

Introduction

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<http://www.britishcouncil.org/learnenglish-podcasts-themes.htm>

This support pack contains the following materials:

- The article that you can listen to in the podcast
- An optional comprehension activity based on the article
- Links to other activities on the LearnEnglish website on this theme (cooperatives).

Read the article

How to start a cooperative and change the world

by John Kuti

The pioneers of cooperation

The idea of the co-operative is one of the greatest British inventions. To be more exact, it all began with a small shop in Toad Lane, Rochdale in Lancashire.

At the time of the "Rochdale pioneers" (the 1840's) there were a number of suggestions as to how the lives of ordinary people could be improved:

1. Teetotalism: One simple answer was that their problems all came from drinking alcohol. All they had to do was stop drinking and keep the money for their families.
2. Chartism: Another opinion was the argument for democracy. The supporters of this view said that when everybody had the vote, the laws that kept poor people poor while the rich got richer would be changed.
3. Cooperation: the opinion that won... to work with the laws as they were and the very little money that they had.

People can easily work together for a short time. Examples of co-operation without money changing hands are everywhere, and often it's the only way for the poorest people to achieve anything. Neighbours in slums might agree to clean out a drain, in a remote village they can set up a rota for bringing water. It's easy to understand how everyone benefits from this sort of agreement, but the Rochdale pioneers wanted to do more than that. They wanted to create an alternative to capitalism, a way of organising their lives which would completely change their situation and, finally, change the world.

How to start

The process of setting up your cooperative is

going to be long and difficult. The pioneers began with 28 members who each paid a subscription of 2 pence a week. I think it was important that they all knew and trusted each other, and that all of them had the same problems. They had to collect enough to rent a shop, their first project, at ten pounds a year. The records of early meetings show that they discussed how to spend every penny. If you calculate with old money there are 240 pence in a pound, so they had to be patient and start small.



Credits for the poor

It was impossible for the pioneers to borrow any money to begin their project. They tried to get advances from their employers but this was unsuccessful and caused the members a lot of problems at work because they got a reputation as radicals and trouble-makers. More recent experience, like the success of the Grameen Bank in Bangladesh, shows that a very small amount of money can be a vital start for the very poor.

The Rochdale pioneers were against credit on principle, and at the time, maybe they were right. Other similar projects ran into problems because

they couldn't make the interest payments on loans. Maybe the pioneers discussed and thought about their expenses more seriously because they had saved every penny of it themselves. The pioneers didn't want to give credit in their business either. Customers in their shop had to pay on the spot in cash. At that time, a lot of other shops offered credit to poor customers and took the payment when the workers received their wages.

Have cooperatives changed the world?

Nowadays, there are examples of very big and successful cooperatives: a lot of people in Britain do their shopping in John Lewis or Co-op supermarkets. A lot of people in Spain do theirs in Eroski. Unfortunately they haven't changed the world, and I think this is mainly because they have not followed their own principles. They only share a small part of their profits, they do not work especially to provide things that poor people need or limit themselves to their local neighbourhoods. It seems that their success as business organisations has made them less radical and less effective as tools of development.

Five principles of the co-op movement which can still change the world:

1. Start with the most essential products
When the first cooperative shop opened in Rochdale on 21st December 1844 there were only four items on sale: flour, butter, sugar and oatmeal. As the business grew they added tobacco and tea, and later meat, books and magazines were sold on another floor of the building.
2. Produce and sell things within your own community

This means making things that low-income people need and use. In 1840s Rochdale it was difficult for workers to buy even basic foods. Nowadays maybe the problems are furniture, shoes or a taxi service. Cooperatives also work successfully to give housing and banking services in poor areas.

3. Do not link the cooperative with any religious or political views

The co-operators agreed to let people discuss any question at their meetings, but the organisation itself did not depend on any religious or political ideas. This seems to have helped the society to survive. New members wanted to join because of the practical benefits of buying from the shop. Anyone could join and it wasn't important what political or religious opinions they had. It also meant that when the members disagreed about theoretical issues, it did not affect the organisation.

4. Use some resources for education

From the very start, the pioneers wanted to put a proportion of their profits into an educational fund. This, in time, became a library and a news-room on the first floor above the shop. The Mondragon group of cooperatives, which began in Spain about 100 years later, started with a school which taught practical subjects like mechanics and electronics.

5. Share the profits

Members of the coop paid in a weekly sum of 2 pence, which later rose to three. However these payments made them the owners of the shop and they received money back, five percent interest on the money plus their share of any profit the shop made.

Glossary

benefit (v): to receive good things
capitalism (n): the economic system where profits belong to the owner of a business.
drain (n): a channel or pipe for taking away dirty water.
interest (n): the extra money you have to pay back if you borrow money from a bank.
issue (n): question or problem.
item (n): thing.
low-income (adj): receiving very little money.
profit (n): the money that a business makes, its income minus all its costs.
remote (adj): far away from other places.
rent (v): to pay for using something for a particular period e.g. a building or a car.

rota (n): a timetable which divides work among several people.
set up (v): to organise / to arrange.
share (v): to divide so that each person receives a certain portion.
slum (n): a poor part of a city, often without basic services.
subscription (n): a payment for a specific period, made every week or every month for example.
vital (adj): very important, something which you must have.
vote (v): (verb) to show your opinion in a democratic process.

After reading**Exercise 1**

Below are 10 questions or statements about the text. For each one, choose the **best** answer, based on the information in the text.

1. What countries were the Rochdale Pioneers from?
 - (a) Spain
 - (b) Britain
 - (c) Bangladesh

2. What countries are the Mondragon group from?
 - (a) Spain
 - (b) Britain
 - (c) Bangladesh

3. What countries is the Grameen Bank from?
 - (a) Spain
 - (b) Britain
 - (c) Bangladesh

4. The rent for the first shop in Rochdale was:
 - (a) ten pounds a week
 - (b) ten pounds a month
 - (c) ten pounds a year

5. The Rochdale pioneers wanted to:
 - (a) give poor people the right to vote
 - (b) stop poor people drinking alcohol
 - (c) stop poor people borrowing money in shops

6. The Chartists wanted to:
 - (a) give poor people the right to vote
 - (b) stop poor people drinking alcohol
 - (c) stop poor people borrowing money in shops

7. The teetotalers wanted to:
 - (a) give poor people the right to vote
 - (b) stop poor people drinking alcohol
 - (c) stop poor people borrowing money in shops

8. In the text, which phrases beginning with "ON" means "immediately and in the same place"?
 - (a) on principle
 - (b) on the spot
 - (c) on sale

9. In the text, which phrases beginning with "ON" means "you can buy it"?
 - (a) on principle
 - (b) on the spot
 - (c) on sale

10. In the text, which phrases beginning with "ON" means "because of a moral or philosophical opinion"?
 - (a) on principle
 - (b) on the spot
 - (c) on sale

More activities on this topic

You'll find links to all the following activities connected to the theme of cooperatives at:
<http://www.britishcouncil.org/learnenglish-central-themes-cooperatives.htm>

- **Word game: "Sharing" idioms.** This jigsaw puzzle practises idiomatic expressions that use words related to sharing.
- **Story: Animal Farm.** This satirical novel by George Orwell is ostensibly about a group of animals who oust the humans from the farm they live on and run it themselves, only to have it corrupted into a brutal tyranny.
- **Trivia:** Everything you (n)ever wanted to know about cooperatives.
- There is also a cooperatives-related cartoon, and some carefully selected external links.

Answers to comprehension activity: 1.b; 2.a; 3.c; 4.c; 5.c; 6.a; 7.b; 8.b; 9. c; 10. a