

Unions and Cooperatives share a common historical origin

The abuses of monarchies, their corporations, and the "free trade" mercantilists of the late 18th century and 19th century contributed to the conditions which resulted in the American Revolution, the French Revolution (1789), the Haitian Revolution (1791), the Irish Rebellion (1798) and other uprisings in other places.. These were not separate and disconnected events, even though the history we are taught is generally limited to only a national perspective and perspectives which emphasize the imagined importance of the Great Persons, Places, Dates, and Things. This perspective also attempts to nullify the importance of cultural shifts and citizen initiatives in popular organizing for change.

In the newly formed United States

One lesser part of the history of the new United States under the newly established US Constitution was the Alien Enemies and Sedition Acts of 1798. The back story is that the political elites, bankers, merchants, slave owners, land speculators, and others were generally very nervous about what the possible implications of the first revolution of Republican France would have on their positions, properties, and influence in their new nation.

The French revolutionaries came to the new nation to raise money and to enlist other support. The Republican Democrats allied with Thomas Jefferson were supportive of the revolution in France. The the new elites in the US responded by passing through Congress the Alien Enemies and Sedition Acts as advocated by John Adams, our second president, and

others with similar agendas. This legislation was specifically against any activism or public education related to revolution or reform that would challenge the interests of the new American elites. That it was rarely used, does not diminish its intent to intimidate in the name of national security.

Though there was great popular support for the promises of democracy, frequently, its establishment as a form of government tended to favor elite interests and the suppression of the interests of the common people. The major point is that there was a major international conflict going on. On one side were established elites and newly defined elites which were allied against the interests of common and working people. A class warfare against working and common people had started long before there was much of an effort to resist that violence and abuse.

In England

The reaction from the English Monarchy and the Parliament was much more extreme, suppressing even the possibility of a similar revolution, and even as a reform agenda, from crossing the channel to England. This could be reasonably described as England's equivalent of a "Red Scare." The activism in England during that time for fair wages, safe working conditions, and security against abuse by management was forced to go underground into secret societies for many years.

The general assumption by the working people was that those who actually produced the products and did the productive work should have a say in how their interests were regarded and how they were treated. At the same time the preference by most industrialists was to hire low skilled and low paid workers

and to treat labor as simply another commodity.

The abuse of child labor at the time was widespread and severe. Environmental pollution was also widespread and ignored by the elites which controlled the government, banking, and mercantilism. In this same general period the Industrial Revolution was just beginning. England was a much more industrialized country than the newly formed United States thanks to colonial mercantilism, to the British East India Companies, and to the financial schemes of the Bank of England.

When the steam engine was developed from a historical curiosity to an industrial engine, factories no longer had to be limited to using water power and distribution was no longer dependent upon horse pulled wagons, canals, and sail powered ships. With the increased productivity also came the increased abuse of the working people and of the general environment.

One of the complaints of trades and craft people was about the often shoddy nature of the products being produced and sold as if they were equal to those produced by skilled and respected labor. This type of dispute led to strategic destruction of various factories and looms by groups of militant workers described as being led by a fictional General Ludd in 1811-1812.

As a Social Innovation

Robert Owen is the best known early advocate of using a community ethic to serve the needs of working people for housing, food, education, and health in the context of industrial production. Owen made a largely secular interpretation of various Christian communities, such as the Shakers of New

England, but with a strong injection of authoritarianism and paternalism. In his time he was very much a liberal from among the mercantile industrialists rather than an advocate for democratic processes. The first major community organized to integrate industrial production by Robert Owen was named New Lanark. He was involved also in the establishment of a few utopian communities in the US such as New Harmony.

What was more important to the development of the English Cooperative movement was the adaptations of the mutual aid association made by various advocates and trade unionists and the very practical and even utilitarian approach of many cooperators. This included a strong emphasis upon democratic processes.

The Significance of Cooperative Economics

Part of the economic philosophy of cooperatives was that they would replace the influence of external capital and management based upon a return upon that external investments. In a cooperative the capital needs of the business are to be raised by the members of the cooperative according to a share system. Profits were also pledged to be returned to the membership based upon their patronage. Key to this process was the expectation of the transparency of the financial condition of the operation provided to the members.

Participation in a cooperative, particularly those who were and are successful, requires a higher than average level of financial literacy. It also requires a level of involvement similar to what would be expected of an informed citizen.

The pioneering that is required to build an appropriate culture for a successful cooperative

requires an investment of capital, of time, and in learning. To treat the use of the word cooperative to describe an organization which ignores or actively discourages the practice of the principles of cooperation is by intent misleading.

Cooperatives grew out of the English labor movement as one form of a mutual aid society. In a population which has no real interest in a process of mutual aid and which transplants the authority structures which are typical even now in the corporate world, there will tend to be an opposition to the pioneering ethic essential to cooperatives. This sort of "cooperative" culture is very likely to become an alternative version of the corporate culture.

Interpreting history as if it was accomplished by executive initiative reproduces dependencies and a simplistic sense of causality. This also results in conditioning that also reduces our perception of the possibility of authentic progressive change. Reproducing in the present the possibility of cooperative cultures and progressive change requires ordinary people to work together to do both ordinary and extraordinary things.

Related research and text by Tadit Anderson

Primary source: [The Making of the English Working Class](#), by E. P. Thompson, copyright 1963, Vintage Books, Random House, New York

Cooperatives Originated from the Union Movement

Re-Imagining Economics