

The national CDA – what really happened

There is unfortunately a lot of false ideas about what the national Co-operative Development Agency was, and what it did.

Firstly, it was an Agency of Government, less than a Ministry (which always has a Minister in charge), and less than a Department (usually more than one) or an Office (which have a Secretary of State). Agencies can have a junior (i.e. unpaid) Minister, but don't have to. This one didn't, but it still meant that co-ops had an official recognition in Government, senior civil servants had to take it seriously (as it was clearly a government priority, and it could be a career choice for them), and their old concept of co-operators as a bunch of hippies in sandals was out of the window!

Secondly, the senior civil servants in charge had access to Westminster and could get the ear of Government Ministers.

Thirdly, it didn't do Co-operative Development – the name is misleading. What it did do, however, was commission research and report on the sector. It produced detailed reports on the size of the sector each year and was the main funder for the Co-operative Research Unit at the Open University. Indeed, the Cornforth Report was funded by them.

It's weakness in my view, was that it was run by civil servants, not experienced co-operators. Civil servants are by their nature generalists and are often moved around departments with no relationship to their expertise. They are generally bright and well educated, so they learn on the job quickly, but they have no lived experience to draw on.

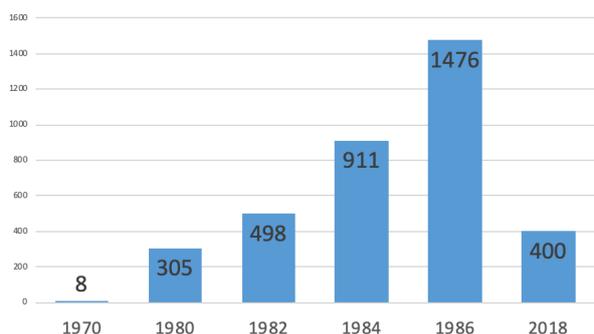
In support of the movement to establish co-ops as part of Government policy, Tony Benn wrote, in 1976, that *"the impetus, the imagination, the energy, the organisational ability was coming from the people on the shop floor itself"*. And he added, *"Unless a Labour Government can find some way of discovering and encouraging, harnessing and working with this sort of feeling, it is inevitably going to be driven back on to a plan for industry thought out at the top and imposed from the top"*

Unfortunately, the Benn co-ops of the early 1970s had all been failures, partly due to their being resurrections of failing businesses, but also because they weren't really co-ops at all. Their governance structure was a combination of TUs and civil servants running the show, with the actual workers largely side-lined. Fortunately this didn't dampen the then Labour Government's desire to develop co-ops as a mainstream business model.

Thus:-

- 1976 - Industrial Common Ownership Act + £250,000 Loan Fund
- 1977 – First CDA formed in Scotland
- 1978 – Co-operative Development Agency formed with budget of £200,000 p.a.
- 1984 – Over 100 local CDAs
- 1989 – Margaret Thatcher closes the CDA

The result.....lots more worker co-ops



In my view its best period was the final 18 months or so, after the senior civil servant in charge retired, a temporary replacement was made. This was my colleague Barrie Cooper, ex Newport Common Ownership, ex Wales Co-op Centre CEO. He took the printing contract from HMSO and commissioned co-ops to print their reports. My co-op, Fingerprints, benefited, and I believe Calverts did as well.

The CDA movement

The first CDA (Co-operative Development Association) is recorded to be in Scotland in 1977, but lots more followed that year, and they reached a peak of 140 CDAs at their peak.

The money for CDAs in the 1970s, 80s and 90s was almost entirely from public funds, mostly from the local authority with some drawn down from central government grants such as Urban Aid and Inner-City Partnership. Other funding came from regional development agencies, the Manpower Services Commission and the EEC. Most CDAs which received funding were in Labour-controlled areas as those councils saw them as an important way to promote jobs and growth in line with their values. None received any funds from the national CDA.

A personal view on the way forward

I've argued in written submission and in the Implementation Group meetings that recreating a notional CDA is an important policy to get co-ops into the hearts and minds of civil servants, but that as before it shouldn't do on the ground development, and it should be led by experienced co-operators recruited into the civil service. It's fair to say this has not been met with enthusiasm, except for Les Huckfield.

I've also argued that we need to have a shop window and boots on the ground in every major town and city in order to get a new worker co-op movement up and running, as well as learning from our continental cousins on a legislative and fiscal framework that encourages rather than discourages co-ops. This means building on and expanding the existing network of surviving CDBs with adequate baseline funding. Our network is where the expertise is, and as the Hub demonstrated, we have the capacity to deliver.

Alex Bird

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