

UNIT 58

by
Eirlys Tynan



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Co-operatives Research
Case Study No. 1



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CO-OPERATIVES

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This publication is one of a series from the Open University's Co-operatives Research Unit. Formed in 1978, the Unit aims to develop research into co-operatives as well as providing advice, information and training aids. It is based in the Systems Group of the Open University which has been researching into Co-operatives since 1975, particularly, producer co-operatives and common ownership enterprises.

The Co-operatives Research Unit includes both teaching and research staff as well as research students, both full and part-time. Members of the Unit have been involved with the design of simulation games for Systems teaching and training for members of co-operatives, and helping co-operatives through action-research projects.

For further details for the Unit's publications and for other information, including advice, training aids and the possibilities for research with the Unit, please contact:

Co-operatives Research Unit,
Technology Faculty,
Open University,
Walton Hall,
Milton Keynes,
Buckinghamshire. Tel: 0908-653303

PREFACE

My interest in workers co-operatives arose from a general interest in the theme of participation. As a freelance radio journalist the failure of Unit 58 offered me the possibility of a news item and a record of worker experience in a novel experiment. Tapes made at this time were submitted to the Systems Group of the Open University who had been conducting research on co-operatives. This led to a period of consultancy in which I observed Sunderlandia and Little Women.

This is one of a series of three case studies of co-operatives set up in the North East of England:-

Case Study 1: Unit 58

Case Study 2: Little Women

Case Study 3: Sunderlandia

The three co-operatives are instances of businesses set up under Industrial Common Ownership Movement (ICOM) rules. They are also linked through my friendship with Laurence Cockcroft, promoter of Unit 58 whose mentor was Robert Oakeshott, promoter of Sunderlandia who in turn encouraged Margaret Elliott to set up Little Women.

They are also linked because they are all 'constructive' co-operatives: two set up by a promoter the other set up to meet the needs of a group of women.

In each case my intention has been to present a descriptive account of the events and the participants' perceptions of what was going on. Personalities introduced into the accounts are given further biographical treatment in later sections. In Little Women the workforce retains its real names, in Unit 58 and Sunderlandia the promoters keep their names but the identities of the rest of the workforce are disguised.

Although the Sunderlandia story includes some analysis and interpretation it must be stressed that the investigations were not conducted to 'test hypotheses' or elaborate a conceptual framework. My approach has been to try to tell the story from the point of view of the workforce. Members of Little Women have approved the account given of their enterprise, ex-members of Unit 58 and Sunderlandia have been consulted on the drafts of the manuscript and its interpretation.

UNIT 58

A printing firm set up to run co-operatively in Washington, then in County Durham, was visited on two occasions during 1975 when it was still in production. The main survey was, however, after closure in January 1976. The entire workforce of seven was taped recorded in interviews of one to two hours. These were semi-structured and concentrated on the theme of work satisfaction in what was a short lived experiment for the people involved.

Little information was gathered to provide a description of events in any detail. Two interviews were conducted in 1977 with a member of Unit 58 who subsequently set up a successful print business by himself in Sunderland. Laurence Cockcroft's own unpublished account of Unit 58 provided information on the business and financial organisation of the company.

LITTLE WOMEN

A food shop in Sunderland, this was observed in several ways over a period of two years from 1975 to 1977. Tape recordings with the women previous to opening concentrated on their expectations and

and their experience of activism of participation in their locality, their political and social values. Attendance at several planning meetings before the opening of the business allowed observation of the discussions which from the beginning took on the double function for the group of business and pleasure as they were held in a local pub. Renovation of the shop and stocking it previous to start-up continued this process of involvement and observation. In addition many days were spent working in the shop, once open, to relieve the women at times of sickness and crisis.

Business meetings of Little Women were attended on a regular basis during 1977 and notes taken. A full diary was kept of all visits and several social events as well.

SUNDERLANDIA

A building firm in Sunderland was observed between 1975 and 1977 with a few days of participant involvement as a plasterer's mate. Methods used again were semi-structured interviews with about 30 members of which some 12 were tape recorded. General meetings were observed from February 1976 to June 1977. I attended the Annual General Meeting of 1977 and the parties following that meeting and the AGM of the previous year.

Written material from within the firm included: Robert Oakeshott's half-yearly report of January 1974, Pete Smith's Social Survey of 1974, the AGM reports of 1976 and 1977, Bun Bunnnett's report of July 1977 and Board Meeting minutes from November 1974 to March 1977.

There was no access to wage sheets for dates of employment and turnover of labour.

A diary was kept of all visits to the firm.

Two other written accounts of Sunderlandia exist, Robert Oakeshott's own account of Sunderlandia presents a regretful record of failure seen in the context of class hostility and the 'British disease' of apathy, anomie and poor productivity. There is also a brief account of the firm in David Watkins' Fabian Tract 455, prepared for ICOM. This describes the major problem of the co-operative as the opportunism of transient workers who influenced the General Meetings against the long term interests of the firm. The final solution to invest £500 from each member of the surviving workforce is described as "*precluding the wrecking of the company by itinerants.*"

This account seeks to redress the balance by emphasizing the perceptions of the workforce and their responses to events in the firm's history.

I am grateful to my colleagues in the Co-operatives Research Unit for their assistance and advice both during the fieldwork and in preparing the three case studies for publication. I am indebted to those in the co-operatives who gave me their time and confidences.

Eirlys Tynan,
Walton Hall,
January, 1980.

UNIT 58 - ABSTRACT

Provides a brief history of a small printing co-operative in Washington New Town which ran for 9 months in the mid 1970s, looked at through the perceptions and reminiscences of the participants. Biographies of the characters involved are a main part of the case study.

Issues raised include the apparent conflict between joint decision taking and the necessity of maintaining a flexible working schedule; the conflict between traditional craft decisions and the co-operative's policy to compress wage differentials and break down demarcation boundaries; and the different expectations and rewards sought by different participants from different class backgrounds.

All these arose within the economic context of a general recession which put the company under such continual pressure that they "were never in a position to allow group decisions to hold and to learn from their mistakes". This problem was exacerbated by the total inexperience on the part of the promoters in starting and running a small business.

The author concludes that most of the causes of the co-operative's failure are to be found in the circumstances of its formation. "The idealism of common ownership released energy, enthusiasm, but overlooked the class and power base from which the attitudes of the workforce were drawn."

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I HISTORY OF THE COMPANY

Unit 58 Print Services Limited was registered in November 1974 and planned to start trading in March of the following year. November to March was spent renting factory space, recruiting staff and initiating a sales campaign.

(i) Feasibility Study

The establishment of Unit 58 followed a feasibility study by the promoters in November which showed a sophisticated analysis in twenty pages of exposition and sixteen of surveys and charts. It described the aim to establish a medium sized printing firm which would offer the distinctive service of a small offset litho. Film setting service, of which there appeared to be only one to cater for the North East area, would be offered to other printers in the area and after one year's trading it was hoped to launch a local newspaper.

The North East of England had been surveyed and found desirable in that the printing trade was generally considered less competitive than elsewhere. A degree of cultural identity was assumed to provide a possible market for a newspaper.

It was recognised that the company was setting itself up in a climate of economic recession as well as an area of the country associated with economic malaise.

(ii) Financing

Government finances were, however, available and application was made to the Department of Industry in the confident hope

that a common ownership firm in the North East would stand a good chance of successful funding.

Unit 58 was then established as a common ownership company, limited by guarantee and financed by loanstock, principally £5,000 from Industrial Common Ownership Finance (ICOF). A bank overdraft was subject to a personal guarantee from one of the promoters. The £16,000 anticipated from the Department of Industry amounted to nearly one half of the financing predicted.

* Cockcroft's report, prepared for the Industrial Common Ownership Movement (ICOM), cites the problem of finance for a common ownership firm as a relatively minor and technical one easily overcome by the subordination of certain loanstock in the event of liquidation.

(iii) Trading

Factory space in Washington New Town was subsidised by the local authority and given rent free for two years. Laurence Cockcroft, original promoter, and James Brown, his production manager, were found new housing at very attractive rents and by March 1975 trading began with a total workforce of seven including one apprentice. Of the six items of equipment listed in the feasibility study one had been purchased. This was a second-hand guillotine. Other purchases of a binding machine, a folding machine and a perforating machine determined that the work done would have to start in finishing and folding. In anticipation of the Department of Industry loan this appeared to be the most appropriate point of market entry.

'Unit 58' Laurence Cockcroft, an unpublished report prepared for ICOM, 1978

The emphasis on aggressive marketing mentioned in the feasibility study led to the advertising of a sales job at £40 per week for a retired rep. in the trade. It produced no replies. During the first weeks of trading a skilled print worker from de la Rue attempted to find a market for the company. He rapidly became despondent and was the first member of the firm to leave. Thereafter Laurence Cockcroft took on the sales of the company, but events proved overwhelming.

The economic recession of 1975 had reduced the demand for Unit 58's services. The firm failed to capture a share in the market and was never able to cover its running costs. By August it was learnt that the application to the Department of Industry had been rejected. The company lasted another three months, and in that time unpaid overtime and cuts in wages led to a final rate of £1.00 per week plus tax refunds. Four members of the company felt able to accept this, but three did not and left.

In the following months alternative methods of financing were considered but rejected and the company suspended trading, gave up the factory and decided to sell its equipment. Ironically, the Manpower Services Commission offered to finance a worker in the firm just as James Brown supervised the closing down of the factory. Laurence Cockcroft returned to consultancy work in Africa to pay his considerable personal debts, in excess of £20,000.

II ASPECTS OF ORGANISATION AND MANAGEMENT

(i) Constitution

The members of the company whose number would be limited and who would be eligible for membership after three months, would control the firm by vote at Ordinary Meetings. Members would contribute to a loan stock at an initial contribution of £50. The maximum number of Directors of the company would be eight - at least two not to be company members. The Board would be subject to bi-annual election.

The Annual General Meeting would consider recommendations from the Board of Directors on the allocation of after tax profits. A minimum of 50% of the profits would be retained unless special resolution required otherwise.

Unit 58 was to be a Trade Union firm.

Hiring and firing was to be the prerogative of the Board of Directors, but employment policy could be revised at Ordinary Meetings.

(ii) Decision Making in Practice

With the exception of the apprentice the workforce had previously experienced work as rigid and hierarchical. The climate of the firm resisted 'line management' and considerable time was spent in meetings where issues were discussed and work practices settled in a democratic way. The putting into practice of these decisions was however subject to the vagaries of day to day organisation and often resulted in actions which appeared to the workforce to be in direct contradiction to group decisions.

This was experienced as disheartening by the workforce and considerable friction and distrust resulted. It was finally recognised that some substitute for a 'foreman' was an essential requirement for the efficient functioning of the company.

Derek Smith: "as far as discussion is concerned we had one on the last job - the diary - we discussed that for three hours on Thursday and on Monday....we were at each others' throats because we'd planned it all on the Thursday and on Monday it was running entirely wrong to the way we planned it....I vowed then I wouldn't work overtime on the job....and I didn't."

Inefficiency was an unacceptable burden especially when combined with an insistence on performance; an example cited was working late to send out an order that was in the event not despatched on time although ready packed.

(iii) Wages, Trade Unions and Flexibility

The wages were generally considered to be generous and in some instances thought to have been an important cause for the failure of the firm.

There were three levels of pay at Unit 58 - technical , skilled and unskilled. A limit on the differentials was placed at 2.5:1 and represented a compromise in ideology for the promoters. The need for incentives of some kind were regretted but recognised as essential in a trade which traditionally maintains strict and rigid divisions of this kind.

Unit 58 was a 'union shop' and within two months of trading the company was obliged to respond to nationally negotiated rises

of £23 for the unskilled workers. A £6 increase for the other two grades was allowed and although many of these increases were originally allocated in loanstock, by June they were mainly paid in cash.

Cockcroft's report (referred to above) suggests:- *'Within a multi-union industry such as the printing industry it is extremely difficult not to operate a differential system. If Unit 58 had introduced a press and camera (employing staff from two different unions NGA and SLADE) the system of one rate for skilled staff would have been virtually impossible to operate.'* He predicted that the company would have been driven to adopt a conventional wages structure with Union defined rates for the job.

People were expected to forget the dividing lines of craft and apprenticeship and 'muck in' to help the firm. In fact none relished the experience of stepping outside the limits of their experience or carefully nurtured expertise.

As a skilled, highly paid ex de la Rue printer John Dawes felt diminished and confused by his attempts to be the salesman, Mary Bewick resented helping out in the factory and her husband preferred her not to. Cockcroft himself tired of sales which meant the dreary round of repetitious requests, Smith defended himself against requests by insisting he was an experienced bookbinder and should be required only to do that kind of working; driving the delivery van after Brown had lost his licence seemed to be beyond the call of duty for him.

(iv) Reasons for Failure

In his explanation the major difficulty Cockcroft cites is that of thorough marketing. While ICOF granted £5,000 initially they were unwilling to make more monies available when the firm was in difficulties in October 1975. *"In retrospect it would seem that, owing to problems of manpower and time, ICOF's original assessment was too superficial and that more information on Unit 58's market outlets should have been demanded. Although a detailed feasibility study had been completed, which proved very accurate on the cost side, it did not face up to the marketing problem adequately. This was eventually demanded by the Department of Industry as part of its 'second round' view of Unit 58's loan application, and the company was correctly forced to do a great deal of additional research into the market situation."*

He adds that the hope for finance from the Department of Industry was totally unfounded and the time spent on pursuing that resource was time wasted.

Misplaced confidence on securing government help had led to the purchase of machinery that forced the company into dependence on a declining industry and was one of several misjudgements on the part of the promoters. They in turn not only had the problems of establishing a business but also had to contend with the rigours of running a social experiment in which they were leading protagonists. The promoters lacked professionalism and had no practical experience of being in business on their own account; the hard slow slog of 'putting the foot in the door' did not

figure in the image projected by the feasibility study. A wine and cheese party to celebrate their inauguration was considered flamboyant and untimely by some of the competitors who were invited to come along, who presumably used their eyes to glean the more likely outcome of affairs. Inefficiency on the part of management led to poor performance and demoralisation. Productivity was low even when work was available and prices offered by Unit 58 could not be competitive. John Dawes, who left early on to set up a thriving business of his own, described by contrast his willingness to do any kind of printing work, however small, cloakroom tickets for instance with the more fastidious approach of Unit 58 which hung out for bigger contracts.

The short tumultuous life of Unit 58 indicates its failure as a business enterprise.

In a more favourable economic climate and given time the small size of the workforce might have made a co-operative and supportive group; as it was the democratisation of Unit 58 was at best a limited success. Despite many discussions between promoters and workers the precise nature of the idea eluded those involved.

III THE PEOPLE

LAURENCE COCKCROFT: A man in his mid thirties, unmarried, son of a textile manufacturing family in Yorkshire, his childhood memories were of factory life; energy and action. After public school he did Voluntary Service Overseas in Africa and on graduating in Economics he worked in Zambia and Tanzania as an agricultural economist.

In Tanzania he was exposed to Socialist philosophies and returned to England in the late 60s to involve himself in social change. He wanted to test a kind of socialism where power was firmly in the hands of the people and not in central government. He was deeply interested in class and cultural differences.

In 1974 he met Robert Oakeshott of Sunderlandia and under his influence decided to set up a single tier common ownership printing firm in the North East.

As financial controller of Unit 58 his outward manner and enthusiasm earned him the esteem and affection of the workforce. However, they always regarded him as 'the boss'. His responsibility was for administration and forward planning and towards the end he went out selling.

Immediately after the failure of Unit 58 he expressed pessimism about human motivation and an acute awareness of his own mistakes. He returned to consultancy work in Africa to pay off the debts of the firm.

JAMES BROWN: Twenty-nine years old, a married man with a working wife and a varied career in printing. At the age of twenty-six he had reached an impasse; no qualifications and no prospects. He regarded the people for whom he worked as incompetent and thought that "if people were able to go in and produce their own income they would forget the petty jealousies of the working scene". Motivation, productivity and satisfaction would follow. He went as a full-time student to get City & Guilds qualifications in Manchester and after a higher course emerged with a Diploma in Printing.

In the Summer of 1974 he answered an advertisement and met Laurence Cockcroft. He became enthusiastic about common ownership disagreeing only on the low differential of 1:2 that Cockcroft intended. He sold his house and moved North to work on a feasibility study with Cockcroft.

As Production Controller his responsibility was for the technical side of the business. This brought him into direct contact with the workforce and he was the focus for all the hostility at Unit 58. He seemed unaware of its intensity and found nothing lacking in his conduct or demeanor.

Immediately following the failure of Unit 58 he expressed the opinion that participatory democracy was suited only to highly motivated people and that most workers did not want to share in this responsibility.

He has taken a job in Wigan Polytechnic as a Lecturer.

JOHN DAWES: A man in his thirties, married with children. He was a machine manager with de la Rue recruited late 1974 on the promise of a Rota Perfecta litho machine and other sophisticated items. He was bored with the work at de la Rue, disliked the regimentation and impersonality, and resented the power of the Trade Unions there. He was prepared to drop over £100 per week for the idea of common ownership. A skilled printer, he wanted to work where his skills would be recognised and to make a successful business.

As no machinery available Dawes was employed as a salesman. He frequently lost his way and soon lost interest. He made a partnership with a milkman friend and left Unit 58 after only three months.

He was attracted to common ownership but sceptical of the discussions and contemptuous of the projections and statistics. "The boss was the one with the best argument....common ownership is a lot to swallow in one go....you must have a number one man and he must be able to do what he's talking about and people must trust him."

He thought Unit 58 doomed from the start and that Cockcroft should have established a conventional business, proved it a success and shared it then.

He is presently in partnership in an unpretentious little printing firm, his partner has provided the capital, Dawes is 'the number one man' and they are doing very well.

After a year's trading he was approached by a large firm making a takeover offer. He declined this and was looking for factory space to rent. It is unlikely that his success impinged in any way on Unit 58's career except as a poignant example of what could be

achieved. He was nevertheless working over sixty hours a week to make this a success.

He claimed when interviewed in 1977 to have put into practice in his own firm full consultation with the apprentice who worked with him. This he saw both as a matter of principle and as sound business sense.

DEREK SMITH: A married man in his thirties with two children. He had eleven years experience of finishing and despatching in the printing trade. He was attracted to Unit 58 by more money and the challenge of working for himself. His wife was enthusiastic at first but found the unpaid overtime and wage cuts demoralising. As a result Derek Smith was happier in his work at Unit 58 but his home life deteriorated.

He considered himself in charge of the binding room and resented interference from JB. "James's a good talker but he talks a lot of rubbish as far as I'm concerned....uses all the big words, tries to baffle you but I'm afraid he never baffled me." From JB's point of view he was inflexible and difficult to advise. DS regarded the work schedules as badly planned and was disgusted by the direct reversal in practice of decisions taken by the workforce.

After leaving Unit 58 in August Janet Forester found him a job in Washington.

PHILLIP EVANS: An easygoing - 'no reason to panic if you don't get the job out' -apprentice. He seemed able to see all points of view and was accused by the workforce of siding with the management; in fact it seems he did often agree with the promoters.

He resented the interference of JB and sometimes disregarded his instructions. He realised that he would probably not have done this in a conventional firm. He was exasperated by the reversal of group decisions and the inefficient use of worker energies. He claimed to have worked 500 hours unpaid overtime; this was sometimes to meet a deadline which was then missed because of inefficient management.

He enjoyed the atmosphere of Unit 58 and the personal contact with JB and Cockcroft. He always thought that Laurence Cockcroft was 'the boss' and would prefer a situation where this was explicitly so. Stayed on to the bitter end. He thought the experience might enable him to 'stand up for himself' in other jobs.

JANET FORESTER: A machine operator in her forties, she had a long experience of factory work. She was the daughter of a harsh disciplinarian and was used to routine regimentation in work. She had a 'man to keep her', i.e. a husband, and she worked out of habit and to take holidays abroad.

She was probably more emotionally involved in the venture than the others. She enjoyed the atmosphere and was very outspoken in meetings. When interviewed she was low-key and pessimistic.

She claimed the meetings were often above her head no matter how often things were explained. Asked to discuss the purchase of machinery for £25,000 she was "totally lost, I didn't feel qualified with my education and working class background. It was really too much to expect." On the more mundane matters of factory floor discipline, hours, tidiness, etc. she would have felt competent. She stayed on to the bitter end and then returned to working in a conventional factory.

JUNE PRENTISS: A twenty year old married woman she had been in unskilled packing jobs before joining Unit 58.

She found it difficult to explain common ownership to her family and friends. Her husband could not understand her interest and enthusiasm for her work. Her friends ridiculed her for doing unpaid overtime. "I'd say we were part of the company....making a better future.... but they couldn't grasp it."

She always regarded Laurence Cockcroft as the boss.

In meetings she was mostly silent. Discussions of expensive purchases and accounts worried her. Like Janet Forester she felt such issues beyond her competence. Towards the end she was gaining in confidence and would have spoken up. Interviewed she was articulate and enthusiastic.

She left at the same time as Derek Smith. She wanted to furnish a new home. She felt rules of conduct would have to be devised by a workforce and kept in order for common ownership to work smoothly.

MARY BEWICK: A married women in her twenties, she worked part-time as secretary and bookkeeper. Her husband was a successful young businessman who sought to advise Laurence Cockcroft.

Her glamour and lifestyle made her a focus for envy. She was thought to take part in discussion with the promoters when decisions were taken and then forced on the rest. She was told what was going on and that was "very nice....made you feel you were doing something worthwhile".

Her husband didn't approve of her helping out in the factory and she tried not to. This was resented and she considered this resentment the response of "people below a certain level".

The location of her office was in the reception.

She worked in the reception cum office part of the premises from which the promoters based their activity; the desks, phones and information was here. Directly behind was the 'factory' and as her husband regretted her moving into this area so the apprentice distinctly resented the immediate proximity to the office and the ease with which promoters went in the factory.

She felt they took advantage of general laxity and would turn up late; they were offered responsibility but did not take it. The promoters lacked professionalism; a lot of enthusiasm but long hours, chaos and inefficiency. She felt the wage cuts just as demoralising as the rest. The marketing was all wrong; publicity and image making was no substitute for knocking on doors.

She would work for Laurence Cockcroft any time and helped him tidy up the loose ends of the business after it closed down.

IV DISCUSSION AND ASSESSMENT

(i) Interpretations of Events

The poor trading performance of the company did not generate an appropriate atmosphere in which a relaxed and secure workforce would discuss the running of the factory, their responsibilities in decisions. Tension and insecurity must have fuelled the recriminations that broke out between the production manager and between the men and women. Criticism of traditional discipline was encouraged, there are no 'bosses' and this led to laxity which caused minor frictions; seeds of doubt would flourish in the long periods of inactivity when there was time for antagonism to reveal itself.

Expressions of disappointment in the motivation of the workforce were made by the promoters; from their point of view group discussions were unfruitful as a favourable decision did not translate automatically into favourable performance and the workforce did not appear to want responsibility for shaping their work lives.

A more realistic view of events and the market tends to confirm the common sense of the workforce, or at least puts a more understanding interpretation on their resignation before forces beyond their control. They for their part found discussion to be predetermined and dressed in form and language that was often mystifying; when group decisions were made management often reversed the practice arbitrarily; they found long hours and low pay demoralising.

While the Management had learned at least to revise their assumptions about co-operation and the possibility of encouraging it at the point of production they did not lose hope in the principles entirely; but in their opinion a workforce selected like cadres for commitment and high motivation would be required for any chance of success in common ownership.

The workforce had lost no illusions as they had none to begin with. Apart from the 'snags' of inefficiency and conflict openly expressed they had in general enjoyed the more intimate and human situation at Unit 58. They had been flattered by the invitation to contribute to the running of the firm. June Prentiss had often looked forward to getting to work.

Derek Smith had been less bored at Unit 58. They had all enjoyed the contact with Laurence Cockcroft whose personality and demeanour were magnetic to them all. The chance to meet an educated and lively member of the upper classes on a personal and day to day basis as well as at social events organised by the firm, were opportunities which were extremely rare for them.

Laurence Cockcroft's own analysis of Unit 58 indicated an awareness of the problems of finding a common objective in a group of people and the unlikeliness of promoters with no experience being able to sustain the double burden of a start-up and new work method. "Unless they quickly become competent they are of necessity 'condemning' their fellow members to a low level of performance with all that means with regard to downward pressures on wages and ever greater delays in a promised distribution of profits."

His report prepared for ICOM mentions the role of 'GP', an outside figure who might have been able to continue the debate on democratic modes and foster a sense of communal purpose with the company. The reading and comprehension of financial reports would have been one area of tuition that such a figure might undertake. He concluded that inequalities of power and expertise, combined with worker reluctance to involve themselves, will seriously undermine attempts to democratise the workplace and that the intractable problems of democratisation in Unit 58 would be magnified and intolerable in a large national company with a workforce of thousands.

Such an analysis omits any consideration of what the traditional organisations of working class power might achieve were they to direct their energies towards it. This omission to consider traditional worker organisation other than negatively suggests some of the misconceptions which may have bedevilled Unit 58.

(ii) Conceptions of Authority and the Nature of Work

Some important misconceptions of what was possible derived from a naive assessment on the part of the promoters as to their own role and the nature of work.

While the promoters could present the rhetoric of democratisation they were seen quite differently by the workforce. Cockcroft was never able to divest himself of the 'boss' role; he was aware of the problems of class and deference, but in any event Unit 58 was his idea and his money was in it. Besides, given

his personality he might quite easily have been deferred to in any situation. His anxiety for it to succeed was certainly something that only James Brown, the production controller, could have shared with him. Brown had sold up his home to move to Washington and Cockcroft had his own money in the venture; both men had taken considerable risks.

While the models of a team in which people submerged their individual goals in favour of winning was appropriate for the promoters for the workforce who could not really understand the goal, the team became perhaps more of a 'gang' in which struggle took place for significance and acceptance.

The role that James Brown played in focusing most hostility on himself was exacerbated by feelings of distrust and anxiety. As an aspiring manager who had latterly taken training and qualifications and become a 'whizz' kid he offended both Dawes and Smith who had their long experience in the print trade but no academic gloss on it. His inexperience in dealing with people compounded the aggravation; and the reliance on him which they observed in Cockcroft's behaviour made them suspect collusion and secret management.

The nature of the work and rewards were a crucial area of distinction between Cockcroft and the workforce. For the promoters work was to be intellectually and psychologically satisfying. Dawes had certainly seen the project as challenging but probably more in terms of business success than in those of actual tasks required. He was latterly, as a successful man in business, ambitious to become director in the firm where he started as

an apprentice. He had very early detected and resented the amateurish approach to work at Unit 58. The financial rewards could be downgraded by the promoter who came from a secure background of professional opportunities but for the workforce the criteria were reversed in priority. Educational and professional opportunities hardly existed for them and financial consideration would eventually decide the day.

For the promoters the rewards of Unit 58 were more likely to be in terms of experience that could be translated into marketable expertise. The workforce might experience different working habits but unless they were dynamic and upwardly aspiring the experience was likely to remain an intriguing interlude of contact with people and ideas they might otherwise have never seen.

(iii) Meetings

The meetings were an area in which class resources were exposed. For the promoters the tools of analysis and verbalisation were enjoyable in themselves and a source of power. For the workforce this intellectualisation was at once novel and intimidating.

The inclusion of the entire workforce in all issues for discussion meant that the women were particularly intimidated. In such a small workforce the emphasis on collective responsibility overwhelmed the case for individual inclination and interests. The discussion on spending £25,000 on machinery fulfilled the management's duty to be frank and democratic but reinforced the

workers feelings of inadequacy and did so publicly.

In such a brief history and under such pressure the group were never in the position to allow group decisions to hold and to learn from mistakes. Managerial responsibility based on ideas of better information and understanding meant that management decisions contradicted those of the workforce and reinforced the suspicion of double thinking and manipulation.

(iv) Conclusions

Laurence Cockcroft's analysis showed an awareness of these factors in retrospect but the tone is one of regret that things should be like this; rather than an understanding of why they were likely to be this way, given the circumstances of the co-operative's formation.

The foundation of a company on conventional grounds with the gradual introduction of democratic procedures has been offered as a more likely base from which to make a company like Unit 58 succeed. There is, however, no guarantee that financial success in conventional terms was within the grasp of the promoters of Unit 58.

The idealism of common ownership released energy, enthusiasm, but overlooked the class and power base from which the attitudes of the workforce were drawn.

While Unit 58 recognised the craving of people for significance and achievement it underestimated the craft and skills of which Dawes and Smith were proud. These were familiar ground compared to which common ownership and 'mucking in' were uncharted seas.

The promoters failed to realise the depth and extent of working class frustrations. They were unable to cope with the acrimony of a workforce that wanted change but was shackled to the realities of earning a wage and the narrowness of educational experience.

While the workforce at Unit 58 gave generously of their labour and the promoters gave generously of their money, enthusiasm and time they had neither the skills of business management nor of communication; in the event nor was there the time in which these might have been developed.