relations of the Alliance with specialised Agencies or authorities of the United Nations, such as ILO, FAO, the Social Commission and the Regional Economic Commissions. In the two Auxiliary Committees, the administrative work for which was performed by the ICA Secretariat, the need inevitably arose for an expert to organise the study of technical problems and speak for the Committees in conferences and meetings on specialised agricultural and housing topics. Two different solutions were adopted. In the Housing Committee the Swedish Federation HSB arranged for one of its officers to handle technical questions. The Agricultural Committee was ultimately assisted by the appointment of a full-time specialist in Agricultural Co-operation in the ICA Secretariat.

The Executive Committee consistently maintained that the establishment of Auxiliary Committees should not be undertaken on inadequate grounds. It preferred, where highly-specialised or short-term problems needed international handling, to deal with them itself with the help of experts or to sanction the convocation of conferences or working parties, requiring no elaborate constitutional structures, such as the working parties on films and documentation and the three-day conference of Co-operative publicity officers, supplemented by an exhibition, held in London in November 1956. The Conference on Self-service Retailing organised by Carl A. Andersson, convener of the sub-committee of the Rationalisation Committee and held at Stockholm in January 1957, gave rise to a demand for a permanent organ of consultation which ultimately took shape as a regular Auxiliary, the Committee on Retail Distribution.

### *Disarmament and Co-existence*

The twelve months immediately following the Central Committee meeting at Basle in 1955 were marked by a relaxation of tension within the Alliance, as well as in the world at large. Rivalry in the production of atomic armaments reached such a terrifying pitch that governments were

driven to seek ways of arresting this insane competition, partly by agreement achieved through the Disarmament Commission of the Security Council and registered in a resolution of the United Nations' Assembly, partly by consultations with the object of removing some of the political causes of antagonism between the two great power blocs. The "summit" conference of four heads of states at Geneva in July 1955 was attended by universal relief, expressed by the ICA Central Committee in a resolution proposed by the Executive and carried unanimously. In the immediately preceding discussion A. P. Klimov had called attention to the positive results of the Geneva conference and emphasised that the idea of co-existence, of which everyone seemed to be in favour, was even more important to Co-operators. There should be no question of ideological differences or the victory of one ideology over another. The Alliance must maintain the unity of the Co-operative Movement. This speech was supported by a second Soviet member and welcomed by C. H. Barbier, who pointed out that co-existence had always been accepted in the Alliance. Dr M. Bonow explained that the peaceful uses of atomic energy was one of the five points in the external policy of the ICA selected for special study by the Executive and moved the resolution adopted in these terms:

"The Central Committee of the International Co-operative Alliance is relieved and gratified to note the lessening of tension in the world resulting from the recent Four Power meeting in Geneva of the Heads of States. It expresses the sincere hope that in this new atmosphere of increasing trust it will be possible to work for a steady advance towards good relations between all peoples and in the interests of all nations.

Further, the Central Committee welcomes the international exchanges of information at the Geneva Conference on the science and techniques of producing and utilising atomic energy for peaceful purposes. It regards this event as one of great historical significance which opens up tremendous possibilities for improving living standards throughout the world and thus contributing towards universal peace.

Co-operators are vitally interested in these possibilities for abundant and cheaper power which must be used in reducing costs of production for the benefit of producers and consumers alike and not exploited by monopoly interests.

The Central Committee adopts this view and approves the further study of related problems.

The Co-operative Movements of the world can, within their spheres of activity, make important contributions towards better understanding between the nations.

In the present world situation the Central Committee urges the executive organs of the International Co-operative Alliance and the affiliated Organisations to use all co-operative means at their command to promote friendly and economic relations between Co-operative Organisations of

Producers and Consumers and all other types both nationally and internationally as a means of securing greater international collaboration.”

The climate continued to be favourable while the scientists and technicians assembled in the International Conference on the Peaceful Uses of Atomic Energy discussed, regardless of political or ideological prejudices, their researches and the application of their discoveries. In the Central Committee there was no inclination to push the discussion of the situation of the Czechoslovakian Co-operative Movement to extremes and the debate concluded with agreement on the President's suggestion to permit the Executive to investigate further. An invitation from *Centrosoyuz* to hold the 1956 meeting of the Central Committee in Moscow was accepted by a large majority.

The meeting at Moscow was reasonably well attended, with the notable exception of the members from the USA, and a number of the usual controversial questions were left in abeyance. The principal subject of disagreement was whether the Regional Conference, which the Technical Assistance Sub-committee proposed as a consequence of Dr Keler's tour, should be limited to South-east Asia or embrace the whole continent. In the end the calling of a conference was agreed in principle, with no limitation to the countries visited by Dr Keler, the final decision on invitations being left to the Executive. On the Czechoslovakian question, it was reported that the warning, addressed in 1953 to the Central Co-operative Council, had been re-affirmed by the Executive. However, after a further report from Zabochnik, chairman of the Council, the subject was allowed to lapse. The members of the Central Committee and Auxiliary Committees were received at Moscow with characteristic Russian hospitality and many of them availed themselves of one or another of the invitations to visit parts of the Soviet Union after the meetings concluded.

### **Hungary and Egypt**

This interval of fair weather was not destined to last many weeks longer. It was brought suddenly to an end by warlike action against Hungary and Egypt which shocked world public opinion by revealing how fragile was the basis of security on which international peace reposed. The ICA Executive met in Paris in December 1956 and passed by 10 to 3 a resolution which re-called the pre-requisites for peace laid down by the ICA in its Peace resolution at the Copenhagen Congress of 1951 and declared that the Executive:

“Welcomes the action of Great Britain, France, Israel and Egypt in responding to the demands of the United Nations for a cease-fire and the withdrawal of armed forces from Egypt;

Believes that such willingness of nations to act in accordance with decisions of the United Nations, side by side with the formation of an

international police force, is the only way in which progress can be made towards the early clearance of the Suez Canal and a settlement of the middle eastern problem under the auspices of the United Nations;

Condemns vigorously the appalling callousness of the continuing intervention by the USSR in the affairs of the Hungarian people by unwarranted military action, the indiscriminate slaughter of innocent people, the deportation of helpless victims, the continued refusal of the USSR to respond to the repeated demands of the United Nations Organisations to cease such inhuman activities, to admit UN observers, to withdraw its forces from Hungary, and to permit the Hungarian people to elect their own Government by democratic methods;

Calls for the utmost generosity in making provision for the care of the victims of Russian aggression in Hungary;

Urges all co-operators to press their Governments to give stronger support to the United Nations Organisation that it may become an effective means of establishing and maintaining peace in all parts of the world through universal observance of the Charter and of international law.

Except for interventions by C. H. Barbier, who described the effects of the events in Hungary on the opinions of Swiss Co-operators, and by A. P. Klimov, who considered that, the Executive having recommended no further action, the question could be regarded as settled, the Central Committee passed over this resolution in silence. One reason for this was that it had already discussed and rejected a draft resolution proposed for inclusion in the Congress agenda by the Czechoslovak Central Co-operative Council, the reason being that the text could be interpreted in two different senses, one applying to Hungary, the other to Egypt. By raising once more the question of the co-existence in the Alliance of elements which were and were not subject to totalitarian political regimes, the events in Hungary prompted the Swiss and Dutch organisations to propose that the powers of the Central and Executive Committees to deal strictly with affiliates which, either by choice or under duress, violate the Rules and principles of the ICA, should be strengthened. A joint Scandinavian motion in favour of a comprehensive study and report on the membership question by the Executive was preferred to the Swiss and Dutch proposals, after the President had emphasised that its adoption did not in any way suspend the rules which safeguard the maintenance of free democracy within the Alliance.

### *Technical Assistance: the Short-term Programme*

The Technical Assistance Sub-committee limited its operations for the first few years to exploratory work and the execution of various practical

projects in answer to appeals for help from young Co-operative organisations in the developing countries. This help was needed especially for propagating the Co-operative idea and for establishing communications and the first projects were exemplified by the mobile audio-visual units provided for the Ghana Co-operative Alliance and the simple printing-press sent to the Co-operative Union of Eastern Nigeria. Well-qualified store-managers experienced in staff-training were recruited in Great Britain in order to assist the consumers' societies in Jamaica to improve their business methods. A Chilean Co-operator was assisted financially to obtain training in educational methods and organisation at the St. Francis Xavier University at Antigonish in Canada. None of these were large projects, but they provided the Sub-committee and the Officers with valuable knowledge of what was needed and the difficulties to be overcome. Obviously, relations with the Co-operative Movements in SE Asia demanded the greatest care and attention. Before it had fully digested all the information brought back by Dr Keler from his mission in 1956, the Sub-committee obtained the Executive's endorsement of its decision that a conference with the Co-operators of the region must be convened for the purpose of consultations on the establishment of a permanent secretariat of the Alliance in South-East Asia. Unfortunately, this was not at once practicable, because of preparations for the Stockholm Congress of 1957 which, however, was converted from an obstacle into a stepping-stone towards the goal the ICA had in view. Problems of Co-operative development were again given the place of prominence in the agenda. Discussion was introduced by three papers, representing distinct but complementary viewpoints, by David Owen, Executive Chairman of the UN Technical Assistance Board; W. J. W. Cheesman, a former Registrar of Co-operative Societies in Nigeria and British Guiana; and B. J. Patel, Hon. Secretary of the All-India Co-operative Union. At the same time, the travel expenses of delegates to Congress from outside Europe were subsidised from the Development Fund, so as to enable those who hoped to benefit from technical assistance to make their indispensable contributions. No less important as a means of stirring the imagination of all the Congress delegates to comprehend the fact and the possibilities of Co-operation as a world-wide Movement was the *Utan Gränsar* (Without Boundaries) exhibition organised by *Kooperativa Förbundet* to coincide with the Congress.

During the preceding three years the Alliance had increased its membership in Asia, Africa and America by the admission of federations or unions in Ceylon, Malaya, Mauritius, Mexico, British Guiana and Sudan. Those from Mauritius, Mexico and British Guiana were accepted as Associate Members under the rule adopted in 1954. In the same period



various national contributions had raised the Development Fund to a total of £45,896. After an impressive discussion, abounding in constructive suggestions the delegates unanimously adopted a resolution emphasising the need for closer association between the Co-operative Movements of the developing countries with the Alliance; for government encouragement in the form of legislation, supervision and adult education leading to independent, efficient and democratic management; for aid to continue under the UN Programme of Technical Assistance, with more effective co-ordination between governmental and non-governmental organisations; for increased contributions to the ICA Development Fund; more business connections of every kind between the well-established and the newer Co-operative Organisations; and plans for placing the promotional activities of the Alliance on a regular financial basis.

### *The Conference at Kuala-Lumpur*

Meanwhile, preparations for the Regional Conference were being completed. From the invitations received from Organisations desiring to entertain the Conference, that of the Malayan Co-operative Union to hold the Conference at Kuala-Lumpur was accepted, for one reason because it offered a venue that was fairly central in the region. It was decided that the ICA delegation should consist of the Technical Assistance Sub-committee, together with the Officers and Dr Keler, A. Axelsen Drejer and H. Ashworth, as experts on trading, agricultural and housing questions respectively. With the willing collaboration of national organisations and Government departments, a comprehensive documentation about the Co-operative development of the region was assembled beforehand. The itinerary of the delegation was carefully planned so as to provide for the maximum of contact between its members and leading Co-operators, as well as Ministers and government officials responsible for Co-operative promotion, in the countries through which it passed on its way to and return from the Conference. The delegation assembled at Karachi, Pakistan, on the 5th January 1958 and in the succeeding fortnight visited Lahore, New Delhi and Madras in India, Colombo and Kandy in Ceylon and Singapore. It spent about a week at Kuala-Lumpur and then flew north to Bangkok in Thailand, west to Rangoon in Burma and visited India once more at Bombay. By this time its numbers had been reduced to three: the President, the Director and the General Secretary, who broke their return journey to Europe by a week's stay in Israel to study that country's diversified Co-operative Movement in all its aspects. At New Delhi the ICA representatives were received by the Prime Minister, Pandit

Jawaharlal Nehru and derived much encouragement from his plain statement that Co-operation was a movement which should grow from below upwards and also from his cordial welcome of the ICA's intention of establishing a regional office in SE Asia.

The ICA Conference was the first international gathering to meet in Malaya since the country had become independent, and the Prime Minister, Tunjku Abdul Rahman Putra, inaugurated its proceedings. The delegates represented the ICA's affiliated organisations in Australia, Ceylon, India, Japan, Malaya and Pakistan, besides Co-operative organisations in Burma, Indonesia, Singapore, Thailand and Sarawak which were not yet affiliated. Besides leading officials from the Co-operative Departments of a number of national governments, representatives were present from the ILO, FAO and International Confederation of Free Trade Unions. By whatever standard it may be judged, the Kuala-Lumpur Conference was successful. It brought into mutual consultation a considerable number of representatives of both Co-operative Organisations and Governments, who had never met before and who, but for the Conference, might have waited years longer before they did meet. It was not simply that a delegation from the ICA which happened, except for B. J. Patel, to be wholly European, met Co-operators from SE Asia. No less important was the fact that Asian Co-operators deliberated with one another and became aware, especially through group discussions, of the similarities and differences in their respective situations and problems, as well as of the need for working together to deal with them. The Conference did not settle where the ICA Regional Office should be located or how it was to be manned and administered, but enough mutual confidence was generated for the delegates to be willing to leave such decisions in the hands of the Authorities of the ICA.

On their side, the members of the Technical Assistance Subcommittee and their accompanying experts took away with them copious knowledge of persons, institutions and problems which would be an invaluable guide to future policy. What was gained from the Conference itself was reinforced by the knowledge gathered from the visits which preceded and followed it.

### *The Regional Office for SE Asia*

On their return to Europe the members of the Sub-committee met to decide future lines of action. The organisations of the region were then informed that the establishment of the Regional Office was the first priority; that the office would be a branch of the ICA Secretariat, serving

all the purposes of the Alliance and not simply technical assistance; and that the ICA would organise at an early date a Seminar on the theme of Co-operative Leadership in SE Asia. The importance was emphasised of developing the national Co-operative organisations, as an effective link between the ICA and their respective Movements and as promotional bodies playing an indispensable role in finding and training capable and devoted leaders. Hopes that the Regional Office might be established by January 1960 were disappointed, partly owing to difficulties within the All-India Co-operative Union, the resignation of B. J. Patel and an interruption of communications between the Union and the ICA. Meanwhile *Kooperativa Förbundet* successfully carried out its plan to raise during 1958 Kr 1 million for technical assistance, to be employed in setting up an education centre in India. In the course of planning the execution of this project it became evident that the centre had much greater chances of success and support if it were established and administered as an international rather than a purely national effort to render aid. It was naturally not difficult for the ICA and KF to agree, after discussions between the Technical Assistance sub-committee and KF's Board, to run the two projects in double-harness, with due recognition of KF's special interest and major financial contribution, as well as its responsibilities to the donors of funds. It was KF also which selected one of its education officials, Bertil Mathsson, to go to New Delhi to make the necessary preparations and appointed Dr S. K. Saxena, an Indian Co-operator who had spent some years studying European Co-operative Movements, to assist him. It was due to the outstanding ability and skilful collaboration of these two Co-operators that the Indian authorities, whose attitude was in the beginning rather reserved, were won over to cordial support for the scheme and the granting of facilities which enabled the Regional Office to be opened on a provisional basis in the autumn of 1960.

While progress was being made in SE Asia the Technical Assistance Sub-committee did not neglect other fields of work. Deputations visited the International Labour Office at Geneva and the Food and Agricultural Organisation at Rome. From the latter meeting came forth the suggestion of a course in agricultural Co-operation in Europe for Co-operative officers from developing countries which was carried out with financial and technical aid from UNESCO in October 1958. This project took the form of a Seminar at Carcassonne in France, a location chosen because the neighbourhood was the scene of an effort to combine governmental technical advice, credit and co-operative supply and marketing, with the object of helping small farmers to diversify their cultivation and stock-rearing, instead of depending entirely on one or two crops such as maize and wine.

## *The Second Stockholm Congress*

The importance of the Stockholm Congress of 1957 for the development of the ICA's programme of technical assistance, already described, was by no means its only noteworthy feature. It was the Congress in which the progress and potentialities of the Auxiliary Committees, mentioned earlier, first became clearly appreciated and discussed. The speeches in which the chairman or secretaries of the Auxiliaries presented their reports not merely reviewed their achievements but also looked ahead to their increased participation in the wider work of the Alliance, such as collaboration with other international organisations and Co-operative promotion in the developing countries. Incidentally, Congress agreed to amend Article 4 of the Rules which deals with the Alliance's methods of achieving its aims, so as to substitute the term "Auxiliary Committees" for "Auxiliary Organisations". This was a first step towards a new kind of relation with such bodies as the International Co-operative Petroleum Association which, while belonging to the international family of Co-operative institutions, were essentially under autonomous administration.

### **Consumer Education and Protection**

An initiative, taken at Stockholm by the French National Federation of Consumers' Societies, by means of a memorandum and resolution, prepared the way for the entry by the ICA into a new and extensive field of work: the enlightenment and protection of consumers under contemporary conditions of production and distribution. The French Co-operators approached the question from the standpoint of health, emphasising the actual and potential dangers arising from the unregulated addition to food products of synthetic substances intended to retard natural decomposition or to make them more saleable by their colour or flavour. The resolution also recognised that consumers needed similar protection in relation to a wide range of products other than foodstuffs and that, in fact, the whole problem of consumer protection urgently needed reconsideration in the light of modern chemical progress and industrial techniques. Congress, in adopting the resolution without dissent, instructed the Executive Committee to convene an international conference to consider appropriate kinds of national and international action in defence of consumers' health, as well as collaboration with the World Health Organisation and the Food and Agricultural Organisation, which had already begun to investigate health problems. The resolution received emphatic support in Congress from women Co-operators expressing the housewives' point of view and from S. Apelquist, general manager of the Swedish "Folksam" insurance societies which were already subsidising research and experiment into the

influence of diet on certain diseases. The implementation of the resolution led to the convocation of conferences at Garmisch-Partenkirchen in 1958 and at Paris in 1962 and ultimately to the establishment by the ICA of a permanent working party and the publication of a regular bulletin on "Consumer Affairs".

### **Management**

Another memorandum and resolution proposed by the US Co-operative League on "Management in Our Times" evoked a more critical reaction from certain delegates. The resolution proposed that it should become the policy of the ICA to sponsor from time to time, on a financially self-supporting basis, institutes and conferences on management, in which Co-operative managers and directors in various parts of the world could participate. It further urged the affiliated organisations to organise similar institutes of management within their own territories. The resolution was opposed by a Soviet delegate on the ground that management was not an international problem and that management training could be given more effectively within the different countries. Other delegates criticised, not the resolution, but the memorandum, because it suggested that the Co-operative Movement had to follow certain tendencies of American business organisation. The resolution was carried on a card vote, but was not followed by action recommended on the international plane.

### **International Co-operative Trade**

International Co-operative Trade was presented to the Congress in a wide-ranging paper by A. P. Khmov, who began his exposé from the premise that the development and expansion of international co-operative trade is the most effective means of cementing fraternal ties among national co-operative organisations and the unity of the International Co-operative Movement. The results of its expansion would be seen in the improvement of living standards, the reduction of high prices, the increase of employment and the extension of co-operative production. Commenting on the international trade situation, Klimov deplored the restrictions which handicapped international collaboration, opposed any kind of discrimination and preferred an international trade organisation within the framework of the United Nations to the General Agreement on Tariffs and Trade. He was in favour of the all-European agreement on economic co-operation proposed by the Soviet government to the UN Economic Commission for Europe, but considered that the countries which had signed the Common Market agreement had practically lost their freedom to trade with their partners and other countries as well. Within the Co-operative Movement Klimov considered that the most important

form of international co-operative trade was trade between national co-operative organisations, because it had the practical advantage of enabling a national co-operative organisation to develop its imports and exports in conformity with its requirements and possibilities. If regional trading agencies were set up, membership should be open to non-member as well as member organisations of the ICA. Among the methods of developing international trade, trading on a barter basis should be encouraged, particularly for assisting the developing countries to escape exploitation.

The resolution submitted in the name of the Central Committee, after summarising the main theses of the paper, recommended constructive measures to increase the volume of inter-co-operative trade; the reduction or abolition of restrictions on trade and the creation of an universal International Trade Organisation; the extension of barter transactions and mutual credits between national Co-operative organisations and international contacts and technical exchanges on a larger scale. The recommendation to widen barter trading did not escape criticism. An amendment to include a paragraph in favour of regional agreements, with the assurance that Co-operative interests would be protected, was defeated on a card vote. The resolution was passed by a large majority over opponents and abstentions combined.

### **Co-operative World Development: Albin Johansson's View**

Albin Johansson, who had completed a half-century of Co-operative service and received an honorary doctorate on his retirement from the chairmanship of the Board of *Kooperativa Förbundet*, was to have introduced a paper he had specially written on Co-operation in World Development and Peace. To the universal regret of the delegates he fell ill the previous night and was taken to hospital. The text of his speech, however, was read to the Congress by Dr G. Keler. Starting from the premise that the object of the Co-operative Movement was to serve the consumers, "the broad masses of members of Co-operative Societies of all kinds and in all countries", the paper went on to point out that the effectiveness of its work could be measured only where there were opportunities for comparison, that is, in countries where enterprise was free and consumers had the right freely to choose their sources of supply. Co-operative organisations in those countries could integrate to compete with private monopolies. What the consumers needed was only consciousness of their power when organised. As an example, Albin Johansson cited the growth of the Consumers' Co-operative Association, Kansas City, USA, and its vertical development in the oil trade. Next he discussed the hindrances to the expansion of ICPC and of international Co-operative

trading organisation generally, drawing special attention to the position of great industrial combinations which could command the brains of inventors and buttress this position by acquiring patents on a world scale. To acquire patent rights in new inventions was one of the first duties of the Co-operative Movement in protecting the interests of consumers. There should also be a central international authority for the scrutiny and control of patents. In relating Co-operative development to the establishment of world peace Albin Johansson referred to the competitive struggle for oil concessions in the Middle East and its consequences in the shape of political conflict and social unrest. In contrast, he pictured the development of great Co-operative organisations, built up by a process of integration, which would be capable of organising the primary producers in the countries producing raw materials and then proceeding to organise a chain of processing, manufacturing and distributing enterprises which would act as a countervailing force against the big international capitalist combines. His conclusion was that the creation of order and organisation on Co-operative lines which would develop good citizens capable of defending economic freedom was the main road to peace.

Albin Johansson gratefully acknowledged the help given by Thorsten Odhe in the preparation of this paper, the richness and scope of which are only faintly indicated in the preceding bald summary. In the absence of the author discussion of the paper was not as thorough as it might otherwise have been, although Y. A. Kistanov put forward facts, figures and arguments in order to correct Johansson's views on the effects of state monopolies in limiting consumers' freedom in countries with socialist economies. The resolution, which was adopted without dissent, exhorted the affiliated organisations to embark on new industrial activities and establish cost-reducing, large-scale enterprises exploiting new inventions protected by patents in various fields—a programme for which the Co-operative Movement would need not one, but a number of leaders of equal calibre with Albin Johansson's width of view, foresight, courage and enterprising spirit!

### **Expansion, 1957-1960**

The three years' interval between the Congresses of Stockholm and Lausanne was a period of expansion in which, however, the greater activity of the Alliance could not always match the increasing width of its outlook. Out of 14 new affiliations 7 were from countries not previously represented in the Alliance. Two were from SE Asia: Burma and Indonesia. Three, Cyprus, Jordan and Iran, were from the Middle East; one, Chile was from South America and one, Western Nigeria, was from Africa. The other new affiliations were all either housing or fishery

federations, with the exception of the neutral consumers' Federal Co-operative of Belgium, and the *Haikar* audit union of agricultural co-operatives of Israel. The number of non-European countries represented in the Alliance henceforward exceeded the number of European, although the aggregate individual membership of the latter continued to predominate. The new affiliates included one associate member, the Central Co-operative Union of Jordan. No co-operative organisation from a developing country, if it were qualified for full membership, according to the rules of the ICA, was admitted as an "associate" member.

The study of the problems of eligibility for membership was continued after the Stockholm Congress by a 9-member sub-committee of the Executive. After nearly two years the sub-committee produced two sets of recommendations, ultimately accepted by the Central Committee by a large majority. The recommendations were:

1 That the Executive Committee:

- (a) Should admit as full members (either collective or individual) only such Organisations as, after rigorous examination, are found to be genuine, free Co-operative Organisations;
- (b) Should admit as associate members Co-operative Organisations which fulfil the provisions of Article 14 only if there is reason to assume that they will, after a transitional stage, develop into free, genuine Co-operative Organisations eligible for full membership.

2 That the Executive and Central Committee:

Should observe the conditions under which Co-operatives work in all countries and that, in cases where it is confirmed that a serious aggravation of the dependence of certain members has taken place, or where there has been serious neglect by an Organisation of the obligations of members laid down in Article 13 (a), the Authorities of the ICA should proceed according to Article 11 of the Rules;

Should interpret very strictly Article 7 of the Rules in connection with the Standing Orders of the different authorities of the ICA, so that the activity of the ICA cannot be hampered by political party propaganda or other non-co-operative interference.

### **Subscriptions: a New Basis**

The chief retarding influence on the expansion of the ICA's activities was the slow growth of its income, to which most of its new members, being themselves young organisations, could make only small contributions. The Central Committee, exercising its power under the rules to fix subscription rates, decided on a general rise of 20 per cent from January 1958. This brought the total subscription income up from £33,724 in 1957 to just over £40,000 in 1959. Even so, the headquarters staff was no larger numerically than it had been in 1939. However, a preliminary annual budget of some



£20,000 for the projected SE Asian Regional Office made it inevitable that the long-accepted principle that members' subscriptions should be proportional to their development and economic importance must henceforth be given a precise formulation in draft rules to be submitted to the Congress of 1960. The solution worked out by the General Secretary, Miss Polley, assisted by the statistician, Dr Anna Wössner, was based on the clear distinction between organisations whose incomes were mainly derived from their members' subscriptions and those whose incomes resulted from the successful management of economic enterprises. Hitherto national unions and federations of both types had paid the same minimum subscription. It was proposed to raise this minimum from £115 to £150 per annum for national and regional unions of co-operative societies, when these were supported mainly by subscriptions. Trading federations, such as consumers' wholesale societies and national federations of agricultural marketing and supply societies were to pay on turnover with a minimum of £50 and a maximum of £1,500 per annum. Insurance Societies were to pay on premium income, with a minimum of £50 and a maximum of £1,000 per annum. Co-operative Banks and Central Credit Institutions were to pay on own capital, up to a maximum of £1,000 per annum. The scales for primary societies under both "individual" and "collective" membership rules were also to have higher minima and considerably higher maxima. No national organisation, however, was to be obliged to pay more than a total of £10,000 in annual subscriptions. In cases of hardship or financially weak organisations the Executive would be empowered to grant suitable remissions. Altogether the new rates of subscription were calculated to produce an increase of about 50 per cent in the ICA's annual income, the benefit of which it could not enjoy before 1961, since the new rules required the approval of Congress in 1960.

### *A Widening Outlook*

It was not simply through its concern with Co-operation in the developing countries that the outlook of the ICA in the later 1950's became less and less Europe-bound and began to an increasing extent to include the other continents. This can be illustrated by a few notable examples. In 1959 the Co-operative Union of Canada invited the ICA to join in celebrating its fiftieth anniversary by holding a meeting of the Executive at Hamilton, Ontario, where the Union intended to convene its Jubilee Congress. The invitation was accepted and the Executive looked forward to holding its first meeting outside of Europe. Unfortunately the President fell ill and the

Executive meeting had to be postponed. The ICA was represented at the Congress, however, by the Officers and one Executive member, Carl Schumacher, who profited by the opportunity to visit the *Conseil Canadien de la Coopération* in Quebec and a number of Co-operative organisations in the USA, including the *Nationwide* Insurance Organisation at Columbus, Ohio, the Consumers' Co-operative Organisation, Kansas City, and housing societies in New York. Later in the year the President, after his recovery, was also able to tour Canada and the United States, meet numbers of leading Co-operators and bring about, through speeches and discussions, a clearer understanding of the policies and activities of the Alliance. The International Co-operative Insurance Committee, also responded to an invitation given by its USA members, by holding a special meeting of all the Societies affiliated to the Committee in New York in the summer of 1959. This conference was attended by delegates from 14 countries in three continents and by the range and variety of subjects on its agenda became a landmark in the history of the Committee.

The participation of the Co-operative League of the USA in the Housing Committee also helped to broaden the Committee's field of interest. Its early efforts had been concentrated on producing model rules for co-operative housing societies and on studying financial problems and the results of its work had been published by the ICA. The brochure by the Committee's chairman, Herbert Ashworth, on *Housing Finance in Western Europe* had a wide circulation in English, French and German editions. The committee's first contacts with inter-governmental organisations were made with the Housing Committees of the ILO and UN the Economic Commission for Europe. The meetings of the latter were frequently attended by the French member of the ICA Housing Committee. Under the influence of its USA members and the chairman's experiences in South-East Asia the Committee realised to an increasing extent that housing was one of the most vital world problems, second only to nutrition, and obtained the support of the ICA Executive for representations to be made to the UN Economic and Social Council on the need for a single Specialised Agency which could co-ordinate on a world scale the numerous dispersed efforts to improve the housing of the people. The UN was already aware of the need for co-ordination, had set up an Inter-Agency Working Party and adopted its recommendations for a special international committee on Housing, Building and Planning. Soundings amongst the national governments indicated that they would be mostly unwilling to finance yet another Specialised Agency. Nevertheless, the action of the ICA was effective in ensuring that the important contribution to be made to low-cost housing by co-operative organisations was fully recognised in the UN Committee's work.

The appointment of an expert in Agricultural Co-operation to the staff of the Secretariat at the end of 1957 brought an improvement in the documentation of the Auxiliary Committee. Studies of the role of consumers' co-operatives and their wholesales in the trade in agricultural products and requisites led on to practical efforts to increase the volume of inter-trading between consumers' and producers' organisations. The method chosen was to bring together the specialists whose daily business was marketing or buying produce in order to discuss the reasons why they did not sell more to and buy more from each other, to find practical remedies and, if possible, to transact business on the spot. The first of such meetings was convened for experts in dairy produce at Aarhus in Denmark in April 1960 and it was followed by similar meetings for other groups of commodities.

## *Petroleum*

From its earliest years the International Co-operative Petroleum Association found little difficulty in recruiting members from both the agricultural and the consumers' Co-operative Movements, as well as from different continents.

In the late 1950's its growth began to accelerate and by 1960 it had acquired 34 member organisations in 22 countries. In addition, the trade in fuel and lubricating oils of several of these members was also expanding rapidly, especially in Scandinavia, where the idea of combining co-operative and other associations of petroleum users into national purchasing and distributing units was realised with remarkable success. The Swedish organisation OK already handled 20 per cent of the national consumption and was growing faster than its competitors. In Israel co-operatives provided over 26 per cent of the national supplies. In Egypt the Co-operative Petroleum Association had its own wells besides doing 50 per cent of the country's oil business. ICPA had in fact reached the point when it could plan to build an oil-blending plant at a Dutch port and undertake to prospect for crude-oil in North Africa. Throughout its history ICPA has kept close watch on the world oil situation, looking for suitable opportunities of bringing before United Nations authorities the advantages, both economic and political, especially from the standpoint of world peace, of instituting an effective form of international control over the exploitation of oil deposits and the distribution of the product and the profits. During the regrettably short period of Dag Hammarskjöld's tenure of the office of Secretary-General of the United Nations, Albin Johansson, as chairman and Howard A. Cowden, as secretary of ICPA, had opportunities of

placing their views before him and his under-secretaries and, with ICA support, influencing the Economic and Social Council to include the question of oil resources in its agenda.

### **Economic Communities**

The signature of the Treaty of Rome, which constituted the European Economic Community, created a situation which obliged the national wholesale societies, not merely of the six countries directly involved, but also of the countries not included in the Community, to consult one another on joint action. The National Consumers' Co-operative Organisations of the Common Market countries opened an office in Brussels to 'maintain liaison with the authorities of EEC and to do what was possible to defend consumers' interests in general, but this office needed to be supplemented by another specialising in trade information for the benefit of the wholesale societies. The reaction of the excluded countries was to establish the European Free Trade Association, with similar consequences for the co-operative wholesale societies of those countries. It was generally agreed the Co-operative Wholesale Societies should make the best use they could of the possibilities of free trade within the two areas in order to collaborate, while keeping in close touch with the international Co-operative Wholesale Committee. The result was much more mutual knowledge and confidence, besides a greater readiness for combined action amongst the participating wholesale societies in the 1960's.

### **Retail Distribution**

The Committee on Retail Distribution, constituted in the autumn of 1958, again illustrates the widening outlook of the Alliance's membership. It succeeded the sub-committee on self-service of the former Rationalisation Committee, but its field was enlarged to include every aspect of that revolution in retailing which was spreading from country to country and forcing consumers' co-operative movements to reconsider, not only their business policies, but also their structure and organisation. This Auxiliary Committee differed from earlier ones in that it worked from the beginning with a full-time executive secretary to organise its studies and research. It formed two working groups, one for food-stuffs, the other for non-food, typified by department stores. For the first time the managers of retail enterprises of primary consumers' societies met under ICA auspices to exchange ideas and experience on the special problems. Co-ordination and the organisation of conferences on broad trends in retailing was entrusted to a management sub-committee. The CRD was financed for its first year by *Kooperativa Förbundet*, but afterwards by its own participating organisations, without calling upon the funds of the Alliance.

## *International Consultation and Collaboration*

The rapidly-growing number of nations newly emancipated from colonial rule, taking their economic and political destinies into their own hands, compelled the United Nations and Specialised Agencies to increase the volume of every kind of assistance that could be provided for them. The consultative relations of the ICA tended in consequence to centre rather less in the meetings of the Economic and Social Council and the General Conferences of the Specialised Agencies and rather more on the Regional Economic Commissions and the conferences, seminars and working-parties convened by them in their respective areas. These meetings, dealing with concrete situations and practical problems, formed a milieu in which Co-operative ideas and experience could directly and usefully be brought to bear. Although the ICA's application for consultative status with the World Health Organisation was unsuccessful, it was admitted by the International Atomic Energy Agency which established its headquarters in Vienna in 1957. By this means the ICA was able to obtain direct information on such matters as the atomic generation of electricity, the use in agriculture of radio-active isotopes and the safe disposal of radio-active waste products, which were of interest to its affiliated co-operative electricity societies, agricultural societies and organisations interested in the protection of consumers' health respectively.

The full range of interests and problems calling for the attention and action of the Authorities of the ICA cannot be fully surveyed here, only illustrated by examples. The General Conferences of FAO in 1957 and 1959 respectively presented the ICA with opportunities of pointing out the efficiency of the Co-operative Movement's influence on prices as a means of alleviating poor nutrition, due to low incomes and of calling attention to Co-operative marketing and distribution as methods of counteracting the increasing spread between producers' and consumers' prices. The ICA was involved from the beginning in the "Freedom from Hunger" Campaign launched by FAO in 1959. It collaborated with the Fisheries Division in technical meetings and conferences of inter-governmental and non-governmental organisations engaged in the promotion of Co-operation among fishermen. In the educational field the ICA, represented by C. H. Barbier, took part in the conferences which launched the Workers' Educational Programme of the ILO and led to the establishment of the International Institute for Social and Labour Studies. In conjunction with the International Federation of Workers' Educational Associations and other non-governmental organisations, the Alliance exerted steady pressure on UNESCO year after year to maintain its budget allocations for the exchanges of workers and for adult education in general and was

represented at the second "World Conference on Adult Education", held at Montreal in 1960, by C. H. Barbier and Dr A. F. Laidlaw. The Alliance's consultations with the International Federation of Agricultural Producers became increasingly regular and close because of their common interest in assisting the progress of Agricultural Co-operation in the developing countries. As the result of a joint conference, an agreement was concluded providing for mutual information and consultation on activities in planning and execution; joint representations to UN authorities on Co-operative promotion; the organisation of seminars and courses, and united action in bringing fundamental conditions for Co-operative development to the attention of national governments.

### **Set-back in Ghana**

The Ghana Co-operative Alliance, originally the Gold Coast Co-operative Federation, was admitted to the Alliance as a full member in 1953, before the country had achieved complete independence. It was one of the first to be granted aid under the technical assistance programme, in the form of a mobile audio-visual unit for communications and propaganda in parts of the country distant from its headquarters in Accra. In thirty years of development the Co-operative Movement, launched under the guidance of the British colonial administration, had established, in addition to the Federation, a Co-operative Marketing Association which was one of the recognised cocoa-collecting agencies for the governmental Marketing Board, and a Co-operative Bank, which provided some of the credit needed by cocoa-growers. Its next enterprise was to be a co-operative insurance society. Through competent and far-sighted management the Movement had accumulated resources amounting to nearly £5 million. The leaders of the dominant political party, rejecting the legacy of the previous colonial regime, decided to form a National Co-operative Council on which representatives of government, farmers' associations and other bodies would sit, as well as Co-operators. The leaders of the Ghana Co-operative Alliance and its related secondary organisations were invited to adhere to it, but declined. They informed the ICA of the situation, explaining that they did not wish to be subject to any other authority than their own members and that they feared the loss of the funds so carefully built up over a number of years. They maintained this attitude under mounting pressure from the government but in the end appealed to the ICA to intervene.

The ICA Executive, which had kept in touch with the situation as it developed, decided to ask the British Co-operative Union to release the secretary of the Co-operative Party, Jack Bailey, for a short visit to Ghana in order to ascertain the government's intentions with regard to Co-

operative development, as well as the views of the Co-operators and report. The Ghana Government was duly notified, well in advance of Jack Bailey's departure from London, by a letter from the Director addressed to the head of State, with a copy to the competent Minister. No acknowledgment was ever received. Jack Bailey arrived in Ghana, met the Co-operative leaders, but was unable to contact the Secretary of the Co-operative Council who, according to a report in the *London Times*, was at that moment in Moscow explaining to his hosts that the Ghana government, having found that the Co-operative institutions established under colonial rule were unsuited to African conditions, wished to develop on different lines. He returned within two or three days to Accra, sent for Jack Bailey, charged him with having come into the country as a spy and sent him back to his hotel, where he was kept under house arrest until his return flight to London could be arranged. Jack Bailey's visit had encouraged the Co-operators, but he could learn nothing about the government's policy, if it had one. A lurid and entirely mendacious account of his visit and its purpose appeared in the official newspaper of the government party. Within a short time the leading officials of the Co-operative Federations were summarily dismissed. Later still, the ICA was notified by the secretary, that the National Co-operative Council had taken over the membership of the ICA of the former Ghana Alliance. On that matter he was promptly disillusioned and the procedure for admission explained to him. No application in proper form was ever received. Six years later, after the fall from power of Kwame Nkrumah and the establishment of the military provisional government, the true Co-operators were able to take up the arduous task of re-activating their organisations and ultimately to resume their place in the ICA.

### *The Congress of Lausanne*

The twenty-first Congress of the ICA, which **opened at Lausanne** on the 10th October 1960 was one of the most outstanding in the history of the Alliance. The agenda before the delegates revealed the Alliance at grips with the two great economic and social revolutions with the Co-operative Movement has to reckon in the contemporary world. Both revolutions involved, in their respective ways, the question whether the Co-operative Movement could adapt its structures and methods in the twentieth century to conditions differing radically from those in which it had originated in the nineteenth. Thus the Lausanne Congress marked the transition from the Alliance's short-term to its long-term programme for the promotion of Co-operation in the newly-developing countries and also

the realisation, on the part of the old-established Co-operative Movements, that they were confronting a situation which demanded, not only new policies, but new structures, by which alone these policies could be carried out. In addition, the Congress agreed to the new subscription scales which increased the income of the Alliance by 50 per cent from one year to the next, confirmed the position taken up by the Executive and Central Committees on the membership question, passed unanimously a resolution affirming with unprecedented emphasis the duty of the Co-operative Movement to women, as well as adopting, also with unanimity, a resolution on Peace addressed directly to the General Assembly of the United Nations then sitting in New York.

### **Membership: the status quo**

On the section of the Central Committee's report dealing with eligibility for membership the *Centrosoyuz* of the USSR submitted a resolution embodying an alternative policy to that formulated by the special Subcommittee appointed after Stockholm Congress. At Lausanne was fought out the final round of a debate which had begun in the sub-committee and been resumed in the Executive and Central Committees as the recommendations came before them for approval or rejection. The Soviet resolution, after citing in its preamble certain rules of the ICA relating to its objects and its neutrality, declared that Congress considered it necessary

“To admit to full membership of the ICA, irrespective of the political and social structure of the States to which they belong, all National Co-operative Organisations whose aims and objects comply with the Rules of the ICA.

Should the question arise as to whether an organisation complies with the conditions of admission to the ICA the Officers of the Alliance shall avail themselves of the right accorded them by the Rules to study the actual state of affairs in the organisation and, subject to the consent of the said organisation, even to send their own representative to the country concerned.

To address a recommendation to the members of the Alliance urging them to pursue their activities in strict conformity with Article 8 of the Rules of the ICA.”

A. P. Klimov, in proposing the resolution, declared that there were forces at work seeking to divide the International Co-operative Movement into three parts: Western co-operatives, co-operatives of the socialist countries, co-operatives of the developing countries. He contested the distinction sought to be made between genuine co-operatives and those said to be not genuine. There were aims common to all and ideological differences should not be an obstacle to the collaboration of all Co-operators in the solution of the Movement's problems. The ICA was the body in which Co-operators from all over the world should be able to work



together. He opposed the proposals of the majority of the Central Committee because they were directed against unity and collaboration and favoured discrimination against co-operatives from the socialist and newly-liberated countries. The true motive of those who opposed the admission of members from the socialist countries was the fear that those of the Western countries would lose their present majority. It was discrimination against the movements in developing countries to make them only associate members. He concluded by suggesting that, if agreement was not possible, more thought should be given to the question for the sake of maintaining the unity of the Co-operative Movement the world over.

Dr Mauritz Bonow, who followed Klimov, defended the recommendations of the sub-committee. He began by reviewing the history of the membership problem, alluding to the split in the trade union movement and the events in Hungary in 1956 after which the ICA had been threatened by the possible withdrawal of some of its affiliates. The sub-committee had been appointed as a result of a Scandinavian motion, designed to avoid division in the Alliance, and it had found that if a split were to be avoided, it could only be by adhering to the *status quo*, that is, the position taken by the Executive in 1949 at Paris. The recommendations stated the prerequisites of peaceful co-existence within the Alliance between Co-operative Movements operating in different economic and social systems. He agreed with Klimov's observation that there was scope for the exchange of technical experience and for closer trade relations between Co-operative Movements all over the world. They should keep to these constructive tasks and as far as possible avoid world political issues.

The debate occupied the greater part of the two first sessions of the Congress. The vote taken early in the third session resulted in the rejection of the *Centrosoyuz* resolution by 810 votes against to 410 for.

### **Promotion of Co-operation**

Discussion of the ICA's activities in promoting Co-operation in the developing countries began on the sections of the Central Committee's report which reviewed what had been undertaken since the Congress of Stockholm, including the Kuala Lumpur conference and subsequent action, the plans for the SE Asian Regional Office and Educational Centre, as well as a number of technical assistance projects. A special appendix summarised the technical assistance projects undertaken by affiliated organisations supplementary to those of the ICA. The main discussion was based, as at Stockholm on three papers. The first, presented by R. N. Henry, head of the Rural Institutions Branch of FAO, dealt with possibilities of co-ordination of ICA promotional activity with that of the United Nations and other international organisations. The second, by B. J.

Surrige, Adviser on Co-operatives to the British Colonial Office, discussed the role of governments of developing countries in promoting Co-operation. The third, by Dr Mohammad Hatta, the Indonesian statesman and father of the Co-operative Movement in his native country, described the needs of Co-operative organisations in the developing regions and the possible contribution of the ICA. There is no space here to give adequate summaries of these papers, full as they were of the knowledge and experience gained by their writers in the work of promoting Co-operation at the grass roots. Among the delegates was an even greater number of representatives of Co-operative organisations in Asia, Africa and America, as more had been admitted to the Alliance since Stockholm and their attendance had been assisted by travel grants from the Alliance. Before the discussion began, the ICA Director, on behalf of the Technical Assistance sub-committee brought the information available to Congress up-to-date by describing the programme of the Seminar on Co-operative Leadership, arranged to be held in New Delhi in November 1960; announcing the appointment of U Nyi Nyi, a former Registrar of Co-operatives for Burma, as Regional Officer, the opening of the Regional Office on a provisional basis, the agreement with *Kooperativa Förbundet* on the administration of the Educational Centre as an international project and the engagement of Rafael Vicens of Puerto Rico to make an exploratory tour of Latin America in 1961. The widely-ranging discussion brought to light the extent and variety of the work which was already been carried out. Representatives of Eastern European countries gave details of their seminars on Co-operation for participants from developing countries and efforts to develop direct trading relations. Speakers from France and Switzerland respectively gave particulars of the National Institute for Co-operative Action, in which all branches of the French Co-operative Movement were united to provide technical assistance, and of the Dahomey project which was to be financed by a collection, a portion of which would be allocated to the ICA Development Fund. There was general agreement that what had been attempted hitherto was on too small a scale and that greater results could be achieved by more effective co-ordination. Instead of a resolution, the debate closed with a statement from the President who submitted the Long-term Programme of Technical Assistance drawn up by the ICA Sub-committee under five heads, as follows:

- 1 The Continuation and Completion of the Exploration of the Developing Regions, more especially Africa and Latin America.
- 2 Intensive research into problems of the various types of Co-operation in the regions.
- 3 Promotion of Education at all levels through permanent educational

institutes, regional seminars and the financing of books and teaching material.

- 4 Collaboration with the United Nations and other Agencies.
- 5 Promotion and Expansion of Trade between Co-operative Organisations in developing countries and the highly-developed Movements, as well as the promotion of co-operative insurance societies, banks and credit institutions.

The statement concluded by a reminder to the affiliated Organisations that the implementation of the programme depended on the provision of adequate finance from the Alliance's regular income and the continued augmentation of the Development Fund.

### **Co-operation in a Changing World**

Under the above title Dr Mauritz Bonow presented a paper which, while it centred chiefly on the situation and problems of Co-operative Movements in the "mixed" economies of the West, took into account current tendencies affecting the world as a whole. Recalling briefly the circumstances in which the existing types of co-operative association originated, he outlined the recent development of the external milieu in which the Co-operative Movements operated and their role in democratic welfare, socialist and developing economies. Then followed a survey of contemporary evolution, demographic, economic and social, in the "welfare" states of the West, emphasising the technological factors and the emergence of large-scale enterprise in the field of distribution which had affected the standing, strategy and tactics of the Consumers' Co-operative Movements in the competitive struggle. The consequences of the same contemporary changes for other forms of co-operative activity were illustrated by examples from the fields of agricultural co-operation, insurance, housing and petroleum distribution. In the next section the perspective opened out again with the consideration of recently constituted economic communities and free-trade areas and their effects in intensifying competition and the pursuit of economies of scale. On the basis of this survey Dr Bonow proceeded to draw up a programme of Co-operative action, national and international, to be adopted within the framework of the Movement, and designed to bring the influence of Co-operative ideas and experience to bear on economic and social policy at national, regional and global levels. For this programme, he claimed that it was rather a summary of ideas, policies and projects most of which the different Western Co-operative Movements had already begun to carry into effect. The ICA had an important role to play, both nationally and regionally, through its Auxiliary Committees. On the global level the Alliance must continue to seize all suitable occasions of pressing its international economic recom-

mendations on the United Nations and Specialised Agencies. The paper was supported by appendices containing factual and statistical data.

General agreement was expressed with Dr Bonow's proposed programme of action, although A. P. Klimov and other speakers from Eastern Europe had something to say by way of correction and amplification to his references to their economies and co-operative activities. He, in his turn, had some corrections to make to their statements about Western economies. The resolution finally adopted unanimously recognised the rapid progress of technology and applied science and the necessity of adapting the activity and objectives of the Co-operative Movement so as most effectively to utilise all its resources in materials and personnel. It recommended the members of the ICA:

To co-ordinate the activities of their organisations at all levels so as to obtain the maximum of efficiency in the fields of production, distribution and finance;

To utilise co-operative resources and methods in all countries to the fullest possible extent, by expanding the activities and thereby increasing the influence of the National Co-operative Movements, by the rapid promotion of increased international co-operative trade, including trade with developing countries, and in all possible ways to combat and overcome the monopolistic exploitation of labour, materials, and natural resources;

To take advantage of every opportunity of promoting international enterprises jointly owned and operated on co-operative principles;

To apply throughout this process of adaptation, the fundamental principle of democratic control by providing the maximum of opportunities for the active participation of the members;

To exert all their influence upon economic policy, legislation and social development so as to secure to the Co-operative Movement freedom of action and expansion and the application of the co-operative idea to economic and social problems.

The resolution concluded by instructing the Central Committee to support the efforts of the affiliated organisations to implement the recommendations and to take the initiative in promoting closer collaboration with the United Nations and non-governmental organisations with the object of liberalising trade and developing unused economic resources for the betterment of living standards throughout the world.

### **Co-operation and Women**

In the final session G. Cerreti moved on behalf of the Italian *Lega Nazionale* a resolution indicating the ways in which the Co-operative Movement could assist in elevating the social position of women in a world of rapid social and economic change. The resolution was welcomed and supported by women delegates from Sweden, Switzerland, Belgium and Italy who

were prominent in their own national co-operative womens' organisations, as well as in the International Co-operative Womens' Guild. The resolution recalled the Co-operative Movement's traditional recognition of equality of rights without sex-discrimination, its contributions to the civic education of women and the role of women in Co-operative democracy. It went on to indicate the essential elements of a Co-operative policy aimed at satisfying the demands of women in their homes, their work and society at large, as well as to emphasise the necessity of collaboration between the national and international organisations of the Co-operative Movement and the women's own co-operative organisations, besides encouraging the training and admission of women to posts of responsibility at all levels of the Movement.

### **Marcel Brot Retires**

In the closing moments of Congress the President emphasised to the delegates the importance of its proceedings, papers and decisions for the future of the Movement and announced that at the ensuing meeting of the Central Committee he would not be a candidate for the presidency. A. A. Drejer, the doyen of the Central Committee, expressed the universal feeling among the delegates when he praised Marcel Brot's naturalness, absence of formality, humanity and outstanding capacity as a great Co-operator, both in France and in the sphere of International Co-operation. The delegates rose to give Marcel Brot a standing ovation. The Central Committee, meeting the same evening, elected Dr Mauritz Bonow to succeed him as President of the Alliance, with R. Southern and A. P. Klimov as Vice-presidents.

### *The SE Asian Regional Office and Educational Centre*

Within a few weeks of the Lausanne Congress the President and Officers of the Alliance travelled to New Delhi for the conclusion of the negotiations for the lease of premises in which the new Regional Office and Education Centre could carry on their work in close contact, using a common reference library. The Regional Office was formally inaugurated by Dr Bonow on the 6th December 1960 in the presence of representatives of the Indian Government, foreign embassies in New Delhi, the All-Indian Co-operative Union and other Co-operative organisations, as well as the participants from other South-east Asian countries attending the Seminar on Co-operative Leadership. The Seminar had been inaugurated by the Indian Prime Minister, Pandit Nehru, whose address revealed his grasp of the nature of Co-operation and its problems. Following his appointment

at Lausanne as Regional Officer, U Nyi Nyi took up his duties at once and, when he had completed his office arrangements and engaged suitable clerical staff, proceeded to make the Regional Office, its aims and activities, known to the Co-operative organisations and Ministries and government departments promoting Co-operation in the region by means of a news letter and journeys, at first in India and Pakistan, later in other countries to the South and East. In conferences and consultations the ICA became better known and understood by those whom it desired to help, while they were able to give valuable information and suggestions for the guidance of the Regional Office in developing its programme. Administratively the Regional Office was constituted as an integral part of the ICA Secretariat, the Regional Officer being responsible through the Director, General Secretary and Technical Assistance Sub-committee to the Executive Committee. Its budget was carried on the general funds of the Alliance.

The Education Centre, which was financed entirely by the annual collection made by *Kooperativa Förbundet*, was in the charge of its Director, Bertil Mathsson, with Dr S. K. Saxena as his deputy. Its administration was entrusted to a local management committee, with the Regional Officer as chairman, answerable to the Technical Assistance Sub-committee. In developing the programme and activities of the Centre the Director was assisted by an Advisory Council representing the national Co-operative organisations of the region. Mrs Indira Gandhi accepted an invitation to become Hon President of the Council whose working chairman was Professor D. G. Karve, distinguished by his eminent services to both Co-operative education and finance. It was almost inevitable that the functions of the Advisory Council, which met annually, should be widened in the course of time to include consultations on the problems of the Regional Office. To begin with, however, it formed an indispensable link with the national Co-operative organisations with which the Centre collaborated on a steadily increasing scale in arranging courses and seminars, giving technical guidance, selecting candidates for training research and travelling fellowships, extending the employment of improved educational methods and equipment and formulating research projects. The Centre also began the practice of publishing in book form the documents, prepared for its seminars, the first being on Co-operative Leadership in South-east Asia, besides issuing study-guides, pamphlets and brochures on special topics. Additions to the Centre's Asian and European personnel, with greater specialisation, became inevitable, with the result that the annual budget increased over three times between 1960 and 1963 and the premises had to be enlarged. The direction had to be re-arranged in 1962 when U Nyi Nyi resigned his post as Regional Officer, for financial and personal reasons, and Dr Saxena was appointed to succeed him.

### **Latin America and Africa**

The tour of Central and South America planned for Rafael Vicens was delayed until April 1961 and although useful, did not provide enough guidance for the Technical Assistance Sub-committee immediately to plan further action in this region, except on certain specific recommendations made by Vicens. Certain Co-operative organisations, with the support of the Co-operative League of the USA had already formed the Caribbean Co-operative Confederation and plans were already afoot to constitute a larger confederation embracing co-operatives in north, central and south America. In the background was the possibility that such an organisation, besides expressing continental Co-operative solidarity, might discharge valuable advisory functions on the manner in which financial and technical assistance might be channelled from the US Government's Agency for International Development. At an All-American Co-operative Conference convened at Bogota, Colombia, in February 1962, the ICA being represented by its Director, the formation of the Organisation of the Co-operatives of America was agreed and the main lines of its constitution laid down. Twelve months later a conference at Monte Video formally adopted the constitution of the Organisation, which was to be reinforced by two special institutions, one for education and training, the other for finance. It was expressly stated that OCA was intended to operate within the framework of the ICA and in collaboration with it. The Organisations already affiliated to the Alliance retained their membership. The headquarters of OCA was first located in Puerto Rico.

In Africa the rapid achievement of independence by governments previously forming part of the British and French colonial systems led to a demand for regional federations which anticipated the action contemplated by the ICA. The initiative was taken by the Co-operative Union of Tanganyika, which joined the Alliance in the country's year of independence and convened a conference at which a constitution, modelled largely on that of the ICA itself, was adopted. The federation was given the title of African Co-operative Alliance.

### **Composition of the ICA**

The years immediately following the Congress of Lausanne were marked by an influx of new members which by 1962 brought the number of countries represented up to 53. The increase in applications from SE Asia was no doubt a consequence of the ICA's own activity in that region, but the entry of more housing, agricultural and fishery organisations should probably be ascribed to the growing importance of the work done by the respective Auxiliary Committees. It may be mentioned that the fishery societies were at first attached to the Committee on Workers' and Artisanal

Co-operative Production but were later transferred to the Agricultural Committee, for one reason because the UN Food and Agriculture Organisation had a Fisheries Division. Another consequence was to alter still further the balance between the different Co-operative sectors in the Alliance. In respect of aggregate individual membership the consumers' organisations, instead of constituting the majority, became the largest minority in the ICA mainly owing to the expansion of the agricultural and credit sectors. The membership of the consumers' organisations, continued of course, to increase in absolute figures although widespread amalgamation was reducing the number of primary societies at the rate of over 1,000 each year. The admission to membership of the Scandinavian Wholesale Society, NAF, marks a change of policy which the appearance of a new category of Co-operative organisations, called for convenience supra-national, seemed to render desirable. Even more noteworthy was the decision of the Central Committee, meeting at Stuttgart in 1963, to postpone a decision on the appeal by the Polish Central Agricultural Union of Peasant Self-Help Co-operatives against the rejection by the Executive of its application for membership and to request the Executive to appoint a mission of three to five persons to visit Poland and ascertain the facts as to the Co-operative character and practice of the Agricultural Co-operative Movement. A similar appeal by the Federation of Hungarian Co-operative Societies, also accompanied by an invitation for an investigation to be carried out on the spot by an ICA delegation, was handled somewhat differently. The Executive was asked to obtain fuller and more exact documentation before a decision on sending a delegation was taken. The consequences of this variation of method, which was inspired by *prima facie* evidence that there had been a change in the circumstances of the Co-operative Movement in the two countries concerned, belong to the history of the ICA after the Congress of Bournemouth.

### **Reorganisation of the Secretariat**

In anticipation of increased financial resources and the imminent retirement of the Director and General Secretary, the Executive Committee undertook the reorganisation of the Secretariat. In a memorandum submitted to the Executive Committee the President outlined a plan whereby the division of responsibility between the Director and General Secretary would end with their retirement and the Secretariat be entrusted to the overall control of one Officer, the Director. The Secretariat should be organised in three main departments, each headed by a secretary, concerned respectively with administration; research, including statistics; and education, press, propaganda and films. In addition there should be secretaries, responsible to the Director, for specialised activities such as



Agricultural Co-operation. These proposals, after approval by the Executive, came before the Central Committee in 1961 at Stockholm, where counter proposals were put forward by the East European organisations which favoured a directorate of three, corresponding to the three groups in the Alliance belonging to the “capitalist”, “socialist” and “developing” countries. The Italian *Lega Nazionale* recommended postponement of the question, since the proposals of the Executive required amendment of the Rules. The majority of the Central Committee, however, regarded the division of the Alliance into groups as quite artificial; it saw no reason why the Central Committee should not authorise the Executive to act and take a decision in principle, to be embodied in an amended rule at the next Congress. It approved the Executive’s proposals both for re-organising the Secretariat and for arranging for an appointment to the Directorship to be made by the Central Committee at its regular meeting in 1962. The incoming Director, it was considered, should take part in the selection of the secretaries who would be his immediate colleagues.

The time-table could not be adhered to, but after two series of interviews with candidates, William Gemmell Alexander was finally selected for recommendation to the Central Committee for appointment. At the time of his selection Alexander was managing the Agricultural Department of the English CWS, a business with an annual turnover exceeding £30 million. Previously he had been responsible for initiating Co-operative development in the Gilbert and Ellice Islands, and Registrar of Co-operative Societies, first in Mauritius and later in Cyprus, during the most difficult period when that country’s Co-operative Movement and its assets came to be divided between its Cypriot and its Turkish members. He was appointed Director by the Central Committee at Stuttgart in April 1963 and commenced duty at ICA Headquarters a few weeks later, preparing to take over full responsibility as Director after the Bournemouth Congress the following October.

### **New Structures and Objectives**

At its meeting in January 1961 the Executive Committee considered the implementation of the resolution of the Congress of Lausanne on the new structures, methods and objectives required by the Co-operative Movement to cope with changes in the contemporary economic and social systems. The first requisite for supporting the efforts of the affiliated organisations was to ascertain what they were doing and with what objects in view. Structural changes were already being studied by the Auxiliary Committees concerned with retailing and wholesaling. International Co-operative trade was the province of the CWC and supplementary

enquiries could be addressed to the EEC and EFTA groups of organisations as well as to NAF. The ICA Secretariat could obtain from the British and Swedish Consumers' Co-operative Movements useful material on member relations in regional and other societies with large membership, while a study by A. Korp, General Director of the Austrian Wholesale Society, on recruiting and training for top-level management was already in circulation. A mass of documentation was accordingly available for the Central Committee meeting in July 1961. After keen discussion the Committee agreed on recommendations to the National Movements to extend and intensify exchanges of experience aiming at increasing economic efficiency; to promote international Co-operative trade in all parts of the world; and to work nationally and internationally to facilitate the flow of trade, especially between the developing and the economically advanced countries.

The report on Agricultural Co-operation by G. Davidovic of the ICA Secretariat gave rise to a keen debate on the distinction drawn by the writer between collective and co-operative farming with which the East European members did not agree. On the proposal of Klimov the report was remitted for further discussion to the Agricultural Committee, but one of Davidovic's suggestions, namely, the establishment of an International Co-operative Bank for Food and Agriculture, received some support. Problems of member participation, democratic control and managerial training were taken up by the Central Committee in the following year on the basis of studies by certain national organisations and replies by others to enquiries by the Secretariat. This documentation however, was insufficient and left scope for further studies, the organisation of which was entrusted, on the President's proposal, to the Executive. The same considerations applied to the problems of capital accumulation, all the more as it was clear that the Movement's requirements were outgrowing its capacity for self-financing.

### **The ICA and Women Co-operators**

The resolution adopted by Lausanne Congress on the duty of the Co-operative Movement to women was symptomatic of the increasing concern felt in more than a few countries about the slow progress made by Co-operative women's organisations on the national plane and the lack of vigour displayed by the International Co-operative Womens' Guild. After the second World War the ICWG had never obtained, despite aid in the form of services from the ICA and of cash from some National Co-operative Federations, an income adequate to maintain a properly equipped secretariat. With continued inflation its financial difficulties increased. Its appeals for help to the ICA became ever more insistent without the

possibility of satisfaction, since the ICA's resources were earmarked for the increasing volume of work in hand and in prospect. Neither organisation was content with what could be achieved by their joint consultative committee. The ICA profited by its consultative status with UNESCO to organise seminars for women, in which women Co-operators from the developing countries were able to take part. From their contributions to discussion it became clear that their problems did not lend themselves easily, if at all, to solution through the guild form of organisation traditional in Western Europe. This was confirmed by the SE Asian Seminar for Women organised by the ICA Education Centre at New Delhi in November 1962. Following the death of the Guild President, Mrs Cecily Cook, the ICWG Central Committee submitted proposals for closer contact and more generous financial support which the ICA Authorities found unacceptable. Nevertheless the latter took action on lines which would demonstrate that the Alliance was anything but indifferent to the needs of women or the advantages of their collaboration. The Executive Sub-committee worked out practical measures, approved by the Central Committee in April 1963, providing for the appointment to the Secretariat of a specialist in women's Co-operative affairs, working with the guidance of an Advisory Council representative of the national Co-operative unions. The terms of reference of the Council would include the co-ordination of the action of the secretary for women's affairs with that of the Consumer Working Party to be described later. Meanwhile the ICA would continue to support the ICWG so long as it existed. These proposals commended themselves to the Acting President and Central Committee of the ICWG, the majority of whose members realised their advantages from the stand-point of effective work and were willing to collaborate with the Alliance. Simultaneously, as the result of the New Delhi Seminar, the staff of the Regional Office was strengthened by the appointment of a woman officer, after a woman Co-operator had made a tour of SE Asia to gather information and enlist the support of the national organisations.

### **Consumer Protection and Enlightenment**

The first conference convened to assist the ICA in carrying out the resolution on the health of consumers adopted by Stockholm Congress was held at Garmisch-Partenkirchen in September 1959 and attended by scientists and technicians, specialists in consumers' information and education, leaders of the ICWG and other womens' organisations, legal experts and directors of trading organisations. This diversity of interests demonstrated that the range and variety of the problems for consideration were much greater than had been envisaged in the original resolution. Broadly, they came under two heads: action by the Co-operative Movement

within its own sphere of business enterprise and educational influence; and legislative, administrative and informative measures by public authorities. Three years later a second conference in Paris was forced to recognise that the field of study was even wider and must include such matters as the effects of advertising and the utility of commodity testing. The Paris conference concluded that only a working party meeting fairly frequently could maintain touch with the multifarious issues which might need consideration. This recommendation was accepted by the ICA Executive, which ultimately approved the terms of reference for the Working Party formulated by a special study group on which the Executive was represented by Marcel Brot. J. M. Wood (Great Britain) was elected chairman of the Working Party and the secretarial work was taken over by the ICA Research Section, which had already provided much of the documentation for the Paris Conference and was editing the *Consumer Affairs Bulletin*.

### **Auxiliaries and Working Groups**

The early 1960's were a period of development for all the Auxiliary Committees. The Insurance Committee appointed a research committee, with a full-time secretary, to work out the lines of its future development particularly in regard to action in the developing countries, joint international investment and the exchange of personnel. The research committee presented its report at Bournemouth in 1963 and was then disbanded. The Reinsurance Bureau, however, continued its activities. In 1962 its members made a long tour of Asia and in 1963 of Africa. A conference of European Co-operative Reinsurers met at Brussels in 1962 to discuss technical questions with the aim of facilitating their work. The Triennial Conference at Bournemouth adopted recommendations of the research committee to set up a development bureau and create a loan guarantee fund to assist new insurance societies to start business with adequate capital. By 1963 the Insurance Committee included, 54 societies in 20 countries in 4 continents. The Banking Committee after a quiet period returned to the old project of an International Co-operative Bank and, in its meeting at Tel-Aviv in 1963 appointed a sub-committee to negotiate with the existing rudimentary International Co-operative Bank at Basle on the possibilities of strengthening its capital and extending its activity. The Committee of Workers' Productive and Artisanal Co-operatives, after the completion of a world survey of its two types of Co-operative association, began the publication of a series of monographs in which they were studied industry by industry. It devoted particular attention to workers' co-operatives in the building industry, which were powerful in both France and Italy. Besides promoting the exchange of technical experience between them, the Committee also sought similar

exchanges with the Housing Committee. In contrast with most other Auxiliaries, this Committee had as yet no budget of its own. The stimulus given to the Committee on Agricultural Co-operation by the appointment of a specialist to the ICA Secretariat has already been noted. The first holder of this office, G. Davidovic, initiated the monthly *Agricultural Co-operative Bulletin* and the series of commodity conferences which, beginning at Aarhus with dairy produce, was continued at Cagliari with wine, in 1961, and at London with tea, coffee and cocoa in 1962. The latter conference brought in representatives of African coffee-growers' and cocoa-farmers' co-operative federations. The need for a regional auxiliary committee on Agricultural Co-operation for SE Asia was already recognised. The Housing Committee, after revising its constitution with the approval of the ICA Authorities, established a technical secretariat at Stockholm under the direction of A. Johnson who began the publication of a *Housing Bulletin*, and other documentation, including a brochure of factual information about the participating organisations. The Co-operative Wholesale Committee expanded its technical consultative system, consisting of international working groups of experts, meeting periodically, and occasional conferences on the trade in particular commodities or on organised problems, such as warehousing, of general interest among its members. The progress made in the implementation of the Treaty of Rome and the instability in the composition of EFTA, due to the desire of several of its members to join the EEC, obliged the Wholesale Committee to give careful consideration to its own constitution and the measures which might need to be taken to maintain the connection between its members, if they should find themselves in different economic communities. The International Co-operative Petroleum Association made an important step forward when it opened in May 1963 at Dordrecht in Holland the first Co-operative petroleum manufacturing enterprise. The Association had pursued its oil-prospecting work in Libya besides recruiting new members from Ceylon, India and Pakistan and opening up trade with co-operatives in South America. The Asian organisations not merely represented oil consumers, but also had considerable quantities of petroleum available for marketing.

The oldest of the ICA's special working parties, that of the Co-operative Librarians formed in 1956, after securing the adoption by the International Federation of Documentation of its revised scheme of classification for Co-operation in the Universal Decimal System, made the scheme generally available in English, French and German. It also embarked upon an International Co-operative Bibliography built up by the collaboration of its members and sponsored the publication of a comprehensive manual for Co-operative librarians, with a simplified version

for use in new libraries in developing countries. The Working Party of Economic and Market Research Officers, formed in 1959, held regular annual meetings. Its members were kept in touch through the circulation by the ICA Research Section of half-yearly returns of projects in progress, completed and planned by the research departments of the national Co-operative organisations.

### **Governmental and Non-governmental Organisations**

By a decision of the United Nations General Assembly in 1961 the 1960's were designated as the United Nations Development Decade. The aim was to work up a grand co-ordinated effort which would enable the national incomes of the newly-developing members of UN to attain an annual growth rate of 5 per cent by 1970 and double their standards of living in 25 to 30 years. Certain large-scale projects already in operation, such as the FAO Freedom from Hunger Campaign and the UNESCO World Literacy Campaign were to be incorporated in the plan. The activity of the ICA was accordingly concentrated on ensuring that the potentialities of Co-operation were not overlooked but utilised with maximum effect. With special concern for technical assistance, conferences at secretarial level of the governmental and non-governmental organisations playing an active role in the promotion of Co-operation: ILO, FAO and UNESCO on the one hand, ICA, IFAP and CEA (European Confederation of Agriculture), on the other, were held in Paris in 1960, 1961 and 1962. These conferences proved their value as a forum for the exchange of views and information, particularly regarding projected activities. They lapsed after 1962 only because the officers of the organisations were over-charged with work in their respective spheres. A project proposed by FAO and generally agreed, namely, the compilation of a handbook for holders of travelling fellowships from the developing countries studying Co-operation in Europe, was afterwards carried out as a joint undertaking by ICA and IFAP. The Alliance joined with other non-governmental organisations in supporting the FAO Freedom from Hunger Campaign and called upon its own affiliates to take action on the national level. Since the object of the Campaign was not relief but a permanent improvement in the world nutritional situation, the ICA representative made a suggestion to the FAO General Conference of 1961 relating to the finance of agricultural and Co-operative development. In a memorandum circulated to the delegates George Davidovic proposed that a special International Bank should be established for this purpose and thereby provoked considerable discussion. While the concrete proposal was strongly criticised, there was general agreement that agriculture and its needs had been neglected by the international financing institutions and had not been assisted by long-term

investments so well as industry, power and transport. The reception at the Conference encouraged the ICA Executive to make a further approach, this time to the Director-General, Dr Sen who, in an interview with the President and Director of the Alliance, expressed himself in favour of an investigation of the finance available in selected developing countries from domestic and external sources, as well as the institutional network. FAO recruited eminent authorities from different parts of the world to form a study-team, while the Swedish National Committee for Technical Assistance provided \$50,000 to finance the enquiry as a project within the Freedom from Hunger Campaign. The team, of which Professor Yoshio Hoynden, the eminent Japanese Co-operator, was a member, commenced operations in April 1963, dividing into two parties studying conditions in selected Asian and African countries respectively.

In the field of housing the ICA and other non-governmental organisations, such as the international trade union federations, persistently advocated a Specialised Agency as the best means of co-ordinating the dispersed efforts of agencies and authorities set up on national, regional and international levels to deal with housing problems. At first UN would go no farther than to frame a long-range programme of international action, but the Economic and Social Council ultimately gave instructions for a study of low-cost housing by a group of experts. In their report the experts pointed out the lack of a central co-ordinating organ, thus lending support to the ICA's arguments. The constitution of such an organ, first discussed in the Social Commission, was later approved by the Economic and Social Council, the ICA declaring its willingness to collaborate. The Standing Committee on Housing, Building and Planning, to whose meetings the ICA was entitled to send an observer, held its first meeting in January 1963.

Within the UN Long-term Programme of Technical Assistance the ILO had to assume the major responsibility for Co-operative projects. The ICA Technical Assistance Committee in January 1962 met the officers of the ILO Co-operation and Small-scale Industries Division for an exchange of views, more particularly on the training of expert advisers to serve in the developing countries. Towards the end of the year the Division convened a number of experts from its Correspondence Committee on Co-operation to discuss a survey of development and trends in the world Co-operative Movement and a paper on the activities of the ILO in the Co-operative field. The discussion revealed that the Division was inadequately staffed for the "operational" tasks it had to discharge in increasing volume and the ICA Executive resolved to press, not only the ILO, but FAO also, to strengthen their personnel engaged on Co-operative work.

When UNESCO adopted in 1961 a system of classification for the non-governmental organisations in consultative relations with it, the ICA was placed, along with some 20 other organisations, in Category A. One of the recommendations of the World Conference on Adult Education held at Montreal was the establishment by UNESCO of a new International Committee for the Advancement of Adult Education, to which C. H. Barbier was appointed a member by the Director-General without previous nomination by the ICA. Some of the hopes placed in this Committee were disappointed however, when the budget allocated to it did not permit of its meeting more than once in two years. The extension of UNESCO's workers' exchange scheme to Africa, Asia and Latin America proved to be of great benefit to small groups of students of Co-operation, as well as teachers and leaders in adult education, who were able to broaden their concepts of Co-operation by means of first-hand experience in other countries and continents than their own.

Without exhausting the list, mention should be made of two opportunities seized on the regional level. The UN Commission for Europe was persuaded by its Czechoslovakian member to accept the study of distribution and methods of ascertaining consumer needs as a problem of all-European importance and the Alliance promptly responded to a request from the Commission to collaborate in an enquiry and the composition of a suitable questionnaire. The establishment of the Regional Office at New Delhi was brought to the attention of the Economic Commission for Asia and the Far East in 1961 and the ICA was regularly represented thereafter at its annual sessions. At Manila in 1963 the Regional Officer, with the support of several national delegations, secured the adoption of a resolution calling for an investigation of the potentialities of Co-operation for accelerating economic and social progress in the region.

### *The Congress of Bournemouth*

In contrast to most of the preceding Congresses of the ICA since the second World War, the twenty-second, held at Bournemouth in October 1963 was relatively uncontroversial. The decision to defer a final decision on the application of the Polish Agricultural Co-operative Union, until a report from a delegation of enquiry was available, probably obviated a long debate and a vote on the membership section of the Central Committee's report. Problems of Co-operative promotion and technical assistance in almost all their aspects accordingly had ample time for discussion, all the more because the recommendations for structural change adopted by the



Lausanne Congress three years before were still being studied and implemented. A summary of the information collected by the Research Section of the Secretariat was attached as an appendix to the Central Committee's report but did not give rise to any resolution. Attention was rather directed to the consequences for the International Co-operative Movement of the tendencies towards economic integration, visible in the world at large, which the Movement's business leaders, in particular, were obliged to take increasingly into account in their forward planning.

Thorsten Odhe was invited to survey the whole situation in a paper on Economic Integration and Co-operative Development in which the Movement's internal and external economic policies were brought to a common focus. The other main paper was presented by the Director and dealt with Long-term Programmes of Co-operative Promotion and the Conditions of their Realisation, in which he examined the ICA's own long-term programme of promotion in the light of ten years' experience of organising technical assistance, by both governmental and non-governmental agencies. Of the resolutions submitted by the affiliated organisations that introduced by A. P. Klimov, on behalf of *Centrosoyuz* of the USSR, and subsequently adopted, in favour of a commission to study and where necessary, reformulate the fundamental principles of the Co-operative Movement, was by far the most important. There were, however, a number of other resolutions relating e.g. to the development of processing industries, Co-operative literature, the Movement's duties towards young people, unity and collaboration within the Co-operative Movement, which were generally approved. The resolution on Peace, expressing the satisfaction of the Alliance with the treaty banning nuclear testing signed by over 100 nations, was carried unanimously. The principal amendments to Rules were those to Article 35 defining the duties of the Director in the re-organised Secretariat, and to Article 14, providing for a periodical review of the situation of Co-operative organisations admitted as Associate members in order to ensure that it did not become permanent. A proposal from certain East European organisations and the Italian *Lega Nazionale* to delete Article 14 was rejected.

### **International Economic Collaboration**

Thorsten Odhe, at the outset of his paper, emphasised that the overall object of both freedom and integration in international commerce was to attain an improved international division of labour which would facilitate a more rapid increase in production in the world as a whole. The effect of two successive World Wars was to interrupt the progress which world economy was making in this direction. The resumption of progress was complicated by the expansion of the state socialist sector in the economic

system and the emergence of the developing countries with their common demands and aims. After reviewing the history of attempts to bring about freer trade and market expansion by zonal agreements, from the German Zollverein in the nineteenth century to the EEC, EFTA, Comecon and ECLA in the twentieth, Odhe examined the risks of monopolistic integration and the possibilities of their modification by "countervailing powers", of which the Co-operative Movement was potentially one. In relation to the general development of the economic system, he was led to stress the necessity of the Movement's adapting itself to the general tendency towards integration and therefore carrying out the structural changes envisaged at Lausanne, including international integration on the pattern of the Scandinavian Wholesale Society, NAF, the petroleum association ICPA and the re-insurance operations of the Insurance Committee. In the Co-operative Movements of the state-planned economies integration could be accelerated by dispositions taken within their state planning systems. In any case economic collaboration between these Movements and those in the other sectors could be expanded considerably to their mutual advantage through trade agreements. Zonal integration should favour the development of Co-operative economy in both industrialised and newly-developing countries. It should also improve the prospects of more favourable terms of trade for developing countries, if it led to a radical reduction of the Zones' external tariffs and a greater recognition on the part of their members of their obligation to assist the developing countries. The development towards large uniform integrated markets pointed the way for the Co-operative Movement to achieve a more complete concentration of power than was possible in the early stages of its development.

In the discussion the main centre of disagreement proved to be the first clause in the appendent resolution which ran:

"Considering the efforts to accomplish the freedom of international trade by zonal economic integration in Europe and elsewhere as a transitory stage in the development towards this end."

A. P. Klimov, who had previously obtained the agreement of the Central Committee, proposed to delete from this clause the reference to freedom of international trade and all the words after "elsewhere", as well as the reference to "zonal economic integration" in a later clause. He declined to share Thorsten Odhe's optimism regarding the possibilities of continued Co-operative development in common markets and similar integrations which, in his view, denoted a new form of struggle by capitalist monopolies for domination of the world market and had nothing to do with freedom of international trade in the sense intended by the resolution. One of the basic aims of the EEC was to keep the underdeveloped countries

as a world-village. The efforts to develop international trade relations by co-operative organisations in both socialist and capitalist countries met with restrictive measures of all kinds dictated by monopolies. If Co-operation failed to comply with the conditions created by the Common Market, it would soon be destroyed by its competitors. He was supported by other speakers from the East European and Italian movements, but opposed by members of the Central Committee who had, in the Central Committee itself, not at first understood the drift of Klimov's proposed amendments. There were two addenda proposed by Albin Johansson and the Italian *Lega Nazionale*. These, together with Klimov's amendments, were referred to the Congress Committee which produced in the final sitting a text amended as Klimov desired and containing A. Johansson's addition: "especially stressing the vital importance of abolishing restrictions upon imports from newly developing countries". In this form the resolution was carried unanimously:

The 22nd Congress of the International Co-operative Alliance:

Considering the efforts to create zonal economic integration in Europe and elsewhere;

Considering the prospects for expanding and strengthening co-operative integration at all levels entailed in this development, but also

The danger of the attempts by monopolistic cartels and combines to utilise the larger common markets and integrated economic zones at other stages of development for extending and widening their power;

Expresses the view that the process of regional zonal economic integration should be a transitional stage towards free trade.

Recommends the member organisations:

To accelerate by all means the accomplishment within the national co-operative movements of the structural reforms needed to attain an overall high level of efficiency in trade and production;

To direct their efforts to this end, and in particular to expand their activities in all fields to the satisfaction of the increasingly diversified needs of the member co-operatives;

To co-ordinate their efforts within the various zones by creating joint organisations of the national wholesale societies and other central organisations with the object of utilising the advantages of the larger markets in order to counteract the detrimental effects of monopolistic powers, and in other ways to serve the consumers and small producers;

To find appropriate organisational forms for such organisations for joint purchases and sales, and for the establishment of joint productive enterprises to avail themselves of the advantages of large-scale production;

To strive to realise by these efforts, by means of mutual systematic trade inter-change within and outside the zones, possibilities of assisting the development countries in their co-operative development, and to contribute to improving the unfavourable terms of these countries;

To provide, by shaping the organisational forms for more effective national structures and co-operative integration within the zones, for the full satisfaction of the fundamental co-operative principles of democratic control;

To bring, by concerted co-operative opinion, pressure to bear on zonal integrations at the developing stage to provide in their structure and fundamental lines of action for the complete freedom of action of the Co-operative Movement, to enable it to maintain effective market competition;

To keep in mind the ultimate goal within different economic systems; to bring about, in the end, the fully accomplished international economic solidarity needed to raise the material conditions and the living standards of all peoples of the world.

The Congress instructs the Central Committee:

To support the implementation of these recommendations at all stages of the organisation of the International Co-operative Alliance, through its Auxiliary Committees and through the services of its secretariat;

To ensure that in carrying out their plans and economic projects, the working groups of national co-operative organisations in the various integration zones employ such methods as will make possible concerted co-operative action on the widest international basis;

To work in close collaboration with the United Nations Organisation, its Specialised Agencies and Regional Economic Commissions, and with international non-governmental organisations pursuing the same aims as the International Co-operative Alliance, to bring about the adaptation of zonal economic integration to the fulfilment of the recommendation of this resolution, and to widen universally the sphere of free international trade toward the accomplishment of a sound world economy, especially stressing the vital importance of abolishing restrictions upon imports from newly developing countries.

The Italian addition was withdrawn.

### **Long-term Co-operative Promotion**

The Director's paper, taking up the discussion of the ICA's long-term programme of technical assistance from the point reached at Lausanne, began by stressing the necessity of allowing time for growth and the inevitable process of education in all attempts at social and economic organisation on Co-operative lines. Attempts to launch Co-operative Movements by legislative, administrative and propagandist methods alone, had resulted in notorious failures in advanced, as well as newly developing countries. Another necessity was planning, including the co-ordination of the promotional activities of the ICA with those of the inter-governmental organisations. A third necessity was the maintenance of a large corps of trained field workers, as well as the right training for persons selected to work in the developing countries as expert advisers and demonstrators. It

was important, however, that the inter-governmental organisations while becoming more “operational” should not restrict the information services for which they possessed exceptional advantages. The principal areas of discussion are indicated in the several clauses of the resolution adopted unanimously by Congress as follows:

The 22nd Congress of the International Co-operative Alliance:

Noting the progress made since the Congress of Lausanne in implementing the ICA Long-Term Programme of Technical Assistance;

But also taking account of the rapidly increasing demand for expert advice and guidance for the promotion of co-operation resulting from the creation of new independent states and the execution of their plans for economic and social development:

Appeals to the affiliated organisations of the Alliance:

- (i) To arouse and maintain among their own members a well-informed interest in co-operation in the newly-developing regions by multiplying their friendly and economic contacts with co-operative organisations in these regions;
- (ii) To adopt projects and programmes of technical assistance in developing countries for which they will take responsibility while co-ordinating them with the Long-Term Programme of the Alliance;
- (iii) To assist in making good the shortage of co-operative experts by taking all possible steps to recruit and train co-operators suited by character and experience and to make them available to serve as experts in various branches of technical assistance;
- (iv) To provide the ICA with adequate resources for co-operative promotion by continuing to augment its Development Fund.

The Congress, while noting with gratification that the Inter-Governmental Organisations chiefly concerned with the promotion of co-operation contemplate increases in the personnel of their appropriate departments, expresses the hope that these increases will be adequate, both for the discharge of present and future operational tasks and for the regular collection, analysis and publication of co-operative information from which co-operative workers throughout the world may, as in the past, derive inestimable guidance in solving vital problems of development.

### **The Principles of Co-operation**

In the name of *Centrosoyuz* of the USSR A. P. Klimov moved a resolution, submitted along with a preliminary statement stating the motives for his proposal. In introducing the resolution he declared that, in framing their rules and principles over a century ago, the Rochdale Pioneers had to recognise the necessity of adapting their methods to capitalist conditions. The distribution of dividend was devised to attract and retain members. The Rochdale Principles were not valid for all the types of Co-operation

existing to-day. The Movement had developed according to the conditions prevailing in any given country. The principles were no longer universally valid, neither were they applied universally. Yet some still retained their validity and importance. The time had therefore come to formulate the fundamental principles of the Co-operative Movement under modern conditions, having regard to its development in different economic systems.

The proposal was supported by the Czechoslovak delegation, but criticised by Marcel Brot who pointed out Klimov's omission to mention the enquiry instituted by Vienna Congress on the initiative of the French delegation and the definition of principles and methods adopted by the Congress of 1937. To play with the principles would be a serious mistake. The day when there would be no longer democratic control, there would no longer be Co-operation. It was necessary to remind technicians that practical methods must be adapted to the principles of Co-operation. He did not accept the preamble to the resolution and desired that fact to be recorded. C. Schumacher and J. J. A. Charbo indicated similar attitudes on the part of the German and Dutch delegations respectively. On a vote taken by show of hands, the President declared the *Centrosoyuz* resolution carried by an overwhelming majority, as follows:

The Central Committee recommends the Congress:

To constitute an authoritative commission to formulate the fundamental principles of activity of co-operation under modern conditions;

To empower the Commission to study which of the principles of the Rochdale Pioneers have retained their importance to the present time; which of them should be changed, and how, in order to contribute in the best manner to the fulfilment of the tasks of the Co-operative Movement and finally, which of them have lost their importance and should be substituted by others;

To empower the Commission to formulate new principles of co-operative activity;

To include in the Agenda of the 23rd Congress of the Alliance consideration of new principles for the activity of the Co-operative Movement;

To empower the Executive to request the National Co-operative Organisations, members of the ICA, to send their proposals on this subject;

To ask the Central Committee to consider the proposals of the National Co-operative Organisations and those of the Commission at a meeting preceding the 23rd Congress and to submit its opinions to the Congress.

### **The Secretariat and Finances**

At the close of the Congress the Director and General Secretary handed over their responsibilities to the new Director, W. G. Alexander, while

remaining at his disposal for consultation a few months longer. They were warmly thanked by the President and received the ovation of Congress for their services to the Alliance and the International Co-operative Movement. The first task of the incoming Director was naturally to arrange for the recruitment of personnel in conformity with the new structure of the Secretariat. John Gallacher, formerly a regional secretary in the British Co-operative Union, joined the staff as Administrative Secretary, deputising for the Director in his absence. Robert P. B. Davies from the English CWS was appointed Secretary for Education and Technical Assistance. Mrs L. Stettner, who had previously worked in the Economic Research Section, rejoined the staff as Secretary for Research and Statistics. In succession to G. Davidovic, who had become Director of Research for the Co-operative Union of Canada in 1962, Branko Zlataric was appointed Secretary for Agricultural Co-operation. Mrs M. J. Russell, with educational and administrative experience in the British Co-operative Movement, was recruited as Secretary to the ICA Women Co-operators' Advisory Council. Dr J. H. Ollman, previously head of the Publications Section, became general editor of publications, assisting the Education Secretary on press, publicity and film questions. The Administrative Secretary continued to serve as joint secretary, with A. Johnson, to the Housing Committee. The Secretary for Research and Statistics also continued to be responsible for the secretarial work required by the Consumer Working Party and the Economic and Market Research Officers' group, and the Librarian to render similar service to the Working Party of Librarians and Documentation Officers. The recruitment of additional technical and clerical personnel required the adaptation of the office accommodation at headquarters to house greater numbers. *Co-op Nederland*, in commemoration of its jubilee, generously defrayed the cost of extending the ICA library.

A careful examination of the financial position of the ICA in relation to its commitments and work-programme over a five-year period convinced the Executive Committee that an increase of 35 per cent in minimum subscriptions was necessary and this was approved by the Central Committee at its 1964 meeting. The application of the new rates in 1965 raised the total subscription income to nearly £92,000, compared with £64,556 in 1964. The Swedish Co-operative Movement willingly agreed at the same time to increase its proportion of the costs of the SE Asian Office and Education Centre to 80 per cent.

### **Action in SE Asia and beyond**

From January 1964, the SE Asian Regional Office and the Education Centre operated as one organisation under the direction of Dr Saxena as

Regional Officer, and the functions of the Advisory Committee were correspondingly enlarged so as to include other kinds of policy questions besides education. An event of first importance was the organisation, in conjunction with the ICA's Japanese affiliates, of a conference at Tokyo on the theme "The Role of Co-operation in Social and Economic Development", especially planned for the needs of Ministers and Commissioners responsible for Co-operative development in the countries of the region, together with the Presidents and Secretaries of national co-operative federations. Observers were also present from FAO, ILO, ECAFE and the Afro-Asian Rural Reconstruction Organisation. While the conference was of particular value to the ICA, because of the general guidance it provided regarding the policies to be pursued in the region, the Tokyo conference revealed that the development of trading relations was a dominant interest among the participants. It was therefore recognised that an officer for commercial affairs should be added to the staff of the Regional Office and that a conference on Co-operative trade must sooner or later figure in the work programme. The Regional Office had already been working on a directory providing trade information for interested organisations but beyond this, the English CWS seconded one of its research staff, Walter Eisenberg, to the Regional Office for twelve months, in order to make a thorough survey of the position, difficulties and future prospects of international Co-operative trade in the region. Eisenberg began work in November 1965 and after spending a year in Asia produced a comprehensive report which explored every aspect of the problem, dealing with the general, as well as the specifically Co-operative, trading situation.

The annual programme of the Education Centre always included a considerable amount of assistance rendered to the Co-operative education and training organised by the national Co-operative unions, in addition to the regional conferences and seminars for which the Centre was solely responsible. In this manner a continual stream of ideas on educational techniques and methods was channelled into and spread over the region. After the Japanese Co-operative Movement had established its international training centre, IBACA, one of the ICA Centre's seminars every year is held in Japan. A notable event was the first week's conference of principals of Co-operative colleges held at Dacca in October 1964. An indispensable adjunct to these meetings was the publication of books and brochures and the organisation of research, most of which was carried out by holders of research fellowships granted by the Centre.

The established custom of attending conferences of ECAFE offered an opportunity for the Regional Officer, Dr Saxena, to reach New Zealand in March 1965. On the way he held consultations with leaders of Co-



operative organisations in Malaysia and Australia and visited co-operatives in New South Wales and Queensland, besides attending the West Australian Co-operative Congress. This was the first occasion on which an Officer of the Alliance had been able to visit Co-operative Movements so far from the headquarters in London, thus realising one of the aims formulated when the Regional Office was established. One further result was an invitation to the Co-operative Federation of Australia to be represented on the Regional Advisory Council.

### **Towards Integration**

Through the ICA Research Section the Authorities of the Alliance kept closely in touch with structural changes in the national Consumers' Movements under pressure through the competition of large-scale capitalist distributive enterprise. A comprehensive study of the factual situation, prepared by the Research Section, was submitted to the Central Committee in September 1965 at Helsinki. The discussion was preceded by an introductory paper by Andreas Korp, President of the Austrian *Konsumverband*. The paper focused attention on five aspects of structural reorganisation, namely, the dependence of Co-operative structures on the social and economic conditions of the different countries; the influence of legislation on the application of structural principles; the relation of structures to Co-operative principles; the connection between structure and the psychology and educational levels of members and leaders; the relation of structural problems to the differing aims of the ICA's member organisations. The mass of material assembled by the Research Section, showed how the general movement towards better integrated structures was accelerated or retarded, varied in aim and direction, and realised the results expected to a greater or lesser extent, by factors never exactly alike for any two countries. While Co-operators could well learn from one another, imitation was rarely wise or possible. Nevertheless, one general conclusion had already been indicated a few years previously in a statement, adopted by CWC, to the effect that the transfer of certain functions from the individual primary societies to be discharged in their collective interest by the wholesales was necessary for efficiency and inevitable under the prevailing conditions. Korp, in his introduction, carried the argument much further, declaring roundly that the Co-operative Movement's traditional federal structures, in which the societies retained all their autonomy intact, must be replaced by unified organisations in which decisions would be taken for the affiliates by central boards or other authorities which alone were competent, by experience and knowledge of a given situation, to take them. The discussion in the Central Committee revealed that in the smaller countries a united national consumers'

Co-operative society was already a conscious aim. In the larger countries a compromise between federal and unitary organisation might have to be worked out. At the same time it was realised that the removal of vital decisions beyond the scrutiny of the ordinary individual Co-operator might well undermine the fundamental democracy of co-operative organisations unless special constitutional precautions were taken and methods of communication and consultation adopted to maintain the members' interest and participation.

### *The Principles Commission*

The Central Committee, charged by the Bournemouth Congress with the implementation of the resolution on the re-formulation of Co-operative principles, accepted a number of recommendations about procedure and the terms of reference for the proposed commission of investigation submitted by the Executive. The decision was not unanimous, Denisov (USSR) objecting to the substitution of the Executive's proposed terms for those of the original resolution. As will be seen from the sub-joined text, the Executive's terms link the enquiry with that of 1930–1937 and do not pre-judge the question whether any of the principles should be changed or re-formulated.

“4. The task of the Commission shall be:

To ascertain how far the Principles of Rochdale—as defined by the ICA Congress at Paris in 1937—are observed today and the reasons for any non-observance;

To consider, in the light of the results of the foregoing study, whether the Rochdale Principles meet the needs of the Co-operative Movement having regard to the present-day economic, social and political situation or whether any of the Principles should be reformulated in order the better to contribute to the fulfilment of the aims and tasks of the Co-operative Movement in its different branches;

If so, to recommend a new text or texts.”

The Commission consisted of five members, selected from nominations made by the national organisations, so as to include one member who represented the Rochdale tradition, Arnold Bonner (Great Britain); one who knew the conditions of the developing countries, Professor D. G. Karve (India); one from the Western Hemisphere, Howard R. Cowden (USA); one from Eastern Europe, Professor I. A. Kistanov (USSR); and one from Western Europe, Professor Dr R. Henzler (Federal German Republic). Professor Kistanov, who attended the first meeting of the Commission but was prevented by illness from serving throughout, was

replaced by Professor G. Blank. The Director acted as secretary and W. P. Watkins as rapporteur to the Commission.

It was the desire of the Executive Committee, as it was to some degree implicit in the original Congress resolution, to secure effective consultation with the affiliated organisations and their participation in the enquiry. At its first series of meetings at ICA Headquarters in December 1964, when Professor Karve was unanimously elected chairman, the Commission decided that a questionnaire should be issued to all members of the ICA inviting them to submit information, opinions and suggestions for the Commission's consideration. The questionnaire was drafted by the Secretariat in conformity with the Commission's own ideas and issued in the early summer of 1965. The response was almost overwhelming. The number of replies received from organisations and some individual Co-operators, recognised as authorities, exceeded 100 and all were copied, translated, and circulated to the members of the Commission. The information gained was amplified by interviews with Co-operators from three continents during the Central Committee's meeting at Helsinki in September 1965, as well as in a conference with leading officials of *Centrosoyuz* in Moscow immediately afterwards. The material available was digested by the Research Section of the ICA, so as to provide a basis for the Commission's third series of meetings which were held in London in December 1965. The Commission had been informed at Helsinki of the strong desire on the part of the Central Committee that its report should be issued in time for full consideration by the Congress due to meet in Vienna in September 1966. Sufficient progress was made in December to permit the draft report to be studied, amended and adopted by a further series of meetings held in London in February and submitted to the Central Committee, along with other documents for the forthcoming Congress, when it met at Copenhagen in April 1966.

It is worthy of reflection and remark that the report was unanimous. No one could have said at the outset that to constitute a Commission of a British, an American, a Russian and a German member, with an Indian as chairman, would be a good recipe for unanimity. The principal factors were undoubtedly, in the Commission's own words "the great extent to which Co-operators all over the world, irrespective of the type of co-operative organisation to which they are attached and its economic and social environment, possess a common Co-operative philosophy", and also "the historical continuity which connects the pioneers of Co-operation of the early stages of the Industrial Revolution of the 19th century . . . with the pioneers of the newly-developing regions of the 20th". These facts made the Commission's task "one, not so much of revision, as of clearing up confusion and removing unnecessary rigidity rooted in unbalanced or

over-simplified interpretations, in other words, a process of re-burnishing which permits the underlying principles to shine with a brighter light". Beyond these considerations, the unanimity of the report owed much to the breadth of view, wisdom, and skilful and far-seeing chairmanship of Professor Karve. Thanks to him the Commission's approach was not dogmatic but empirical, keeping constantly in mind that "in varying contexts and historical circumstances different aspects of Co-operation received varying degrees of emphasis and that innumerable groups of Co-operators in their own environment have been trying out how best to attain the ultimate goals of the Movement". It was against this background that the Commission sought to formulate Co-operative principles, defined as "those practices which are essential, that is, absolutely indispensable, to the achievement of the Co-operative Movement's purpose." . .

For the Commission's consideration of the principles, the reader is kindly referred to the report itself. Those which it considered as essential to genuine and effective Co-operative practice at the present time and in the foreseeable future were:

- 1 Membership of a co-operative society should be voluntary and available without artificial restriction or any social, political or religious discrimination, to all persons who can make use of its services and are willing to accept the responsibilities of membership.
- 2 Co-operative societies are democratic organisations. Their affairs should be administered by persons elected or appointed in a manner agreed by the members and accountable to them. Members of primary societies should enjoy equal rights of voting (one member, one vote) and participation in decisions affecting their societies. In other than primary societies the administration should be conducted on a democratic basis in a suitable form.
- 3 Share capital should only receive a strictly limited rate of interest, if any.
- 4 Surplus or saving, if any, arising out of the operations of a society belong to the members of that society and should be distributed in such manner as would avoid one member gaining at the expense of others.

This may be done by decision of the members as follows:

- (a) By provision for development of the business of the Co-operative;
  - (b) By provision of common services; or,
  - (c) By distribution among the members in proportion to their transactions with the Society.
- 5 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.

To these we have thought it important to add a principle of growth by mutual co-operation among co-operatives:

- 6 All co-operative organisations, in order to best serve the interests of their members and their communities, should actively co-operate in every practical way with other co-operatives at local, national and international levels.

### **ICA's Seventieth Anniversary**

The year 1965 was noteworthy for the coincidence of the 70th anniversary of the Alliance with the 20th anniversary of the foundation of the United Nations organisation. The United Nations marked the occasion by declaring 1965 to be International Co-operation Year, to be celebrated by the intensification of all those forms of international collaboration represented by its own network of institutions. The ICA, besides publishing special articles on its present situation and its achievements in the preceding decade in the *Review of International Co-operation*, associated the two modes of international co-operation in its Declaration for the 43rd International Co-operative Day, the text of which

RECALLS the 20th Anniversary of the ending of World War II and asks all its members to continue with renewed vigour their work for the establishment of lasting peace and security for all humanity;

RECALLS once again the necessity of striving for general and complete disarmament under efficient international control;

AFFIRMS its fundamental belief that Co-operation, both in the industrialised and the newly developing countries of the world, is an economic and social means of paramount importance by which all mankind can build in harmony a just world order and attain to higher standards of economic prosperity and human dignity;

INVITES ATTENTION to the significant part played by co-operators in alleviating hunger and increasing food production through co-ordinated action in the fields of supply, transport, finance, technical improvements, marketing, processing, packing, distribution, and the provision of various other services to producers and consumers;

APPEALS to all members in 1965, THE INTERNATIONAL CO-OPERATION YEAR, to celebrate the 20th Anniversary of the UNITED NATIONS by giving special publicity throughout the year to all international co-operative events, both outside and inside the United Nations, with whom we enjoy the highest category of consultative status;

ASKS all Affiliated Organisations and their members to aid the work of THE COMMISSION ON CO-OPERATIVE PRINCIPLES, which, following upon the Resolution adopted at the 22nd Congress at Bournemouth and the Terms of Reference laid down by the International Co-operative Alliance Central Committee, started its work on the 15th December 1964;

THANKS its Affiliated Organisations and their members for their ever-increasing understanding and assistance for younger co-operative

organisations starting life or growing to maturity in all parts of the world, and

RECALLS that International Co-operative Day was instituted to enable Co-operators in all countries to manifest annually their united will for the betterment of mankind and to make known nationally and internationally the task of world-wide international Co-operation through the instrument of the International Co-operative Alliance.

### *Co-operation's Role in Economic and Social Development*

In 1965, moreover, the role of Co-operation in general and the ICA in particular received remarkable recognition on the part of certain Inter-governmental Organisations. At the 49th session of the International Labour Conference Co-operation figured for the first time in the history of the ILO as a principal subject on the agenda in the item entitled: The Role of Co-operation in the Economic and Social Development of Developing Countries. Under another item, Agrarian Reform, studied by a committee of the Conference, Co-operation was considered of such importance as to require through examination and the corresponding passages of its report were appended to the report of the Committee of over 150 members set up by the Conference to discuss and make recommendations on the broader subject. The representation at the Conference of the ICA and its member organisations was worthy of the occasion. The Director, W. G. Alexander, presented oral and written statements jointly on behalf of ICA and IFAP to the plenary session and the committee. The rapporteur chosen for the item was Bertil Mathsson, who attended the Conference as a member of the Swedish delegation. Clemens Pedersen, secretary of the Danish Co-operative Federation and a member of the Danish delegation, was rapporteur to the committee on Agrarian Reform. The result of the discussions was the formulation of conclusions and recommendations which were embodied in an "instrument" adopted a year later by the 56th International Labour Conference, after the draft had been circulated among the member organisations for study and comment.

The Recommendation was a document of such authority and comprehensiveness that it may, without exaggeration, be described as a Co-operative charter for the developing countries. It applied to all categories of co-operatives. It defined the objects of policy concerning co-operatives under six heads: improving the economic, social and cultural situation of persons with limited resources and encouraging their initiative; increasing capital resources by encouraging thrift and the sound use of credit; contributing to increased democratic control of economic

activity and equitable distribution of surplus; increasing national income by a fuller utilisation of resources; improving social conditions and supplementing social services; raising the level of general and technical knowledge. Methods of implementing policy for Co-operative development were specified in some detail in sections dealing respectively with legislation; education and training; financial and administrative aid; supervision and responsibility for implementation. A section on international collaboration dealt with technical assistance, exchanges of personnel, inter-co-operative trade and research. A final section pointed out the possibility of Co-operation playing a special role in dealing with particular problems e.g. agrarian reform, illustrated by the recommendations of the Agrarian Reform committee mentioned earlier.

Simultaneously with the adoption of the Recommendation, the ILO Conference passed two resolutions. The first invited member governments to provide information periodically to interested organisations on Co-operative action in their respective countries and also to give consideration to the idea of international Co-operative banking and undertake a survey of needs and possibilities. The second emphasised the necessity of concerted and co-ordinated international action and invited the international bodies concerned with Co-operation to collaborate amongst themselves and with member governments.

The expert group appointed by FAO to investigate the finance of agriculture through Co-operative and other institutions in the developing regions, after a close examination of selected countries, reported that the principal and most widespread hindrance was the inefficiency and inadequacy of the credit system and the services related to it. The underlying cause was the paucity of properly trained personnel and the chief error the attempt to solve financing problems in isolation from agricultural extension, marketing and supply. For the developing countries outside assistance was essential. The report recommended a programme for following up the investigation by means of co-ordinated action to establish or strengthen, if they already existed, the necessary institutions. A pilot project in two phases lasting from five to eight years at an estimated cost of \$1,640,000 was also suggested. Afghanistan was the country chosen for this project and preliminary work began in 1966. In relation to another aspect of the World Food Campaign the ICA joined with IFAP and ICFTU to submit to the UN Secretary-General a memorandum outlining a common policy on an expanding food programme. Among other ideas, the memorandum stressed the need for a more energetic multilateral approach to the food problem, finance and the use of world food surpluses, as well as aid in kind to developing countries, to be taken into account. The memorandum had a wide circulation and was of no little assistance to FAO

in obtaining, as a result of the World Food Conference of 1963, an increase from \$100,000 to \$275,000 in the Campaign's triennial budget. The President of the ICA was co-opted to an advisory committee which assisted FAO to secure additional finance for field operations from other sources. Pressure by the ICA was successful in securing some additions to the staff for Co-operative work in the FAO Secretariat. After the expansion of FAO's Fisheries Division into a department, with general agreement that FAO should be the leading international organisation for fishery problems, the ICA convened in 1966 a conference of representative of co-operative fishery organisations, organised jointly by its Agricultural and Workers' Productivity Auxiliary Committees. One result was the transfer of the fishery co-operatives from the latter to the former committee under whose auspices the fishery co-operatives set up a special sub-committee.

Finally, a greater recognition for the ICA's policy on housing was evident at the second session of the UN Committee on Housing, Building and Planning, when an unexpectedly large number of the national delegations rallied to the support of the proposal for an autonomous Specialised Agency. The USA declared officially its willingness to provide funds for this project up to 40 per cent of the total contributions of other nations. Pending the accumulation of the necessary funds a Centre for Housing, Building and Planning was set up within the UN Department of Social and Economic Affairs.

### **Womens' and Consumer Affairs**

The first meeting of the Women Co-operators' Advisory Council was held in London in March 1965. Thirteen countries were represented, but several others interested were unable to send delegates or had yet to appoint them. The terms of reference agreed by both the ICA Executive and the Council declared:

"The Council will advise the ICA on promoting the active interest and participation of women in every aspect of co-operative activity and particularly

- (a) On the forceful promotion of education, information and enlightenment for consumers;
- (b) On promoting co-operation between co-operative movements and women's organisations pursuing similar aims;
- (c) On the work of women with youth;
- (d) On interesting women in international co-operation and in the publication of the ICA; and
- (e) On interesting women in the work of establishing peace and security.



An essential task for both the Council and the Secretary at the outset was to make official contacts both within and outside the Co-operative Movement and to assemble information which should serve as a basis for useful collaboration. Consumer affairs, the advancement of women in the developing countries, education and the participation of young people in Co-operative work, were recognised immediately as appropriate fields of activity. Pending the establishment of a permanent youth committee by the ICA, as recommended by the resolution proposed by the Italian *Lega Nazionale* and adopted at the Bournemouth Congress, contact was maintained with the unofficial International Working Group Youth and Co-operation. At a conference of women Co-operators held at Vienna just before the twenty-third ICA Congress it was decided to dissolve the ICWG and to donate the balance of its assets to the ICA Development Fund.

The ICA's action for the protection and enlightenment of consumers went steadily forward through the regular meetings of the Working Party and publication of the *Consumer Affairs* bulletin. The third Consumer Conference attracted 130 delegates from 14 countries to Basle in October 1965. The general theme for discussion was "Consumer Orientation in Co-operative Trading: Obstacles and Achievements". No fewer than 22 papers were presented, the topics ranging from consumer orientation in the shop, informative labelling and Co-operative advertising to the rules of the Co-operative Press and technical research and the Working Party's own programme of action. An exhibition of all kinds of advertising and informative material, charts, labels and packages illustrated the ideas and arguments presented in the papers.

### *The Second ICA Congress at Vienna*

Like the first ICA Congress at Vienna, the second seems to have been influenced in its proceedings by the genial atmosphere of the city. If there were some subjects, such as the war in Viet-Nam, about which feelings were strong and agreement virtually impossible to expect, there were others, notably structural changes in the Co-operative Movement, on which there was unanimity, and the report of the Principles Commission, on which differences of opinion or reservations related more to particular points than the recommendations as a whole. The most important cleavage of opinion, which found expression in the discussions on proposed amendments to the Rules, was the application of the principle of representation to the composition of the Executive and Secretariat, a matter on which the persistence of some delegations in advocating change was met

with equal persistence in rejecting it on the part of others. The result was agreement only on an increase of two in the number of Executive members. In the debates on the promotion of Co-operation, whether on the Central Committee's report or on the resolution urging increased activity and more liberal contributions to the Development Fund, any disposition to complacency over work accomplished was outweighed by outspoken reminders that efforts hitherto had been far from adequate and the resolution was agreed without a formal vote.

In this respect Congress echoed the keynote of the President's inaugural address. After alluding at the outset to the increase of the ICA's membership and the growing recognition, in its relations with the United Nations and other international organisations, of its right to represent and speak for the world-wide Co-operative Movement, he went on to point out that the resources allocated by the Movement to research on both the national and international levels were appallingly insufficient to enable it to keep pace with the evolution of modern market conditions and derisory in comparison with the expenditure of its competitors. On the other hand, from the standpoint of the urgent nutritional needs of the developing countries and the menace of famine on a world scale resulting from the population explosion, the flow of technical know-how from the Co-operative Movements of the industrialised countries to the less-developed did not nearly match the great potentialities of rapid Co-operative expansion within the framework of the latter's development plans. What was necessary and would prove most effective would be a combination of Co-operative technical knowledge and governmental, backed by inter-governmental, finance.

### **Principles of Co-operation**

The report of the Commission appointed in 1964 to examine the principles of Rochdale was introduced for discussion by Vice-president R. Southern who moved on behalf of the Central Committee the resolution declaring the report adopted. He emphasised that the recommendations in the report had not been amended in any way by the Central Committee, but Congress would not be invited to amend the Rules in conformity with the revised statement of principles. That would be a question for a later congress. The six principles recommended in the report could be regarded as an adjusted concept of the Rochdale Principles applicable to the character of the Movement in the modern world. Southern was followed by Professor D. G. Karve who, as chairman of the Commission, explained its attitude and approach to its task. That task had been facilitated by the terms of reference defined by the Central Committee which required the Commission to ascertain how far the Principles of Rochdale, as defined in

1937, were observed to-day and the reasons for any non-observance. From the mass of material examined by the Commission three things emerged. First, all Co-operators concurred in accepting the aim of Co-operation as "the creation of a working community in which all men have an equal status and in which no one benefits at the cost of another". Second, all Co-operators "entertained the highest regard for the rules and methods of Rochdale which they try to follow to the greatest possible extent". Third, all had found it necessary, in some respect or other, "to recast one or more of these rules and practices in order to realise more fully the aims of the Co-operative Movement in their own peculiar circumstances". Professor Karve contrasted the aims and ideals of the Pioneers, which were revolutionary and fundamental, with many of their rules and methods which were evolutionary and liable to change. Because of variable circumstances, the definition of the principles did not lend itself to formulas. The Commission felt that its formulation must be exact and at the same time comprehensive and adequate. Like the Rochdale Pioneers, all Co-operators had to be pioneers in their own day. The reformulation and rearrangement of Co-operative principles suggested by the Commission constituted an invitation and an aid to the Co-operators of all nations to achieve the supreme task now devolving upon them as heirs to the great Rochdale tradition.

The discussion was opened by F. Applegate, President of the Rochdale Equitable Pioneers' Society, who declared that his society did not regard the original phraseology of the Rochdale principles as being unchangeable, but still felt that they expressed certain fundamental truths which men, in striving for an improved status in society would observe throughout. J. Jalava, K. K. Union, Finland, moved on behalf of his own Union and the YOL Union, an amendment requesting the Central Committee to obtain the opinions of the affiliated Organisations on the report of the Commission and to convene before the next Congress a special meeting whose conclusions would be submitted to that Congress. His objection to the formulations of the Commission was that they placed all degrees of Co-operative development on the same level, for purposes which could be equally well achieved by simply amending the rules of the ICA. The Central Committee had ignored the terms of the resolution of the 22nd Congress requiring a meeting to be called before the 23rd Congress. Professor Paul Lambert, SGC, Belgium, moved a series of resolutions designed to clarify or improve certain passages in the resolution, notably the insertion of a reference to Rochdale in the preamble. He wished Congress to recognise the authenticity of co-operatives of public authorities and the indivisibility of reserve funds. M. Denisov, USSR, considered the formulation of the six principles in the report contained

provisions which should be equally acceptable to all co-operatives, even if they held different political and economic ideas. The report would have been more effective if it had recommended the co-operation of co-operatives with all progressive forces struggling against militarism, colonialism and racism. *Centrosoyuz* hoped for unanimous acceptance of the report. Later speakers pleaded for the insertion of the word "racial" in the list of undesirable discriminations, an amendment which was accepted. The discussion occupied the greater part of two sittings of Congress and when a resolution that the question be now put was carried, there were still 22 would-be speakers who were deprived of the opportunity to express their views. In the voting which ensued, the amendments were defeated and the Central Committee resolution was carried by an overwhelming majority.

### **Unity of Action**

The long discussion on structural changes, mainly in the Co-operative Movements of Western industrialised countries, which had been proceeding since the Congress of Lausanne, reached an important stage at the Congress of Vienna. The comprehensive report on structural changes, prepared by the Secretariat and included in the Congress documentation, showed that there had been, not only discussion, but considerable action in the direction of concentration and integration on international as well as national levels in both the consumers' and agricultural branches of the Movement. The critical problem, however, remained to be solved of how the smaller units could be brought to surrender their autonomy and merge their existence in large, centrally-directed organisations in the interests of the Movement as a whole. The task of introducing the subject to Congress was assigned to A. Korp who had previously dealt with the matter in the Central Committee. He emphasised that structural changes had become inevitable because unity of action was indispensable to survival in competition. The methods and process of integration were bound to differ from country to country but unity in every strategic field was the common aim. Federal structures had therefore to be reinforced by long-term agreements between primary societies and secondary organisations in order to ensure uniformity and co-ordination of policy. Certain Movements were on the way to creating one national co-operative organisation, but this process demanded the utmost care to ensure that the national character of a Movement was safeguarded and the strategic importance of education adequately recognised.

The resolution finally adopted unanimously by Congress recommended in its operative paragraphs that care should be taken that

- 1 Within the framework of the federal concept it should be guaranteed that important decisions of competent authorities of a national organ-

isation are carried out effectively by all concerned in such a matter that unity of action in such strategic fields as purchasing, marketing, price policy, production, structural development, investment policy and education is ensured. This can be achieved by a system of long-term agreements between primary societies and their regional and national organisations or by institutional forms for a collaboration which will secure a continuing co-ordinated policy for the whole Movement.

- 2 Where it is the intention to achieve unity of action through integrating co-operatives in different branches by successive stages into national co-operatives, steps are taken to ensure retention of the basic principles of full co-operative democracy.

### **Co-operative Technical Assistance**

As a background for the Congress discussion a factual report on technical assistance rendered by co-operatives in economically advanced countries to co-operatives in developing countries was prepared by the Secretariat and annexed to the report of the Central Committee. It revealed that of the 53 countries represented in the Alliance, 26, almost one-half, had Co-operative organisations in need of help. It concluded by pointing out that increasing success in technical assistance would depend on *i* the degree of commitment to the task; *ii* improvement in the quality of the effort; *iii* more effective organisation of resources, including co-ordination and planning. The Director, W. G. Alexander, in moving the Central Committee's resolution, devoted his remarks to these three necessities. To the questions how far Co-operators in general understood the vast problem of technical assistance and accepted that it was a vital problem for all Co-operators, and how far they felt the need to be personally involved, the answer could not be other than "Not far enough". It was necessary to establish an attitude to technical assistance which would lead to practical commitment in some form. With regard to resources, experience had shown that nothing but the best would suffice for field work and technical assistance. The range of resources available included goodwill, technical know-how, educational materials and institutions, government aid on both national and international planes, voluntary funds and finally, the ICA, which had a role to fulfil in co-ordinating bilateral and multilateral assistance.

The resolution noted the immense and urgent needs of assistance inherent in the present world situation and requested affiliated organisations to develop and increase their projects for aid and trade across national boundaries. It suggested the transfer, where appropriate, of a minimum of 10 per cent of the annual value of the technical aid rendered by co-operatives to other countries to the ICA Development Fund and specified the types of activity which could be promoted by the ICA as an International Centre for Co-operative Technical Assistance. The discussion

produced valuable information and constructive suggestions given by Co-operators from the developing countries. Objections raised by the Czechoslovakian delegation to the recommendation of 10 per cent contributions with a proposal for its deletion were supported by *Centrosoyuz*, USSR, the speaker expressing a preference for bilateral over multilateral aid. After the Director's reply, the amendment was withdrawn and the resolution adopted without dissent.

### **Peace and Vietnam**

In addition to the resolution re-affirming the policy of the ICA for international peace, regularly adopted at Congress, the Central Committee submitted an emergency resolution on the situation in Vietnam. Both were introduced in the same speech by Marcel Brot who pleaded strongly for a unanimous vote. In deference to this J. Voorhis withdrew an alternative resolution put forward by the Co-operative League of the USA. The first resolution, already passed unanimously by the Central Committee, was finally adopted by Congress after amendments had been rejected. Before Marcel Brot read the second resolution, he reminded the delegates that they came to Congress as Co-operators, not to represent the policy of their country. It was essential that they should rise above such pre-occupations and act only as Co-operators.

The text proposed was the following:

“The 23rd Congress of the International Co-operative Alliance, representing over two hundred million co-operators throughout the world;

Expresses its grave anxiety about the present situation in Vietnam and the possible consequences for world peace that may result from it,

Approves entirely the untiring efforts of the Secretary-General of the United Nations to facilitate a peaceful settlement of the conflict, and

Invites all parties directly or indirectly involved in the Vietnam war to spare no effort to promote the conclusion of a provisional agreement on an immediate cease-fire as constituting one of the essential preliminary conditions to the beginning of negotiations aimed at re-establishing a lasting peace, thanks to which the Vietnamese people shall be able to undertake the reconstruction of their country devastated by war.”

Amendments submitted by the Romanian *Centrocoop* to the first resolution were rejected. The insertion of a completely new paragraph, moved by *Centrosoyuz* and the Czechoslovakian Central Council, and condemning intervention in the internal affairs of other states and the application of force or pressure by force in international relations, provoked, not surprisingly, some tart rejoinders. It was not withdrawn, notwithstanding Brot's renewed pleading in his reply to the discussion, but was rejected on being put to the vote. The amendments moved by the same

two organisations to the resolution on Vietnam, condemning aggression and demanding the immediate cessation of hostilities and withdrawal of troops, as well as deleting the words “directly or indirectly” from the fourth paragraph, were also defeated. In the final voting the resolution on peace was carried without dissent. The resolution on Vietnam, from which the words “directly or indirectly” and “provisional” were deleted, was carried in the same manner, except that the delegations from six East European countries abstained from voting. Congress further agreed that an appeal should be made to U Thant, Secretary-General of the United Nations, to reconsider, in the light of the Vietnam situation and its possible implications, his declared intention of not undertaking a further period of office.

### **Constitutional Amendments**

A new clause, adding “Supra-national or International Co-operative Organisations” to the list of types of Co-operative organisation eligible under Article 8 of the rules for admission to membership of the Alliance was proposed in the name of the Central Committee by Dr C. Schumacher (Federal Republic of Germany). A number of consequential Amendments to Articles 18, 23 and 28 were proposed at the same time, together with one raising the Congress delegate fee to £5. After adopting these amendments Congress turned to the discussion of a series of proposals designed to alter conditions of ICA membership and the composition of the Executive Committee. On behalf of the Bulgarian Central Co-operative Union G. Jordanov moved a resolution which would have the effect of abolishing “individual” membership of the Alliance or of making it entirely a matter of an organisation’s free choice. The proposal was supported by USSR, resisted by R. Southern on behalf of the Central Committee, and rejected on a vote by show of hands. The next following resolution would have condemned associate membership as discriminatory and abolished it. The resolution was proposed by a USSR delegate and supported by the Italian *Lega Nazionale*. C. Mateescu, Romania, moved amendment which would have made the present associate members full members of the Alliance on an “individual” or “collective” basis at their choice. He pointed out that none of the 18 associate members had had its situation reviewed since its admission. R. Southern, inviting Congress to reject the resolution, pointed out that associate members would be considerably embarrassed if they were suddenly required to take on the full financial responsibilities of membership. He promised that the Executive would consult the associate members about their present position and prospects. On a card vote the resolution was defeated by 505 votes to 257.

On the composition of the Executive, the first proposal, submitted by *Centrosoyuz*, USSR, was that "membership of the Executive be increased on the principle of equal representation of co-operative organisations operating in various social economic systems and different geographical regions". It was supported by Czechoslovakian, Polish and Indian delegates. Various statistics were put forward to show that the "socialist" and "ex-colonial" countries were under-represented in the Executive. The Indian delegate urged that representation based on subscriptions would keep the organisations of the development countries in a minority for many years to come. He would prefer equal voting, as in the United Nations. In explaining the views of the Central Committee, J. J. A. Charbo, Netherlands, maintained that, the Executive Committee being an administrative and not a policy-making body, its membership should represent the Central Committee as a whole and not be based on national groups, but if it were, the groups would not be decided by social, economic or geographical criteria, but by Co-operative categories. On a show of hands the proposal was declared lost. A further proposal by the Italian *Associazione Generale* that the Executive should consist of the President, two Vice-presidents and 13, instead of 11 other members elected by the Central Committee, found general support. The suggestion that the travelling expenses of members should be subsidised was resisted by Charbo, as spokesman for the Executive, on the ground that the present rules made this impossible. The view of the Executive that an increase in the number of its members would be unwise in the circumstances was not upheld in the voting and the proposal was carried by 388 to 361. The Director intervened to point out that, if Congress would give an instruction by a two-thirds majority to amend the rules accordingly, the proposal could be given immediate effect. On a vote by show of hands the President declared the amendment of Article 32 of the rules to be carried.

M. Utkin, USSR moved a resolution on behalf of *Centrosoyuz*, instructing the Central Committee to consider recruiting ICA staff so as to include representatives of organisations operating in different social and economic systems and various geographical regions. After the Director had made a statement on the present composition of the Secretariat in London and the Regional Office in Delhi and on the criteria employed in filling posts, the vote was taken and the resolution was lost.

Three non-contentious resolutions were adopted unanimously. A resolution submitted by the Central Agricultural Union of Poland, calling for renewed activity against monopolies was referred to the newly-elected Central Committee. The ICA Housing Committee's resolution urged the United Nations and the national governments to make greater efforts to solve, on the national and international levels, the housing problem and



give increased opportunities to Co-operative housing. The resolution on International Trade presented by *Centrocoop*, Romania, urged all ICA member organisations to promote and extend international trade relations, in line with the activities of the UN Council for Trade and Development. A Czechoslovak resolution on the duties of the Central Committee was referred to that Committee, but a resolution on Peace and Security in Europe, submitted as an emergency resolution by *Centrosoyuz*, USSR, not being accepted as such by the Congress Committee, was not brought before Congress.

### *Expansion Continues*

Buoyed up by a rising income, the expansion of the ICA's activities continued with added momentum after the second Congress of Vienna. The influx of new members was maintained, more especially from the Western Hemisphere, and the number of countries represented in the Alliance climbed towards 60. More rapid than the geographical extension of the ICA, however, was the increase in its capacity to make and keep contact with its members in regions remote from Europe, as well as to make its presence felt on important occasions in any part of the globe. In fact, the development of the ICA's external collaboration for the purpose of Co-operative promotion was one of the principal characteristics of this period. The need for the ICA to be represented at inter-governmental conferences and seminars provided opportunities of personal meetings between the officers of the Alliance and the leaders of affiliated Organisations on their own ground, opportunities which had hitherto been limited almost entirely to the triennial Congresses or annual meetings of the Central Committee. While the SE Asian Regional Office increased its many-sided activity, the opening of an office for East and Central Africa gave promise of similar progress in due time in another developing region. As a result of the Director's participation in the OCA Conference at Vina del Mar closer working arrangements were made to enable the ICA to render more direct help and exert greater influence in the Americas.

The greater volume of work demanded a larger staff. The time could be seen approaching when the accommodation at the present headquarters would become insufficient. It became necessary, therefore, to seek authority from the Central Committee to enable the Director, in conjunction with the President, British Vice-president and Trustees, to acquire the lease of a supplementary or an entirely new building. Fortunately the liquid capital position of the Alliance was such that it would be able to act promptly, if a suitable opportunity occurred. The main

concern, however, was the tendency of current expenditure, owing to constant price inflation, to overtake current income. In April 1969 the Central Committee decided upon an increase of 10 per cent in subscriptions in 1970 and again in 1971, the Secretariat in the meantime preparing a forecast for the next five years.

### **Publications**

No department of the ICA was handicapped more from the rising costs of print and paper than its publications. The heavy deficits on *Cartel* caused its abandonment at the end of 1964, some of its work in the field of consumer protection being transferred to the *Consumer Affairs Bulletin*. The *Review of International Co-operation*, indispensable as the official organ of the Alliance, lost European subscribers through widespread amalgamations of English, French and German-speaking societies. This loss was not made up by new subscriptions from organisations recently admitted to the Alliance. Nevertheless, in conjunction with the *Intercoop* publishing society in Buenos Aires, and with financial aid from the Austrian *Konsumverband*, it was possible to bring out a Spanish edition *Revista de la Cooperacion Internacional* from January 1968 onwards. The mimeographed *Co-operative News Service* and *Agricultural Co-operative Bulletin*, the one general, the other specialised, which had already gained an established place as channels of news and information, continued to widen their circles of readers.

In the publication of books and reports more was achieved than with periodicals. One important step forward was the conversion of the series of reports *International Co-operation* to loose-leaf binding, so that the reports of national and international Co-operative organisations can be easily kept up-to-date and the time-lag, entailed by printing an entire volume, avoided. *Co-operation in the European Market Economies*, the handbook originally suggested by FAO at the inter-organisational conferences of 1960-62, was published jointly with IFAP in 1967 and found an immediate welcome. The information gathered by Walter Eisenberg in the course of his trade survey of SE Asia, together with his conclusions, were brought out in two volumes. The proceedings of the important Tokyo Conference on the Role of Co-operation in Social and Economic Development were published in book form, with a financial grant from the Norwegian Co-operative Union. The investigation into the Principles of Co-operation provided the occasion for re-printing the previous report of 1937 which circulated widely. After the Commission's report had been presented to Vienna Congress it was printed as a brochure in English, French and German. The study *Co-operatives and Monopolies in Contemporary Economic Systems*, prepared for the Central Committee in 1967 by

the ICA Research Section, with Professor Lambert's introduction, was also issued as a separate brochure.

### **Education**

An exception to the general expansive tendency was the educational work organised directly by ICA Headquarters. The annual international courses, traditionally named Schools, but after 1967 re-named ICA Seminars, continued to provide a general introduction to International Co-operation for Co-operators from every type of society and sphere of activity. In securing greater uniformity among the participants and bringing down the average age the ICA received insufficient support from the national organisations selecting them. The courses, while attracting some participants from overseas, were mainly suited to the requirements of students from the West European countries who formed the great majority of those taking part. Opinion therefore began to veer in the direction of extending this form of activity exclusively on a regional basis and with greater specialisation, similar to the seminars organised for SE Asia by the ICA Centre at New Delhi. In other educational fields there was progress, largely in collaboration with UNESCO and within the programme of technical assistance. A notable event was the Conference on Education held at New Delhi in February 1968. Of great value in stimulating educational organisation and improved methods amongst the national organisations were the study tours for groups of leading education officers for which grants were obtained from UNESCO.

The ICA Library, an indispensable adjunct to its press and educational work, was reorganised after Vienna Congress so as to include periodicals and international documentation, with a small addition to the staff. Besides its reference services the Library provides a translating and abstracting service for the Secretariat and maintains a register of significant articles in periodicals. Its work has expanded with the increase in the membership and activities of the International Working Party of Librarians and Documentation Officers, now over 50 strong and representing 23 countries. The ICA Librarian became joint secretary of the Working Party in 1966 and the library consequently more deeply involved in the bibliographical and library promotional projects of the Working Party, notably the preparation of a comprehensive vocabulary of Co-operative terms to replace two previous compilations made in Germany and Great Britain.

### **From Consultation to Economic Enterprise**

The tendency already noted for some of the Auxiliary Committees to promote closer business relations between their members, bringing them

nearer to, or even actually realising, their ultimate goal of international co-operative enterprises within their respective spheres, became more pronounced after the Vienna Congress. The Agricultural Committee, in addition to its collaboration with FAO on Co-operative processing of produce and its work on finance in liaison with FAO, ILO and IFAP, followed up its Palermo Conference on fruit and vegetables with a second at Malmö in May 1968 on pre-packaging and the cold-chain system and a conference on the promotion of international Co-operative trade in animal feeding stuffs in September 1969 at Paris. The Agricultural Subcommittee for SE Asia also followed up practical trade problems after Conferences at New Delhi in 1967 and at Tokyo in 1968. In the sphere of banking, the negotiations between the Banking Committee and the board of the International Co-operative Bank resulted in the reconstitution of the latter as a commercial bank under Swiss law (Internationale Genossenschaftsbank AG, INGEBA), accompanied by a reinforcement of its foundation capital, the accession of new members and a rapid expansion of its business. Closer liaison was established when the manager of the Bank, H. U. Mathias, was appointed secretary of the Banking Committee, whose office was then located in the Bank. While efforts were initiated to bring more and more Co-operative banks into relation with INGEBA, the Banking Committee took up the problems involved in a world-wide issue of COOP Bonds in order to raise long-term capital to finance the structural changes and development schemes of the national movements. The Vienna conference of the Insurance Committee approved the incorporation of all Nations Inc which took over the management of the loan guarantee fund. The shareholders of the company are the members of the Insurance Committee, whose Executive functions as the board. The Co-operative Wholesale Committee made considerable progress along the line of the common use by its members of the buying agencies and accompanying facilities belonging to them individually. Simultaneously, by a resolution adopted at Helsinki in 1965, four categories of foodstuffs were chosen, as well as non-food commodities, as areas in which closer collaboration for purchasing supplies should be promoted. No apparent advantages could be gained by pooling orders similar to those offered by the joint-utilisation of buying offices. Thus non-Scandinavian organisations in 1968 bought \$1 million worth of Brazilian coffee through the NAF office at Santos. The value of additional purchases of canned fruit concentrated through the offices of the English CWS at Sydney, Australia, and of NAF at San Francisco totalled \$1.5 million. Joint purchasing of canned fish offered no advantage, but mutual trade between member organisations' own factories was developed satisfactorily. Most remarkable in respect of turnover was the expansion in the non-food sector, where the volume of joint-purchases

in 1968 reached \$168 million, about three times the value for 1966. Within a much smaller area it is noteworthy that the wholesale societies of the European Common Market began their first joint enterprise in production with a biscuit factory at Utrecht in 1966 and followed it with a chocolate factory near Düsseldorf which is under construction at the time of writing.

### **Collaboration with UN Agencies and NGO's**

Those Auxiliaries whose attention and energies were not concentrated on developing new Co-operative business undertakings increased their collaboration with inter-governmental and non-governmental organisations, more especially for technical assistance. The sub-committee for fishermen's co-operatives, for example, worked closely with the Fisheries Department of FAO in producing a manual on Co-operative marketing and supply, holding regional seminars and providing technical assistance. The Housing Committee likewise took part in the annual meetings and seminars of the UN Economic Commission for Europe, as well as in a study of non-profit housing organisations. In Africa a member of the Housing Committee lectured at a seminar arranged by the UN Regional Commission at Addis Ababa. The Housing Committee kept constantly in touch with the UN Centre for Housing, Building and Planning at New York and took part in the preparatory work to establish an International Housing Finance Corporation to provide aid for developing countries. Ten of its member organisations combined to form the International Co-operative Housing Development Association in order to provide expert advice, particularly to UN which had already published one of its studies. Certain member organisations participate in the Latin American projects of the US Foundation for Co-operative Housing. The Committee of the Workers' Productive and Artisanal Co-operatives counts among its members several national unions with powerful co-operatives and federations of building workers affiliated to them. After some earlier attempts with only moderate success, the Committee was able to agree in 1967 with its sister Auxiliary, the Housing Committee, on a joint programme of diverse activities which included co-ordination in their collaboration with ECE and other international organisations, as well as for technical assistance in developing countries. A little later, when ILO and the recently established UN Industrial Development Organisation took up the study of the Role of Co-operatives in the Industrialisation of Developing Countries, the Committee, which was well documented on the situation of workers' productive and artisanal co-operatives in many regions, was able to assist the ICA Research Section in preparing a comprehensive report completed in 1969.

## *Co-operative Promotion*

The number of references it has been necessary to make in the preceding pages to technical assistance is evidence of the great degree to which the promotion of Co-operation in the developing countries has influenced the ICA's internal relations with its affiliates, as much as its external relations with governments and different types of international organisation. Much of the promotion itself consisted in the extension and multiplication of methods and instruments of work already familiar and proved useful, but the developments of importance in the later 1960's must be described, if only briefly. The first concerns the Regional Secretaries. The lease of the premises occupied by the SE Asian Regional Office and Education Centre since 1960 could not be renewed. The obviously best long-term solution was to build a permanent headquarters. The cost, nearly Rs3 million was contributed by the ICA Development Fund, the Japanese Agricultural Co-operative Union, the Swedish *Utan Gränsar* Foundation, and a special real estate company, *ICA Domus*, was formed for the administration of the property. The Regional Office itself, because of its increasing responsibilities, demanded re-organisation. Two additional sections for Technical Assistance, including Trade, and for Administration were created, with a Joint Director in charge of each. The new building was inaugurated in February 1968 by the President of the Alliance before a large assembly of government and Co-operative representatives. To universal regret the company did not include Professor D. G. Karve, who as chairman of the Advisory Committee had made an inestimable contribution to the achievements and growth of the work of the Regional Office and Education Centre. He had died only two months previously. His successor, elected in July 1968, was Mr B. Venkatappiah, an enthusiastic Co-operator who had been president of the State Bank of India and was at that time member for agriculture in the National Planning Commission of India.

The Regional Office for East and Central Africa began work on the 1st October 1968, immediately after its establishment had been approved by the Central Committee at its Glasgow Meeting. Its permanent offices at the headquarters of the celebrated Kilimanjaro Native Co-operative Union were the gift of the Co-operative Union of Tanganyika. Arne Holmberg, who had spent several years on the staff of *Vår Gård* and the Education Department of *Kooperativa Förbundet* and was already serving in Africa with the Scandinavian educational mission, was appointed Regional Officer. He was assisted by a Co-operative Council of representatives of the Co-operative Movements of Kenya, Tanzania and Uganda. The duties relate to every important aspect of ICA's work, although education and

other forms of technical assistance, trade promotion and public information are necessarily high priorities.

In Latin America the ICA, until a regional office in the full sense can be established, maintains contact with the region through the Organisation of Co-operatives of America, whose work it assists both financially for special projects and in other ways.

### **Development Fund**

The second important step forward concerns finance and, more particularly, the Development Fund, its maintenance and employment. After the first response to the ICA's appeals there came an interval of six years in which the growth of the Fund remained practically stationary. The example of the Swiss Co-operative Union VSK in transferring to the Development Fund 10 per cent of its annual collection for technical assistance was emulated by several other national unions, so that between 1963 and 1966 contributions grew by £24,000. After the Vienna Congress the flow greatly increased. By the end of 1968 there was a credit balance of over £72,000, notwithstanding expenditure amounting to £37,000 in the same period. But the Vienna Congress, besides renewing the appeal for contributions, also marks a radical change in the manner of utilising the Fund. Briefly, this meant that the money, instead of being dispersed over a number of small, detached projects, was used in a concentrated manner to finance large-scale undertakings with greater significance and impact. It was found that when the ICA made a project known which it had itself decided to support financially, it could attract money from the funds of its own affiliates and other sources. Thus the English CWS subsidised the Eisenberg trade survey in SE Asia, the Austrian *Konsumverband* the launching of the Spanish language edition of the *Review* and the International Co-operative Bank promised liberal assistance for research on guarantee funds to promote international financing of Co-operative enterprise. The Central Committee's report to the Congress of Hamburg in 1969 accordingly emphasised the effect of this new strategy on the effectiveness of the Fund, not only by increasing the total resources available and employed, but also in enabling the Alliance to economise its funds. The report also stressed the strategic position of the ICA as the organisation which could command the know-how in Co-operative development and perform indispensable co-ordinating functions, provided that its affiliates were able and willing to release the requisite trained personnel.

### **The UN Assembly Resolution**

The adoption by the 23rd General Assembly of the United Nations of a remarkable resolution on "The Role of the Co-operative Movement in

Economic and Social Development”, in which the International Co-operative Alliance was actually named, adds point to the remarks of the Central Committee’s report above. The resolution was first suggested by the Polish Co-operative Movement to its government, which submitted it to the 2nd Committee (Economic and Financial) of the General Assembly. The text as it was adopted by the Committee ran as follows:

“The Committee recommend that the General Assembly request Member States and appropriate international institutions to increase their assistance to the developing countries in the field of the co-operative movement. It is also recommended that the Economic and Social Council be requested to consider in connection with preparations for the second Development Decade, the question of the role of the co-operative movement in economic and social development.

Under other provisions of the resolution, the Assembly would recognise the important role of the co-operative movement in the development of various fields of production and distribution, including agriculture, animal husbandry, fisheries, manufacturing, housing, credit institutions, education and health services.

It would also recognise that the promotion of this movement, in accordance with local needs, could contribute to the implementation of the goals of the second Development Decade.

Finally, the Assembly would stipulate that the increased assistance requested of Member States should include staff teaching and should come especially from countries which had traditions and experience in the field of co-operatives. The request for increased help would be addressed specifically to the International Labour Organisation (ILO), other specialised agencies concerned and to the International Co-operative Alliance.”

### **The Structure of the ICA**

The Central Committee, meeting at Glasgow in September 1968, was presented by the Director with a paper which examined the structure of the ICA and the whole system of international institutions which had developed in the course of its history through its initiative or encouragement. The motive for this study was supplied in part by the evolution of the Auxiliary Committees already mentioned in these pages, from mutual information and consultation through business collaboration to the establishment of economic enterprises in the spheres of trade, banking and insurance, with the possibility of others to come. An autonomous business undertaking, however, is something more than a committee; it is a corporate body in law. The technical experts who manage them expect to be permitted to do their work under the supervision of their own authorities and not be subject to interference from outside. A partial solution had already been found in the amendment of Article 8 of the ICA rules which facilitated the admission of *Nordisk Andelsförbund*, International Co-



operative Petroleum Association, the International Co-operative Bank Company, besides the regional non-trading federations, to membership of the ICA, with rights of representation in the Central Committee and Congress. As no one seemed inclined to maintain the absolute independence of the Auxiliary Committee of Wholesale Societies, after the manner of Golightly at Basle in 1921, few difficulties had so far occurred. The best way of avoiding crises, however, is to foresee their possibility in good time. The Central Committee was therefore able to discuss the paper without any sense of urgency and took no decision except to recur to the question after a report had been proposed in the Secretariat and the Executive had considered any consequent action.

### **Changes in the Secretariat**

The year 1968 saw important changes in the personnel of the chief posts in the Secretariat. John Gallacher resigned from the post of Administrative Secretary, having decided to return to the service of the British Co-operative Union and play a part in its far-reaching reorganisation schemes. He was replaced by promoting R. P. B. Davies who had been Secretary for Education and Technical Assistance since 1964. Shortly afterwards W. G. Alexander announced his own impending resignation which he felt obliged to tender for personal and family reasons. Fortunately he was able to continue as Director for the greater part of the year, thus giving the Executive Committee time to consider possible candidates for both the Directorship and the Secretaryship for Education. After the usual procedures, Dr S. K. Saxena, whose outstanding services and unique experience as Regional Officer for SE Asia had won general appreciation, was appointed Director of the Alliance. In conformity with the policy of selecting the Regional Officer for SE Asia from the Co-operatives of the region, P. E. Weeraman, a former Registrar of Co-operatives of Ceylon was chosen to succeed Dr Saxena. The post of Secretary for Education and Technical Assistance was filled by the appointment of Dr L. Sieber, an officer of the Czechoslovakian Central Co-operative Council, with considerable experience in both fields.

### **Ghana and Greece**

In 1967 the ICA was able to welcome one of its affiliates back into full and effective membership after six years of no communication. This was the Alliance of Ghana Co-operatives which, after the overthrow of the Nkrumah regime in February of that year, had been revived and had set itself to rally the scattered forces of the Movement. The new government was helpful in voting a grant of £10,000 and renewing the licence of the Co-operative Cocoa Marketing Federation to collect produce from the

growers for delivery to the Marketing Board. Both the Alliance and the Federation had to begin with next to nothing, for the Alliance had been deprived of both its printing-press and the audio-visual unit provided by the ICA and the Federation had no funds of its own to grant credit to the growers. With the resumed attendance of the Federation's president, F. Mark Addo, at the Central Committee meeting of 1967, full information became available and help was forthcoming in various ways.

Two months after the liberation of the Ghana Co-operatives a *coup d'etat* in Greece placed the Pan-Hellenic Confederation of Agricultural Co-operative Unions under the control of a military junta which assumed dictatorial powers. The freedom of Co-operatives was severely restricted, while the Director and other leading officials of the Confederation were summarily dismissed and replaced by government nominees. The Director of the ICA sent a letter of protest to the Greek government against its compulsory Law No 31, sending copies of the letter to the Secretary-General of the United Nations, who circulated it to member governments but was not empowered to take action by the UN Declaration of Human Rights. A telegram was later received by the ICA from the government-nominated administrators of the Pan-Hellenic Confederation, inviting the President and Director to visit Athens to discuss the situation with them. The ICA Executive, on hearing the Director's report, decided to take no action and its members strongly criticised the action of the regime. A further telegram from Athens demanding the withdrawal of these criticisms was also ignored. The Executive's attitude was unanimously endorsed by the Central Committee, which authorised a reply to the government administrators renewing the ICA's protest.

### **Human Rights and Czechoslovakia**

The United Nations having decided that 1968 should be celebrated as Human Rights Year and invited its member governments and consultative organisations to mark the occasion in appropriate ways, the Central Committee adopted a resolution declaring its belief in the inviolable rights of the individual as human person and pointing out that, in co-operative societies where democratic processes are always active and the rights and duties of the member well defined, there is an assurance that considerations of community welfare will prevail. The Central Committee declared its support for Human Rights Year on behalf of the 224 million individual members associated in the ICA, emphasising that good Co-operators may be expected to carry out their rightful duties towards their societies and always to uphold the rights of humanity, as defined in the Declaration of the United Nations.

Events in Czechoslovakia a few weeks before the Central Committee meeting produced, as might have been expected, similar reactions among ICA's affiliated Organisations to those produced by the events in Hungary in 1956. No Czechoslovakian members attended the meeting. In their absence and after the withdrawal from the meeting of the members from East European countries, the remaining members of the Central Committee adopted the following resolution:

“This Meeting of the Central Committee of the International Co-operative Alliance utterly condemns the unwarranted and treacherous invasion of Czechoslovakia by the armed forces of the USSR, Bulgaria, Hungary, Poland and East Germany as a crime against humanity, in violation of the integrity of a sovereign state and of the United Nations Charter.

The Government of the aggressor countries stand condemned in the eyes of the world. The Central Committee is deeply distressed at this blatant use of military power to impose the will of one nation upon another, which frustrates the hopes of mankind for peace based on human rights and dignity.

The sympathies of the Central Committee go out to the people of Czechoslovakia in their sufferings at the hands of the invaders, with the hope that, with wise leadership and fortitude, these dark days will pass into a brighter future of freedom from oppression and the full enjoyment of basic human rights.

We send greetings to the Co-operators of Czechoslovakia and express our support for their efforts to build free democratic institutions in which the Co-operative Movement plays a notable part.

We demand the right of the Czechoslovak people to work out their future in freedom and independence and call for the withdrawal of foreign troops from Czechoslovak soil.”

## *The Second Congress of Hamburg*

The International Co-operative Alliance had already entered upon its seventy-fifth year when the delegates to its twenty-fourth Congress assembled in the City Hall of the Hansestadt Hamburg in September 1969. The Alliance was holding its Congress in Hamburg once more after an interval of fifty-nine years. It was warmly welcomed by its hosts, the Consumers' Societies and their Federations of the Federal German Republic, which had been oppressed and then suppressed, to be revived after twelve years and to reconquer their place in the national economy. Moreover, the President of the Raiffeisen Union, the most powerful agricultural Co-operative union in Europe, Dr Sonnemann, chose this moment to fore-shadow the return to membership of the ICA of his

organisation after an absence of sixty years. Amidst all the echoes of the past which the addresses of welcome evoked, the President, Dr Mauritz Bonow, opened his inaugural address by reminding the delegates that the Alliance was the oldest voluntary international organisation and also the largest non-governmental organisation. Its continued existence over three-quarters of a century was a remarkable achievement. Whereas some other international organisations had from time to time been split, the Alliance had found it possible to maintain its unity within the World Co-operative Movement.

Dr Bonow devoted the first part of his address to a review of the main lines of policy pursued by the ICA since the end of the second World War. He emphasised the importance of the Auxiliary Committees as an efficient framework for the systematic exchange of experience which had proved its worth in the adaption of the structure of Co-operative enterprise to the continuous technological and economic changes of the present time. The Co-operative Movement had to meet a double requirement: to represent the highest economic efficiency in a competitive setting and also to maintain its character as a democratically-controlled self-help movement for and by and through the people. Co-operation had therefore to play an important role in solving the greatest problem of our time, the widening gulf between the rich and the poor countries. This had been recognised by the resolution passed by the UN Assembly in December 1968. What was needed was the right response from governments, international agencies and the Co-operative Movement, which had to do more for the developing regions through practical involvement than it had done hitherto. In the generally favourable climate now created for technical assistance which would make possible a real impact in the developing countries, the duty of Co-operators was to play their part well. Commercial efficiency was not an end in itself, but a means to promote important economic and social interests of vast strata of the population.

### **Resolutions**

The report of the Central Committee covered in the main the expansion of the Alliance's connections and activities, the salient features of which have been sketched in earlier paragraphs. The sections dealing with technical assistance and regional organisation gave rise to a number of resolutions submitted by affiliated organisations, as well as that moved by P. Soiland, Norway, on behalf of the Central Committee. This resolution expressed appreciation of the bilateral assistance given by affiliated organisations to co-operatives in the developing countries, but recommended greater co-ordination so as to provide wider scope for multilateral action; welcomed the resolution on Co-operation of the 23rd Assembly of the United

Nations and the Recommendations of the International Labour Conference in 1966; accepted the responsibility placed upon the ICA for more efficient promotion of Co-operation; urged all the affiliated organisations to organise large-scale campaigns to raise money for the Development Fund in commemoration of the ICA's 75th anniversary and recommended the allocation to the ICA of 10 per cent of their own national collections for technical assistance; and finally instructed the ICA Director to explore the possibility of fixing minimum rates of subscription to the Development Fund, the Central Committee being authorised to take appropriate action on his report. The resolutions from the affiliated organisations recommended the opening of a regional office for West Africa, the adoption of measures to develop inter-Co-operative trading, the development of processing industries, assistance to agricultural production co-operatives, joint programmes of technical assistance agreed by ICA, IFAP, ILO, and FAO; a standing committee on Co-operative training and management development to co-ordinate the work of the International Co-operative Training Centres and a study of Co-operative legislation in developing countries.

The resolution on Peace, adopted unanimously, re-called previous Congress resolutions and re-affirmed the wish of the Co-operative Movement to promote harmony between all races and peoples, as well as safeguard the rights of peoples to self-determination. It called on governments to desist from unilateral actions which endanger peace and requested the affiliated organisations to support the settlement of international disputes by negotiations and all measures for disarmament, so that all peoples may work peaceably for the elimination of hunger and economic insecurity. On the motion of the Polish Central Agricultural Union an emergency resolution was adopted renewing the protest of the ICA against the removal of the elected officers of the Greek Co-operative Movement, demanding that terrorism against Co-operators cease and those imprisoned be released, and inviting the members of the Alliance to support the fight of the Greek nation for democracy and the struggle for independence of the Greek Co-operative Movement.

### **Amendment of Rules**

The most important amendment of the Rules of the Alliance proposed by the Central Committee and adopted by Congress were those which brought the wording of Article 8 and a number of others where Principles are mentioned into conformity, one or two verbal changes apart, with the recommendations of the Principles Commission and the resolution adopting them passed at Vienna in 1966. This signified that the recognition of an association as Co-operative would depend on its conformity to the

“Co-operative Principles as established by the Rochdale Pioneers and as reformulated by the 23rd Congress of the ICA”. Thereafter, the new text dispenses with the former four principles and replaces them by the six formulated by the Commission. It is noteworthy that, in the clause which replaces the former third principle, the term “economic results” is employed instead of “surplus”. In Article 1 the second paragraph now speaks of “the work of the Rochdale Pioneers and in accordance with *Co-operative Principles*” instead of “in accordance with their principles”. Similar amendments were made in several other articles. The remaining amendments defined with greater precision the conditions of representation at Congress, the procedures for submission of motions and emergency resolutions with consequential amendments of the standing orders, and empowered the Central Committee to decide the order of Congress business. Amendments to the Rules, proposed by the Polish Agricultural Union and the Czechoslovakian Central Co-operative Council, for the introduction of the principle of representation in the Executive of different socio-economic or regional groupings of Co-operative organisations were not accepted. An emergency resolution, proposed by *Centrosoyuz*, USSR, requesting the Central Committee to rescind its decision to increase members’ subscription was also rejected.

### *Contemporary Co-operative Democracy*

The principal theme of the Congress of Hamburg took up the discussion of structural changes in the Co-operative Movement from the point where it was left by the last sentence of the resolution adopted at Vienna three years before. This discussion was thoroughly prepared. A paper was presented by the ICA Secretariat, summarising material accumulated by the Research Section, supplemented by the results of special enquiries. This outlined the factual situation in Co-operative Movements at different stages of development, as well as the problems involved in maintaining the standards set by the Principles Commission. A. P. Klimov contributed a paper based on the theory and practice of Co-operatives in socialist countries. R. Kerinec, France, and N. Thedin, Sweden, submitted a corresponding paper in which Co-operative democracy was studied against the background of the conditions of Western countries with “mixed” economies and parliamentary governments.

Klimov, explaining his approach to the problem of Co-operative democracy, declared that it would be wrong to deal with the problems simply as a technical matter of the relations between elected officers, salaried officials and the members of co-operative societies. It was above

all a socio-political problem and it did not exist in the same context in countries, where the actual material and legal guarantees for the enjoyment of democratic rights and freedoms are declared in the constitution, as in those countries which are determined by capitalist monopolies. Notwithstanding the successful solution of this problem in the co-operative organisations of socialist countries, they considered the needs and problems of their foreign colleagues with sympathy and understanding. From the premise that the socialist public system and social democracy ensure the true democratic development of the Co-operative Movement, Klimov went on to outline the position of co-operatives in the economic and political systems of the socialist countries, the influence which their massive membership can exert on economic planning. He described their internal governing and administrative organism, the rights and functions of ordinary members, the education and training provided to enable them to participate effectively, as well as similar arrangements for young people and candidates for managing positions. The development of socialist democracy, he concluded, as an integral part of Co-operative democracy, is an uninterrupted continual process.

Kerinec and Thedin started from the assumption that co-operative societies and Co-operative Movements alike have to give proof of their efficiency. The problem was to prove that democracy was no handicap in meeting this challenge. That led to a second problem, not of ensuring that there is a right to participate in government, but rather of creating the desire for it. Their conclusion from an examination of democracy in countries with mixed economies was that political democracy by itself was not enough. Democracy must also be applied to economic fields so that the economy expresses the will of the citizens themselves. Democracy in the Co-operative Movement was not a new problem, if to-day it had to be confronted in new circumstances resulting from structural reforms and the economic conditions which imposed them. Co-operative democracy required a democratic structure, a fair distribution of tasks, a continuous dialogue assisted by information and, beyond these, an attitude of the individual towards others, a way of treating them. It demanded an open mind, a capacity to listen, a will to understand. From general considerations the writers passed on to discuss the mechanism of democracy at the level of the primary society and the conditions of its effective functioning; participation of members and their education; members' meetings; election of officers; training of administrators; voluntary organisations, guilds and clubs; the use of the press and advertising. However, if democracy is to flourish, more than intelligent use of the mass-media is necessary. New means must be found of stimulating the members to express their opinions and ideas about their society and its services. And

the Movement must find means of conveying its constructive vision to the young.

The discussion occupied one whole day of the Congress without enabling all wishing to intervene to do so. The concluding resolution, carried unanimously made the following recommendations to the members of the Alliance:

TO ADAPT whenever necessary the democratic system to the new economic structures in such a way as to provide members of the societies with the maximum opportunities for the active participation of those members;

TO INTRODUCE or develop for that purpose a system of representative democracy in co-operative primary societies whenever those cover a wide geographical area of activity and/or have a large number of members;

TO DEVELOP democratic structures in order to allow members of co-operative societies, through their elected representatives, to direct and control the policy of the movement, to engage in a permanent and fruitful exchange of views between co-operative societies and central organs in a co-operative spirit and to facilitate the division of tasks between the different structural levels in order to ensure maximum efficiency in the activities of the movement as a whole;

TO USE modern methods of mass consultation to stimulate and encourage members of co-operative societies to express their opinion and give their views on the activity and policies of their society and in this way to engage them to participate to a greater extent in the direction of co-operative enterprises;

TO MEET the increased need for membership enlightenment by utilising modern audio-visual techniques in membership meetings and by investing adequate resources in the development of a widespread co-operative press;

TO DEVELOP systems of training for members of elected committees so as to give them opportunities of acquiring the necessary knowledge for making policy decisions and performing control over large economic undertakings in the interest of their members;

TO STRESS the co-operative training of managers and technicians employed by the co-operative movement and to underline in this connection the social and cultural aims of a movement based on the principles of solidarity;

TO UNDERTAKE through the International Co-operative Alliance or by direct contacts, an exchange of experiences between the various forms of co-operation and between the co-operative movements of different countries with a view to improving the day-to-day functioning of democracy in co-operatives and to develop contacts with mass organisations which pursue the same objectives in the same spirit in order that the co-operative idea should have a bigger impact;

TO TAKE ADVANTAGE of all means at the disposal of co-operatives in order to exert co-operative influence on social and economic legislation and to obtain representation of co-operative organisations on governmental



agencies which deal with the formulation and implementation of economic and social policy.

THE CONGRESS AFFIRMS solemnly that political democracy is indispensable to the development of co-operation and that reciprocally the free development of co-operative ideas and activities is indispensable to economic democracy without which political democracy remains incomplete.

## *The Rights of Consumers*

Inspired presumably by the 20th anniversary of the UN Declaration of Human Rights, the ICA Consumer Working Party invited the Research Section of the ICA Secretariat to prepare an International Declaration of Consumer Rights for submission to Congress. The outcome of this collaboration was a statement which received the unanimous approval of the delegates at Hamburg. The basic rights of consumers were enumerated in the first section of the Declaration as follows:

- I The International Co-operative Alliance declares that consumers have a right to:
  - 1 A reasonable standard of nutrition, clothing and housing.
  - 2 Adequate standards of safety and a healthy environment free from pollution.
  - 3 Access to unadulterated merchandise at fair prices and with reasonable variety and choice.
  - 4 Access to relevant information on goods and services and to education on consumer topics.
  - 5 Influence in economic life and democratic participation in its control.

The three subsequent sections formulate consumer policy, originating in the Rochdale rule of pure goods and just weight, but embracing to-day all that affects the health and well-being of mankind; the action of National Co-operative Movements in promoting consumer interests, covering business development, information and education, legislation and government control of monopolies; collaboration with governmental and non-governmental organisations on the international plane.

## *Towards New Horizons*

With the adoption of the resolution on Co-operative democracy the Hamburg Congress brought to a close the debate on Co-operation in a

Changing World, and more particularly, the Western market economies, which had been opened by Dr Bonow's paper at Lausanne in 1960. Similarly, the declaration of consumers' rights marks the completion of a phase of ICA activity in the field of consumer protection which had occupied the same decade. In anticipation of the next decade other groups of problems demanding new developments, and new policies and structures to correspond claimed the foreground of attention. Some of these problems had formed the subject of resolutions adopted at Hamburg and their solution entailed continuing action. Others had already become visible in the study submitted in 1968 to the Central Committee by the then Director, W. G. Alexander. Certain of the most important were brought into focus by the Conference of chairmen and secretaries of Auxiliary Committees held at Basle in November 1969. This was the first of its kind and the fact, that it was more than once mentioned officially as the first, signified the hope, and even the expectation in several quarters, that a new organ of the Alliance was beginning to emerge. Significant also was the fact that the President of the Alliance took the chair and that representatives of IFAP, FAO and ILO were present for part of the proceedings.

The changing needs and outlook of the Auxiliary Committees, the further they advanced from mutual information and consultation into practical business organisation in their several fields, already registered in some of the Auxiliary Conferences at Hamburg, were expressed more plainly and definitely at Basle. The discussion on constitutional relations with the Authorities of the ICA, which dominated the first day of the Conference, revealed a virtually unanimous desire among the Auxiliaries to be assigned a role of greater importance in the deliberations of Congress and the Central Committee, together with an extension of their representative rights and greater prominence given to their activity in the publications of the Alliance. The possibility of making the conference of Chairmen and secretaries a permanent instrument of consultation and co-ordination was also mentioned, for the Auxiliary Organisations were becoming increasingly aware of the opportunities and advantages of combined action, notably in such fields as trade and finance. Moreover, more frequent and closer collaboration with the United Nations and Specialised Agencies demanded closer interlocking with the Secretariat because it was the ICA and not the Auxiliaries which enjoyed consultative status. While the Auxiliaries could not as a rule approach the Specialised Agencies except under the aegis of the ICA, the ICA in its turn more and more needed, for its negotiations with the inter-governmental bodies, to draw upon the experience of the Auxiliaries and the information they could supply.

The second part of the Basle Conference was well designed to illustrate the benefits of consultation, for the auxiliaries' representatives were given first-hand information and were able to give guidance and express opinions on a variety of subjects, ranging from the international financing of co-operative business activities to the re-orientation of the ICA's educational work, the international organisation of tourism and the proposal that the 1970's should be designated a Co-operative Development Decade.

### **Co-operative Development Decade**

This idea was launched by the Director in memoranda drafted in November 1969 and submitted for the consideration of the Executive in January 1970. It was partly a response to the decision of the UN Economic and Social Council in 1969 to assess the contribution which could be made by the Co-operative Movement to the objects of the Second Development Decade, partly to provide a general concept to which a variety of studies, projects and other initiatives could be related so as to present a co-ordinated plan and programme of action. If it received UN approval it could be made an integral part of the Second Development Decade. The Director's proposal was that the action should be carried out in two phases. The first or shorter phase should be devoted to planning and result in a comprehensive action programme. The second and longer phase would be operational and consist in the execution of the programme. The ICA Executive gave its approval in principle to the idea and designated its Technical Assistance Sub-committee as the planning committee.

At this point this history of the International Co-operative Alliance ends. To proceed further would be to overstep the line dividing history from hopeful anticipation. It may be appropriately remarked, however, that the ICA's seventy-fifth year finds its Authorities looking forward to continued development along lines conforming to the profound affirmation made by the editor of its first Congress Report (presumably Aneurin Williams) and chosen as the motto of this book. That union to which all Co-operative bodies tend, when they are faithful to their principles, is realised by the Alliance extensively by the admission into its membership of an ever-increasing number of national Co-operative organisations, with their diverse constituents, and a growing proportion of the World-wide Co-operative Movement. It is realised intensively through the ever closer inter-dependence and integration within the Alliance of its membership, not only across national frontiers, but across the conventional lines which separate their several economic functions. Expansion and cohesion are the two complementary factors from which the ICA derives the power to accomplish its ends. They are the warp and weft of its history. Today the

Alliance is nearer than at any time to embracing all the Co-operative organisations in the World. That in itself holds out enormous potentialities for good, but only integration gives the power to engage in creative action for the benefit, not of Co-operators alone, but all humanity.

## The Growth of the ICA

The statistical tables contained in this Appendix are extracted from the returns regularly collected from the ICA's affiliated organisations since the middle 1920's and published for over forty years, except for the interruption due to the second World War. The purpose of the tables is to give an impression of the expansion of the Alliance in two directions, measured at ten-yearly intervals, the last decade being shortened by a year because the assembly and arrangement of the Statistics at the national and international levels occupies almost two years. The first direction is the extension of the ICA's membership territorially, from continent to continent as Co-operation in its various forms becomes increasingly adopted as a method of economic and social development. The second direction is in depth, as Co-operation spreads into different economic fields and the appropriate forms of association coalesce into national unions or federations which normally seek affiliation to the Alliance. Neither process of expansion seems to be anywhere near an end.

It should be noted that the figures relate only to primary co-operative societies, not to the unions or federations in which they are grouped and which are also affiliated to the ICA as "individual" or "collective" members. Probably the most obvious general feature is the difference between the rates of overall growth before and after the second World War. During the 1930's the ICA lost important members in Europe, though the deficiency was more than made good numerically by accessions from India and China. Figures for the USSR are included in Europe and therefore tend to exaggerate European preponderance. On the other hand, the acceleration in growth of membership in Asia and America during the last twenty years has done much to redress the balance, all the more since the European figures reflect the movement towards consolidation which reduces the numbers of primary consumers', agricultural and credit societies in certain countries without any corresponding decline in individual membership. The increasing numbers of societies in the "industrial" category is mainly due to the inclusion of artisanal as well as workers' productive societies under this head. Forestry are combined with agricultural societies. The development of fishery

societies in the last decade has justified their enumeration under a separate heading. The aggregate individual membership of the ICA's affiliated organisations passed the 250 million mark in 1967. What this figure represents in actual persons is uncertain, however, because of family membership in some branches of the Co-operative Movement and plural membership in others.

## Primary Co-operative Societies

### 1928

<i>Societies</i>	<i>Europe</i>	<i>America</i>	<i>Africa</i>	<i>Asia</i>	<i>Oceania</i>	<i>Total</i>
Agricultural	132,394	1	—	82	—	132,477
Consumers	43,064	158	—	—	—	43,222
Credit	18,928	7	—	11,583	—	30,518
Housing	602	4	—	—	—	606
Industrial	1,347	—	—	42	—	1,389
Other	342	—	—	—	—	342
<b>Total</b>	196,677	170	—	11,707	—	208,554

### 1938

<i>Societies</i>	<i>Europe</i>	<i>America</i>	<i>Africa</i>	<i>Asia</i>	<i>Oceania</i>	<i>Total</i>
Agricultural	35,686	—	—	64,728	—	100,414
Consumers	30,593	94	1	445	—	31,133
Credit	5,765	—	—	122,130	—	127,892
Housing	20	—	—	—	—	20
Industrial	626	—	—	62	—	688
Other	52	—	—	—	—	52
<b>Total</b>	72,739	94	1	187,365	—	260,199

### 1948

<i>Societies</i>	<i>Europe</i>	<i>America</i>	<i>Africa</i>	<i>Asia</i>	<i>Oceania</i>	<i>Total</i>
Agricultural	59,102	917	—	423	1,215	61,657
Consumers	44,574	3,171	1	4,731	21	52,498
Credit	11,978	1,692	—	198,234	—	211,904
Housing	2,122	—	—	115	—	2,237
Industrial	11,194	—	—	135	—	11,329
Other	3,641	49	—	—	—	3,690
<b>Total</b>	132,611	4,829	1	203,638	1,236	343,315

---

**1958**

<i>Societies</i>	<i>Europe</i>	<i>America</i>	<i>Africa</i>	<i>Asia</i>	<i>Oceania</i>	<i>Total</i>
Agricultural	44,457	1,394	1,204	64,876	700	122,631
Consumers	32,562	4,965	172	11,264	1	48,964
Credit	6,886	23,783	1,351	227,718	—	259,738
Housing	7,567	87	8	4,561	—	12,223
Industrial	4,864	683	44	31,684	—	36,275
Fishery	781	199	8	10,097	—	11,085
Other	919	1,300	41	3,675	—	5,935
<b>Total</b>	98,036	32,411	2,828	353,875	701	487,851

---

**1967**

<i>Societies</i>	<i>Europe</i>	<i>America</i>	<i>Africa</i>	<i>Asia</i>	<i>Oceania</i>	<i>Total</i>
Agricultural	55,444	17,012	6,324	81,502	491	160,773
Consumers	31,431	2,454	80	21,150	643	55,758
Credit	7,978	28,359	1,435	232,142	465	270,379
Housing	15,322	681	24	12,186	4,444	32,657
Industrial	8,640	971	160	51,338	—	61,109
Fishery	679	262	12	7,070	—	8,023
Other	956	1,245	34	2,778	—	5,013
<b>Total</b>	120,450	50,984	8,069	508,166	6,043	593,712

---





# ICA Publications

## A Select Chronological List

REPORTS OF INTERNATIONAL CO-OPERATIVE CONGRESSES. 24 Volumes from 1896 to 1970, comprising Congress proceedings, special papers and other documents.

STATISTICS OF CO-OPERATIVE SOCIETIES IN VARIOUS COUNTRIES, 1898.

CO-OPERATIVE PRODUCTIONS IN VARIOUS COUNTRIES. Catalogue. 1899.

THE INTERNATIONAL CO-OPERATIVE ALLIANCE—ITS AIMS AND WORKS. Pamphlet by **Miss J. Halford**. 1903.

INTERNATIONAL CO-OPERATIVE BIBLIOGRAPHY, in English, German and French. 1906.

INTERNATIONAL CO-OPERATIVE BULLETIN. Monthly, mimeographed from 1908, printed from 1909 to 1927 inclusive.

INTERNATIONAL DIRECTORY OF THE CO-OPERATIVE PRESS—First edition, 1909 (latest edition, 1963).

REPORTS OF THE CENTRAL NATIONAL ORGANISATIONS IN THE VARIOUS COUNTRIES ON THEIR ACTIVITIES DURING THE WAR. 1920.

INTERNATIONAL CO-OPERATION. Reports of activities of National Co-operative Organisations. Six volumes covering the period 1924 to 1965/66. First volume issued in 1927. Vol. VI converted to loose leaf form.

STATISTICS OF AFFILIATED ORGANISATIONS. First issued in three year volumes from 1927 and printed, except for years 1939-45, until 1949, subsequently in mimeographed annual reports.

REVIEW OF INTERNATIONAL CO-OPERATION (replacing the *Co-operative Bulletin* as official organ in the ICA from 1928 onwards).

INTERNATIONAL CO-OPERATIVE ALLIANCE: ITS HISTORY, AIMS, CONSTITUTION AND GOVERNMENT by **H. J. May**. 1927.

CATALOGUE OF NATIONAL CO-OPERATIVE FILMS. First edition 1930 (latest edition 1968).

RESULTS OF STATE TRADING. Research brochure. 1937.

THE PLACE OF CO-OPERATION IN WORLD ECONOMY. By **Thorsten Odhe**. First edition 1951, second edition 1957.

CO-OPERATIVE RETAILING, 1914-1945. By **J. A. Hough**. First Jubilee Prize award, 1949.

CARTEL PRACTICES, quarterly review of Monopoly Developments and Restrictive Business 1950-1963.

HOUSING FINANCE IN WESTERN EUROPE. Research brochure. 1956.

THE ICA—ITS AIMS AND WORK. Illustrated; first edition 1958, (latest edition 1968).

60 JAHRE INTERNATIONALER GENOSSENSCHAFTSBUND, by **Dr Henry Faucherre**. Printed by the VSK for the ICA. 1955.

CO-OPERATION FOR FISHERMEN. By **Margaret Digby**. Published in collaboration with FAO. 1961.

CO-OPERATIVE LEADERSHIP IN SE ASIA. Papers of ICA Seminar, 1960. New Delhi, 1961.

ROLE OF CO-OPERATION IN SOCIAL AND ECONOMIC DEVELOPMENT. Papers of ICA Conference, Tokyo, 1964, New Delhi, 1964.

MANUAL FOR CO-OPERATIVE LIBRARIANS AND DOCUMENTATION SERVICES. By **W. Kellerhals** and **C. Kamp**. 1964.

CALENDAR OF TECHNICAL ASSISTANCE FOR CO-OPERATIVES. Yearly from 1966.

CO-OPERATION IN THE EUROPEAN MARKET ECONOMIES. Edited by **W. P. Watkins**. Various authors. A Manual for travelling students. 1967.

REPORT OF THE ICA COMMISSION ON CO-OPERATIVE PRINCIPLES. 1967.

TRADING OF CO-OPERATIVES—SOUTH-EAST ASIA. Report of a survey by **Walter Eisenberg**. Three volumes. 1968.

## Index

- L'Abeille nimoise*, 19  
Abt, Herr, 35, 36, 40, 48  
Acland, A. H. D., 20, 22  
Addo, F. Mark, 350  
AFGHANISTAN, 331  
AFRICA, 2, 69, 200, 230, 284, 291, 302, 307, 312, 313, 315, 316, 346  
—African Co-operative Alliance, 307  
—East and Central Regional Office, 341, 346  
—West Africa, 271, 353  
Afro-Asian Rural Reconstruction Organisation, 324  
Agneta Park (Delft), 56  
Agricultural and Horticultural Association, 17, 27, 34, 55  
Agricultural Co-operative Bank, 31  
*Agricultural Co-operative Bulletin*, 313, 342  
Agriculture, The National Organisation of, 77  
Akhremchik, I. P., 257  
ALBANIA, 243, 252, 274  
—Central Union of Consumers' Co-operatives, 243  
Alberti, Dr., 72, 74  
Albrecht, Prof., 84  
Alexander, W. G., 309, 322, 330, 337, 349, 358  
Alferi, 139  
Allen, Sir Thomas, 116, 120, 132, 136, 172, 173, 226  
Alliance (see ICA)  
AMERICA (see USA)  
AMERICAS, 2, 145, 149, 163, 200, 230, 284, 302, 307  
AMERICA, SOUTH, 271, 291, 307, 313, 316, 345, 347  
Andelsudvalget, 63  
Anderson, R. A., 84  
Andersson, Carl A., 280  
d'Andrimont, Léon, 36, 39, 40  
Angst, E., 132  
Ansele, Edouard, 47, 85, 145  
Anton, J. Salas, 132  
Antoni, A., 232  
Apelquist, S., 232, 288  
Applegate, F., 335  
ARGENTINE REPUBLIC, 31, 90, 121, 149, 213, 227, 238, 272  
—*El Hogar Obrero*, 90  
—Federation of Argentina Consumers' Societies, 272  
—Peron regime, 272  
Arles, Dufour, 17  
Armenian Co-operative Society, 114  
Armenotti, 22  
Armistice, 109, 112  
Ashworth, H., 285, 294  
ASIA, 2, 69, 75, 145, 149, 163, 200, 215, 230, 271, 282, 284-7, 291, 294, 302, 312, 313, 315, 316, 324, 342  
ASIA, SE Regional Office, 286-7, 293, 301, 302, 305-6, 311, 316, 323, 324, 325, 340, 341, 343, 344, 346, 349  
—& Educational Centre, 301, 302, 305-6, 311, 323, 343  
—SE Asian Seminar for Women, 311  
—Conference on Education (N.D. 1968), 343  
—Eisenberg Trade Survey, 347  
Asian Co-operative Conference, 270, 282  
Asian Regional Sub-Committee (ICA), 270  
*L'Association*, 14, 15  
"Association of all Clauses and all Nations" (Owen) (The Association, statutes etc), 3, 4  
Associationists, 4, 5  
"Associations, the Consequence of Progress" (Beluze), 13  
associations ouvrières, 10  
Atlantic Charter, 218, 221, 232  
Atlantic (seaboard), 228  
Attlee, C. R., 222, 256  
AUSTRALIA, 20, 31, 47, 51, 215, 227, 230, 286, 325, 344  
—Co-operative Federation, 325  
—West Australian Co-operative Congress, 325  
AUSTRIA, 14, 47, 54, 57, 62, 71, 72, 74, 79, 81, 90, 101, 106, 114, 116, 132, 144, 170, 177, 178, 180-1, 196-7, 206, 210, 213, 228, 236, 259, 342

—Austrian agricultural co-operators, 30  
 —Austrian Empire, 57, 114  
 —Austrian Labour Bank, 181, 197  
 —Austrian Socialist Party, 181  
 —*Allgemeiner Verband der auf Selbsthilfe beruhenden Erwerbsund Wirtschaftsgenossenschaften*, 30  
 —Central Union, 74, 75, 109, 180, 181, 210  
 —Co-operative Movement, 177, 180-1, 197  
 —General Union, 74  
 —Konsumverband, 325, 342, 347  
 —Union of Agricultural Co-operative Societies, 73  
 —Vienna Consumers' Society, 197  
 —Wholesale Society GOC, 75, 79, 180, 181, 197, 310

Avramovich, Mikhail, 59, 62

Backer, Adolf de, 112  
 Bailey, Jack, 298, 299  
 Balearic Islands, 110  
 Bålkans, 92, 101, 197  
 Ballard, William, 36, 40  
 Ballin, Nicholas, 18  
 Balogh, E. de, 187  
 Baltic Republics, 114  
 Bank of England, 14  
 Bank of France, 14  
 Barbados, 51  
 Barbier, C. H., 237, 244, 245, 251, 253, 262, 268, 270, 276-7, 281, 283, 297, 298, 316  
 Barnes, A., 190  
 Basle, 29, 83, 91, 93, 97, 115, 144, 177, 179, 180, 184, 196, 279, 280, 312, 333, 349, 358, 359  
 —Bank for International Settlements (Basle), 191  
 Basle Congress (1921), 83, 97, 115, 116, 119, 121-132, 135, 138, 141, 142, 143, 150, 155, 182  
 Basle Special Emergency Conference, 184, 185  
 Beaton, Neil, 190, 209, 225, 226  
 Bedford Street (49), London, 44  
 Beguin, 65

BELGIUM, 15, 16, 19, 27, 31, 39, 40, 57, 62, 64, 66, 72, 79, 90, 101, 102, 105, 106, 109, 112, 113, 132, 133, 136, 140, 144, 145, 148, 224, 226, 231, 233, 237, 274, 292, 304, 335

—Belgian Labour Party, 101  
 —Co-operative Union, 145  
 —*Fédération des Banques Populaires*, 31  
 —Federation of Consumers' Societies, 62, 63, 79, 102, 110, 112, 292  
 —*La Prévoyance Sociale* (Co-operative Insurance Soc.), 144, 168, 246  
 —SGC, 335  
 —Socialist Consumers' Co-operative Movement, 145, 226  
 —Socialist Movement, 47  
 —Wholesale Societies, 106

Bellers, 2  
 Beluze, Jean Pierre, 13, 14, 15  
 Bernadot, J., 25, 53  
 Bertrand, Louis, 79, 132  
 Bignall, 40  
*Bijoutiers en doré*, 6  
 Blanc, Louis, 6, 9, 13, 17  
 Blandford, Thomas, 36, 38, 40, 44, 45, 61  
 Blank, Prof. G., 327  
 Bloomsbury Square (6), 89  
*Blätter für Genossenschaftswesen*, 74  
 Board of Trade (G.B.), 32  
 Bokov, G. A., 253  
 Bonner, A., 326  
 Bonow, Dr. Mauritz, 233, 235, 237, 261, 270, 279, 281, 301, 303, 304, 305, 352, 358  
 Borel, A., 187  
 Bosen, Dr. Marcel, 249  
 Bournemouth Congress (1963), 308, 309, 312, 316-323, 326, 329, 333  
 Boyve, Edouard de, 18, 19, 20-3, 24, 35, 40, 47, 48, 51, 58, 60, 65, 79, 132,  
 —Proposed English-French Alliance, 20-21

BRAZIL, 271  
 —Coffee, 344  
 —National Centre Co-operative Studies (Rio de Janeiro), 271

Brest-Litovsk, 117  
 British Chamber of Commerce (Paris), 65  
 British Colonial Office, 302  
 —System, 307  
 British Colonies, 227-8  
 British Commonwealth, 165  
 British Congress (1869), 16-17  
 British Congress (1884), 18, 19  
 British Congress (1886), 20  
 British Consumers' Co-operative Movement, 111  
 British Co-operative Congress (1908), 81  
 British Co-operative Congress, 107  
 British Co-operative Insurance Society, 168

- British Co-operative Movement, 3, 10, 18, 20, 28, 43, 102, 109
- British Co-operative Productive Federation, 113, 123
- British Co-operative Union (see Co-operative Union, The British)
- British Co-operators, 5, 14, 128
- British & Foreign Co-operative League, 17
- British Government (war-time), 222
- British Guiana, 284
- British League of Nations Society, 108
- British Peace Council, 93
- British Transport Commission, 258
- British Wholesale Societies, 57, 78, 117, 124, 125, 172, 199
- Brodrick, Thomas, 60, 123
- Brot, M., 226, 237, 258, 259, 260, 278, 279, 305, 312, 322, 338
- Brouckère, Prof., Louis de, 233, 234-6
- Brussels, 16, 134, 136, 178, 183, 201, 212, 312
- Buchez, Philippe, 6, 190
- Budapest Congress (1904), 69-74, 75, 77, 92
- Buffoli, Luigi, 96
- Building Industry, 312
- Buisson, Henry, 51, 52, 71
- BULGARIA, 109, 168, 197, 236, 238, 252, 260, 339, 351
- Bulgarian Central Co-operative Union, 339
- Bulgarian Co-operative Insurance, 168
- Bulletin* (see *International Co-operative Bulletin*)
- BURMA, 285, 286, 291
- Butler, Harold, 187
- Byelorussia, Republican Union, 239, 272
- Cabet, Etienne, 13
- Cabetians, 4
- CANADA, 149, 165, 166, 173, 202, 228, 274, 284, 292, 294, 323
- (French), 75
- Canadian Co-operative Union, 166, 167, 228, 293, 323
- Canadian Co-operative Wheat Producers Ltd., 174
- Canadian Wheat Pools, 166, 173, 174
- Central Selling Agency of Wheat Growers, 173
- Campbell, W. J., 223
- Carcassonne (Agricultural Seminar), 287
- Caribbean Co-operative Confederation, 307
- Carlisle Congress (1887), 21
- Cartel* (see under I.C.A.)
- Casalini, Prof., 252
- Catalonia & Balearic Islands, 110
- Co-operative Union, 110
- Cavalieri, Commendatore E., 35, 36, 39, 41, 48
- Central Union (Hapsburg Empire), 90
- Cerretti, Giulio, 240, 241, 260, 304
- CEYLON, 284, 285, 286, 313, 349
- Chambrun, Comte de, 45, 55, 61
- Charbo, J. J. A., 226, 237, 322, 340
- Chartist, 10
- Cheesman, W. J. W., 284
- Chevalier, 22
- CHILE, 249, 284, 291
- CHINA, 163, 210, 211, 212, 227, 269
- Co-operative League of China, 227
- Nanking Government, 212
- Christian Co-operative Union, 179
- Christian Socialists, 7, 9, 10, 16, 19, 23, 25, 32
- Christian Trade Unions, 25
- Civil Service Supply Association, 40
- Claire, 22
- Cleuet, A. J., 106, 171, 193, 208, 209, 232
- Colombain, M., 187
- COLOMBIA, 213, 238, 307
- COMECON, 318
- Commerce Véridique et Social, Le, 5*
- "Common Market", 106
- Common Market, European, 289, 319, 345
- Communist International, 154
- Communist Party, 137, 154, 155
- Commune, (1871), 17
- Congress (proposed, Paris 1867), 15-16
- Conseil Canadien de la Coopération, 294*
- Consultative Chamber of Workers' Productive Societies, 48
- Consumer Affairs Bulletin, 312, 333, 342*
- Consumers' Co-operative (Geneva), 20
- Cook, Mrs. C., 311
- Coopération, La, 15, 16
- CO-OPERATION, CO-OPERATIVE ASSOCIATION, & CO-PARTNERSHIP (see also THE INTERNATIONAL CO-OPERATIVE ALLIANCE (I.C.A.) and other International entries)
- Co-operation (first steps), 1, 2, 10, 11, 12, 13, 14, 15, 20, 26, 27, 31, 32, 33, 57, 58, 59, 69
- Co-operation and Co-Partnership, 51, 56
- (Profit-sharing), 56, 61, 66, 86
- Co-operation: its nature and aims (1st Congress of Hamburg), 84-85

- Banking and Credit, 72-73, 143-4, 158, 159, 168
- Banking Committee, 144, 149, 168, 312, 344
- Centenary 1844-1944 (Rochdale Pioneers'), 224 (see R.P. entry)
- "A Century of Co-operation - an Epitome of the Birth and Growth of the National Movements in 44 Countries" (1944), 224
- Co-operation in a Changing World (Bonow), 304-5
- Co-operation in the European Market Economics*, 342
- "The Development of Co-operation in the World: its difficulties and chances" (Barbier), 262-63
- The Practical Development of Co-operation in the Economic Sphere* (Johansson), 256
- The Role of Co-operation in Social and Economic Development, 324, 330-332, 342
- Co-operation in different Economic Systems, 206-7
- under Fascism, 138-140, 209-11
- ILO, representation to, 135
- Insurance, 143, 149
- League of Nations, representation to, 135
  - and Monopolies, 262
  - and Nationalisation, 256-7
  - and Reconstruction (post-1918), 134
  - and Student Institute and Syllabus (see I.C.A.), 217, 243
  - and Trade Unionism, 131, 135-6
  - and World Peace (Gide's Resolution), 129-131
  - and Women, 143, 146, 304-5
- Co-operative Associations
  - (basic types, and sectors within I.C.A.)
  - Agricultural, 3, 31, 33, 37, 52, 56, 57, 67, 71, 73, 78, 90, 95, 96, 128, 147, 157, 158, 161, 164, 166, 170, 173, 186, 193, 209, 219, 220, 221, 246, 247, 248, 252, 254, 256, 261, 295, 298, 303, 308, 310
  - Artisans' Credit, 2, 7, 33, 57, 75, 90, 96, 247, 256, 312, 345
  - Consumers', 2, 5, 6, 17, 33, 56, 57, 58, 59, 67, 70-1, 72, 78, 79, 84, 90, 96, 104, 117, 128, 129, 140, 147, 148, 157, 158, 161, 164, 166, 172, 173, 175, 176, 186, 190, 193, 205, 209, 219, 220, 221, 254, 256, 261, 295, 303, 308, 325
  - Housing, 57, 83, 84, 90, 247, 248, 272, 303
  - Workers' Productive, 2, 6, 7, 17, 26, 33, 57, 90, 95, 247, 256, 312, 345
- Co-operative Auxiliary Committees (I.C.A.):
  - Agriculture, 247-8, 260, 261, 264, 280, 295, 307, 313, (& Fishery), 332, 344
  - Housing, 247, 248, 260, 280, 294, 307, 313, 323, 340, 345
  - Insurance, 312, 318, 344
  - Retail Distribution (CRD), 296
  - Wholesale Societies, 349
- Co-operative Agency (Central), 10
- COOP Bonds, 344
- Co-operative Congress (Rochdale), 24
- Co-operative Development Decade, 359-60
- Co-operative Development in Under-developed Countries, 269-71
- Co-operative Economic 7-point Programme (1934), 186
- Co-operative Festival (annual), 24, 26, 32, 53
- Co-operative Institute Society, 62
- Co-operative Insurance Society, 195
- Co-operative labour contract, 148
- Co-operative Movement, International Nature and Origins of, 1-43
- Co-operative Movement in War-time (First World War), 109
  - First Inter-Allied Conference, 105-7, 152
  - Second Inter-Allied Conference (1919), 112, 113, 114, 152
  - International Peace Campaign, 212
  - Wartime Tasks, 214-5
  - Wartime Appeal, 218-220
  - Post-War Co-operation, 219-20, 232-4
  - Post-War Relief & Co-operative Organisation, 221
- Co-operatives and Monopolies in Contemporary Economic Systems*, 342
- Co-operative Parliamentary Candidate (the first), 111
- Co-operative Party, The, 190
- Co-operative Permanent Building Society, 47, 68, 247
- Co-operative Political Neutrality, 146-7, 152-55
- Co-operative Press, 82, 93, 96, 150, 177
  - Co-operative News Service* (I.C.A.), 150, 163, 177, 342
  - Digest of the Co-operative Press*, 177, 273
  - Economic News Service*, 177
- Co-operatives: Principles of all forms & societies examined (1937), 203-5

- Co-operative Propaganda & Education, 159  
—Films, catalogue, 177, 195, 273
- “Co-operative Propaganda and Organisation” (Pare), 17
- Co-operative Productive Federation (British), 18, 23, 28, 36, 45, 61
- Co-operative Rationalisation of Distribution, 263, 265, 280, 296
- Co-operative Reinsurance Bureau, 312
- Co-operative Retailing, a study (J. A. Hough), 225, 244
- Co-operative Role, late '30s and '40s, 212-13
- “co-operative socialism”, 74-5
- Co-operative Stores: Self-service, 263, 296  
—Self-service Retailing Conference, 280  
—Stock & Cash Control in Co-op Stores, 263
- Co-operative Trade, International, 289, 309, 310
- Co-operative Union, The British, 15, 17, 18, 19, 21, 23, 24, 28, 29, 32, 35, 36, 37, 40, 46, 47, 59, 60, 61, 67, 75, 91, 93, 98, 111, 117, 133, 146, 151, 162, 189, 205, 216, 219, 226, 257, 298, 323, 349
- Co-operative Wholesale Committee, 265, 296, 309, 313, 325, 344
- Co-operative Wholesale Societies, 296
- Co-operative Wholesale Societies Committee (1919), 134
- CWS (Co-operative Wholesale Society), 18, 23, 25, 28, 32, 38, 39, 57, 58, 60, 61, 81, 104, 110, 117, 123, 124, 133, 148, 158, 166, 167, 191, 226, 246, 256, 258, 264, 278, 279, 309, 323, 324, 344, 347  
—Agricultural Dept., 309  
—Bank, 246
- Co-operative “Wholesale Co-operation”, 78, 95, 96, 113, 123, 124, 193, 208-9, 265, 295
- Co-operative Workers' Productive and Artisanal Committee, 312
- Co-operative World Development, 290-1  
“Consumer Affairs”, 289  
*Consumer Affairs*, 342  
Consumer Conference (3rd), 333  
Consumer Working Party, 311, 323, 333, 357
- Copenhagen Congress (1951), 236, 243, 247, 259-267, 271, 272, 273, 278, 282
- Corina, J., 190
- Cowden, H. A., 232, 249, 295, 326
- Cox, Harold, 18
- Cramois, A., 235, 255
- Crédit au Travail*, *Le*, 13, 14, 15, 16
- Cremona Congress (1907), 75, 77-79, 82, 83, 86
- Crocc, Benedetto, 40
- Crüger, Herr Dr., 40, 48, 56, 59, 60, 65, 70, 72, 74
- Crystal Palace, The, 24, 25, 27, 32, 37, 53, 190
- CUBA, 234
- CYPRUS, 291, 309
- CZECHOSLOVAKIA, 114, 132, 133, 144, 147, 205, 210, 213, 219, 228, 236, 241, 243, 251, 252, 254, 261, 272, 274, 282, 316, 322, 338, 340, 341, 349, 350-51, 354  
—Czechoslovakia Union (Hapsburg Empire), 90  
—Central Co-operative Council, 251, 349, 354  
—Central Co-operative Union, 210, 213, 228, 272, 282, 283, 338  
—GEC Verband (Wholesale Soc.), 210  
—Union of German Economic Societies (Prague), 114, 180, 210, 213  
—VDP (Wholesale), 251
- Dahrendorf, Gustav, 278
- Daily News* (London), 9
- Daudé-Bancel, 101
- Davaud, Abel, 15
- Davidovic, G., 310, 313, 314, 323
- Davidson, J. M., 237
- Davies, R. P. B., 323, 349
- Deans, J., 100, 132
- De Boer, K., 227
- de Boyve (see under Boyve, E. de)
- Dehli, Oscar, 63, 94, 132
- Delft Congress (1897), 54, 55, 56-59, 60, 61, 71, 159
- Delom, Dr. Bernardo, 272
- Denisov, 326, 335
- DENMARK, 12, 17, 31, 34, 36, 40, 47, 57, 62, 63, 64, 70, 77, 81, 84, 93, 96, 110, 115, 116, 132, 147, 152, 172, 194, 226, 237, 254, 257, 295  
—Andelssudvalget, 63, 96  
—Agricultural Co-operation, 84  
—Co-operative Marketing Federations, 68  
—*Samvirkende danske Andels-selskaber*, 63
- Desjardins, Alphonse, 75
- Dietl, Anton, 180

- Digest of the Co-operative Press* (see Co-operative Press)
- Disarmament Conference, Geneva, 175, 182, 183
- Dollfuss, Dr., 181, 196
- Drejer, Axelson, 152, 194, 237, 254, 285, 305
- Duca, J. C., 72
- Dutch (see HOLLAND)
- Dykstra, Waling, 209
- ECAFE, 324
- ECLA, 318
- EFTA (European Free Trade Association), 296, 310, 313, 318
- Efter, J., 243, 270
- EGYPT, 282, 283, 295  
—Co-operative Petroleum Association, 295
- Eisenberg, Walter, 324, 342, 347
- El Hogar Obrero*, (Buenos Aires), 90
- Elias, Dr. J. C., 48, 80
- Elm, A. von, 84, 85, 93, 94
- Enfield, Miss A. Honora, 144, 169
- Engels, F., 205
- ENGLAND (see GREAT BRITAIN)
- English, J., 136
- English and Scottish Wholesale Societies, 11, 59, 106
- English Women's Co-operative Guild, 26, 27, 28, 32, 36, 40
- Equitable Pioneers Society, (see Rochdale Pioneers)
- ESTONIA, 197  
—Esthonian Co-operative Union, 152  
—Republican Union of Estonia, 239
- L'Européen* (1832), 6
- European Confederation of Agriculture, 314
- European Co-operative Reinsurers Conference, 312
- European Economic Community, 296, 310, 313, 318
- Everling, 196
- Exner, Ludwig, 74, 80
- Faber, Harald, 63
- Faber, W. S., 17, 36, 40
- Fabian ideas, 59
- Fabre, Auguste, 19
- Fagerström, 153
- Fales, Mrs Imogen, 22
- Familistère* (Guise), 19, 24, 25, 31, 53, 101, 202
- Fano, Enrico, 15
- FAO (The Food & Agriculture Organisation), 224, 262, 268, 280, 286, 287, 288, 297, 301, 314, 315, 324, 331, 332, 342, 344, 345, 353, 358  
—Fisheries Dept., 345  
—"Freedom from Hunger" Campaign, 297, 314, 315  
—Rural Institutions Branch, 301
- Fascism, 138-140
- Faucherre, Dr. Henry, 245, 277
- Fauconnet, A., 194
- Fauquet, Dr. Georges, 116, 173, 187, 190, 205, 224, 244, 276-277
- Fauquet, Madame, 276
- FINLAND, 57, 63, 70, 75, 81, 90, 113, 114, 152, 160, 217, 219, 226, 255, 335  
—Central Union KK, 114, 160, 335  
—Co-operative Movement, 152, 219  
—Elanto (Consumers' Soc), Helsinki, 75  
—Finnish Wholesale Society SOK, 75, 102, 114, 152, 153, 160, 189, 255  
—First Social Democratic Government, 160  
—Pellervo Association, 63  
—Wholesale Society, OTK, 114  
—YOI Union, 335
- First World War, 98, 100, 206, 208, 214, 225, 250
- Fougerousse, A., 21, 22
- Fourier, Charles, 5, 13, 19, 202
- Fourierists, 3, 4, 5, 9
- FRANCE, 2, 5, 6, 7, 9, 11, 12, 13, 14, 15, 16, 17, 18, 21, 23, 25, 27, 31, 36, 40, 47, 48, 51, 52, 57, 58, 62, 64, 65, 66, 68, 69, 72, 76, 80, 81, 86, 90, 91, 94, 99, 101, 102, 104, 108, 109, 113, 127, 130, 132, 136, 140, 144, 158, 174, 189, 190, 191, 192, 193, 201, 205, 211, 212, 225, 226, 232, 235, 237, 238, 254, 255, 256, 259, 268, 272, 282, 287, 294, 302, 305, 312, 313, 342, 354  
—Bank of the Workers' Productive Societies, 51  
—Bourse des Coopératives Socialistes, 63  
—*Chambre Consultative des Associations Ouvrières Union Coopérative*, 31, 35, 133  
—Co-operative Insurance, 168



- Fédération des Caisses Rurales et Ouvrières*, 31
- Fédération Nationale des Sociétés Co-opératives de Consommation* (French National Federation of Consumers' Societies), 31, 102, 108, 110, 124, 127, 133, 134, 171, 194, 199, 226, 288
- French Agricultural Co-operative Movement, 235, 238
- French Agricultural Syndicates, 27, 35, 36, 51, 52, 71, 238
- French Colonies, 307
- French Co-operative Congress (1885), 19
- French Congress (1886) (Lyon), 20, 21, 22
- French Congress (post 1886), 22
- French Congress (1916), 106
- French Co-operative Movement, 18-19, 23, 47, 93, 105, 106, 108, 202, 211, 225, 277, 302
- French Co-operative Union, 24, 25, 61
- French National Co-operative Congress, 53
- Maison de la Mutualité, 202
- Minister of Interior, 16
- Minister of Munitions, 104
- Ministry of Commerce & Industry, 53
- National Institute for Co-operative Action, 302
- Prefect of Police (Paris), 16
- Proposed Paris Conference, 15-16
- Socialist Consumers' Society (Paris), 65
- Société de la participation aux bénéfices*, 35, 61
- Société du Musée Social*, 35
- Société pour l'Etude pratique de la Participation aux Bénéfices*, 31, 51
- Syndicat Economique Agricole*, 31
- Le Travail*, 51
- Union coopérative*, 35, 51
- Union des Syndicats des Agriculteurs*, 31
- Wholesale Society (MdG), 105, 106, 171
- French Associationists, 10, 13
- French National Federations, 18-19, 105, 107, 108, 109, 112, 124, 126
  - Consultative Chamber (General Confederation), 18
- French Revolution (1848), 5
- Freundlich, Frau Emmy, 144, 156, 164, 165, 169, 180, 181, 197, 210
- Friends, Society of (Quakers), 10
- Froment, 25
- Galiccia, 102, 133
- Gallacher, John, 323, 349
- Gandhi, Mrs. Indira, 306
- Garmisch-Partenkirchen, 289, 311
- Garibotti, Giuseppi, 79
- Gaumont, M. Jean, 16
- Gebhardt, Prof. Hannes, 63
- General Union of Industrial & Economic Co-operatives (Schulze-Delitzsh), 14, 15, 21, 29, 48, 59, 68, 70, 72, 74
- Geneva, 20, 113, 114, 115, 116, 117, 118, 132, 137, 156, 168, 182, 187, 221, 249, 268, 287
  - “Summit” Four Powers Conference (1955), 281-2
- Genoa Economic Conference, 152, 156
- Georgia, 116, 118, 133, 137
  - Co-operative Movement, 137-8
  - Georgia Co-operative Union in London, 137
- Gerebatieff, Colonel, 62, 67
- GERMANY, 2, 7, 8, 12, 14, 16, 17, 21, 27, 31, 34, 40, 47, 51, 55, 57, 62, 64, 68, 69, 72, 73, 74, 79, 80, 81, 83, 84, 86, 90, 91, 93, 94, 99, 101, 103, 104, 106, 115, 116, 127, 130, 132, 140, 147, 158, 170, 175, 177, 178, 179, 195, 196, 206, 213, 228, 229, 236, 238, 239, 259, 278, 294, 313, 322, 327, 342, 343, 351
  - Agricultural Co-operative Movement, 52, 73
  - Allgemeiner Verband deutscher Erwebs- und Wirtschaftsgenossenschaften*, 31
  - Allgemeiner Verband d.Landwirtschaftlichen Genossenschaften*, 31
  - Apex Union of Industrial Co-operatives, 84
  - Central Union of German Consumers' Societies, 67, 68, 74, 75, 83, 89, 90, 91, 103, 109, 140, 173, 178, 179, 196, 229, 258, 351
  - Co-operative Credit and Agricultural Organisation, 27
  - Co-operative Housing, 84
  - Deutsche Grosseinkaufsgesellschaft* (German Wholesale Society), 196
  - Gepag* (Wholesale Society), 180
  - German General Union (see General Union, Schulze-Delitzsh)
  - German Labour Front, 179
  - German Peasants' Associations, 30
  - German Raiffeisen Union, 70, 75, 351
  - German General Union of Raiffeisen Agricultural Co-operatives, Neuwied, 82

- German Wholesale Society (GEG), 58, 63, 67, 74, 78, 95, 158, 178, 179, 229, 239, 278
- Imperial Union of Agricultural Co-operatives, 73, 75
- Munich Agreement, 210
- Nazi Law, 1935, 1941, 228
- Post-War Revival (1945), 228-9
- Reichsbund der Deutschen Verbrauchsgenossenschaften GEG Hamburg*, 180, 196, 253, 258, 278
- Reichsverband deutscher Konsumvereine*, 179
- Revisionism, 59
- Rhineland Union of Agricultural Societies, 52
- Third Reich, 175, 210, 211, 213, 228
- Verband ländlicher Genossenschaften*, 31
- Volksfürsorge, 178
- Zentralverband, 79
- EAST GERMANY (Soviet Zone)**, 229, 240, 241, 253, 260, 351
  - Brandenburg Regional Union, 242
  - Co-operative Unions (multi-purpose USSR), 229, 253
  - Regional Unions, 260, 274
  - Union of German Consumers' Societies, Berlin, 242
- FEDERAL GERMAN REPUBLIC**, 326, 339, 351
  - Western Occupation Zones, 239
- GHANA**, 298, 299, 349-50,
  - Co-operative Cocoa Marketing Federation, 349-50
  - Co-operative Union (Alliance), 277, 284, 298, 349-50
  - National Co-operative Council, 298, 299
- Ghent Congress (1924), 139, 141, 142, 143, 144, 145-49, 152-55, 157, 169
- Gide, Professor Charles, 19, 20, 22, 46, 58, 59, 64, 93, 94, 105, 115, 127, 129, 138
- Gilbert and Ellice Islands, 309
- Gill, T. H., 226, 237, 241, 257, 258, 270, 273, 278-9
- Gjöres, Axel, 190
- Glasgow Congress (1913), 91, 92, 93, 94, 95-97, 98, 99, 100, 105, 113, 120, 127, 129, 182, 209
- Godin, J. B. A.*, 7, 19, 24, 33, 101, 202
- Goedhart, G. J. D. C., 66, 93, 94, 99, 102, 103, 107, 109, 112, 116, 120, 121, 126, 132, 146, 152, 153, 160, 226,
- Gold Coast Co-operative Federation, 271, 298
- Golightly, A. W., 123, 124, 125, 136, 349
- Grahl, Erich, 179
- Gray, J. C., 23, 28, 29, 36, 38, 39, 40, 41, 43, 44, 45, 48, 59, 60, 61, 65, 66, 71, 72, 79, 80, 84
- GREAT BRITAIN**, 2, 6, 7, 9, 10, 11, 13, 14, 15, 16, 18, 21, 22, 23, 34, 40, 46, 48, 51, 52, 57, 58, 59, 60, 62, 64, 65, 67, 69, 72, 75, 78, 79, 80, 81, 83, 84, 86, 94, 99, 101, 103, 104, 105, 107, 110, 111, 113, 115, 117, 124, 125, 127, 130, 132, 136, 144, 146, 147, 148, 152, 158, 166, 171, 174, 175, 182, 188, 190, 193, 195, 199, 201, 204, 205, 207, 211, 213, 217, 222, 225, 226, 227, 228, 237, 249, 253, 254, 256, 257, 259, 269, 274, 282, 284, 294, 310, 312, 313, 326, 327, 342, 343,
- Great Smith St., 258
- GREECE**, 17, 238, 349-50, 353
  - Agricultural Co-operatives, 238
  - Pan-Hellenic Confederation of Agricultural Co-operative Unions, 350, 353
- Greening, Edward Owen, 15, 17, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 36, 38, 39, 40, 41, 43, 44, 46, 47, 49, 52, 54, 55, 57, 59, 60, 61, 62, 65, 66, 132
- Greenwood, Joseph, 32, 36, 59, 61, 65, 66
- Grey, Albert (later Earl Grey), 26, 28, 32, 33, 40, 41, 44, 45
- Gugushvili, 137, 138
- Guise, 19, 24, 25, 31, 53, 101
- György, A., 132
- Haas, Dr. Wilhelm, 73, 82
- Haas (societies), 30
- Hague, The, 30, 80, 81, 83, 116, 118, 135, 160, 164
- Halford, Miss J., 62, 63, 66, 67, 75, 80, 83
- Hall, Mrs., 62
- Hall, Prof., 204
- Hamburg, 63, 67, 71, 83, 99, 102, 103, 156, 164, 177, 178, 179, 180, 196, 228, 229, 258, 278, 279, 351
- Hamburg Congress (1910), 83-86, 89, 90, 96, 99, 126
- Hamburg Congress (1969), 351-357
- Hammarskjöld, Dag, 295
- Hardern, Frank, 37, 38, 61, 66
- Harper, W. S., 22
- Hatta, Dr. Mohammed, 302
- Havana Charter (ITO), 256, 267
- Havenstein, Dr. W., 52
- Hawkins, J., 136
- Hayward, Sir Fred, 189, 190, 205, 227

- Hebden Bridge Fustian Manufacturing Society, 36  
 Hedberg, Anders, 168, 209  
 —“International Wholesale Co-operation” (book), 209  
 Héliés, L., 66  
 Helsinki, 63, 226, 241, 325, 327, 344  
 Henderson, Arthur, 175, 182  
 Henry, R. N., 301  
 Henzler, Dr. R., 326  
 Hirsch, Max, 17  
*History of the Rochdale Pioneers* (Holyoake), 9, 188  
 Högsbro, Sven, 63, 77, 80, 84  
 HOLLAND, 27, 31, 34, 36, 40, 45, 47, 48, 49, 54, 62, 64, 65, 66, 67, 90, 93, 99, 102, 103, 114, 144, 158, 209, 237, 238, 274, 283, 295, 313, 322, 340  
 —Agricultural Co-operation, 56  
 —Dutch Co-operative Union, 227, 330  
 —Dutch Women’s Co-operative Guild, 79  
 —*De Handelskamer*, Dutch Wholesale Society, 209, 264  
 —*Nederlandsche Cooperatieve Bond*, 31, 102, 114, 323  
 —Workers’ Consumers’ Societies, 114  
 Holmberg, Arne, 346  
 Holyoake, George Jacob, 9, 19, 21, 22, 24, 26, 27, 28, 32, 35, 38, 39, 60, 65, 71, 188  
 Holyoake House, Manchester (HQ Co-operative Union), 151  
 Hoover, President, 175  
 Horn, Ignace, 14, 15, 16  
 Hough, J. A., 219, 225, 244, 257  
*Housing Bulletin*, 313  
 Hoynden, Prof. Yoshio, 315  
 Huber, Dr. J., 136, 226  
 Huber, Professor Victor Aimé, 10, 11, 17  
 Hughes, Thomas, 11, 25, 32, 37  
 Huguenot, 19  
 HUNGARY, 14, 31, 67, 68, 69, 72, 75, 81, 101, 102, 107, 114, 132, 187, 193, 205, 240, 241, 243, 252, 274, 282, 283, 301, 308, 351  
 —Central Union of Credit Societies, 68  
 —Co-operative Movement, 69, 71, 72  
 —Corvinia, 168  
 —*Hangya*, Co-operative Wholesale Society, 68, 102, 114, 133, 173  
 —Hungarian Co-operatives’ Federation, 240, 243, 274, 308  
 Hutt Valley Consumers’ Society, 271  
 Huysmans, Camille, 102  
 Icarian (School), 13  
 INDIA, 31, 68, 149, 193, 254, 257, 284, 285, 286, 287, 305, 306, 313, 326, 327, 340  
 —Co-operative Union (India), 68, 227, 284, 287, 305  
 —National Planning Commission, 346  
 —State Bank of India, 346  
 —Prime Minister Pandit J. Nehru, 285-6, 305  
 INDONESIA, 286, 291, 302  
 —Co-operative Movement, 302  
 Industrial and Provident Societies Act (1852) (G.B.), 10, 13  
 Industrial Revolution, The, 1, 2, 6, 7, 8, 327  
*Intercoop*, 342  
 International Alliance, 24, 25, 26  
 “International Alliance of Co-operative Associations”, 27-28  
 International Atomic Energy Agency, 297  
 International Bibliography of Co-operation (1906), 75  
 International Bureau of Commercial Information, 106  
 International Business Agency, 36  
 International Chamber of Commerce (ICC), 164, 165, 223, 251  
 International Committee on Co-operative Insurance, 144  
 International Committee to Promote Free Universal Trade, 146, 160  
 International Confederation of Free Trade Unions, 251, 286, 331 (IFTU)  
 International Conference of Consumers’ Agricultural Co-operative Organisations (ICCACO), 219  
 International Conference of the Co-operative Press, 245  
 International Conference on Peaceful Uses of Atomic Energy, 282  
*International Co-operation* (Reports), 151, 177, 258, 273, 342  
 INTERNATIONAL CO-OPERATIVE ALLIANCE (I.C.A.), 1, 4, 7, 15, 21, 27, 28, 29, 30, 32, 34, 35, 36, 37, 38, 39, et seq.,  
 —*Introductory*  
   Articles . . . . . 39-42  
   The History of the  
     I.C.A. begins . . . . . 42 ff  
   Constitution . . . . . 44 ff  
   Constitutional Problems . . . . . 76-77, 98-99  
   Constitutional Reform 80

Inter-co-operative  
Trade .. .. 45, 52-53, 78,  
95, 147-8,  
159, 193, 263,  
264, 353

Inter-co-operative  
Banking .. 158-9

Commission on profit-sharing .. 52

Committee of the Alliance .. .. 52

The Definitive Constitution .. .. 86-87

Subscriptions .. 95, new basis,  
292-3

Seventeen Point Programme (1921).. 122

Rules of the Alliance revised .. .. 126-7, amend-  
ments, 205,  
353-4

First pluri-national  
Executive Com-  
mittee .. .. 132

—Wartime Tasks (1939), 214-15

—I.C.A. Study Centre, 217, 243-44

—I.C.A. Declaration 21st IC Day, 219

—I.C.A. Statement to UNO, 222-23

—I.C.A. Consultative Status to UNO,  
223 ff

—50th Anniversary of Foundation, 224

—Triennial Literary Prize (I.C.A. Jubilee Prize), 224, 244, 245, 257, 276

—A Jubilee History of I.C.A., 224, 277

—Post-War Reconstruction, 225-230

—*Cartel*, 244, 259, 274, 342

—'History of the International Co-operative Alliance' (Fauquet), 244

—Press Agency, 245

—Economic Research, 263, 273, 314,  
317, 323, 325, 343, 345, 354, 357

—Statement of Policy (1951), 266-67

—Cartels & Restrictive Practices, 267

—Development Fund, 269, 270, 284,  
285, 302, 303, 321, 333, 334, 337, 346,  
347, 352

—Technical Assistance Sub-Committee,  
270-1, 282, 283, 285, 286, 287, 302,  
306, 307, 315, 349, 359

—Status change of I.C.A. Member, 273

—*The I.C.A. : Its Aims and Work*, 273

—Associate Membership, 275

—Resolution on Peace & Arms (1954),  
276

—60th Anniversary (Diamond Jubilee Declaration), 277, 278

—Auxiliary Committees, Technical etc.,  
279-80

—Committee on Retail Distribution, 280

—Seminar on Co-operative Leadership (New Delhi), 302, 305

—Long-term Programme of Technical Assistance, 302-3, 320-1, 337-8, 353

—International Bank for Food & Agriculture, 310

—Women Co-operators, 310-11, 323,  
332-3

—Co-operative Librarians, 313, I.C.A. Library & Seminars, 343

—Working Party of Librarians & Documentation Officers, 323, 343

—Declaration on World Free Trade, 318-20

—Resolution on First Principles, 321-22

—The Principles Commission, 326-9,  
333, 353

—70th Anniversary, 329-30

—*I.C.A. Domus*, 346

—UN Resolution on The Role of the Co-operative Movement, 347-48

—75th Anniversary, 353, Training Centres, 353

—International Declaration of Consumer Rights, 357

*International Co-operative Alliance—its History, Aims, Constitution and Government*, 151

—Growth of I.C.A.—Statistical Tables—Appendix I

—I.C.A. Publications, Select Bibliography, Appendix II

International Co-operative Assurance Committee, 159, 191, 246, 294

International Co-operative Bank, 124, 312,  
344, 347, 349

International Co-operative Banking Committee, 158, 191, 246, 247

International Co-operative Banking Conference, 246

International Co-operative Bibliography, 313

*International Co-operative Bulletin* (1909), 81, 82, 83, 89, 91, 96, 100, 103-104,  
109, 110, 112, 122, 138, 139, 140, 142,  
150 (now see *Review of International Co-operation*), 163

International Co-operative Committee for Rationalisation of Commodity Distribution, 263

International Co-operative Day, 141-2,  
145, 151, 169, 219, 224, 253, 277, 329,  
330

- International Co-operative Education, 177, 216
- International Co-operative Exhibition, 139
- International Co-operative Petroleum Association (ICPA), 223, 232, 246, 249, 253, 256, 265, 288, 290, 295, 313, 318, 349
- International Co-operative Policy, 127-129
- International Co-operative Re-assurance Society, 169
- International Co-operative School, 159, 170, 191, 195, 212, 213, 244, 258, 268, 343
- International Summer Schools (1921), 151
- Seminar for Women Co-operators, 268, 274
- International Co-operative Trade, 123-25, 157-59, 216
- International Co-operative Trading Agency (ICTA), 209, 217, 234, 245, 246, 248, 253, 256, 264
- ICWS: International Co-operative Wholesale Society, 124, 143, 157, 158, 159, 164, 166, 167, 168, 191, 193, 194, 208, 209, 227, 245, 264
- International Co-operative Women's Committee (1921), 143, 144
- International Co-operative Women's Guild (ICWG), 144, 169, 170, 191, 274, 305, 310, 333
- International Co-operative Year, 329
- International Co-operative Yearbook, 89
- International Co-operator*, 81
- International Directory of the Co-operative Press (1909), 82, 96, 150, 177, 195, 273
- International Economic Conference, 155, 160, 164, 165
- International Exchange—General & Co-operative, 208-9
- International Exhibition (1937), 202
- International Federation of Agricultural Producers (IFAP), 223, 250, 251, 268, 298, 314, 330, 331, 342, 344, 353, 358
- International Federation of Christian Trade Unions, 251
- International Federation of Co-operative Wholesale Societies, 81, 95, 161
- International Federation of Documentation, 313
- International Federation of Trade Unions (IFTU), 135, 136, 144, 146, 156, 222, 223, 315
- International Federation of Workers' Educational Associations, 297
- International Housing Finance Co-operation, 345
- International Institute of Agriculture, 146, 147
- International Institute of Social and Labour Studies, 297
- International Labour Conference, 116, 117, 131, 135, 192, 330, 331, 353
- International Labour Office (ILO), 116, 128, 131, 133, 134, 135, 145, 146, 147, 150, 152, 153, 156, 169, 187, 203, 220, 222, 224, 262, 267, 280, 286, 287, 294, 297, 314, 315, 324, 330, 331, 344, 345, 348, 353, 358
- Co-operation & Handicrafts Service, 267-8
- Co-operation & Small-Scale Industries Division, 315
- International Peace Bureau Council, 63, 92, 93, 108
- International Peace Campaign, 212
- International Peace Congress (11th, Monaco), 64
- International Socialist Bureau, 102
- International Socialist Congress (Copenhagen), 85
- International Socialist Federation, 93
- International Town Planning & Garden Cities Association, 146
- International Trade Organisation (ITO), 256, 290
- International Statistical Office (see Statistics)
- International Union of Wholesale Societies, 125
- Committee of the National Wholesale Societies, 125
- International Wholesale Co-operation*, 168
- International Wholesale Co-operation, 209
- International Wholesale Society, 106
- Ioan, Professor, 204
- Ipswich Congress (1889), 23
- IRAN, 291
- IRELAND, 27, 64, 144
- Irish Co-operatives, 64
- Iron Law of Wages, 5
- ISRAEL, 243, 270, 282, 285, 292, 295
- Haikar* audit union (agric. co-op), 292
- ITALY, 7, 14, 15, 17, 18, 20, 21, 27, 31, 34, 35, 36, 40, 41, 47, 48, 49, 51, 57, 64, 68, 76, 77, 78, 79, 96, 105, 109, 132, 133, 138, 178, 206, 228, 235, 236, 238, 240, 241, 252, 257, 274, 304, 309, 312, 319, 333, 339
- Associazione fra le Banche Popolari*, 31

- Associazione Generale*, 340  
 —*Casse Rurali Cattoliche di Italia*, 31  
 —*Confederazione Cooperative Italiana*, 238  
 —*Ente Nazionale*, 140, 228  
 —*Federazione dei Consorzi Agrari*, 31, 77, 78  
 —*Federazione delle Cassi Rurali*, 31  
 —*Ferazione delle Casse Urbani*, 31  
 —*Lega Cooperative*, 62  
 —*Lega Nazionale delle Cooperative*, 31, 77, 102, 139, 140, 228, 235, 241, 242, 260, 304, 309, 317, 319, 333, 339  
 —*Societa Cooperativa dei Braccianti*, (Ravenna), 31  
 —*Societa Cooperativa dei Muratori*, (Ravenna), 31  
 —*Union Cooperativa* (Milan), 31, 77
- Jaeggi, Bernhardt, 136, 144, 161, 162, 165, 226  
 Jakobenko, 170  
 Jalava, J., 335  
 Jamaica, 284  
 JAPAN, 149, 210, 211, 212, 271, 276, 286, 315, 324  
 —Central Union of Agricultural Co-operatives (post-war), 230, 346  
 —IBACA, 324  
 —Japanese Co-operative Movement, 271, 324  
 —Japanese Co-operative Union, 210, 229, 230  
 Jaurès, Jean, 101  
 Jenny-Riffel, 12  
 Johansson, Albin, 152, 161, 162, 167, 193, 226, 229, 232, 237, 256, 258, 263, 265, 290, 295, 319  
 Johnson, A., 313, 323  
 Johnston, James, 19  
 JORDAN, 291, 292  
 —Central Co-operative Union, 292  
 Jordanov, G., 339  
 Jørgensen, Severin, 93, 96, 132  
 JUGOSLAVIA, 133, 197, 236, 243
- Kaji, Prof. H. L., 254  
 Kandy, 285  
 Kansas City Consumers' Co-operative Association, 290, 294  
 Kapenius, 189
- Karolyi, Count Alexander, 67, 69  
 Karpeles, Dr. B., 79, 99  
 Karve, Prof. D., 306, 326, 327, 328, 334, 335, 346  
 Kaufmann, Heinrich, 74, 80, 86, 89, 95, 116, 124, 125, 132, 147, 152, 154, 161  
 Keen, George, 166  
 Keler, D. G., 193, 271, 282, 284, 285, 290  
 Kempen, 30  
 KENYA, Co-operative Movement, 346  
 Kergall, 27, 36, 40  
 Kerinec, R., 354  
 Kettering Boot and Shoe Manufacturing Society, 36  
 Khinchuk, L., 118, 138, 148, 149, 152, 153, 154  
 Khokhlov, I. S., 237, 239, 260  
 Kilimanjaro Native Co-operative Union, 346  
 King & Son, P. S., 111  
 Kissin, A. A., 137, 155  
 Kistanov, Prof. I. A., 326  
 Kistanov, Y. A., 291  
 Klepzig, Vollrath, 173, 174, 178, 179, 196  
 Klimov, A. P., 236, 241, 254, 256, 281, 283, 289, 300, 301, 304, 305, 310, 317, 318, 319, 321, 322, 354-55  
 Klingenberg, Dr., 70, 71  
 Koch, G. H. von, 62, 63  
 Kokrda, K., 132  
 Kolesnikov, P. I., 253  
 KOREA, Korean Co-operative Movement, 230  
 Korp, Andreas, 180, 181, 210, 310, 325, 336  
 Korthaus, Herr, 84  
 Krassin, 118  
 Kraus, O., 254  
 Krayushin, I. S., 252, 274  
 Kreuznach, 74  
 Krook, Axel, 17  
 Kropotkin, P. A., 1  
 Kuala Lumpur, Conference, 285-86, 301  
 Kunc, P., 253  
 Kuncz, Dr., 205  
 Kundig, Dr. R., 79, 99  
 Kuszewski, D., 239, 243, 252  
 Kynov, 12
- Labour Association, The, 23, 25, 27, 28, 32, 35, 36  
 Labour Government (G.B.), 256  
 Labour & Socialist International, 136

- Laidlaw, Dr. A. F., 298  
 Lambert, Prof. P., 335, 343  
 Lancaster, Sir Robert, 227  
 Landor, 40  
 de Larnage, 36  
 Laroche-Joubert, Edgar, 49, 51  
 Latin America, 213, 227, 302 (see AMERICA, SOUTH)  
 LATVIA, 197  
 —Latvian Co-operative Union, 210  
 —National Council of Co-operation, 197  
 —Republican Union of Latvia, 239  
 Lausanne Congress (1960), 291, 299-305, 306, 307, 309, 310, 317, 318, 320, 321, 336, 358  
 Lawrenson, Mrs., 26, 28  
 League of Nations, The, 107-8, 121, 124, 128, 130, 131, 133, 134, 135, 146, 155, 160, 164, 165, 169, 172, 182, 186, 187, 201, 203, 220, 222  
 Leclaire, 7, 24  
 Leicester Co-operative Society, 123, 124  
 Lemaire, Henri, 246  
 Lemaire, Joseph, 144, 246  
 Lenin, 205, 254  
 Levy, Gaston, 124, 143, 144, 161, 162, 191  
 LIBYA, 313  
 Lincoln, M. D., 226, 232, 237  
 Lipovoy, V. L., 238, 239, 252  
 Litchfield, Frederick, 84  
 LITHUANIA, 116, 197  
 —Republican Union of Lithuania, 239  
 Litvinov, 118  
 London, 3, 9, 29, 30, 32, 36, 39, 40, 41, 44, 48, 50, 51, 54, 76, 77, 81, 91, 101, 102, 103, 113, 118, 119, 126, 132, 137, 138, 168, 184, 209, 213, 217, 219, 226, 243, 313, 325  
 —London, Port of London Authority, 217  
 London Conference (1943), 232  
 London Conference (1945), 224, 225, 226, 232  
 London Congress, 17  
 London Congress (1895), 30-43, 44, 47, 48, 55, 60  
 London Congress (1934), 176, 177, 179, 180, 182, 183, 185, 188, 189, 190-5, 203, 230  
 Lombard (cities), 12  
 Lords, House of, 226  
 Lorenz, Heinrich, 74, 78, 91, 120, 148, 155  
 Ludlow, John Malcolm, 9, 10, 11, 32, 37, 38, 39, 44, 59  
 Lustig, E., 132, 152, 213, 251  
 Luzzatti, Luigi, 7, 12, 15, 21, 41, 77, 80, 132, 140  
 Lyon, 5, 9, 20, 21, 30  
 Lyon Congress (see French Congress, Lyon)  
 Macdonald, J. Ramsey, 175, 184  
 Maclean, Neil, 91, 94  
 Madras Co-operative Union, 227  
 Maffi, Antonio, 22, 62, 79  
*Maison Leclaire* (see also *Leclaire*), 24, 25, 31  
 Maitland, E. O., 246  
 MALAYA, 278, 284, 285, 286, 325  
 —Co-operative Union, 285  
 Manchester, 3, 15, 18, 20, 21, 28, 40, 61, 66, 67, 68, 73, 111, 123, 278  
 Manchester Congress (1902), 63-66, 67  
 Mann, Tom, 25  
 Marken, J. C. van, 30, 54, 56  
 Marty, Mr., 18, 19  
 Marx, Karl, 205  
 Masaryk, Jan, 251  
 Mateescu, C., 339  
 Mathias, H. U., 344  
 Mathsson, Bertil, 287, 306, 330  
 Mauritius, 284, 309  
 Maxwell, Sir William, 60, 66, 72, 78, 79, 89, 92, 93, 94, 97, 99, 100, 102, 106, 112, 115, 121, 132  
 May, Henry J., 66, 92, 98, 100, 106, 111, 112, 125, 136, 166, 178, 180, 185, 187, 194, 211, 212, 213, 214, 215, 216, 224, 226, 231, 232, 243, 244, 251, 268  
 —Henry J. May Foundation Centre for the Study of International Co-operation, 231, 243-4  
 —"The Man of Peace through Co-operation & of Co-operation through Peace" (V. Serwy on H. J. May), 244  
 McInnes, Duncan, 60, 61, 65, 70, 79, 90, 100, 132  
 "Means of Developing the Action of the Alliance" (Woolf), 62  
 Mellini, Camillo, 96  
 MEXICO, 213, 284  
 Micha, A., 36, 39, 40  
 Milan, 21, 22, 30, 31, 77, 136, 137, 138, 139, 141  
 Milhaud, Dr. Edgard, 252, 255  
 Mill, John Stuart, 11  
 Miramar d'Estrel, 180  
 Mitchell, J. T. W., 22  
 Miturina, Mrs., 205

Modracek, F., 205  
 Monaco, 64  
 Montevideo, 307  
 Montmartre, 202  
 Montreal, 220, 316  
 Moron, M., 53  
 Moscow, 68, 117, 119, 136, 138, 154, 282, 299, 327  
     —Narodny Bank, Moscow, 107, 110  
     —Union of Co-operative Societies, 68  
 Müller, Dr. Hans, 26, 62, 65, 68, 70, 71, 77, 78, 80, 81, 82, 83, 84, 89, 92, 102  
 Musée Social, Le (Paris), 45  
 Mussolini, Benito, 138, 139  
 Mynderup, E., 246

Nansen, Dr., 132  
 Napoleon, Louis (Empire of), 9, 13, 139  
 Nash, Vaughan, 23  
 National Co-operative League, 21  
 National Recovery Act (USA), 192  
 Nationwide Insurance Organisation, 294  
 Nazi Party, 178, 179, 180  
 Nazi Reich, 210, 228 (see also Third Reich, GERMANY)  
 Neale, Edward Vansittart, 10, 11, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 33, 35, 37, 39, 52  
 Nehru, Pandit J. (see INDIA)  
 Nellis, G. A., 239, 252  
 Nelson, N. O., 36, 39, 41  
 Netherlands (see HOLLAND)  
 New Delhi, 285, 287, 302, 305, 311, 316, 340, 343, 344  
 New Moral World, 4  
*New Moral World, The*, 3, 5  
 New South Wales, 325  
 NEW ZEALAND, 215, 238, 271, 324  
 New Zealand Produce Association & Overseas Co-operative Federations Ltd., 219, 271  
 New Zealand Producers' Co-operative Marketing Association, 148  
 Nicholls, Miss, 91  
 Nicole, Mr., 18, 19  
 Nielson, Anders, 84  
 Nielson, F., 226  
 NIGERIA, 284  
     —East: Co-operative Union, 271, 277, 284  
     —West, 291  
 Nîmes, 19  
 Nkrumah, Kwame, 299, 349  
 Nogin, 118

Nordisk Andelsförbund, (see SCANDINAVIA)  
 North Africa, 295  
 NORWAY, 63, 75, 94, 110, 116, 132, 144, 352  
     —NKL (Society) 75

OCA Conference, Vina del Mar, 341  
 Ochab, E., 257  
 Odhe, Thorsten, 193, 237, 244, 248, 259, 262, 291, 317, 318  
     —“The Place of Co-operation in World Economy”, 244  
 Oerne, Anders, 127, 129, 132, 153, 155, 156, 233, 234  
 Ollman, Dr. J. H., 323  
 Orchard House, Gt. Smith St., 111  
*Organisation of Labour, The*, 6  
 Owen, David, 284  
 Owen, Robert, 3, 4, 5, 9  
 Owenites, 4, 5, 16, 17

Paish, Sir George, 160  
 PAKISTAN, 271, 285, 286, 306, 313  
 Palais de Chaillot, 273  
 Palermo Conference (agriculture), 344  
 Palmer, R. A., 205, 216, 217, 225, 226  
 Pantulu, V. Ramadas, 193, 227  
 Pare, William, 17  
 Parini, H., 73  
 Parliament, Houses of, (G.B.) 10, 32, 108, 111  
 Paris, 15, 16, 18, 19, 21, 24, 30, 39, 45, 51, 54, 55, 65, 76, 102, 104, 105, 108, 112, 135, 153, 156, 160, 165, 167, 179, 182, 183, 196, 201, 202, 216, 224, 225, 242, 251, 259, 273, 289, 301, 314, 344  
 Paris Congress (1896), 45, 47  
 Paris Congress (1900), 60, 61, 62, 63, 66, 72  
 Paris Congress (1937), 202-211, 212, 311, 322, 326, 335  
 Paris Congress (1954), 69, 263, 264, 267, 269-70, 271, 273 ff, 278, 279  
 Partheniu, Professor, 205  
 Patel, B. J., 254, 284, 286, 287  
 Peace Conference (post-1918), 108  
 “Peace, Pacifism or Passivity?”, 212  
 Peddie, J. M., 256  
 Pedersen, C., 330  
 Peereboom, Voller, 36, 40  
 Pellervo Association, 63  
 Peoples' Banks, 7, 27, 36, 37, 57, 72, 77, 110



- Perdicaris, Ion, 17  
 Peron, 272  
 Petrushevitch, 91  
 Pfeiffer, Edouard, 17, 30  
 Phalansterian (School), 13  
 Pictet, Edmund, 20  
 Plockhoy, 2  
 Plunkett, Horace, 27  
 Po, River, 274  
 Poisson, Ernest, 108, 114, 116, 120, 124, 126, 130, 132, 135, 136, 153, 160, 184, 187, 201, 202, 212, 226  
 POLAND, 133, 174, 187, 190, 210, 227, 235-6, 239, 241, 242, 243, 252, 256, 274, 308, 340, 351, 353  
   —Central Agricultural Union, Peasant Self-Help Co-operatives, 308, 314, 340, 353, 354  
   —Central Union of the Co-operative System (CZS), 241, 242, 314  
   —Ljublin Congress (1944), 229  
   —Polish Co-operative Movement, 243, 348  
   —Polish Consumers' Co-operative Union (SPOLEM), 227, 229, 242, 243, 274  
   —Polish Embassy (London), 242  
   —Ministry of Justice (Warsaw), 242  
 Polley, Miss, G. F., 216, 227, 231, 293  
 Polovtseva, Dr., 120, 121  
 Ponti, 36, 40  
 Potter, Beatrice, (Mrs. Sydney Webb), 59  
 Powell, Robert, 36, 39, 40  
 Prague, 90, 114, 136, 138, 143, 180, 201, 210, 213, 231, 244, 247, 272, 278  
 Prague Congress (1948), 239, 244, 247, 249, 251-8, 260, 261, 274, 278  
 Pratt, Hodgson, 25, 28, 32, 39, 63, 64, 92  
 Produktion (Hamburg), 71  
 "Profintern" (Red Trade Union International), 146  
 Proudhon, Jean Paul, 13  
 Proudhonians, 4  
 Prussia, 12, 14, 74  
   —Prussian Parliament (Co-operative Law), 12  
 Przczolkowski, E., 241  
 Puerto Rico, 302, 307  
 Putra, Tungku Abdul Rahman, 286  
 Pyrenees, 211  
 Quaker (English 17th Cent.) 2  
 Quakers, 101  
 Queenwood, 4  
 de Queker, Mr., 36, 40  
 Rabbeno, Professor, 20, 22  
 Radestöck, M., 79  
 Rae, W. R., 147  
 Raiffeisen, Friedrich Wilhelm, 7, 8, 9, 12, 22, 190  
 Raiffeisen Societies, 30, 190  
 Rainbow Flag, 141-2, 151  
 Raineri, Dr. G., 77, 78  
 Ramadier, Paul, 189  
 Rapacki, M., 187, 190, 227, 235  
 Reclus, Elic, 14, 15, 16  
 Red Cross, The, 132  
 Red Lion Square, (22), 68  
 Reich (see Third Reich, GERMANY)  
 Renner, Dr., K., 180, 181, 197, 228  
 Rentenmark, 141  
 Review of International Co-operation (1928) (formerly the Bulletin), 73, 150, 163, 169, 177, 178, 179, 185, 195, 210, 211, 212, 214, 215, 216, 224, 225, 244, 258, 277, 342  
 Reynolds News, 63  
 Rhineland Union of Agricultural Societies, 52  
 Ribas, A. Fabra, 213  
 Ricardian labour theory of value, 58  
 Richter, Dr., 30  
 Ripon, Marquis of, 25  
 Robert, Charles, 24, 35, 38, 39, 40, 44, 47, 48, 49, 51, 52, 45, 59, 61  
 Rochdale, 5, 9, 10, 12, 18, 19, 24, 25, 58, 64, 110, 171-2, 173  
 Rochdale Society of Equitable Pioneers (1844), 9, 11, 36, 64, 71, 126, 161, 162, 171-2, 173, 187-190, 193, 195, 203, 204, 205, 224, 233, 240, 274, 275, 321, 326, 334, 335, 354, 357  
 Rochdale Wholesale Society, San Francisco 63  
 Rocquigny, Comte de, 35, 40, 71, 72, 80  
 Roig, Ventosa, 187, 213  
 Rome, 30, 144, 245, 246, 287  
 Rome, The Treaty of, 296, 313  
 Roos, Jan, 264, 265  
 Roosevelt, Franklin D., 175, 192, 202  
 Rosovsky, 118  
 Ruhr, the, 140-1  
 Romussi, 22  
 ROUMANIA, 47, 72, 105, 109, 114, 133, 197, 204, 205, 236, 238, 243, 252, 260, 276, 338, 339, 341,  
   —Bureau des Societes et des Expositions Cooperatives, 31,  
   —Centrocoop, 338, 341  
   —Union of German Credit Societies, 114

- Rusholme, Lord (R. A. Palmer), 226, 231, 237, 239, 257, 258
- RUSSIA (see also SOVIET UNION), 12, 15, 18, 31, 34, 47, 62, 67, 81, 104, 105, 107, 109, 110, 111, 113, 116, 117, 118, 119, 120, 132, 133, 134, 136, 147, 158, 161, 162, 163, 170, 193, 195, 198
- Russian Co-operative Congress, 107
- "Russian Co-operator", 107
- Sahlbom, Jalmari, 114
- Saint-Simon, 19
- Saint-Simonians, 4, 6
- Salter, Sir Arthur, 160
- San Francisco, (also see UNO), 344
- Savage, W., 40
- Sarawak, 286
- Sarteel, 145
- Saxena, Dr., S. K., 287, 306, 323, 324, 349
- SCANDINAVIA, 57, 110, 124, 152, 154, 202, 283, 295, 301, 346
- Nordisk Andelsförbund, (NAF), 110, 246, 264, 310, 318, 342, 344, 348
- Scandinavian Co-operative Wholesale Societies, 81, 123, 143, 168
- Schacht, Herr, 196
- Schar, Professor, J. F., 72
- Schar, Dr., Oscar, 96, 132
- Schenk, Dr., 29
- Schlack, Peter, 94
- Schlösser, Robert, 179
- "School of Nimes", 19
- Schulze-Delitzsch, Franz Hermann, 7, 8, 9, 12, 14, 15, 16, 22, 29, 59
- Schulze-Delitzsch Societies, 30, 72, 74, 75
- Schumacher, Carl, 294, 322, 339
- Schwanden (Switzerland), 12
- SCOTLAND, 112, 121, 144, 158
- Scottish Co-operative Wholesale Society (SCWS), 58, 60, 72, 78, 190, 209
- Scottish federations, 17
- Second Empire, 13
- Second World War, 174, 211, 231, 245, 250, 252, 310, 316, 329
- Selheim, V., 116, 132
- Semendria, 31 (Agricultural Co-operative Bank)
- Sen, Dr., 315
- Serbia, 31, 47, 62, 101, 105, 109, 133
- Serbian Co-operative Union, 101
- Serwy, Victor, 62, 66, 79, 80, 89, 92, 93, 102, 112, 114, 116, 127, 131, 132, 135, 136, 137, 138, 148, 183, 193, 226, 244
- Serwy, Willy, 145, 226, 231, 237
- Seve, Edouard, 39
- Shillito, John, 61
- Siberian Co-operative Dairy Associations, 81
- Sidorov, N. P., 226, 231, 232, 238, 239, 240, 242, 251, 252, 254, 256
- Sieber, Dr., L., 349
- Siegfried, Jules, 49
- Siegl, M., 30
- Singapore, 285, 286
- Snell, H. 91
- Socialist Declaration, 85-86
- Socialist (School), 13
- Social Millenium, 4
- Société du Credit au Travail*, 13
- Société d'Economie populaire*, 19
- Society for Promoting Working Men's Associations, 9, 10
- Society of Arts (G.B.), 32
- Society of Promoters, 10
- Soiland, P. 352
- Sonne, Pastor H. Chr., 12, 17
- Sonnemann, Dr., 351
- Soria, 36, 40
- SOUTH AFRICA, 215
- Southampton Row, London, 47, 62
- Southern, R., 270, 274, 305, 334, 339
- SOVIET UNION, (see also RUSSIA), 146, 162, 170, 171, 172, 173, 176, 189, 192, 197, 205, 206, 207, 214, 226, 231, 236, 237, 239, 240, 241, 243, 252, 253, 255, 257, 272, 274, 276, 282, 283, 289, 300, 317, 321, 326, 327, 335, 338, 339, 340, 341, 351, 354
- Soviet Government, 117, 118
- All Russian Central Union, *Centrosyuz* (Tsekavshiri), 118, 119, 120, 121, 133, 134, 136, 137, 138, 154, 163, 176, 189, 194, 198, 231, 238, 239, 241, 253, 254, 272, 282, 300, 301, 317, 321, 322, 327, 336, 338, 340, 341, 354
- All Russian Union of Consumers' Co-operative, 110
- Communist International & Co-operators (Moscow), 147
- Co-operative Movement in Russia, (post 1917-18), 117-121, 136-138
- Decree 29 September 1935, 197-98, 206
- Former Russian Empire, 114, 117
- Russian, one of ICA's official languages, 255
- Soviet Republican Unions, 238-9, 253, 260

- SPAIN, 47, 62, 110, 132, 187, 198-9, 211, 212, 213, 229, 232, 342  
 —Co-operative Movement in Spain, 198, 212, 219  
 —National Federation of Consumers' Societies, 198  
 —Madrid Congress, 199  
 —*Revista de la Cooperacion Internacional*, 342, 347  
 —Spanish CWS, 213  
 —Spanish Relief, 213, 219  
 Spinelli, O., 235  
 Stalin, 205  
 State socialism, 69, 78  
 Statistics, Committee on, 55, 61  
     Bureau of International, 122, 128  
 Stavenhagen, E., 189  
 Steinbach, Frau, 71  
 Stettner, Mrs. L., 323  
 Stockholm, 63, 139, 152, 309, 313  
 Stockholm Congress (1927), 150, 151, 154, 156, 159, 162, 163, 164, 165, 167, 170, 172, 182, 185  
 Stockholm Congress (1957), 284, 288-291, 292, 300, 301, 302, 311  
 Storck, Baron von, 73, 74  
 St. Stephen's House, Westminster, London, 89, 111  
 Suez Canal, 283  
 Sudan, 284  
 Surridge, B. J., 302  
 Suter, Dr. A., 132, 136, 138, 187  
 Swansea, Congress 111  
 SWEDEN, 17, 62, 63, 81, 110, 116, 132, 144, 152, 153, 158, 219, 220, 226, 232, 233, 235, 237, 272, 304, 310, 330, 354  
 —"Folksam" insurance societies, 288  
 —HSB, 280  
 —*Kooperativa Forbundet* (KF), 63, 129, 152, 161, 167, 168, 190, 235, 237, 259, 263, 270, 271, 284, 287, 290, 296, 302, 306, 323, 346  
 —*Kooperatoren*, 237  
 —KF *Utan Gransar* ("Without Boundaries") Exhibition, 284, 346  
 —OK, 295  
 —Stockholm Congress Report, 139  
 —Swedish National Committee for Technical Assistance, 315  
 SWITZERLAND, 17, 19, 31, 35, 36, 40, 48, 57, 62, 70, 77, 79, 81, 83, 90, 91, 92, 96, 104, 113, 132, 136, 144, 158, 187, 219, 226, 237, 241, 245, 252, 253, 256, 270, 283, 302, 304, 344  
 —*Banque Populaire Suisse*, 31  
 —Dahomey Project, 302  
 —*Internationale Genossenschaftsbank AG*, INGEBA, 344  
 —Swiss Co-operative Seminar, 245  
 —Swiss Co-operative Union VSK, 72, 79, 83, 97, 107, 110, 226, 270, 277, 283, 347  
 —Swiss Union of Consumers' Societies, 29, 107  
 —*Verband Ostschweizerischer landwirtschaftlicher Genossenschaften*, 31  
 Talandier, Alfred, 14  
 Tanaka, S., 270  
 Tanganyika, Co-operative Union of, 307, 346  
 Tanner, Vainö, 75, 102, 114, 160, 164, 192, 196, 206-7, 216, 226, 231, 232  
 TANZANIA, 346  
 Tataev, 173  
 THAILAND, 285, 286  
 Thedin, N., 354, 355  
 Third International Wheat Pool Conference, 165-167  
 Thisted (Denmark), 12  
 Thomas, Albert, 94, 104, 116, 117, 120, 127, 128, 129, 135, 147, 148, 155, 161, 163, 165, 172, 187, 192  
 Tillett, Ben, 25  
 Times, The (London), 299  
 Timofeev, D. S., 252, 257, 274,  
 Toad Lane, (Rochdale), 224  
 Tokyo Conference, 342, 344  
 Totomianz, Dr. V., 132, 171  
 Tournier, Miss, 26, 28, 36, 40  
 Trading Relations Committee, 55, 56, 60, 61  
 Trade Unionism, 5, 57, 85, 111, 131, 134, 222  
 Trade Union International, 122, 134  
 Trade Union Relations with Co-operatives, 135-6, 254  
 Trade Unions, World Federation of, (WFTU), 225, 249, 250, 251, 254  
 Transcaucasian Co-operative Society, 114  
 Treub-Cornaz, Madame, 79  
 Tutt, R. H., 40  
 Uganda, 346  
 UKRAINE, 116, 118, 146, 163, 238, 272  
 —Ukrainian Co-operative Society, 114, 133

- Ukrainian Co-operators, 238
- Ukrainian Union, 238, 239, 272
- UNITED NATIONS ORGANISATION (UNO), 218, 220, 221-4, 230, 231, 237, 244, 248, 249, 250, 252, 254, 258, 262, 266, 267, 269, 270, 272, 273, 274, 275, 279, 280, 281, 282, 283, 285, 289, 294, 295, 297, 300, 301, 303, 304, 314, 315, 320, 329, 338, 339, 340, 345, 350, 352, 358
- UN Conference on Food & Agriculture (1943), 221, 222
- UN Food, Agriculture & Fisheries Organisation, 221, 308
- San Francisco Conference (1945), 221, 222, 223
- UN Charter, 221, 351
- UN Relief & Rehabilitation Administration, 222
- UN Assembly, London, (1946), 223
- World Federation of UN Associations, 223
- UNESCO, 224, 262, 266, 268, 287, 297, 314, 316, 343
- Paris Conference (1946), 224
- UN Economic & Social Council (ECOSOC), 232, 237, 248-9, 251, 263, 267, 294, 296, 297, 315, 348, 349
- UN International Conference (Havana), 234
- UN Charter, Article, 71, 248
- Universal Declaration of Human Rights, 266, 350, 357
- Centre for Adult Education, (UNESCO), 268
- Technical Assistance Board, 269, 270, 284, 285
- Regional Economic Commissions, 280, 297
- Disarmament Commission, Security Council, 281
- UN Economic Commission for Europe, 289, 294, 316, 345
- General Agreement on Tariffs and Trade, 289
- UN Long-Term Programme of Technical Assistance, 315
- United Nations Development Decade, 314
- World Literacy Campaign (UNESCO) 314
- Standing Committee on Housing, Building & Planning, 315, 332, 345
- UN 20th Anniversary, 329

- UN Council for Trade & Development, 341
- UN Regional Commission, Addis Ababa, 345
- UN Industrial Development Organisation, 345
- UN Resolution on the Role of the Co-operative Movement in Economic and Social Development, 347-348, 352
- Human Rights Year (1968), 350
- Universal Community Society of Rational Religionists, 4
- Universal Decimal System, 313
- Universal Exhibition (1867), 15
- Universal Peace Campaign, 201, 202
- U Nyi Nyi, 302, 306
- Upper Grosvenor Street, (11), London, 237
- Urals, 12
- UNITED STATES OF AMERICA (USA), 22, 31, 36, 41, 47, 51, 69, 75, 121, 144, 149, 165, 166, 174, 175, 187, 202, 220, 222, 225, 226, 228, 230, 232, 246, 254, 256, 262, 267, 274, 282, 290, 294, 307, 326, 327
- All-American Co-operative Conference, 307
- Co-operative League (1917), 109, 110, 202, 222, 228, 231, 232, 289, 294, 307, 338
- Foundation for Co-operative Housing, 345
- Organisation of the Co-operatives of America (OCA), 307, 341, 347
- US Agency for International Development, 307
- USSR (see SOVIET UNION)
- Utän Gransar* (see SWEDEN)
- U Thant, 339
- Utkin, M., 340
- Valleroux, Paul Hubert, 17
- Vår Gärd, 152, 346
- Venkatappiah, B., 346
- Vergnanini, Antonio, 138, 139, 140
- Versailles (1919), 114, 116
- Vicens, Rafael, 302, 307
- Vienna, 30, 73, 90, 164, 170, 180, 188, 198, 228, 297, 327, 333
- Vienna Congress (1930), 166, 170-174, 176, 177, 187, 208, 322
- Vienna Congress (1966), 327, 333-341, 342, 343, 344, 347, 354

VIETNAM, 333, 338, 339  
 Vigano, Professor, 15, 17, 20, 21, 22  
 Villeumier, A., 270  
 Vivian, Henry, 25, 27, 36, 44, 84  
 de Vogué, Marquis, 187  
 Vogt, Gustav, 17  
 VOLG (Switzerland), 36, 48  
 Voorhuis, J., 274, 338  
 Vooruit, 31, 47, 145  
 Voutchkovich, Dr., M., 236, 243  
 Vukovich, Dr., 180, 181, 210  
  
 Wadge, Miss, 89, 91  
 Wall Street, Crash, 174  
 Walworth, G., 219  
 Warbusse, Dr., J. P., 109, 110, 187, 220  
 Washington, D.C., 116  
 Watkins, W. P., 259, 327  
 Wauters, Joseph, 101  
 Webb, Mrs., Sydney (Beatrice Potter), 59  
 Weber, M., 237, 241, 242  
 Weeraman, P. E., 349  
 West Indies (Barbados), 51  
 Westminster, 237  
 Wheat Pools Organisation (Canada), 166,  
 173  
 Whitehead, A., 100, 132, 133, 153, 160,  
 226  
 Williams, Aneurin, 36, 37, 38, 39, 40, 41,  
 43, 44, 46, 54, 65, 79, 91, 92, 93, 96,  
 99, 100, 108, 116, 132, 147, 359  
 Williams, Dr. Harold, 117  
 Winter, Dr., 136  
 Wolff, Henry W., 26-29, 30, 32, 36, 37, 38,  
 39, 40, 41, 43, 44, 45, 46, 47, 48, 52,  
 53, 55, 56, 57, 61, 62, 64, 65, 66, 67,  
 68, 69, 70, 72, 73, 74, 75, 77, 78, 79,  
 80, 132

Women's Co-operative Guilds, 69, 79, 123,  
 124  
 Women's Conference (1921), 144  
 Wood, J. M., 312  
 Woodcock, L., 249  
 Workers' Education Programme, 297  
 Working-men's Associations, 10, 13  
 Working Men's College, (London), 11  
 World Conference on Adult Education  
 (2nd), 298, 316  
 World Economic Conference (1927), 156,  
 179, 184, 185, 186, 191, 221, 222  
 World Food Campaign, 331  
 World Food Conference, 332  
 World Health Organisation, 288, 297  
 "World Partisans of Peace", 260  
 World Peace Congress, 140  
 Worley, J. J., 171  
 Wössner, Dr. Anna, 293  
 Wrabetz, Dr. Carl, 30, 62, 71  
 Wright, 40  
  
 Xavier, St. Francis, University, Antigonish,  
 284  
  
 Zabochnik, 282  
 Zelensky, I. A., 171, 194  
 Zerkowski, J., 252  
 Zlataric, Branko, 323  
 Zmrhal, A., 236, 241  
 Zollverein, 318  
 Zürich, 81, 83, 89, 103, 225, 226, 245, 246,  
 259  
 Zürich Congress (1946), 226, 228, 230,  
 231-238, 239, 243, 244, 249, 252, 253,  
 255