KME - Working in a Large Co-operative: Worker Perceptions and Experiences of the Kirkby Manufacturing and Engineering Company, 1974-79

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KME - WORKING IN A LARGE CO-OPERATIVE

By: EIRLYS TYNAN AND ALAN THOMAS

Monograph No. 6
It is now four years since the closure of the Kirkby Manufacturing and Engineering company. The Scottish Daily News had, of course, lasted only months, and at that time the third of the 'Benn Co-ops!', Meriden, was struggling on in remaindered form and has since ceased trading as a co-operative. The mantle of Britain's largest industrial co-operative has passed back to the 'endowed' co-operatives and the Scott Bader Commonwealth (or, possibly the recently announced conversion of the 'Baxi' Heating Company).

In these four years there has been a tremendous renewed surge of interest in workers' co-operatives. The number of co-operatives in UK has increased from around 300 to perhaps 900, employing close on 10,000 workers. These are mainly very small, service sector organisations, supported by a network of local Co-operative Development Agencies financed mainly through local authorities.

Although the numbers of tiny co-operatives can be multiplied still further, there are clear limits on the extent of home-grown, self-help-style co-operative development. Interest is turning to the possibilities of 'rescues' and 'phoenix' co-operatives and to whether some larger, failing enterprises can be successfully turned around under co-operative management. In particular, the question arises whether union support should be given to plans for co-operatives of this type.

Perhaps, then, it is timely to look back at the experience of some of those who worked in what was for a time Britain's largest co-operative, and was one that arose from a history of militant union activism. Does KME demonstrate that co-operative rescues of large, unionised industrial workplaces are bound to fail? Or can we find positive lessons for how to build a co-operative movement with greater impact in important areas of British industry?

This study is based on two sets of interviews with workers at KME. In 1977, Paul Chaplin, then an MBA student, at Manchester Business School, was granted access to KME through Professor Tony Eccles whose interest in industrial democracy led to his involvement with the co-operative over the entire time of its existence. Chaplin's assignment was to survey the company as a co-operative democracy not as a commercial enterprise. In three months he interviewed 175 people in unstructured interviews recording their perceptions of the co-op as a whole. He spoke to people throughout the factory and on several occasions over time. Chaplin's report was never circulated at KME, although...
this had been the stated intention when KME commissioned the work. Paul Chaplin has since then made his original research materials available to the current authors.

In 1979, one of us, Eirlys Tynan, preparing a thesis on producer co-operatives at the Co-operative Research Unit at the Open University, conducted a brief survey of worker perceptions after closure of the co-operative. The people she spoke to were primarily shop stewards but together with others the survey included twenty-two workers. Interviews were informal and concentrated on those issues most significant in the workers' perceptions.

Except for the two Convenor Directors, whose identities could not possibly be hidden, we have changed the names of those interviewed whenever referred to or quoted below.

Other accounts of KME exist to which this one is indebted, in particular that of Tony Eccles (1981). We would also like to take this opportunity of thanking all those who have contributed to this study by taking part in discussions or commenting on drafts. Apart from Paul Chaplin and Tony Eccles, this includes David McMonnies, Mike Robinson, Rob Paton, Roger Spear, Chris Cornforth, Jenny Thornley, Nick Oliver, Harold Pollard and Gael Dohany. Our thanks are also due to Doreen Pendlebury, who typed the drafts, and of course to those shop stewards and others at KME who were prepared to be interviewed in the aftermath of a very stressful experience.

The interpretations given here, and hence any misinterpretations there may be, are entirely our own. However, while borrowing from other versions and from newspaper accounts, we concentrate here on reconstructing events and feelings from the primary evidence available to us, namely the workforce view of KME.

Alan Thomas
Eirlys Tynan
Milton Keynes, May 1984
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Jack Spriggs' description of the workers' co-operative in which he was Director Convenor as 'Nobody's Child' highlights a paradoxical problem. How can anyone support and nurture a co-operative when ideally a co-operative is independently and democratically controlled by its members — in this case the workers at KME? Is a co-operative by its very nature supposed to release spontaneous processes, suppressed by conventional work practices, to sustain itself? To direct or tutor, let alone command such events might then seem as inappropriate as the presence of forceps at a 'natural' childbirth.

In practice there is little expertise or experience available on how to encourage the 'democratic' processes at work, particularly in a large, unionised workplace. However, Spriggs' phrase evokes a neglected and pathetic picture, which assists some versions of the events at KME, but avoids the turbulent — and much publicised — aspects of the co-operative's existence. KME — the Kirkby Manufacturing and Engineering Company — was the third of the three co-operatives set up in 1974/5 during Tony Benn's spell as Secretary of State for Industry. These government actions followed the wave of sit-ins and work-ins led by that at Upper Clyde Shipbuilders towards the end of the previous Conservative Government. KME was seen as an experiment in workers' control, perhaps the high point in government support for that concept, and this made it the object of intense political and social interest. In its 4½ years in production, up to closure in 1979, KME was the subject of four management reports — an indication of intractable difficulties rather than isolation.

On the eve of the 1979 election the Labour Prime Minister James Callaghan met the demand for a new £2.9 million grant from the co-operative with the response — "How can you help those who won't help themselves?" Refusal to fund the co-operative further led to the resignation of an Under Secretary in the Department of Trade and Industry responsible for KME and to a mixture of relief and dismay for some workers in Kirkby and despair for a few. "We couldn't believe that a Labour government would let KME sink beneath the waves."(JN)

1.1 A political failure

A report in the Financial Times (21.11.78) opened a sympathetic account of KME's history with the opinion that the troubles of the co-operative had been for years:

"A political issue of a magnitude out of all proportion to their importance to either the national economy or the problems of the local Liverpool region."
KME had very high political visibility and its eventual closure was widely seen as a failure of the idea of worker co-operation, and indeed a failure of the wider ideas of worker control and industrial democracy in general.

The support of Tony Benn for the three government sponsored co-operatives - Meriden, Scottish Daily News and KME - had placed the latter in the context of the political controversy surrounding the question of industrial democracy and its challenge to conventional economic and political power structures. While the Labour Party looked forward in general terms to the extension of industrial democracy the three Benn co-ops represented an interest within the Government which sought to revive the flagging grassroots of socialism via worker participation. In the case of KME the particular vehicle for participation was militant trade unionism and a strong shop steward movement.

Any political harvest which may be due is now likely to be delayed. The conservative victory in 1979 effectively sealed the fate of the KME co-operative and its story may have discredited the notion of the viability of this form of worker control for some time. After KME had closed, in 1980, the Guardian carried a lead article examining the proposals of Tony Benn to extend industrial democracy in general and specifically in the Press. The article asked: "Who does run newspapers when workers' co-operatives don't succeed?" (29.8.80) In other words, these examples showed the general failure of workers' co-operatives.

After the event, proponents of industrial democracy as well as its critics, and well informed members of the public in general, cited KME as a failure and a travesty. In our own study, we question this notion and suggest that in many respects KME could be seen as a relative success. This point should not be pushed too hard: KME failed to sustain support for itself so whatever the achievements along the way it must eventually be put down as a political failure. However, this should make it all the more important to learn from the history. First, though, we complete this introduction by doing two things: giving a brief summary of the views of other commentators and groups - who universally echo the idea that KME was a failure; and then looking at the constraints inherited by the co-operative.
1.2. Other views of KME

Several accounts of KME exist to which this study is indebted. While the analyses of Prof. Tony Eccles (1981) Tom Clarke (1974, 1977), Bradley and Gelb (1980) and Jack Spriggs the Director Convenor himself (1982) differ in emphasis they all seek to explain the reasons for 'failure' of the KME co-operative.

We may divide these commentaries into two groups which while they do not accurately reflect the political interpretations of the analyses do distinguish the 'problematic' areas which the authors address. Thus Spriggs and Clarke share a particular concern with the role of trade unions and their ability to survive the introduction of co-operative working practices. Eccles and Bradley and Gelb on the other hand are concerned with the productivity and efficiency of the co-operative organisation.

Spriggs attributes the failure of KME to two main factors: external constraints (poor financing and lack of technical assistance) and poor motivation in the workforce. He cites the greatest problem facing the co-operative to be discipline — in the co-operative setting this is 'self-discipline'. On the failure to develop democratic forms in the co-operative he comments — "Well, it's a bit strange — democracy is a bit backward and what's the point in imposing it on them. It becomes my deal then."

Clarke similarly blames external constraints for the failure at KME. In his case however the analysis is couched in a left critique of capitalism. He finds the fear of traditional trade unionists that their function may be suppressed in the co-operative to be justified. While he cites managerial incompetence leading to economic decline previous to the sit in and occupations he describes the roles assumed by the Director Convenors to be a 'popular bossdom' emerging from trade union loyalties and fostered by external constraints which allowed no 'slack'. This implies that in a more congenial market situation the Director Convenors would have been able to allow democratic forms to take root in the co-op.

Neither Spriggs nor Clarke addresses the problem of internal processes in the co-operative. An important issue in the perceptions of the workforce was the role of the Director Convenors in those areas of power and accountability which were part of the co-operative promise. These were inextricably mixed with traditional incentives which in part relied on managerial competence.

Eccles's study is a full account as an insider and a business advisor to the co-operative. He recognises the constraints: 'It
would have been hard for the people at KME to succeed even if the external climate had been helpful' (p405). He also points out the difficulties caused by the 'twin roles' both of convenors and of stewards, and suggests a structure that would separate the role of representing workers interests via collective bargaining from that of 'guardianship' of the enterprise. The latter, in Eccles' view, requires management skills. He regrets that the collective ethos in an organization derived from notions of worker control was antipathetic to management and thus to any acquisition of business expertise.

The workforce's poor commitment to change and the inability of stewards to take on middle management roles were to some extent to be expected. 'Boring work may still seem boring even if you own the means of production' (p393) and one should expect a transitional phase of perhaps years before people could learn to be fully involved. Effectiveness and efficiency are major elements in Eccles' analysis; 'management isn't mysterious; it's just difficult' (p342). However, Eccles' key conclusion is that 'industrial democracy and sizeable worker co-operatives will not work in Britain whilst worker attitudes and trade union policies remain as they are' (p404).

Bradley's and Gelb's brief analysis addresses the hypothesis of the 'cash nexus' (Westergaard 1970) and suggests that the co-operative goals of the workforce will always revert in financial crisis to economistic goals. They also note the incompatibility of access to information and other aspects of co-operative working with capitalist business practice and, they imply, financial success. However, they neglect the idealistic elements that undoubtedly complicate processes in a co-operative and hence their commentary presents a somewhat mechanistic view of working at KME.

KME and the other 'Benn co-ops' have been the subject of much political as well as academic debate. On the left wing the failure of KME is seen as a failure of government resolve and support: an illustration of the power of entrenched and hostile Civil Service cadres, only to be expected in a capitalist economy where a co-operative is merely one island of socialism.

To this general criticism the libertarian left add that the failure of KME may also be seen as an instance of the stultifying effect of traditional Trade Union organization which is ill equipped to cultivate democracy and is compromised by its role within capitalist management. This approach is informed by an ideology which advocates co-operatives as a means of encouraging political change within the western democracies. It dismisses lack of interest reported in Yugoslav co-ops as evidence
that 'state capitalism' is as oppressive if not more so than that of the democracies.

Tomlinson (1980/81) reports on the debate on the left about whether the promotion of co-operatives such as KME is a valid socialist strategy. He identifies the key element in the debate as the assumption by the revolutionary left that the form of enterprise management is an effect of operating in a capitalist economy, and therefore a co-operative whatever its intentions and formal internal organization would have to operate in a similar way to survive. Tomlinson argues that criticisms of co-operatives based on this assumption underestimate the possibilities for new internal processes of democratization which co-operatives may help to evolve. He comments on the political debate on co-operatives:

"the internal form of organization of co-operatives is very much a subordinate issue..... the Tories provide a similar position to the revolutionary left; the market dictates certain forms of organization of the enterprise, which a co-operative will have to follow if it is to survive...."

In what follows we adopt a practical interest in these internal processes as they evolved at KME and as they were perceived by the workforce. Our hope is that a little empirical description may shed light on the assumptions behind the theoretical and political debate.

The last months of KME coincided with the forum on the Industrial Democracy Bill and the foundation of Job Ownership Ltd. (JOL) with its Liberal connections. Seeing itself as a 'private sector' complement of the Co-operative Development Agency (CDA) with which it was to liaise, JOL emphasised the need to re-invigorate the Guild Socialist tradition as a response to the 'excessive reliance of Labour on nationalisation'. KME, in the words of Jo Grimond (Times 6.11.79), was considered "a Government funded syndicalist enterprise". As such it was quite different from the more 'idealistic' co-ops being promoted by government and private institutions. The model repeatedly referred to in the Press for this type of venture, was that of the Mondragon co-operatives in Spain.

During the White Paper on Industrial Democracy pronouncements in the Press illustrated the suspicion of conventional industrial organisations for the concept of worker co-operatives. The establishment of JOL finally represented a more palatable smallscale approach on a voluntary basis in private firms. While James Prior affirmed the need for greater communication and
understanding between employers and employees he couched this in a pragmatic and gradualist approach, one of good relations at work rather than any challenge to traditional organisational practices. (Prior 1979/80)

Although Government interference in KME's performance was minimal the Civil Service were reportedly extremely hostile. One high official in the DTI filed a note of dissent over the initial granting of funds to the co-operative - and this was indicative of a suspicious bureaucracy. A New Statesman account (5.1.79) of the co-operative showed that requests from KME faced high level scrutiny: a form of supervision to which private companies were not subject. The support of Benn gave the Director Convenors of KME direct access to Whitehall and they used this 'hot line' repeatedly. This may paradoxically have preempted the development of democracy in the co-op by reinforcing the power and influence of the Director Convenors.

Alan Williams, Minister of State, Industry Dept., claimed in 1978 "the co-op has had nothing but support from us". The status of the co-op however as a pet project of Benn's ensured it a place as pawn in the political game.

"Anti-Bennery is a favourite sport in Whitehall these days and there is uniform hostility to KME" (Sunday Times 17.9.78)

Briefly then KME was rejected as a model because it failed to devise proper democratic processes nor did it become commercially viable. This reassured those critics of industrial participation on the one hand and discouraged those for whom Benn's 'unquantifiable concept' of worker control was a possible solution to the apathy and degeneration of traditional processes of democratic government and to poor industrial relations.

Nevertheless KME lasted for 4½ years and while its commercial performance was never sure it was no worse than that of its predecessors. To some extent its conduct of industrial relations was more harmonious. In the following section we consider those external factors of its history, composition and environment which show its 'failure' in a more relative manner.

1.3 Problems inherited by the KME co-operative

The nature of KME was to a large extent determined by the process of its formation. As a response to threatened closure and redundancy there had been occupations, imitating defensive moves on the part of many other workers during the early 70's. While this can, according to Greenwood (1977), be usefully seen as an
extension of collective bargaining, the second occupation was strongly influenced by the sympathy of the Government, and of Benn in particular. Greenwood notes that in contrast to the LIP workers in France, KME established no similarly strong local support for its actions. This may have been rendered superfluous by Government intervention. The formation of the co-op subsequently depended to a great extent on sympathetic individuals in strategic positions in government. When they left or lost those positions, external support for the co-op collapsed.

Other constraints included: inherited products and work practices; worker attitudes and values; the structure of the Trade Unions; the extent of funding; and the state of the markets.

Products and work practices

KME produced a strange variety of items: radiators, engineering products and fruit juice. KME workers were used to a 35 hour week which in 1972 at £35 a week represented a reasonable wage and 'a nice bit of leisure time'. Government wage policy during the co-op and 20% inflation combined to leave the workforce without wage rises for two years. A method of producing radiators to 'scores' (quotas for the shift that could in fact be accomplished in shorter time) had been inherited from previous practice. Attempts to introduce working 'bell to bell' to increase productivity led to resistance as there were no funds made available to pay incentives.

On the engineering side work at KME was a medium high technology and an inspection oriented production unit. "If he's operating a press he will put a piece of metal in and press the pedal and will do that continually for 7½ hours a day. But his back-up is someone coming in to check that the piece of metal is correct." Welding was an uncongenial task and turnover was high. Co-operative practices aimed to reduce the proportion of 'indirects' in the workforce, and save on supervision, but were not uniformly successful.

The Inbucon feasibility study (July 1974) into the setting up of the co-operative specified two areas of low efficiency: foods and radiators.

"We have not been able to quantify the reasons for this shortfall in performance. However the main causes appear to be a combination of such factors as absenteeism, material shortage, material flow, manufacturing mix, operator effort, radiators failing test and lack of experience of newly trained operators."
Workforce attitudes/values

Of the 1100 employed in the factory before the second occupation in July 1974 (see 2.4 below), 863 started work in the co-op and this number reduced further to about 750 by mid-1975 due to continuation of the receiver's redundancy scheme. Those who founded the co-operative's workforce were the hardcore who had survived the militant period and possibly they were those for whom other work opportunities were poor. In terms of morale they had experienced solidarity and euphoria during the occupations but the struggles had taken their toll and the formation of the co-op was a long and uncertain process during which solidarity began to slip.

The priority among the Kirkby workers was to secure jobs. They favoured originally a direct government takeover or nationalisation. The political and economic climate of the 70's precluded such a course. The majority accepted the co-op as a means of keeping a job: democracy was a possible extra benefit. Workers' attitudes to management were based on the experience of closures in the past and the emphasis on security made it difficult for managers during the transitional period to plan rationalisations: job losses would be fundamentally unacceptable to the main objectives of the co-operators.

They also regarded managerial claims to authority with scepticism and those individuals committed to worker control wanted to expose the traditional managerial structures as unnecessary:

"We've been trying to show that if any problems did arise that we were not responsible for them and I think that we've achieved this position. I do not believe that any worker here now, or the leadership, would accept the situation of a new management like the last one. We believe we've been kicked around enough by boss after boss." (Walter Thompson, Senior Steward)\textsuperscript{1}

At the outset workers expressed irritation at the salaries of managers who were on £3,000 to £6,000 while they were on the basic rate. This attitude buttressed the reluctance to pay the market rate for a Manager from outside and may have contributed to the concentration of power in the Director Convenors. Finally the unity and solidarity engendered during the occupations may have led the most committed workers to over-emphasise the desirability of consensus and perhaps to underestimate the complexities of workers' interests.

\textsuperscript{1}N.B. Except for the Director Convenors, all the names of KME workers and managers have been changed.
Trade Unions

Besides saving jobs, the intention expressed by Director Convener Jack Spriggs at the outset of the co-op was to demonstrate the superiority of management by Trade Unions and to establish a viable commercial base while gradually evolving a co-operative structure. In his opinion the traditional elements in the trade union movement were nervous of the co-operative challenge to their legitimacy. His hopes were over sanguine. Several factors complicated the co-operative processes where it involved trade union principles.

Born out of militant rejection of successive management failures the KME workforce was strongly unionised and looked to the shop stewards as their democratic representatives. The solidarity developed during the militant period had drawn staff and shopfloor unions together and the shop steward committee which emerged from the occupations was considered with pride by activists to be the strongest on Merseyside. However there were latent sectional interests - for example the co-operative inherited a specific commitment to settle an anomaly concerning engineers in the TASS union.

As leaders of the militant period the two convenors Spriggs and Jenkins became the automatic inheritors of command under the co-operative. Disquiet was already expressed before the establishment of the co-op in the manner in which power and decision making was concentrated in these two. Looking back a worker recalled: "700 workers put their future in the hands of two directors in a meeting lasting less than 30 minutes." The skills of leadership developed over the years by these two men were of a political and manipulative kind which ill prepared them to nurture democratic processes in the co-operative. A more subtle process may at the same time have undermined the two leaders. Their emergence into managerial prominence represented the success of two unskilled men - "a French polisher and a crane driver" in the words of one critic from a staff union. This snobbery may have discredited the leadership both in the eyes of local unionists and nationally as well as for the minority of skilled and staff workers in the co-op itself.

Funding

The funding of the co-operative fits into a general pattern of under investment applying to all the Benn co-ops. While the original grant of £3.9 millions to set up the co-op is regarded as niggardly it nevertheless represented some willingness on the part of the Labour administration to keep jobs in an area of high unemployment. The government's offer to subsidise the private company Worcester Engineering in the proposed takeover of
the co-op in 1978 shows a similar intention. When the minister Tony Benn, on a visit to Kirkby in September 1974, told the workers that they had earned the right to find a new structure for the factory he was expressing his personal commitment to the venture. The question of the factory's commercial welfare was however largely left to the workers who were expected to discover viable products for themselves and to devise internal processes for democratic working.

Finance/markets/stocks

The £3.9m grant was eaten into immediately by the purchase of assets from the Receiver/Manager. British Steel offered no credit to KME until 1975 due to debts incurred by IPD, the previous management. Customers had gone elsewhere during the interruption to juice production. With only 60% of the factory utilised the co-op faced the same problem of high overheads as did its predecessors. Stocks of raw materials and finished products were out of balance with sales needs. The Receiver had sold stocks fairly cheaply and KME's products were priced very low. A potential market appeared to exist however; for example the Gas Board predicted that by 1977 90% of customers would be using some form of gas central heating, which boded well for KME's radiator production.

Overall these various factors represented constraints within which the co-operative had to operate and relative to which its success or failure should be judged.
Many of the men who dismantled the factory plant at Kirkby Manufacturing and Engineering Company in the autumn of 1979 had also worked for the co-operative which was the last attempt to resuscitate the factory's commercial life. A few embittered ex-members refused the work: it was 'on the lump'.

2.1 A 1960s Model Factory

The fabric being stripped was that of a model factory of the early 1960s built with the aid of government subsidies and intended by BMC as a showpiece for its subsidiary Fisher Bendix. The factory was to employ 3,000 workers. It was located on the edge of the Kirkby Industrial Estate. The factory was well equipped with metal presses, electro-mechanical assembly bays and a paint shop. Twenty odd acres of site remained for future development. The men who went to work there were enthused with the dynamism of the enterprise and must have felt their future to be secure.

Despite early successes the national economy was not expanding smoothly and by 1968 Fisher Bendix sold to Parkinson Cowan whose skills in the domestic appliance market were considered proven. A government credit squeeze pinched that market however and losses continued. The Moulton bike-and-sink businesses were sold off to Raleigh and Carrons. Three hundred workers were trimmed from the force and in April 1971 Thorn Electrical paid £4m to take over Parkinson Cowan - including the Kirkby site and business. A policy of rationalisation continued and suspicion of a plan to close the Kirkby factory was exacerbated by the transfer of the production of the Bendix washing machine to CARSa of Spain and by the proposal to move remaining products to subsidiaries in the North East of England.

According to a report of the Thorn Combine Shop Stewards Committee, whilst the average wage of the Kirkby employees was nearly £30, that of the rest of Thorn's employees was only £19. The activists among the Kirkby workforce were enraged by what they saw as an attempt to exploit cheap labour. The chance of alternative work in Kirkby was defined by the Merseyside pool of unemployed which was already substantial. A nine week official strike began on 25th June and, as if in rehearsal, mass meetings were held in the canteen. The firm had sent letters to the individual workers and a counter had been set up to offer redundancy payments. In view of the local unemployment rate £75 extra redundancy was offered - 'the Kirkby allowance'. The strike won a concession from Thorns but it was clear that the jobs were still insecure and that the whole factory might close within six months. The Army recruiting office experienced a temporary lull in its business and 400 jobs were saved.
The workers led marches demanding the Right to Work and approached local MPs including Harold Wilson and Eric Heffer in the hope of halting Thorn's strategy completely. Suspicion of negotiations in January 1972 led to the preparation of a contingency plan by the shop stewards. Meetings with representatives from UCS and Plessey favoured the decision to occupy instead of strike. The workforce intended to hold on to the plant and machinery on which their livelihood depended.

2.2 The First Occupation: A Sit-in (January 1972)

The negotiation of January 5th revealed a management intransigent on redundancy for at least sixty workers. At pre-arranged signals the workers invaded the Administration Block where senior stewards and management were meeting. Another group demanded and obtained the master keys to the factory and so ensured access to all parts of the plant.

In what must have been a moment of poetic justice for a workforce which had been ineluctably whittled down the AUEW Senior Steward Jack Spriggs issued an ultimatum to the managers:

"In 1963 there were 2,500 people who worked here and every time a product was sold off and you made money you made redundancies. Now we have a workforce of 700 — well, we've had enough. We're giving you formal notice now, in our own little way — we've got no papers — but as from today YOU'RE redundant."

The next day the workers impounded the service spares from the Fisher Bendix depot round the corner as part of a campaign to fight from within the Thorn Empire. The security of the factory was assured by the manning of four 6 hour shifts. Statements of solidarity were issued to the press and photographs of jubilant mass meetings asserted the determination of a workforce that had lost all faith in management practices.

A fighting fund was set up to organize publicity. Relatives were invited into meetings to learn the strikers' case.

The canteen was run by workers themselves and they were entertained:

"The Spinners came and they wouldn't let them off the stage. They were so thrilled at the support."

Contact with other shop stewards was made: Ben Calder, Senior EETPU steward: "We are now branching out and moving into
the rest of the Thorn empire. We have a common policy with a number of factories to fight redundancies and maintain wages and conditions. We are appealing to these people and expect massive support.

In addition to the three shop floor unions (AUEW, TGWU and EETPU) the staff unions (ASTMS, APEX and TASS) acted together to occupy the Administration block.

Appeals were made to shoppers and to other trade unionists to boycott Thorn household products and services. Local MPs questioned the extent of public money that had been invested in Fisher Bendix and pressed for an examination of Thorn's dealings with companies abroad. A meeting with the Senior Stewards, Thorn's management and Harold Wilson arrived at a solution whereby all of the 730 remaining employees would be re-engaged. One half of the factory would be kept to make radiators and storage heaters until at least the end of 1973.

The sit-in had lasted 5 weeks. The workers had occupied by rota. Despite the solidarity many did not relish another such confrontation.

2.3 IPD: a new regime

Behind the scenes however Thorn were embarking on a series of intricate deals which would shift the ground from under the workers' feet once again. They successfully unloaded Kirkby on to a Company with no engineering experience which had lost money successively and which had just bought a further loss-making business in fruit juice. The new company was IPD. It had Government financial assistance. Its Chairman and Managing Director, Mr. Harold King, was a local man whom some of the workers remembered from school.

A six-month agreement with the unions showed goodwill and a desire to turn the blighted record of the factory into a success. IPD continued to manufacture domestic radiators and night storage heaters. Contract press work consisted of body panels for British Leyland. The production of fruit juice began and hundreds of extra workers were recruited over a period of a few weeks for a new twilight shift although demand for extra output had not yet appeared.

In October 1972 King reported a dramatic turnabout - and plans were made to develop adjacent land as an industrial estate for letting by IPD. King negotiated a new wage deal of £35 for 35 hours with work ending at noon on Friday. The night shift worked some 28 hours over four nights.
While King's attitude to the unions was disparaging, industrial relations at Kirkby were more settled. Although there were walkouts in sympathy with the Shrewsbury Pickets and the Pentonville Five, and against the Industrial Relations Act, these protests were directed at national issues only.

The hiring of another 300 workers and the expansion of activity produced a euphoria which was ill based. King's understanding that further government aid would be available was not to be realised and there was a sudden and shocking reversal in IPD's fortunes.

On June 13 1974 Harold King announced that his request for an Industry Act loan had been refused and that the factory would have to close.

The response of the shop stewards was to contact the Secretary of State for Industry, Tony Benn. Lack of confidence in King blocked any financial rescue by the government however and on July 11 the Receiver for Barclays' Bank was called in. A mass meeting the next day voted overwhelmingly in favour of Jack Spriggs' call to throw out the Receiver and to sack the incumbent management. The second occupation began.

2.4 The Second Occupation: a work-in (July 1974)

While the first occupation had been a long sit-in in which time hung heavily and spirits eventually sank the second occupation was a work-in.

"I hope it only lasts two weeks and I hope it's the final sit-in. No one wants to go through this every two years. A lot of the people who were strong last time themselves have crumbled in this particular sit-in only a fortnight old. It does hurt. But I've found it hurts even more to be laid off, outside the factory when there were 200 people in the factory. And all they were doing as far as I'm concerned was loading wagons to take out stocks that we had in this factory. They were weakening the position of the people who were outside."

It did last only two weeks but the people had to wait several months before a sure future was in view.

Stewards moved into the factory during the second occupation to alleviate the sense of manipulation by the convenors which had disquieted some workers during the first sit-in. Nevertheless the value of publicity and dealing with outside agencies was
paramount at this time of winning friends. It was noted already that the undoubted skill of Jack Spriggs in this area was leading to a lesser role for the shop stewards and the growth of an increasingly powerful one for the convenors.

2.5 Negotiations and the beginning of the co-operative

The Inbum Report, the first of four reports to which KME was subjected, was a feasibility study offered by Tony Benn to study the company's prospects. It indicated that a breakeven situation or better could be achieved provided that competent management was recruited and work efficiency improved. The future would require substantial subsidies and the introduction of new products. The drinks line was unlikely to be profitable and the radiator, storage heater and metal presswork sections could realistically employ 590 people provided the firm was buttressed financially during the initial trading time.

The report eschewed any assessment of the feasibility of industrial democracy:

"the consultants do not necessarily agree with the assumptions on which the workers' proposals are based."

The Department of Industry's Industrial Development Unit (IDU) appraised the workers' proposals and the consultants' report. They were very negative. On this basis the quasi-independent Industrial Development Advisory Board also found against the policy of aiding the company but Tony Benn over-rode this. While the original request had been for £6.5m Benn went along with his officials in persuading the Convenors that a smaller sum would be more certain as it would not require Parliamentary approval. (This latter point may not have been correct but everyone seemed to have believed it at the time.) The amount requested was then £3.9m.

As folk hero of the struggles of the previous four years, the Senior Steward of the AUEW, Jack Spriggs, was a commanding figure and widely admired. The period of negotiation was a time during which the abilities both of him and of Dick Jenkins, Senior Steward for TGWU, were to be tested and developed. They collaborated as a duo with the Inbum consultants and drew up the submission for the government funding. In the meantime the factory was kept ticking over as a result of negotiations with the Receiver/Manager. He had been persuaded by the convenors to sign a 'no compulsory redundancy' agreement (there was a small pay off for volunteers which some took) and creditors were already held at bay by a system of worksharing by the shopfloor - one week on, one week off. Each step was leading towards a takeover:
"The only real solution was for us to start running the place ourselves," said Spriggs.

Among the details of small print the IPD parent company insisted on a £100,000 deposit from KME and a personal guarantee for the rent of over £200,000 a year. Encouraged by a Dept. of Industry official Spriggs and Jenkins signed a document that made them personally responsible for this undertaking. This represented a magnitude of burden and responsibility that was naturally regarded with awe by the workforce. And Jack Spriggs was undoubtedly able to deal with the men in Whitehall on equal terms.

"They were expecting a bully boy from Liverpool but they found Jack is literate and social." (VC)

The KME co-operative embarked on a perilous journey then with a grant of £3.8m of which £1.8m went almost immediately to the Receiver/Manager. The remainder would have to cover trade credit for goods which KME had supplied to customers who might take three months to pay, and any initial losses as business was built up again. According to Prof. Tony Eccles:

"It was a chilling picture. But it was easy for people inexperienced in business to miss the significance of the IDU's underfunding analysis."

Jack Spriggs had reservations about the co-operative and placed it in second priority. First they were to establish a sound commercial base. In this he undoubtedly had the majority support of the workforce many of whom were astute in their prediction of the difficulties inherent in worker participation in decision making. As one noted:

"I could never see workers on the shopfloor saying that in the interests of the firm 150 people are going to have to go up the road. It's going to have to be Jesus Christ to get that over to them."(quoted in Clarke, 1974).

2.6 A commercial failure

KME was never profitable as a co-operative. Benn's initial £3.8m grant was topped up by a £680,000 temporary employment subsidy in 1976 and a 'final' £860,000 grant in April 1977. By the end of 1977 KME was no nearer profitability. Jack Spriggs realised that no proposal for new aid would be accepted as the co-op had not kept the promises made in 1974 and reaffirmed since. In the winter of 1977/8 the co-op employed PA management consultants to make an independent assessment of their position. But by 1978 a £600,000 National Westminster Bank loan limit was
reached and there were debts of £800,000 to British Steel and Inland Revenue and HM Customs and Excise.

In their report, PA found that a strong demand existed for central heating radiators due to increased turnover since 1975 in the housing and home improvement market. KME had 10% of the market and could expect 20% of an increased market.

The application for a £2.9m grant that followed the optimistic tone of the report was however turned down by Callaghan's government. "It's hard to believe that the reputation of the Labour government would be damaged if it agreed to provide money, in a fully accountable way, to a workers' enterprise which can make itself self-supporting and which has been carrying the burden of learning about workers' co-operatives for all industry" (New Statesman 5.1.79)

Just as Harold King before had lacked the confidence of government advisers, so it seemed did the current management of KME.

The co-operative did succeed in getting a Working Party set up to look again at its future and possible further government support. This led to the Hague Report (November 1978) which scrutinised the PA consultants' survey and found that advice had been ignored. It stressed the need to appoint a Chief Executive and the negotiations which followed included the possible takeover of KME by a private company, Worcester Engineering. Despite a mass meeting apparently in favour of the takeover, the private company withdrew declaring hostility and non-co-operation from Convenors and Stewards. KME was thrown back into the Government's lap on the eve of the May 1979 election. The application for a £2.9m grant or incorporation within the NEB was again refused.

Suggestions from KME to the Working Party that a constitution be set up along more democratic lines indicated a failure to have developed the co-operative side of the enterprise. The description of a possible Advisory Consultative Committee plus a control board of worker and government or NEB nominees indicated the need for outside help in these matters but at that late day the proposals had a hollow sound.

The few workers still committed to the enterprise were convinced that the government would save the firm and even after closure the shop stewards were kept in touch with the Convenors and informed of the moves made to get an owner for KME.
The victory of the Conservative Government indicated the political temper and sealed KME's fate as a government project.

A long 'sit-in' by the Convenors and a skeleton staff ended the story. An American industrialist was purported to be interested in a takeover. He eventually sold off the machinery and dismantled the factory after a dramatic stop to the first auction. Ex-workers who had waited 6 months before taking on another job looked back on the venture with extreme bitterness.

The local Labour MP Kilroy Silk's majority fell from 8,000 to 800.
3. **Attitudes and Expectations in a Co-operative**

**Theoretical Background**

This study of KME is based on worker perceptions and recollections of what was an experiment in democratic working. In it we emphasise the changes in workers' attitudes and expectations as shown in their reports of various episodes and issues from different times in the life of the co-operative.

There are two reasons for this emphasis on attitudes and perceptions of workers. First, the idea of a co-operative is a direct promise of change. We hoped to measure the 'success' of the co-operative in terms of what its democratic processes meant to workers. It cannot be denied that KME eventually failed as a business. However, the many internal and external constraints detailed above may have meant, to quote one dispirited worker member, that 'this place was doomed from the start'. Any relative success to be attributed to the co-operative should then be sought in the changed possibilities and areas opened up for those working at KME. Indeed, although there were many despondent individuals by the end of the co-operative's life, none of them would want the history of the co-operative to be one of doom which might be interpreted as a final censure both on the attempt to make a co-operative in Kirkby and on the manner in which it was done.

The second reason for the emphasis on workers' attitudes and perceptions comes from the fact that the co-operative form not only promises change, it requires change. It can be seen as a direct attempt to change both attitudes and behaviour at work. As Tony Benn put it, the 'unquantifiable concept of worker control' should release some potential which the co-operative could, hopefully, harness to the benefit of its members and the wider society. Thus we looked for evidence of reactions to the co-operative promise which might show whether co-operatives can indeed harness such energies.

3.1 **Established attitudes and new expectations**

We interpret what workers had to say about working at KME in terms of a clash between two sources of attitudes. On the one hand there are orientations to work derived from previous work experience. These tend, particularly when the job is intrinsically alienating, to be utilitarian and defensive. On the other hand, there are expectations thrown up by the new promise of 'co-operation'. These may include a wide range of ideals such as egalitarianism, power equalisation, justice, and so on, which may well be interpreted differently by different individuals.
There is a parallel clash between theoretical viewpoints. On the one hand there are empirically based theories of orientations to work, of differentials, interests and the role of power in conventional organisations. On the other hand there are normative models of participation derived from the ideas of classical democracy. Let us look in more detail at each of these theoretical viewpoints in turn, before trying to hypothesise the outcomes when attitudes from both sources meet on the shopfloor.

3.2 Orientations to work and power relations in conventional organisations

The first side of our clash of theories is empirically based and thus necessarily relates to experience in conventional work organisations. A useful summary of orientations to work is given by the recent Department of Employment paper, which essentially undertook to survey the state of health of the 'work ethic' in a context of recession and rising unemployment. (Brown et al., 1983)

The report advises the importance of underlying attitudes, a sort of bedrock on which more fabulous interpretations may rest insecurely. They pick out three variables in workers' expressed priorities at work: a) economic considerations (in this they include pay and security, interesting work, good conditions); b) the nature of work itself; and c) social relations at work.

While orientations are difficult to interpret and one individual may display a range of orientations the authors cite the Household Survey of 1973 to indicate that there was a strong relationship between expressed dissatisfaction and actual behaviour at work. The effect of recession appears to have resulted in a "substantial reduction in the emphasis on interesting work", and an increasingly expressive desire for security at work during the last decade.

The conclusions of the report are that there has been no decline in the willingness of workers to work despite increased levels of unemployment. There has been a decline in occupational identity but there are still distinct differences in worker orientations between different categories of workers.

These two factors of the priority of pay, conditions and job security, and sectional differences describe an economistic perception of workers' interests which is reflected in the activities of their trade union representatives. The latter derive their power and authority from their ability to promote these
narrowly perceived interests. As Hyman (1975) argues, this emphasis on economism gives less importance to democratic procedures within trade unions. However, as the study by Batstone et al. (1977) reveals, support declines rapidly when workers perceive the shop stewards' actions to be ineffective in protecting the priority areas of pay and conditions.

3.3 The promise of 'co-operation'

The other side of our theoretical clash comes from democratic theory. Here we concentrate on those aspects which appear to us to raise expectations among workers. It follows that the expectation is for 'change' in a tangible sense and that this may be a criterion by which workers evaluate the rewards of involvement in a co-operative.

The version of democratic theory as embodied in the worker co-operative appears to us to emphasise a form of direct participation in decision making which harks back to the classical ideal of the forum and implies a desire for activity in such political processes on the part of every individual. As Ostergaard and Halsey (1965) note in their discussion of retail co-operatives, for proponents of this type of democracy 'the apathetic member is an affront'. In cultural terms however the workers' experiences are unlikely to have prepared them for this activity except perhaps in small personal groups. They are unlikely to have experienced it at work where the 'modern' form of democracy, that of representation and delegation, would be more usual. And here it is unlikely that co-operation with management through these processes will have been experienced. Representation by Trade Union officials is likely to be the extent of workers' experience.

In democratic theory in the workplace we find two strands compounded; that of increased activity and a moral dimension. This can be described as a form of militant work ethic. Increased activity is required and it is good to be active. Empirical evidence suggests that the number of individuals willing to increase their activity at work by embarking on decision making processes, whether of a mass meeting kind or select committee work, may be relatively few. Holter's (1965) early study found a desire for increased participation but that this was generally among the more skilled workers. Lischeron and Wall (1977) found a similar desire among workers to influence the 'medium' range goals, commensurate with their medium level in the hierarchy.

This normative prescriptive aspect of democratic theory extends to the supposition of 'likemindedness' among workers who should
see themselves as part of a 'team' and should suppress their individual interests in favour of that of the collective. Closely allied to this is the value placed on 'egalitarianism'. This 'egalitarianism' may paradoxically be the most frequent interpretation of 'democracy' among the less skilled workers and the least frequent among managers and other sectional interests who have accrued privilege over time. It may also compound the difficulties of organising new work processes if the 'ideology' of the co-operative emphasises egalitarianism but the work process requires differential rewards for its effectiveness.

It appears that where a high level of 'likemindedness' and high commitment exists among workers they are likely to receive some intrinsic work satisfaction from the task performed. Thus professional groups may exhibit a more normative approach to work compared to the instrumental approach of unskilled workers. The promise of autonomy and significance at work commensurate perhaps with those professional groups is offered to unskilled workers in the co-operative. However the means by which such workers may attain that level of discretion may not be possible though the intrinsic work process. The 'significance' may need to come through processes which can be 'political' within the organisation and concern the distribution of influence and the struggle to achieve it. This may have consequences for the collective of workers and will undoubtedly influence their perceptions and attitudes.

3.4 The result of the theoretical clash: what we expected to find

How is it likely that the two sets of ideas outlined in the last two subsections will be reconciled when they meet in a real co-operative such as KME? It is not likely that one version will be shown to be incorrect and the other vindicated, or even that one set of attitudes will be found simply to outweigh the other in practice. We suggest rather that both sets of attitudes will be found - both old-established orientations and newly-raised expectations - and that they will interact in various ways, within the space allowed by the new organisation's social and economic environment. Thus in our study we look for the following:

(i) Tensions. There are several ways in which apparently contradictory attitudes, or conflicting roles, may be held simultaneously. For example, at the most general level the emphasis on the co-operative as the important collective unit in workers' lives has undoubted appeal but cuts across the traditional collectivity of class represented by trade unions, with associated values of solidarity, etc. that were particularly strong in the case of KME.

Within the organisation there is likely to be the situation described by Etzioni (1961) as 'dual compliance' where par-
Participants are in the ambivalent position of being expected to be calculatively and morally committed at the same time. Those who undertake responsibility and power will conversely be using simultaneously both normative and utilitarian mechanisms of control. Such individuals may be under extreme pressure through taking on conflicting roles. In our examination of KME we shall look for the effect on the role of the Director Convenors - "two-hatted" as managers and trade union leaders, and on the role of stewards who effectively also undertook some middle management functions.

(ii) Differentiation. Despite the tendency of normative participation theory to treat 'the workforce' as uniform, it is most likely that different individuals will react very differently to the new 'promise' of the co-operative. While some collective aspirations may be brought out, the priorities for most workers will still be job security, pay and conditions, and any raised expectations will centre around sought-for improvements in these. For a few, however, especially activists, the co-operative may raise expectations also regarding power and control. This would include not only those stewards emerging from the occupations but also others involved enough to want to play a part in running the co-operative. It may be suggested that it is easier for a co-operative to provide the benefits looked for by the majority than to satisfy the aspirations of those interested in power.

(iii) Change over time. Ruszult and Farrell (1983) remind us that, in any working situation, workers' expectations tend initially to underestimate the costs. Similarly, Fox (1980) states that "for almost everybody expectations concerning work are or rapidly become an accommodation to what is realistically possible."

Thus most workers' orientations will be a result of previous accommodation. The co-operative promise will re-open possibilities at least for a time. However, unless expectations are reinforced with at least some measure of reward, we would expect a similar process of accommodation to be repeated, probably accompanied by a degree of cynicism. This includes in particular expectations of a possible shared access to power, and a process of concentration of power over time is likely to result as many of those with less personal resources give up such expectations again.

(iv) External constraints. The degree to which any of the new expectations can be realised is also likely to be constrained heavily by external factors. These expectations derive from democratic theory's concentration on the organisation or collective without reference to the larger power structures in which it operates. Thus co-operators may be expected to involve themselves in a form of battle or siege against the larger economic world. This may result in a form of self-exploitation which can
be borne for a limited time by most workers - if the possibility of improvement is in view. Some workers may also be able to assess their leaders' limited capacity to alter these larger structures, and this may eventually diminish the authority of these leaders. Conversely, if external constraints are weaker, so that the organisation has more 'slack', there may be more possibility for rewards to match expectations and hence more potential both for internal democracy and for increased effort. (cf. Lockett 1980).
From the four-year life of KME a co-operative we have picked out nine episodes that were frequently referred to by those interviewed both in 1977 and 1979. Between them these episodes illustrate some of the main forces acting in the co-operative and the changes in attitude, which, although they may have been gradual, tend to be explained as shifts following certain particular events.

At the start of the co-operative was a period when some of KME's advisers and supporters in the Labour movement recommended an outsider as chief executive - and Mike Dickens spent some months trying to work into that position before leaving. There were also two early attempts to set up an executive, representative Council. In 1975 the Tool Setters dispute concerned job mobility for this particular group of workers, and in 1976 there was a particular case of the general problem of 'demanning' that actually led to a strike. The longer-running TASS dispute involved the small number of engineers belonging to that union. The show of cards was one specific occasion which illustrated some general points about union adherence. From 1976 on there was some production of a new product: Accadair - which it was hoped could improve overall profitability. By contrast there was the eventual closure of the orange juice section. Finally in 1978 negotiations with Worcester Engineering failed to lead to a private takeover which might have saved about half of the jobs at KME.

In what follows we reconstruct each of these episodes in turn, using mainly the recollections and perceptions of stewards and others in the workforce. Not surprisingly, the accounts do not always match. Lack of clear information on what was going on was a common complaint, and in any case different interpretations are likely to be put on the same events by people with different positions and different interests. Each section is followed by a brief discussion of points arising from the workers' perceptions of that particular episode.

4.1 Dickens

KME began its career without a chief executive and with no commercial manager. Mike Dickens was recommended as potential chief executive by the local MP Kilroy Silk and by Arthur Ward the regional industrial director of the Industry Department. Dickens was a candidate with good industrial experience and an interest in co-operation and he agreed to work at the co-operative for no pay while he assessed the situation.

Note again that all names are changed except for those of the Director Convenors.
Dickens's first move in the co-operative was to take an office near the factory instead of in the Administration block. This marked him as having a different approach to management. His intention to be close to the shopfloor does not appear to have been realised in worker perceptions. "The shopfloor had no idea Dickens was there. The shop stewards recognised that we needed help but there was no opportunity to have a say." (WT)

An initiative recalled by KP was Dickens's intention to tighten discipline. "Dickens met shop stewards and said 'If anyone goes out that gate I want to know where they're going and on what business.'" A location and time sheet was to be filled out by executives and this included Jenkins and Spriggs. Dickens's intention echoed concerns expressed by Council members and stewards who asked to have notice of the Director Convenors' absences from site.

Dickens went on to outline the chief executive role. His model emphasised the commercial aspect of the structure; it did not include the Shop Stewards' Committee and diminished the role of the Director Convenors. He signalled his intention to meet the general workforce in small groups in order to win their confidence.

Naturally the struggle of the unions and their leaders to establish the co-operative made it difficult for many activists to accept this diminution of their power. Looking back, however, even a firm supporter of Spriggs such as Simon Saltley had regrets. "Dickens was offered to be manager with a complete rein. He wanted to disband the SSC and work that year without Trade Union drawbacks. The SSC refused. Dickens did explain what he wanted, and, looking back, I'd have given Dickens his rein." (SS)

Two gas welders interviewed by Chaplin in 1977 recalled a serious incident of sabotage in production when the culprit wouldn't own up. "Keith Frost wanted to sack the lot but the Directors let them off. Dickens agreed with Frost - and left at that point." Dickens resigned before the end of 1974, and the Works Council (see 4.2) elected Dick Morgan the 'sitting candidate' - as General Manager. He did not inspire confidence but in Saltley's words "we had to make do with what was offered."
This episode was an example of an inadequate attempt by the Government to offer assistance. In retrospect it appears that Dickens's prescription for tighter management procedures did not recognise in any way the special problems or requirements of management in a co-operative. His attitude and methods were perceived as traditionally managerial and anti-union and aroused the anti-managerial militancy both of stewards and of the Director Convenors. The latter were naturally anxious to preserve union power and their own positions in the co-op, and determined to resist the introduction of modern management methods aimed at involving the shopfloor directly in order to increase commitment. By comparison, Dick Morgan presented much less of an outright challenge.

Early in the life of the co-operative, then, came this clear demonstration of how management and union positions still conflicted. The role of managers in large co-operatives is bound to be problematic, and this general issue is discussed for the case of KME in Section 5.6 below.

4.2 The Council

Recollections by workers of 'the Council' refer to two early attempts to constitute a factory-wide representative body over and above the existing Shop Stewards Committee (SSC). The constitution and legal status of the co-operative was unclear, but the original intention had included an executive function for such a Council. Already by start up, however, this had been diminished to advisory status only. In this way the power of the only two worker directors, the convenors Spriggs and Jenkins, to control the limited company of KME, was protected from interference by a Council. However in the fluidity and haste of setting up the co-operative structure this limited function was clearly taken by many active co-operators to refer to a temporary body, perhaps a steering committee for the creation of a truly executive group. In the words of an ex-employee manager: "The Council lasted three months. Dick Morgan even asked if he could chair meetings. We asked Jack Spriggs if it could meet once a month; he said 'it says in the constitution once every six weeks and I think that's too often.' Council members were elected on a ballot - there were several candidates from the management. We were serious; we wanted to run that factory." This account reveals the inherent conflict between the expectations of some Council members and the power of the Director Convenors.

The Council was constituted with one representative from each of the six unions and one representative from management. The Director Convenors sat in on the original meeting and both at
that meeting and subsequently, the Council showed its intention to involve itself in company matters including the formulation of future policy. It was expected to elect a Production Manager, to be involved in hiring and firing, to receive a full set of company accounts twice a year. Early on it endorsed a management proposal temporarily to discontinue night shifts in the press shop, it approved the mobility of labour and some of its members requested a redrafting of the disciplinary code. This last was not agreed however by the Director Convenors and the existing code inherited from IPD continued for another eighteen months until a revised and more lenient code was introduced.

The early meetings reveal a desire on the part of the Council to have access to information about the company's workings: they wanted management structures and responsibilities clarified. They expected to be consulted on purchases; the acquisition of company cars arbitrarily by the Director Convenors was regarded as suspect. In their own determination to find out what was happening they included the shopfloor, and perhaps naively but also with accountability in mind, they posted up minutes of their meetings. This revealed the voting patterns and was meant to enhance individual responsibility as well as to reveal issues more concretely to the shopfloor. This policy was countermanded by Spriggs who removed the notice of minutes and demanded that only those he approved should be put up for perusal. This began the undermining of Council morale. As Spriggs noted, presenting information direct to the shopfloor led to greater discussion, complicated demands and bypassed the role of the shop stewards. Politicising in this manner led to extreme turbulence, and meetings of the Council were acrimonious and heated. Individuals were discredited by accepting promotion: thus a fitter, active and strenuous in criticism during Council meetings, was elevated to Unit Manager and left the Council. Others resigned in frustration.

According to Spriggs, in 1979 after closure: "What I've seen of the Council - advisory to the General Manager - they were sidetracked into academic questions. They had a guy here from Production Engineering Works Study.... They were not getting to grips with real things and they were impinging on the stewards. The co-op is a challenge to the stewards but they (the stewards) were the more representative; they were the true voice of the people. It was inevitable that the Council would eventually frustrate themselves. They went - if you like - like the sands of the desert. They drifted away."

In their grappling with real things the Council did achieve two decisions. They elected Dick Morgan as Production or General Manager. He was a company man having survived the vicissitudes
of previous regimes: in the absence of another candidate the Council supported his election. The Council also legislated for the Director Convenors to be paid Directors' fees of £3,000 per annum over and above their £57 a week wages. In fact, although this seems a small amount in view of these leaders' efforts, their strenuous campaigning for survival and negotiating with Government, it still disturbed several Council members: "When I heard the figure £3,000 I said, "You're out of your mind. They're not worth it. All their experience is based on obstructing management." I put their value at £10 a week (above their £57 wage) or £500 a year. I want you to write this down - of all the minutes the only thing that was not vetoed was their fees." (KF)

The Council was never able to get the information it wanted or to achieve greater accountability. The demands it made, together with its overlapping on to stewards' functions, led to its demise. Internal dissent also played a part: the Setters issue, discussed more fully in 4.3 below, was one in which members felt that the discussion, decisions and policy of the Council were subverted and ignored in practice. This was demoralising.

What finally discredited the Council was a union issue - one of proportional representation. Each of the six unions was represented equally, so that Council membership did not reflect the composition of the workforce. In the words of one Chairman of the Council (the post rotated) - "It was not representative of the shopfloor. I was the one man representing the semi-skilled and I felt I could do it. Felt I could swing the rest of the Council to shopfloor opinion. But after the Setters dispute - a complete reversal of Council decision...." In fact this individual was in TGWU (Dick Jenkins' union) and was reported by several members to have been asked by the Director Convenor to resign over the issue of proportional representation.

The so-called 'second council' seems to have been a phase in which Jack Spriggs was elected to the Chairmanship of the Council and became the co-operative's Chairman, as well as Chairman of the SSC and co-director of KME thus combining the several power resources of the organisation. The withering away of separate influence of the Council led to the development of the SSC as the only representative body in the co-op.

The ideal of an executive council lingered on however. The ex-manager again: "I had no fear of JS and DJ - it was the other way. I wrote to them and asked them 18 months before the end of the co-op would they officially delete the council and in its stead have 7 worker directors without pay. That would take
control away from the Convenor Directors. The 7 directors should represent access to information - could have been Emmett (financial controller), Laxton (transport manager), Morgan and an engineer etc. There was a mass meeting next day - the post boy rang me "I've given it to JS" JS on the platform said, "We've had a suggestion to appoint Directors - don't know how many..." He made fun of it. It was a very vital time - right in the middle."

The words of an idealistic maintenance fitter who was disappointed by the apparent inability of the co-operators to cooperate reveals the various tensions to which a putative democratic body like the Council was prone: "The Works Council would NOT associate themselves with bad decisions. They were unconstitutional and undemocratic from the beginning. A representative from each union meant that AUEW had the same vote on the Council as TASS and TASS only had four men on site! The representatives were one from the shopfloor and 5 service reps. They were given power but why did they want to be on the Council and not be stewards? At the next place of work they'd say they'd been 'Council' members - better for their careers than being stewards. The Setters criticised Jack for not letting the Council work but they were the very people who went against the Council dictate. The decisions the Council made would have suited Jack. Jack never stopped them sitting." (SS)

Discussion

Whether executive or advisory, an organ such as a Works Council features in most designs for the structure of a large co-operative. Separate from management, and perhaps also separate from union structures (though only partly so in the case of KME); it recognises the distinct interests at work in a co-operative; and is one attempt at meeting the problem of dual compliance. It also provides an additional avenue along which activists can give to the co-operative (and through which they can expect returns).

In KME the Council did not actually achieve legitimacy. One interpretation of the reason for this is that the logic of its existence is the articulation of conflicting interests and this logic was too much at odds with the dominant ideology of trade union solidarity. The fact that it did not reflect the workforce view meant that in practice it was seen almost as a white collar pressure group (one suggestion was for a staff SSC as an alternative) - again a challenge to traditional union practices. The emasculation of the council left the SSC as the only potential counterforce to the Director Convenors (and stewards, of course, rather than being at all independent, were part way up a union pyramid of which the top consisted of the Convenors).
To say that something like a Works Council was needed is too easy. The question remains how to legitimate such a body, how to safeguard its position, when the logic of its existence is based on challenging the power of both union and management structures. Unfortunately, at KME there was apparently little understanding or tolerance of such problems, so although the idea of a Council stayed alive, at least for some of the activist members, it was never given the chance to demonstrate its worth.

4.3 The Setters Dispute

The Setters issue concerned the introduction of mobility among skilled men and represented one of the early tests for the co-operative. A mobility of labour clause had been agreed early in the King regime which preceded the co-op. Those who moved would not lose money and would be paid a higher rate if they moved to a higher grade. Transfers would be temporary.

The work created by the introduction early in 1975 of the Accadair production line gave work to sixteen tool setters - all skilled AUEW men and plenty of overtime. A lull in demand then led to work being available for only nine setters. They refused to move to semi-skilled production lines when instructed to do so by Spriggs who was convenor of AUEW. The issue was complicated by sectional envies; Spriggs was not a skilled man and setters were considered 'dilutees' and not properly skilled either.

"The only time we really needed setters was when we were putting the lines in, the rest of the time there was little need for them if the job was running OK. We were only taking one shift of setters off because the work was not there. But they tried to find a job for themselves. They would stand around watching other people working. It hurt quite a bit." (WC - a steward who resigned over the issue)

The progress of events is not totally clear but it seems that the issue escalated in the following manner: The SSC agreed the men should move but Spriggs either did not or was not able to implement the mobility agreement. The setters refused to work and the radiator shop ran down. The SSC had a heated meeting in which three night shift stewards walked out. Management tried to give notice to the men and on July 11 a mass meeting voted to allow some setters to be laid off without pay rather than work on production lines. However Spriggs attempted to set seven to work elsewhere and told the remaining nine to resume work. The setters appear to have resisted and Spriggs and Morgan decided that the seven shortest service men should be sacked on the
'last in first out' principle. This satisfied tradition but offended logic in that the short service members were not those most resistant to moving.

The setters appealed to the local AUEW which found for the co-operative. A split appeared in the SSC over dismissal but Spriggs prevailed and seven were sacked with £200 but no redundancy pay as this was against the co-operative's principles. The seven dismissed men later took KME to an industrial tribunal alleging unfair dismissal and lost their case.

The perceptions of the workforce reveal the complexities involved. In his control of the SSC Spriggs ability to get unanimity was tested. "The SSC defied him once. He threatened to resign - stayed off for weeks. It was over the setters. The stewards said they should be laid off but JS didn't agree. We would have won a victory. Not only the setters made idiots of themselves but the stewards also. Patrick, Thompson, Pitt, Cole, resigned because their members wanted to oppose Spriggs and found they couldn't. Patrick became a foreman.... JS was pulling wool over their eyes - showing contempt." (WT) The stewards were split 19-5 in favour of layoffs and LO'C recalls the meeting in which the stewards 'thought they had accepted layoffs' as a noisy one. A few days later he was astounded to hear the setters were sacked.

The Council had also been involved in the issue. It had recommended dismissal but a factory mass meeting had reversed that decision in favour of the men being allowed to workshare on rota. Differences of opinion and recollection underline the confusion in the situation. "I hope you heard that they refused to move have you? Well it's not true. The setters were paid skilled rates and they were doing skilled responsible work. I tried in a protective way, I felt the state the shop was in.... only had two painters. Through JS they killed it. I even had the solvents so keen was I. They said they would do any job provided they had skilled pay." (KF) According to this shift manager the setters themselves suggested that they be laid off rather than go semi-skilled and the mass meeting supported this.

Later when the press shop reached a peak of production there was a shortage of setters. The shop steward (Lamming) who had previously pushed to have setters made semi-skilled then wanted to train as a setter himself. The question of status differentials was a deep seated one. A shop steward whose son was sacked in the dispute recalled "I tried to take a detached view. They asked for all they got. But the shop steward (Lamming) was still there...."
In Spriggs' attempt to control the Council, the SSC and the mass meetings, his stance often appeared contradictory to some. However, at least one idealist in the co-op, Simon Saltley, took the opportunity to volunteer to extend by personal example the mobility principle to the maintenance department by moving to semi-skilled work on the production line. However support for this was not complete and Spriggs did not welcome Saltley's initiative. It was suggested that he preferred to have Saltley as a personal supporter of his in the maintenance section and that he was loath to confront the skilled workers there.

The handling of the issue created despondency: it illustrated many conflicting interests through which Spriggs appeared to be able to manipulate his way. As a test of initiative by men discussing democratically it was haphazard and frustrating. One of the stewards who resigned over the issue was recorded by Paul Chaplin as feeling that JS 'stamps on initiative'. For this particular individual the event began a career of frustrated exclusion in the co-op which affected his health and left him extremely bitter. He had a genuine desire to bring individuals together from varying standpoints but was unable to deal with the realpolitik as interpreted by the Director Convenors. For many other individuals as well the issue exposed the difficulty of combining principle and practice in the co-op, "it created a lot of bad feeling." (KP)

Discussion

This was the first of several issues during the life of the co-op when sectional interests came to the fore. Traditional defensive attitudes, coupled with individuals' utilitarian interests, particularly on their own job security, conflicted with collective interests and co-operative ideals.

These co-operative ideals were fragile in the minds of the workforce and could not overcome secure and established practices. Stewards in particular were exposed to the type of role conflict and confusion that dogged them throughout the co-operative's existence and led to high turnover in their ranks (see 5.4 below). There was also evidence of misinformation and lack of accountability in decision-making. Not only did unpalatable choices have to be made, but it was unclear who had authority to make or overturn decisions. The Director Convenors reinforced their position as central power-holders, but failed to activate any decision making procedure that was, or appeared to be, 'democratic'. As a result there was considerable loss of goodwill and activist support for the co-operative idea as such.
4.4 Demanning

Another issue which revealed the sensitivity of the co-operative towards introducing new working practices was that of 'demanning'. Throughout the history of the co-operative a succession of reports advised the co-operative's management to slim its workforce. One particularly important occasion concerned the ratio of men to machines in the radiator packing system and in the press shop. In early 1976, an ad hoc committee under the General Manager was intended to finalise proposals which should have released 56 people including some maintenance workers for reallocation to other work. The maintenance workers were not willing to co-operate and the figure of 56 was reduced to 26. However, in April, workers in the drinks section co-operated successfully. Problems arose with workers on the radiator multiwelding equipment. When asked to move without loss of pay they refused. They were given a few minutes to consider and then threatened with dismissal. Several sections walked out in turn, and pickets were set up. Several stewards supported this strike, which lasted three days, although they had been party to the original demanning proposals. The dispute occurred during the absence of the Director Convenors in London.

Recollections by the workforce again reveal differences of perception, with policy apparently inconsistent and incoherent through the chopping and changing of the various bodies. Thus KP interviewed by Paul Chaplin in 77 revealed that he resigned from the Council when the demanning issue was discussed by Council after a visit to the shopfloor. A steward describes some of the machinery in the radiator packing system - "It could be run with one man if he was prepared to get a hernia. There were threats to reduce the gang and it resulted in a blacking and walk out." (VC)

In the process of negotiation it seems generally agreed by all members interviewed that insufficient time was given to prepare the workforce for the changes and that those entrusted to seek out opinion, to devise a means of introducing the levels decided, were insufficiently informed by management. "But it was introduced wrongly - there was only two weeks discussion. Management and Directors never explained it properly. When the lads refused JS said to stewards 'You misled me about the feelings of the shop floor? Why?' He was upset but it was his fault. He was Convenor and he should have known." (VC)

Preliminary sounding had found the men in several sections to be against the exercise. "Not out and out but suspicious. When the (new manning) levels were introduced JS and DJ were off site - all hell let loose. Certain sections walked out. At a meeting the stewards were called in when JS got back and he said..."
"I asked you for the feelings." Simon said, "We told you so." JS - he'd play one against the other." (KP)

The ad hoc committee had itself accepted the feasibility of demanding without properly considering the implications; they found that mass meeting support for issues did not translate easily into support in the sections involved. The women in the drinks section were regarded by most members as being the 'most co-operative' section in the factory. They complied with demanding and when those on strike asked for solidarity - 'the girls told them where to go!' (HT). According to their steward she was able to involve and explain issues to her group in a manner which resulted in supportive behaviour.

Discussion

This issue illustrates several of the same points as the setters' dispute: entrenched defensive attitudes with respect to individuals' jobs; the difficult dual role of stewards in obtaining 'feelings' as well as having to 'explain' decisions for management; poor information and lack of accountability in decision-making. One element strongly underlined is the intrinsic alienation and lack of work satisfaction in some jobs such as radiator packing. This considerably limited the appeal of participative and co-operative ideals and constantly reinforced defensive, utilitarian and confrontational postures.

4.5 The TASS Dispute: "Ken Irving and Jimmy Naylor successfully took XME to an industrial tribunal as TASS under Section 11 of the Employment Protection Act."

An illustration of the complexity of sectionalism in the egalitarian setting of the co-operative was given by the 'TASS dispute'. It concerned the level of pay for design engineers - and implicitly the role of 'indirects'. During its course the prosecutors of the dispute attempted to get accurate accounting information on the co-op in order to buttress their claim for parity with national and local trade union wage rates.

Members of the co-op who had done long service with the company, like Jimmy Naylor, looked back to Parkinson Thorn and recalled a lively production unit in which sixty engineers were employed in development of new products. Under King the company had retracted to six draughtsmen and six engineers. Each department had a specialist production engineer and the engineering department initiated and sanctioned expenditure on retooling and machinery; but King was eventually to rely on hiring outside consultant services for draughting work. Internal rates were thus depressed and in late 73/74 the production engineers
approached King for a wage rise as they were well below the norm for their trade. He promised to settle this in the next year's pay review. KME inherited this promise.

Anomalies had arisen during the King regime so that 'ghost rates' were paid to some engineers; it was alleged that two engineers were actually receiving wages higher than those of the Production Manager (JN). This higher rate was however concealed so that a trade union negotiated rise was not accorded. What transpired was that the semi-skilled were on a higher rate than the draughtsmen when the transition to the co-operative was made. Spriggs was aware of these anomalies and TASS stewards agreed at the outset of the co-op to restrain wage claims for the draughtsmen for one year. They would keep their men on the existing grade for that time provided superintendents' and managers' wages were similarly pegged. Jimmy Naylor alleged that a fortnight later Spriggs increased the wages of this latter group and that a major dispute with TASS arose. The conclusions from discussion were that the moratorium of a year would be held still but preparations were made to pursue their claim under ACAS. The inconsistencies of the wages policy were being argued in Works Council meetings and the Directors agreed that a unified policy was essential. Two years passed in which ten engineers left the co-operative. In Dick Morgan's recollection in 1977 he expected that the wages policy would not be enacted because "it would be easier to fight for grades."

Spriggs felt unable to raise the rate for engineers, fearing recriminations from other unions and claiming that KME was inhibited by government wages restraint. The fact that the dispute was official meant that the co-operative was unable to recruit engineers. TASS strenuously protected its membership, tiny though it was, and recruits to the co-op had to be TASS members. Suggestions from the stewards that inside members be trained were resisted and the policy initiated by King of putting design work to outside contract continued.

The sectional protection of skills was not regarded sympathetically by other unions in the co-op. Certain toolroom supervisors were willing to work without drawings. In the view of Jimmy Naylor this led to the loss of skills and resources which the co-operative should have husbanded in its search for new products. More concretely, "Jimmy was put under severe pressure because ASTMS was prepared to do his work and see him out the gate." An older steward Len O'Carroll: "There was a bit of truth in the skills leaving but it was not the whole truth. Jimmy Naylor was arguing long enough - if I had a chance to annoy him I would. He was a bit smug and self righteous."

Naylor's strict emphasis on skills was closely allied to the status he enjoyed as a member of TASS - a 'professional' union -
even though he was not fully trained himself. Interviewed by Paul Chaplin in 1977 he asserted that his interest was not in extending democracy but in maintaining his job satisfaction and furthering the interest of TASS. Despite the co-op's alleged intention to attack 'indirects', the promotions in the summer of 1977 had seen two engineers elevated to Assistant Managers and twelve foremen promoted. This further diminished the territory controlled by TASS. The most strongly voiced criticism by a supporter of the co-operative ideal comes from SS: "Jimmy Naylor was putting himself forward - he was only in TASS by default. He asked me if he could come back into maintenance. He is not a trade unionist... He and Ted Coker could say that they couldn't manage on £80 a week while we had to make do on £57. The stance he took was that his object was trade union solidarity. He joined TASS on a fluke. If you go to any TASS meeting - never heard such left-wing jingoism. We fell short on support. After consultation with my wife I left maintenance and dropped £20 a week. The likes of Jimmy Naylor make me sick."

The dispute involved Jimmy Naylor and Ken Irving in investigations which took them to the KME Accountant and outside the co-operative to a design company.

The introduction of a new product - the 'Accadiair' ventilation system - required the skills of design engineers and KME was obliged to go outside. The statements received from the Accountant revealed first that £30,000 was spent - "We said that's a load of rubbish". This was followed by a statement for £70,000 and finally they accepted a sum of £130,000 having been spent on outside fees for development. Their inquiries inflamed them on two counts. They discovered a design company connected to the husband of a secretary; they were suspicious of personal interests being furthered. Secondly they claimed that the rates paid outside were £3.50 an hour and thus below the TASS rate even though the company was a TASS firm. The official rate, according to Jimmy Naylor was £5.50 - "So something's bent there."

Driven into a corner by the protracted dispute, by the failing fortunes of the co-op and by the eventual failure of the new products, Jimmy Naylor was at last grimly attempting to analyse the reasons for the failure of KME. He attributed it to lack of competence and expertise and this fits well with his support for TASS which also served his personal interests. Many members of the co-op, even active stewards, were unaware of the ramifications of the dispute and the many aspects of conflict which arose from it. The general perception is probably expressed in the words of a woman steward who regretted the failure of many members of the workforce to act co-operatively: "Jimmy Naylor? It was a problem under King so why wasn't it worked out under King?" (HT)
The TASS dispute again shows sectional interests conflicting with co-operative ideals. The ambivalence in attitudes towards the TASS members arises from the clash of established union interests in the co-operative setting, the desire of men to protect themselves but also to contribute to the collective good in a new venture.

The co-operative form raises expectations in all areas. Thus, it heightens the instrumental outlook of those seeking a 'fair deal' in terms of rewards for what they perceive as above normal input of skills and effort, at the same time as bringing out a latent egalitarianism mainly amongst the less skilled. Thus these sectional interests not only cannot be done away with but may actually cause worse feeling, more conflict.

However, it is interesting to note that the Director Convenors dealt with the dispute not so much by reference to egalitarianism or to co-operative ideals as by appealing to other groups' instrumental outlooks. This ties in with the way their authority as union leaders stems from their continued efforts and abilities in defending the material interests of their members.

4.6 The Show of Cards

Under a closed shop in a private company, a 'show of cards' is a call for every worker's union card to be produced and checked. It can result in those individuals in arrears paying the debt or staying away from work until it is paid, and in censure from those who are fully paid-up members. According to one KME worker in 1977 this is the culmination of a process whereby "people pay union dues to get traditional support"(CP).

In the co-op many workers were found not to have paid their dues and their reinstatement had to be engineered by Spriggs. "In a co-op there's a show of cards and nothing is done about the debt. The answer we were given was that we didn't want adverse publicity."(LO'C). The event was seen as contributing to cynicism about the union and Jack Spriggs. "Monday the paid-up members were going to refuse to work and the people in arrears turned up at AUEW for an entrance fee. It sickened people. Jack's biggest mistake was allowing those men to go to his branch owing £20 whereas loyal membership had backed him. But Jack wanted to avoid embarrassment. I know some of the men and they had no intention of paying, they were anti-union."(KP)
In a co-operative the union has an ambiguous role and this is reflected in loss of the solidity of traditional ways of achieving support. On the one hand the co-operative, and the Director Convenors, were in charge of management; on the other they were dependent on the fact that they were seen as saving jobs. "How then could those who had omitted to maintain what now appeared a superfluous defensive union tradition be sacked or otherwise disciplined? Credibility requires protecting the jobs of 'free-riders' as much as any other jobs - though in the long run it also requires to be seen to be fair!"

**4.7 A New Product: Accadiair**

KME undertook to manufacture ventilation system units and sell them to the 'Accadiair' marketing company. The co-operative was to have technical help to develop the product in a deal expected to be worth £2 million a year of additional turnover. The loan application in 1976 featured the new product and analysis revealed that Accadiair owed the co-operative £233,000 and was being financed only by its creditors at no cost to itself. A tear present in the Worcester Engineering takeover negotiations (see 4.8 below) was that Worcester Engineering would phase out Accadiair and that Stelrad (one of KME's competitors thought to be interested in a takeover) would own the radiator business within 6 months.

Accadiair never fulfilled its promise to resuscitate a market for KME; better pricing, credit control and product development were required according to Frost.

The recollections of the workforce with regard to working on the product concern effort and overtime, inefficiency and bad costing, relationships with Accadiair and the fact that the stewards were never fully informed.

At one time according to Len O'Carroll Accadiair required 1,000 units a week. This was impossible without overtime. Four hours each night was suggested to the men - who refused. "How bad is it?" They said, "It's desperate - if we can't supply them they'll go elsewhere." The lads agreed we'd do to 7.30 Saturday and Sunday. After a few months it dropped off. We'd done six months work. We were earning the money but we felt at the mercy of Accadiair. "He's a head case" the lads would say. "No" I'd say, "We're the head cases because he's making the profit." At one point overtime was worked every night. Several men felt that the effort had been wasted.
Bottlenecks occurred in production and Erroll Masterton's query as to why the flow of work was uneven prompted management to suggest that he stand for shop steward which he did. Flow of work was established eventually but it transpired that the units had been made for some time without a contract. Original costing was to KME's disadvantage. They were buying in parts but producing the units at a loss. The original model was too bulky. A slim model was needed but never achieved in the life of the co-operative.

The General Manager Dick Morgan was heavily involved in Accadiair and brought in a Dr. Heinrich who was known to the workforce as a developer of ventilating systems and given his own office. Heinrich they observed was able to override the superintendent for inspection but none was certain of his role.

At the close of the co-op Accadiair set up independent production with what appeared to one co-operator to be remarkable foresight. "When Accadiair changed over to new premises they must have had prior knowledge. After March 30 shutdown they couldn't have been making their own product in such a short time." (KF)

Two stewards at least had little understanding of the relationship with Accadiair and their efforts to find out didn't enlighten them much either. "We asked on the SSC and Spriggs said, "This fellow knocked it back". Accadiair really messed us around and no-one could make out why. Maybe the order was cancelled to make a new contract and get us more profit but we could never know." (LO'C and EM)

Discussion

Once again, with the Accadiair case it is striking how confused and ill-informed were stewards - let alone ordinary members of the workforce - on what may have potentially been a life-saving development for the co-operative. The distrust expressed may relate to the fact that in matters relating to outside interests the power-holders in the co-operative kept their information channels closed. Nevertheless, a degree of extra effort could be obtained - and this is surely a measure of the continued commitment of the workforce to the co-operative. What is perhaps less surprising is that this extra commitment could not be sustained for long without any tangible reward.
4.8 Closure of the Orange Juice Section

The orange juice was considered by most outside assessors to be a loss-maker, although there was an uncorroborated report of a profitable period in late 1975. Juice was sold at very low prices and when in 1978 there was finally a decision to cut the drink production, it was allied to a platform promise not to sack workers. This resulted in surplus workers among the women. Knitting was brought in to pass the time... Sometimes women were employed sweeping up but not very willingly... This impasse continued for three months while Spriggs attempted to put into practice the advice of Prof. Tony Eccles and others to follow up the closure of the section by sacking 150 workers. (Eccles... argued that paying off the juice workers would improve the job security of those remaining.)

Perceptions of the workforce were that JS was not capable of taking commercial decisions. He was seen to be in an invidious position of the leader committed to saving jobs and maintaining popularity. The local recruitment of families meant that men in the factory were unlikely to support the sacking of their wives.

LO'C compared KME with Schweppes "I've been to Schweppes - there's one at the end of a line, automated. The bottles are filled, capped, labelled and boxed. Two people at Schweppes do what 8 do at KME."

Nevertheless the poignancy of the situation was felt by several who recognised that in terms of co-operative behaviour the women in the orange juice section had responded better than any other group.

One woman, Betty Rose, one of the knitters in the cloakroom, felt that Spriggs could have saved money by offering half time or voluntary redundancy. She was unaware that Government had refused to give money for redundancy. However, money was found to continue paying basic wages to the juice workers after their section was closed down, so this might have been used for redundancy payments.

Discussion

Poor economic performance in production of orange juice was a problem inherited from lack of investment under previous management regimes. Unfortunately this only highlighted the virtual impossibility of a co-operative making some of its members redundant - particularly when saving jobs was the co-operative's raison-d'etre and the choice of who to make redundant was to be made on business - not co-operative - criteria.
Arguably a successful co-operative needs a mechanism for - in the last resort - making and carrying through unpalatable decisions of this kind. Such a mechanism would have to be seen to be 'fair' in terms of the give-and-take of the co-operative, and would have to fit the utilitarian demands of individuals in the workforce. Otherwise, such decisions lead more-or-less inevitably to general loss of commitment and morale. In some senses, closing a section without actual redundancies resulted in the worst of both worlds - loss of commitment without full economic savings - and demonstrated clearly how certain decisions could not actually be carried out.

4.9 **Worcester Engineering**

In 1978 a working party recommended (in the Hague report) that KME be saved by a commercial takeover. There was indeed a bid - by Worcester Engineering - to take on the factory, and a general meeting appeared in favour of Worcester Engineering's proposals. When the shop stewards met Duckworth, Director of Worcester Engineering, in late November, he revealed that the takeover proposal included redundancies of 260 which were not negotiable; there would be no extra severance pay beyond statutory amounts and no executive functions for the Trade Union leaders Spriggs and Jenkins. A committee set up to negotiate with Duckworth also orchestrated a reception for him on the shopfloor.

One week after this meeting with the night shift Duckworth retracted his offer. A mass meeting on 30 November heard a motion from the floor to call off negotiations.

The perceptions of the workforce reveal different interests and interpretations. Len O'Carroll remembers among several questions: "The stewards asked 'Isn't KME too big for you?' Duckworth said he'd go to Stelrad for experts - he gave a 260 figure for redundancies. He'd been round other firms who were offering half week redundancy. So we elected a committee to deal with him."

According to Jimmy Naylor Spriggs controlled the negotiating committee by a series of stratagems which included absenting himself and allowing different opinions to confound themselves. Naylor favoured accepting Worcester's terms and repeated shopfloor opinion in some quarters that Spriggs was going too far in his campaign against takeover. "A twelve man committee was formed to negotiate with Duckworth. Two from each union. Jack Spriggs only wanted one from each union. And Spriggs only came to one meeting. Although he was the Chairman he was unable to turn up." Rumours were put about to discredit Worcester Engineering: talk of a 40 hour week and lower wages."
An explicit issue was the role of the union and the stewards. Activists who favoured a strong union line noted that no contact was made between stewards at KME and those at Worcester Engineering. "Ben Calder was the stumbling block for W.E. He went to see them - 'Will you give us combine facilities?' That was it. Not once did the stewards from Worcester's factories contact us. It would have been natural to consolidate." (VC)

Duckworth's plans to modernise, to automate the heavy production lines, won approval from some managers and those activists opposed to Spriggs expressed pity for Duckworth. They represented those who saw the orchestration by Spriggs as misleading and convincing Duckworth that he was stepping into a 'nest of Trotskyists'. In general, they felt the staff unions would have accepted the takeover but the other unions would not.

The main inhibition probably came from the Director, Convenors' positions which Duckworth would not entertain. "Jack Spriggs wouldn't have Worcester Engineering because they wouldn't have him on the Board. They offered him £15,000 for three years." Cecil Duckworth made a football analogy '- he wouldn't come to manage Liverpool with Paisley..."(VC)

Duckworth however did not want unions and he was against the closed shop. "Worcester Engineering said would we accept non-union members. We said unless they fulfilled union obligations they wouldn't work - but there could be conscientious objectors - normal procedure is that they would send donations to charity. I think it shocked JS supporters that we should make that stand." (Jimmy Naylor)

Spriggs was able to argue that there were financial deals between Stelrad and Worcester Engineering. His campaign was also to intimidate Cecil Duckworth, who had impressed at least one of KME's members: "I felt sorry for him - I'm glad he went away because this lot would have destroyed him. He asked could he meet the stewards - all staff agreed he could so he came in at night. The shopfloor tore him apart." (K1)

However, for many members Worcester Engineering offered the chance to save some jobs, if not all, and the way the deal fell through caused severe disappointment with the end of the cooperative in sight. "But Worcester Engineering came on the factory floor to meet the people. We had 350 jobs and now we have nothing. Jack Spriggs went on the stage saying that 3 to 4 companies were interested and they voted for the liquidator. 250 would have been better than nothing."(KP)
Discussion

This episode demonstrates the continuing commitment to trade union practices and principles. Both stewards and convenors resisted strongly the threat to union primacy and also hoped to protect some of the real gains in conditions and working practices that had been made. However, once it was clear that negotiation could involve agreeing to redundancies and concessions in these fields they had no real way of continuing than to fall back on to well understood defensive and confrontational postures, where union strengths could still operate.

Though perhaps not so complete as earlier, Spriggs' power is once again demonstrated here. He was still looking to save the whole co-operative by political means, and his continuing manifest commitment to trying to save all jobs spoke directly to the interests particularly of the less skilled. In this case, too, he was clearly in line with many of the stewards - or at least the most militant ones - and seen to be defending the union position, which perhaps explains how he was able to maintain his own position even with the evident failure and approaching closure of the co-operative.
5. **Roles and Issues**

As well as specific episodes that took place at particular times in the life of the co-operative, there were several more general issues that were of importance throughout. In addition, the roles of particular groups of workers, especially those with representative and/or managerial responsibilities, were in some ways problematic and could be regarded as 'issues' demanding attention throughout KME's existence as a co-operative.

In what follows, we look first at the issue of discipline, then at workers' information and at conditions and pay. We get on to the role of stewards, then the role of convenor directors and finally the role of managers/supervisors. These are all roles where we expected (3.4 above) to find evidence of tensions arising from 'dual compliance'. As in Chapter 4 above, we rely mainly on the recollections and perceptions of stewards and others in the workforce. We have therefore to expect some inconsistencies and to guard against the possibility of a biased interpretation of the different roles. Each section is followed, as in Chapter 4, with a brief discussion.

### 5.1 Discipline

Both sets of interviews reveal a large number of references to discipline or supervision problems.

The 1977 interviews cite instances of inconsistency and interfering by Spriggs who often undermined the stance of foremen and allowed no discretion for the General Manager. His approach was also personal rather than bureaucratic: "JS always makes a beeline for troublemakers - wish he'd spend more time with the good lads" (CP). CP adds "The Directors should be excluded from discipline and intervention except when taking a case up to the Works Committee."

The production rate for radiators was complicated by the low scores and high manning levels inherited from the King regime. Systems were bypassed especially in production control (JW). Another worker observed that there had been a marginal increase in the rejection rate over the last year and that they were not able to trace individual operators as there was resistance to individual stamping. He found no pride in work and the radiators were heavy and easy to damage in handling (TE).

It was noted that while management was not allowed to manage (TE) and foremen undermined - "can't sack like in an ordinary
company" - this is not expected as such but backing for stricter management is expected and according to some foremen "most people would accept harder discipline but shopfloor not management decides what discipline is to be imposed" - perhaps a predictable viewpoint from a foreman.

According to a foreman in the radiator warehouse some stewards found their new roles difficult - "there's no respect for the warehouse steward he's just a bawler". On the other hand, many stewards were able to adopt a 'cajoling' approach and learn new 'management' techniques. The limited industrial aggravation was noted by one worker who compares the favourable climate at KME with the dispute ridden regime under Fisher Bendix (John Knight). But one steward records that the SSC was not trusted by the shopfloor and that this was compounded for the stewards by their relative lack of information. He would have liked to have agendas before the SSC meetings (Ken Collett). The decline of the union in workers esteem is noted by several co-operators. "There was a very good union shop in 1971 but now many people are anti-union" (two security guards) and "The shop stewards calibre is not high enough; the workers can no longer respond. We need a wholesale change of approach and leaders. Gradually the union is being discredited" (Walter Thompson, 1977)

Prevalent also was the expression that an 'us and them' situation still existed. All ranks below foremen were still expected to clock on. The separate staff canteen continued in existence, and there were other staff benefits that were not extended to the whole workforce.

The undermining of the foremen was thought to lead to laxity and several expressed disquiet that delinquent workers were not disciplined. Two maintenance fitters describe a situation in which there is "plenty of sabotage. There are three wideboys ... who constantly make trouble but are never moved. The alleyways are blocked with trolleys and the foremen avoid trouble and leave it be." Again, "one guy sabotaged the ... plant two years ago and the Directors reinstated him and now he's the greatest bugbear in the factory" (KF, 1977)

By 1979 discipline still figured prominently in workers' recollections. On general shopfloor discipline two stewards with different approaches were Hilda Thompson and Eddie Daniels. The former was committed to the co-operative and its ideals: "If we could deal with problems ourselves we did because JS was counter-productive. I kept mundane problems out of his way. If any discipline was meted out I'd discuss it with the girls." The latter was dubious about co-operative claims from the outset: "I thought at the outset that management should have
been allowed to manage. Without that it was something approaching anarchy."

The rebellious roles of the Director Convenors' early years did not carry easily into new roles of authority. Spriggs himself claimed to be uncomfortable in authoritarian roles. His constant reproaches on performance led to apathy on the part of SY and ED. Everyone gets fed up with long hours of overtime. When dictates came from people who had been rebels it was difficult. Especially when Jenkins had been the cause of BMC going on strike. Jenkins was found sleeping and was suspended. At a BMC meeting there was a fear that the whole car industry would have to come out. People know Jenkins. Dennis Youle tried to be convenor but Spriggs said, "I need Jenkins and I will not work with anyone else." (SY and ED).

One steward supportive of Spriggs and aware of the complexity of industrial situations attributed much of the discipline problem to the predominance of the union. "The biggest thing is they allowed the union to get such a grip on the place that discipline wasn't what it should have been. Even the Trade Union only defends three times. But people on the shopfloor were not going to accept discipline for one offence when others had got away with it. No hard and fast rules. A foreman would say to me 'you know you can't win'. I'm working in a new place now and the foreman said the same thing to me. It's not peculiar to KME. It's Trade Unionism and it's not always the steward that leads people out on strike - they (the people) are the union." (EM)

Inconsistencies arose from sectional matters. "How can you discipline a semi-skilled man for four minutes when a skilled man takes a few days and no-one takes action against him?" (WT) And "The staff would take a day off and be paid. If the workers took a day off they would not be paid and this ranked the foremen would take a day off in rota." (VC) "The time we had the two over the fence a lot have suggested that the foremen withdrew labour because of these but it wasn't - it was the final straw. Dick Morgan said, 'We'll deal with it after the holidays' - there was always this postponement." (KP) One steward who became a foreman was a dynamic ambitious man who enjoyed 'pressure' at work and 'challenge'. When he was promoted however he earned the opprobrium of some who watched him eat in the staff dining room when they thought he should have disowned such privilege. Differences in sick pay arrangements for staff and works also created discontent.

Laxity in procedures led to poor record keeping. Absentee statistics and scrap disposal were two contentious issues. Inquiries on the latter during interview led to extreme anger.
and the assertion from Saltley that only those who wanted some such 'perks' of scrap would complain that another was getting them. He considered the matter trivial but it emerged in many members' perceptions. As early as 1977 in Paul Chaplin's interviews he records one worker: "I shall be interested to know who goes to prison when this closes." Rumours abounded that "someone is creaming off at KME."

The work organisation in such a plant and the poor conditions that existed for welders required a consistency and fairness of approach which seems to have been practised successfully by Keith Frost. "That co-op should have been making a bomb from the start but you can't pacify people and discipline them at the same time. I was a disciplinarian but I was fair. A welder would say 'My eyes are killing me' but he'd have to supply a sick note for me otherwise the rot sets in."

According to Sammy Young, a foreman attending a management course to retrain after the closure of KME, managerial practices properly applied would reassess work targets and practices so that 'creep' did not set in. This was not done at KME, for instance, the inheritance of 'scores' for radiator production from the King regime created problems that were never properly resolved. "The work I loved - the politics I hated. I haven't reached my level of incompetence yet - that's the trouble with Spriggs." (SY)

Let us allow Jack Spriggs to have the last word. He considered that a part of the reason for failure of the co-operative was that the workforce "didn't buckle down".

Discussion. The weight of evidence points to the tremendous difficulties caused by the expectations set up amongst unskilled workers by the ideal of co-operation when it was still necessary to encourage effort from those workers under declining conditions of pay and in poor physical conditions.

There was a good deal of monotonous unskilled work needing supervision. This required consistency and some measure of structure of responsibility. While traditional management was weakened in the co-operative, alternative procedures and incentives were not devised to replace it. This meant an inevitable waste of some people's - especially activists' - resources of commitment and energy. This instability appears to have arisen mainly as a result of the ambivalent role of the union in the co-operative, embodying reactive attitudes and ill equipped for the proactive roles of good management. In particular, the Director Convenors insisted on controlling processes but had little capacity for initiating
Spriggs himself continued to maintain his popular base by taking individuals' cases against management despite being the head of the management structure. Discipline problems are bound to be compounded in a co-operative but this type of action compounded them still further. By the end of the co-operative many workers in retrospect regarded the predominance of union power to have worked against the efficient running of the factory and hence to have contributed to the eventual commercial failure.

5.2 Workers' Information

The perception of workers regarding the flow of information at KME was that it was a mysterious process. The outside Hague report criticised the lack of information and described KMEs being less open in its government than a conventional firm to the detriment of working conditions.

"The stewards never really knew... Jack would hint that there were certain people - we had that many 'x's - we used to ask repeatedly to put minutes on the board but JS would say 'no' it would do damage. Whatever went wrong with the factory was in the paper so someone knew what was going on." (WT)

Agendas for shop steward meetings were rarely produced and in the opinion of Erroll Masterton it was not reasonable to expect them as they were often 'ongoing' ad hoc meetings to assess the situation. The lack of information was acutely embarrassing to shop stewards: "What made it worse members would come with an idea that you hadn't heard of so you'd be accused of being part of the clique or being ignorant. We used to wonder where do these fellows get their information from?" (LO'C)

Mass meetings were usually treated as opportunities for progress reports and requests for mass support on certain issues such as the setters dispute. Such decisions may often have been reversed as complications arose and Betty Rose never recalls any enlightenment from them. On the other hand Erroll Masterton recognised the function of such meetings as part of 'democracy'; "There's democracy in everything. You're always allowed to vote but you get the blokes who can talk well and can sway the crowd. That goes on a lot in industry." In fact, some of the most attractive features of the co-operative's history for some were the stage management techniques which resulted in 'pure theatre'. "Lew Grade never put on shows like that" but as Saltley recalls bitterly the illusion of such euphoric and populist occasions was that the factory was 100% committed socialists. The technical engineering to translate this into work practices was infinitely more difficult.
Several members described the relationship between Spriggs and the shopfloor via these meetings as the crucial one and one which the stewards relied on. Towards the end of the co-op even Spriggs was not able to exert the old magic.

Rumours flourished in this situation; these concerned the 'fiddles' that were suspected. The transportation of radiators, the disposal of scrap, the contracts for reshimming tools, the factory shop, were all of interest because they concerned the disposal of resources. "If you stuck to union fights Jack would leave you alone but if you wanted to know about resources, money.... We never knew what happened to the shop."(JN)

The Works Council's efforts at executive power, and its failure even to have notices of minutes posted, have been described. In its course it attempted to discover the details of the purchase of company cars suspected of being a management 'perk'. "From the start he said 'No perks' and after a few months Dick Morgan had a car" and "The council couldn't answer the shopfloor so we gave Fred Harris the job to find out if it was true. JS and DJ were off site. Harris went to Emmett (Accountant) who said, "If they're spending £4,000 I'd know and they're not." Fred then went to Dick Jenkins: "Is there any truth in this - cars?" DJ: What's it to do with you. We're buying a car. Harris: Emmett doesn't know about it. DJ: He doesn't sign the cheques though does he? Jack Spriggs when asked, in true character, tapping his nose, said "Hey! Get back over." We were inundated with queries." (KF)

Discussion. The question of information in the co-operative revolved to some extent around the personal style of Spriggs and his power base. Spriggs clearly used information to some extent as a power tool rather than as a management tool. On the other hand it is not clear to what extent the critics cited above were seeking to improve management by the information they requested. To a large extent they simply wanted to know who was getting what out of it - trying to check on matters of natural justice and to safeguard their egalitarian ideals.

5.3 Conditions and Pay

Conditions and pay deteriorated at KME. The co-operative was thus constrained in its ability to offer material incentives with a consequent effect on effort and commitment.

Betty Rose who worked in the juice section and on stripping car bodies: "In winter it was freezing we were working in our overcoats. Under a conventional firm it wouldn't have been allowed. I could walk out and get another job. I don't know how many
people felt off their shoes. They were working in tankers all the time and the water without wellies. The acid used in stripping rusty car bodies made holes in their clothes. But the worst thing was the lack of heating and the wind. The best thing was it was not really strict. It was like meeting all your sisters - a home from home. I think work should have a happy atmosphere and I'd never have left if conditions had been good."

Conditions for welders are traditionally poor because of the work. At KME protection levels fell. "I used to say to JS, 'They're sharing aprons' and they didn't have one half of ventilation over the welding. They suffocated in summer and they froze in the winter." (KF). This manager eventually ordered ventilators but the order was quashed by Spriggs. "What about the ventilators?" Dick Morgan said, "We're going to do it in a way that makes it seem like it comes from Jack." I said, 'Do it anyway. They don't even have chairs they're sitting on boxes. They went and got 30 old chairs for 50p - real sturdy and we salvaged 20 good ones. "Saddies' wouldn't put up with those things." (KF)

The decline of pay at KME relative to the local rates and those established under the King regime is summarised by an enraged Saltley: "...do you know what he (an advisor) wanted us to do? To drop our wages and ask for more production. Now in 1972 a 35 hour week was OK and a nice bit of leisure but with £2.50 rise in 2 years - it didn't pay the rates." As far as we can tell there was no such proposal to cut wage rates, and the main cause of their being held back relative to inflation was the government's incomes policy, but the bad feeling generated by the subject was genuine enough.

The 'scores' system for radiator production was also an inheritance of the King regime. A woman steward who worked in the radiator section under an 'equal opportunities' scheme: "You had to end up doing 32 radiators. The welders weld 64 per day. 32 each. They had to be tested and tank men would help out with bosses (i.e. radiator bosses) to get the numbers through. They wanted the score of 64 and overtime. The score was done by 2 p.m. When we tried to tell them "Bell to bell" it was no go. 32 was ritual. Under previous management we had been taking home more in bonuses than in wages. Money was the only incentive. There was no positive attitude to the job or how to encourage the men to do extra. Spriggs had promised a bonus scheme, monetary gain if they improved. They did for 6 weeks and then they asked 'Where's the money?' He didn't have it and so they reverted to 32. Target and autonomous decisions might have helped." (HT)
A different perception is shown by the manager Keith Frost: "When the co-op started Jack asked for more radiators. An efficiency works study was done by BMC but the radiators had found - as people will - a better way of doing it. They condensed the relaxation time. JS asked the welders for more and they had the worst job and they gave more. Had they given more and more and had we produced 10,000 radiators with only 7,500 sales we would have had to hire storage space because the boom time came later. He seemed to think they were slacking and he was for giving them nothing. They needed the rest time. 99% of the stoppages the welders were right."

Vic Cummings, steward in the radiator section, found his role complicated by the failure to provide money incentives. "We had 20% more production for 6 weeks then no more money. Under the incentive scheme we had provided 20% more but there was no acknowledgement by management of what the lads had done. There was no thanks - 'You've done a good job, lads, but could you carry on?' They never bothered to ask. The incentive scheme was one off. If we increased output the welders were promised £100 and the rest £70. The shop steward couldn't go down to the shopfloor and ask again."

A blind operator Tim Colls had a novel approach to incentives. He doubled his production rate to kill the boredom. "I did 3,200 each day (wall brackets) I bet that if I put them end to end they'd stretch to Tibet. You'd think 'I've got to get these done before the racing's on TV at 2.30' - if Wimbledon was on I'd have to finish sooner. I hated it more than they did so I did it faster."

Discussion To some extent the declining pay and conditions simply reflected the constraints KME was under: the difficult market situation inherited; the underinvestment; the commitment to keep all jobs. It's not surprising that people complain when given the chance to do so - what is perhaps more notable is that so many at KME did stick it out and even give extra despite poor conditions.

It has to be said, though, that in a co-operative there is still a need for material rewards and incentives. This is particularly so where there is a history of trade unionism, but it would still be the case whatever the history. Co-operative solidarity cannot of itself provide motivation over a period of years especially when the work is intrinsically alienating.
5.4 The role of stewards

The first sit-in had left KME with a very strong internal union organization and a shop stewards committee (SSC), including stewards from all six unions. The SSC continued to meet throughout the co-operative's existence, although there was a considerable turnover of stewards, some resigning through ill health, others through disillusion, others again being promoted. Several interviewees mentioned the unusual stresses placed on stewards in the co-operative, which, in some perceptions, led not only to resignations but also to fewer 'good' people becoming stewards. SSC meetings would occur before mass meetings but stewards did not vote at the latter — having voted once already. However, the vote in the SSC had no force, although the mass meeting could be informed of stewards' opinions.

As Director Convenor Jack Spriggs intended to develop the role of the shop stewards — "they are the true voice of the people". He would have preferred the Works Council to be constituted of stewards only.

Those co-operators such as Keith Frost interested in competence and efficiency in traditional managerial terms regretted the power of the stewards: "JS used 36 shop stewards as a battering ram. The tone he'd start with was: 'They (other sections) want more money than you.' A good actor but no substance."

Some of the stewards themselves felt manipulated by the Director Convenor. The ambitious ones who attempted to challenge him such as Vic Cummings and Willy Cole found themselves isolated by what they termed the 'nod squad' — those stewards who seemed to rubber-stamp JS' decisions. One of those, Errol Masterton, had lower expectations of democracy and was also less interested to 'enrich' his working life; he took a more instrumental view.

Hilda Thompson recalls the confusion of roles: "The stewards were in a very invidious position. They were constantly being told to get production up. How can shop stewards do that? Instead of JS working alongside the men to give an example he'd tell the stewards one thing (but not the whole story). The stewards did try. The Executive Council could have been corrected in due course but Spriggs didn't want that."

Some young men were anxious to adopt new roles. Vic Cummings was a shop steward and deputy Convenor; he saw the 'inevitability' of more flexible working practices but he found little space for initiative; "Our role changed from that of a conventional shop steward to that of a boss — cajoling the
workers to do the job - 'let's get it done then complain' was the attitude. Our hands were tied by the D of 1 we couldn't right for more money. We had no consultation over the big decisions concerning plant, finance or products. But where there was a touchy situation and things were getting a bit hairy then the shop stewards were called in to deal with the people and quieten the shopfloor.

Perceptions of the lack of information available even to shop stewards were shown in 5.2 above. This resulted in embarrassment for the shop stewards who were caught in the crossfire between top management and the shopfloor.

The division of opinion among the stewards themselves led to acrimonious meetings. When explaining why she would never work in a co-op again Hilda Thompson recalls: "Couldn't go through that again. A stewards meeting might take 3 to 4 hours and what happened in all that time? It was terrible the way worker argued against worker. They came to despise and distrust themselves. We had a certain number of stewards who never quibbled. 'Where's the button, Jack? The one you're pressing to work the robots?""

Most workers perceived the role of the union and its status to have been diminished by the co-operative. The issue of the 'show of cards' reveals that where the union relinquished its traditional role of 'defending the undefendable' then men saw no reason to contribute financially. In the change to managerial exhortation to increase production the co-operative structure was also seen to have allowed the union to fire more workers than under conventional systems. However, for some workers the harmonious industrial relations under the co-operative compared favourably with the previous situation - which testifies to some element of success in the stewards function.

Discussion. KME was a co-operative that was clearly seen as an experiment in practical worker control and was to be organised on union lines. Thus we might expect shop stewards to have played a key role in the democratisation of the workplace at KME. There is, however, an inevitable conflict of roles applying to middle-level workers' representatives in co-operatives and there is plenty of evidence of tensions arising from this conflict.

On the one hand there was the possibility of taking on active middle management roles. Attempts were made to involve stewards in what amounted to management functions but the SSC as a whole did not embrace such roles. Tony Eccles' account of KME concludes that this failure of the SSC to assume active middle manage-
ment 'roles' was one of the crucial factors in KME's overall failure. However, his model is a limited form of worker control and quarrels both with the idea of an 'executive role' for a Works Council and with the classical democratic idea of the mass meeting as the supreme authority. In both the latter cases it would be easier to see the stewards continuing in their traditional roles, representing and defending their members' local interests, though it must be said that Eccles' model also aims to preserve stewards' roles: "The key feature (of the hypothetical structure) is that stewards (would) not have to absorb the role conflict of representing two potentially adversary interests... They (would) deal only with the company's executive management." (Eccles 1981)

Although a conflict of roles seems inevitable, it does not seem inevitable that this conflict should become destructive. Certainly, the lack of information available to stewards, the apparent lack of support or obvious source of rewards, in fact the entire lack of understanding of the complex new situation they were in, all these could perhaps have been avoided. The most obvious requirement was for clear agreement on what model for democracy in the co-operative was to be aimed at - and hence on what roles the stewards should be expected to try to play, whether as communicators, as councillors, as managers, or as representatives. The decline in TU solidarity and general loss of respect for the steward's function can be seen as one consequence of this lack of a clear model.

5.5 The role of the Director Convenors

The Director Convenors, Jack Spriggs and Dick Jenkins, were 'two hatted' at the head of the union structure and at the head of the management structure. Several examples of the way they acted in these positions have already been given in the episodes in Chapter 4 and earlier in this Chapter.

The perceptions of the workforce reveal several aspects to the roles of the Directors, especially Jack Spriggs who appears to have been the dominant figure. As leaders of militant struggle they represented some symbolic value as working class leaders. This role was based on defensive postures and as semi-skilled men they had no necessary aptitude for managerial positions or commercial decisions. The particular 'style' of Spriggs in its personal approach was a source of influence and strength in some cases but dysfunctional in others.

A strong supporter was Simon Saltley: "If Jack Spriggs had been at Fords he would have been the greatest working class hero this country has had since the War." According to others even where they were critical of the Director Convenor they were always aware that without him they would never have won the co-
operative. "He said at one meeting he would be prepared to give up the Directorship and stay as Convenor but he knew he was brilliant at public relations jobs." (KP)

As leaders of the militant period however they had already attracted some suspicion as they increasingly centralised power. Over time and under stress the competence of the Directors was seen to be compromised in part by their former reputations; Jack Spriggs himself alleged that he was not capable of being 'authoritarian'. His personal authority relied on an anti-authoritarian attitude. In his new role as 'ambassador' Jack Spriggs may have been 'brilliant' in his relationship with the Labour Cabinet but he was less successful in his purchases of machinery etc for the factory. Criticism was made that technical people should have been included on the purchasing sorties.

The crucial relationship in the co-operative as seen by Hilda Thompson was between Spriggs and the shopfloor. Even when there was disagreement among the shop stewards they felt obliged to rely on Spriggs to unite the shopfloor - "and towards the end even he couldn't do it 100%.

The assumption of Directorships was seen by some as evidence that Jack Spriggs and Dick Jenkins had 'gone over' to management. Their roles increasingly came to resemble those of traditional managers constantly emphasising increased production. Exhortation however gradually fell on deaf ears.

The emphasis on union influence within the co-operative meant that Spriggs was unable to allow the formal rules of management to operate and, in the absence of other standards, control procedures lapsed and efficiency may have been impaired. Critics detected in him a desire to dominate the shop stewards which some felt led to manipulation through half information, rumour and a network of informal 'spies'. This was said to have prevented stewards from being as effective as they might have become. Spriggs' real skills were felt to be those of a 'political animal' and for many the gratitude they expressed was that 'at least we got eight years work out of him'.

Such critics blamed Spriggs for failing to put the interests of the collective above his own survival. For example, some favoured the take over by Worcester Engineering which could have resulted in some kind of job possibility in a depressed area.

Most perceptions agree that the structure as it was should never be repeated. Outside Directors, government expertise, strong
staff unions, to challenge Spriggs were suggestions that wereroached by those who regretted the total power wielded by the
Director Convenors. The Hague Report confirmed their perception
that the centralised and secretive form of management in the
co-op was more oppressive than in conventional firms and coun-
terproductive. As members who wanted to put their energies in
the service of the co-operative came face to face with Spriggs
indomitable will to power - "An apathy set in".
Discussion. As with the stewards (5.4 above) it is easy to find
effects of role conflict: of convenor conflicting with director.
Once again it seems that this type of conflict is inevitable in
a co-operative, but that it could be managed differently.

What should not be underestimated is the evident success and
ability of Jack Spriggs. He was successful at a political and
at a symbolic level - it lifted workers' perceptions of them-
selves and of the possibilities for their class to see that one
of their own could talk back to ministers and government offi-
cials and could negotiate for them at the highest level.
Undoubtedly Spriggs' personal abilities helped preserve jobs.
He also succeeded for a long time in preserving unity and, on
the commercial side, even in the absence of proper managerial pro-
cedures, he directed a company that performed as a co-operative
at least as well as it had under private management.

However, Spriggs' authority as a Trade Union leader rested on his
ability to reflect the expectations and to defend the interests
of the workforce in general. His relationship with the
shopfloor was indeed crucial. But the role-shift to director
was bound to diminish support from members - as often happens,
for example, when stewards become union officials, but with the
added complication of taking on not only an official but a manage-
ment role. The director convenors were thus apparently on both
sides of a division the continuation of which they needed to
maintain their source of support. It was to the old attitudes
that Spriggs and Jenkins had to look for their support - to the
expectation that jobs should be preserved at all costs; to
ideals of solidarity; to high regard being put on skills of confron-
tation and negotiation; and conversely it was with those
who responded most strongly to the new promise of co-operation
that they clashed. Thus it was other activists who hoped for
their share in a process of power-equalization and who wanted to
devote their energies to helping direct the co-operative, whether
as stewards or as managers who gradually became critics of
Spriggs.

A final question concerns Spriggs' apparent undermining of nego-
tiations with Worcester Engineering. Was this an error of
judgement, a refusal to face the inevitable, or a case of power corrupting? There is force in the argument that personal power is a very important motivating factor. But, it seems fairer to Jack Spriggs to interpret this case as a continuation of his determination to preserve all jobs and to see this always as a matter of obtaining and keeping external political support rather than making managerial decisions to rationalise and concentrate production. There is little point in blaming Spriggs for a concentration of power which was almost inevitable given the lack of any clear model that might have contained tensions creatively. Spriggs used his power astutely and consistently, maintaining the defensive posture on behalf of his members on which his authority rested.

5.6 The role of managers and supervisors

The role of managers and supervisors in the co-operative was a difficult one. According to Sammy Young, a foreman, and Eddie Daniels, a steward who went on a retraining scheme after the closure of KME - "We've been trying to tell them at the college - they can't visualise the situation - this gang of people who think they are shareholders and 'Who are you to tell me?' is their line."

This suspicion of management arose naturally from the militancy of the setting up of KME, and the co-operative ideology, emphasising team effort and the unleashing of personal ability and responsibility reinforced hostility to 'indirects' or 'non-productive' workers.

Some managers were perceived to remain in a perpetual state of latent hostility to the co-operative and to welcome its decline. The dual structure of union on the one hand and management on the other combined in the roles of Director Convenors may have inhibited the development of authority among the managers.

After the departure of Dickens the co-operative council elected Dick Morgan as General Manager; he was considered to be capable by several members of the co-operative but incapacitated in his relationship with the director convenors (JN). Jack Spriggs was critical of Dick Morgan's performance - "he never kept the management team in full control - only met his foremen once in four years - he was office bound and on the odd occasions he would come down he would portray hostility to the worker directors. Any managers supporting the worker directors were ostracised by other managers." The perception of several individuals however was that Dick Morgan was not allowed to manage because of the 'interfering' of Jack Spriggs.
This interfering also affected the performance of foremen and in the discussion of discipline (5.1 above) we showed how foremen considered themselves to be undermined in their traditional roles.

A manager who supported the co-operative in his dedication to duty was Keith Frost who managed shifts for the same money as other managers. In 16 years with the companies at Kirkby he had only 3 days off and travelled miles to work each day. His perceptions reveal a traditional approach to discipline and also cast light on the question of promotion within the co-op. "When Jack Edwards left I was convinced no manager was needed. I told JS "We're going to get another costly manager. What's wrong with the people in here? We know the job." I went to Dick Morgan and said "Over my dead body - we are not having another dummy to sit in that seat." Eddie Daniels and the committee were of the same mind that we didn't need a manager. Anyway they made David Norris from tool room a manager and I was very pleased. He was interested and a likeable inoffensive bloke and at least he had some engineering experience. I was never ambitious but I would not work for an outsider."

The 'wave of supervisory staff' promoted as a result of advice from the DTI was seen by Hilda Thompson to have unfortunate consequences: "It didn't go down too well because they were mainly shop stewards. Didn't do the Trade Union any good. The excuse we got was that we hadn't sufficient managerial staff to run the factory properly. I would have preferred group leaders with information fed into stewards. It created more animosity on the shopfloor and certainly didn't improve production. "Oh so and so got a job for £8,000 a year and we're still on £50 a week."

Discussion. Different tensions arise from 'dual compliance' to affect managers and supervisors than those which affect stewards and convenors. The manager role as such is not ambiguous but those managed are now subject to two simultaneous modes of compliance and two authority structures, so that the managers' power may be diminished.

In fact, having supervisors at all many offend the expectations raised by co-operative idealism. The co-operative idea brought out many members' latent egalitarianism. It also encouraged feeling against 'indirects' or non-productive labour and led to greter scrutiny of privileges and differentials. However, even if less supervision is required in a co-operative, the management function cannot be done away with. If those who fill such roles face greater scrutiny and less reward in terms of power
than in a conventional organization, then surely they require other rewards including recognition of the particular difficulties they have in a co-operative, plus some sort of career structure, support and training, and a pragmatic approach to the continuing problem of differentials.

Unfortunately workers may perceive problems as evidence that the co-operative is failing when in fact they are inevitable and foreseeable. In the end, though, this feeling of failure at KME translated itself into fact.
The specific aim of the interviews conducted after closure of KME by Diwlys Tynan in 1979 was to assess the main events and issues of the co-op's history as recollected by the shop stewards. Access to these people on site was not made possible although an interview with Jack Spriggs was granted and with a member of staff whom he called into his office - Stan Ives. Informal contact was made with some stewards and from conversations with them it seemed appropriate to talk to as many individuals as possible in the time available. The collection of data 'snowballed' from stewards and activists to other members of the co-operative: ordinary members, foremen and apprentices. In this section we present a number of 'portraits' which depict a variety of individuals and their responses to working at KME.

The compilation of such portraits follows the literary historical approach advocated by Bertaux (1981) and as such is undeniably subjective. Such material has been useful in the study of women's work where the emphasis has been to place the worker in the context of her home and social resources. (Examples of this approach applied to women's co-operatives are found in Tynan, 1979 and Wacjman, 1983.)

The 22 ex-workers interviewed after closure in 1979 are listed in Table 1. Of these we have picked out eight (asterisked in Table 1) whose interviews provided particularly good information and who between them exemplify different attitudes and individual 'paths' taken during the life of the co-operative.

Thus we offer 'portraits' of two women and six men. We present biographical details of these individuals in order to place their experience of the co-operative in a larger social context. By noting their other work experiences we suggest the skills, resources and attitudes which they brought to KME. This may offer a richer picture of cognitive and psychological processes which we do not make concrete but offer as suggestive of other interpretations.

Our study is based on worker perceptions and the choice of individuals for 'portraits' represent different types of orientation to the co-operative.

Vic Cummings was a young man, ideologically committed to co-operative ideas. He was an activist interested to increase his own influence and to further industrial democracy through developing new roles for stewards. As such he experienced profound disappointment.
Jimmy Naylor was a semi-skilled, middle aged man, an activist steward but not inspired by the co-operative ideal. Rather he may represent the type of individual who seeks to retain his hard won status and attempts to do so through strict adherence to trade union principles.

Hilda Thompson was a middle aged unskilled woman. She was an activist shop steward eager to develop the co-operative form and particularly to extend the influence of women through participation and the learning of new skills.

George Tame was an older, unskilled man attempting to take part in a new enterprise but conditioned to reactive trade union attitudes and less able to adopt new roles than say Vic Cummings.

Keith Frost was an older semi-skilled man whose career developed in him managerial skills. While not specifically interested in co-operatives he showed a concern for efficiency, effort and commitment to success for the firm.

Betty Rose was a young unskilled married woman whose interests are primarily in earning money to help support her family.

Simon Saltley was a semi-skilled man in middle age, not a steward but an 'activist' committed to the co-operative as a step forward in working class political forms. He was prepared to act as an example in co-operative practices. His intellectual bent allowed him to assimilate his experience at KME in a positive manner.

Erroll Masterton was a middle aged, semi-skilled man, a steward but pragmatic rather than idealist in his approach to the co-operative which he treated as yet another variant on the forms of democracy which he already saw in trade union practices.

Proponents of co-operatives such as Paton (1978) cite the 'learning' that may take place. It is not clear to us what form this learning took at KME. In the words of Tim Colls a blind operative in the co-op: "Most people have their original view reinforced. The co-operative was a heightening experience very dramatic." We suggest that some positive lessons for the future of co-operation may have taken place in the cases of Vic Cummings, Hilda Thompson and Simon Saltley whose political commitment to working class political forms may allow the experience of KME to diffuse into other political activity.
Simon Saltley certainly showed an individual at a particular stage of intellectual and personal development for whom the co-operative experience was a catalyst. And other individuals such as Erroll Masterton and Keith Frost, in making comparisons with attitudes and behaviour in conventional workplaces following KME, may have drawn some positive conclusions. These positive lessons generally concern the responses of the workforce rather than the structures which evolved.*3

*Our portraits are possibly unrepresentative in that they do not include the individual who may have been reinforced in anti-co-operative notions.
Jack Spriggs - Director Convenor AUEW (JS)
Tom Fisher - Deputy Convenor to J. Spriggs (TF)

Stewards
Len O'Carroll - AUEW (LO'C)
*Vic Cummings - T & G press shop and Senior Steward deputy to
   Dick Jenkins Director Convenor (VC)
Ken Collett - T & G radiators (KC)
Willy Cole - resigned setters dispute (WC)
Eddie Daniels - (ED)
*Jimmy Naylor - TASS engineer (JN)
*Hilda Thompson - orange juice section (HT)
Walter Thompson - Senior Steward (WT)
Erroll Masterton - T & G assembly shop (EM)
Stan Ives - ASTMS (SI)
Jack Lamming - AUEW deputy to Jack Spriggs (JL)

Foremen

Kevin Patrick - ASTMS (formerly Steward T & G) (KP)
*George Tame - radiators (GT)
Sammy Young (SY)

Others

Tim Colls - brackets (TC)
*Keith Frost - Shift Manager - member Council (KF)
*Betty Rose - orange juice section (BR)
*Simon Saltley - maintenance fitter (SS)
Fred Williams - paint shop (FW)
Richard Young - apprentice (RY)

*Except for Jack Spriggs and Dick Jenkins, all names and initials have been changed.
Vic Cummings was in his early thirties and married with two children. His wife worked in a spina bifida school. Newly housed in an attractive estate in Kirkby, in late 1979 he was unemployed. He lost a finger in an accident at KME and is only just off the Panel. He had the chance of work but was not willing to jump into just anything. He would like a change from factory work. He was anxious and confused about his future and about events at the co-op. Another ex-member was currently trying to recruit him to the Communist Party.

The second eldest of ten children, he attended a boys' comprehensive school in Kirkby and left at 15. School ended on Friday and work began the next day as a butchers' errand boy. His father however secured him a place at sea and he was sent to train in Gloucestershire — "the nearest thing to approved school". At 6½ stones he was considered too light for an AB but played soccer for a team. He spent 8 years at sea, the high point of which was a dispute on the Empress of Canada, "the only ship's crew to get rid of a captain".

He remembered men at sea as more politically aware. Autonomous working conditions and ship's committees gave life at sea a cohesion and purpose punctuated by bursts of activity in port. Romance and travel widened his horizons and made the adjustment to factory life in England particularly hard. He worked in the factory for five years before the co-operative was devised.

He was originally extremely enthusiastic for co-operation. He read widely about co-ops, collected his own press cuttings and compiled a bibliography which he treasured. He remembered the sit-in as "98% solid before but only 50% afterwards". "A sense of commitment that slips easily away". He also became anxious about the possibility of coherence and honesty when during the episode of the liquidator in 1974, a list of 700 names was handed over to receive pay "but we knew there were no more than 500. The liquidator threw it out".

As a steward in the radiator section and deputy for Dick Jenkins the Convenor (T&G) he saw his role as involvement with the shopfloor and he worked hard to supply the information demanded by the convenors and on which issues at the Shop Stewards Committee were debated. He experienced great stress in the 'dual compliance' of providing for the shopfloor information and protection while being party to the managerial strategies of the Stewards Committee as it evolved.
Inconsistencies of principle and morality confused him as he remembered the outcomes of events. He resigned as steward over the setters' dispute (see 4.3 above) and he remained convinced that 'mobility' was inevitable; he saw himself and like-minded stewards, of whom there were a handful, to be in the forefront of industrial change. He recalled bitterly, however, that of the setters involved, those most entrenched in their opposition to mobility were not those who were sacked. When the matter was finally resolved the old tradition of 'last in first out' prevailed.

He was confused by the action of a colleague trusted and respected but who, on promotion to foreman, went to eat in the separate staff canteen. "You should have stayed to eat with us". He ponders his own action when during a BOC strike his mission was to get gas for the co-op. "It was the most nerve-wracking thing I ever had to do. They got the convenor out of bed and I had to cross a picket line. But they gave us the gas." Such sympathy was possible from the strikers during a local issue but not in a later dispute which was national in its extent.

After the end of the co-operative Cummings felt very sorry for himself and despondent. His wife had supported him through hard times and he hankered perhaps to return to sea.

He read avidly, and a discussion of 'cargo deities' on a TV programme, where some islanders worshipped Prince Philip, intrigued him as offering some insight into the co-operative and the role of Jack Spriggs. Attitudes to the Convenor at the beginning of the co-operative were for many only just this side of idolatry; this had waned and been tarnished by events.

He noted that when KME ended the workforce went out on six weeks pay and the Labour majority at Ormskirk crashed from 8,000 to 800. He sensed the local disappointment and outrage but could not focus it. The worst thing in his experience of the co-operative was the indecision and the bad decisions and the best thing was the stimulation and the sense of getting somewhere. "Where - I don't know - couldn't pin it down somehow".

6.2 Jimmy Naylor - TASS steward

Jimmy Naylor was a maintenance engineer in his mid forties. He had successfully survived the upheavals of the factory previous to the co-operative. Altogether he worked there for 17 years having left school at 15. He was apprenticed as a fitter then did National Service, when he was a driver and stationed in Cheshire
"Everyone used to climb over the wire. Escape. Part of the excitement of these establishments is escaping from them." Postings in Italy, Sudan, Eritrea and Ethiopia made it difficult to settle afterwards. After the co-operative he took up installing double-glazing. By late 1979 his speed wasn't yet sufficient to get a good wage. He had to buy a van and tools and was physically shattered.

He worked variously as a maintenance fitter for five years before going to BMC at the Kirkby site which became KME. At Fisher Bendix he became a foreman and at the onset of the co-operative he became a TASS steward. He saw the co-operative primarily as a means to stay in work, and claimed to place Trade Union priorities before those of the co-operative.

As an engineer at KME he was able to do work which he found satisfying but which was not strictly his prerogative as he had no draughting skills and was not fully trained. He defended differentials and skills - but this took on the connotation of status seeking and made him suspect to many in the co-operative. The TASS dispute (see 4.5 above) was an important issue of which he was the instigator. It illustrates the complexities of sectional interests in the co-operative setting.

Naylor's emphasis on skills was in direct contrast to that of Simon Saltley (see 6.7 below), a fitter in maintenance who when job mobility was required moved and lost financially by it. The complex aspirations involved are only partially explained by the fact that Naylor was attempting to hold on to something that his training and career at KME had offered, which was unlikely to have been offered elsewhere. "I just gave effort.... it was my ideal job. The co-op gave me the chance and a conventional firm might not have." Saltley, on the other hand, found more possibilities elsewhere and was simultaneously pursuing studies at Liverpool University.

Naylor's support for accepting Worcester Engineering's attempted takeover discredited him in the eyes of militant shop stewards although he claims to have asked for safeguards on traditional TU activity. He was also seen as excessively reliant on traditional and formal routines. "Jimmy wanted someone to be at the back of him, to be 'official'. But to my way of thinking strikes start unofficially - you have to make a start." (L'OC)

In parallel to attempting to stick to TU procedure, Naylor actively led probes into wage rates in the company. He was early disillusioned, as were many other workers, when Directors' fees were introduced. He saw this as a move towards conventional
management privileges. His interest in wages rates and costs arose in the course of the TASS dispute; to find out what agencies elsewhere were being given draughting work and at what cost to KME was a specific concern. In these inquiries his place on the SSC was of no assistance and, like most co-operative members wanting to be informed, he was never given the assurances to satisfy him.

Naylor's anxiety increased exponentially as it did for other men of his age for whom the time when they had worked at BMC was imbued with memories of dynamism, invention, production and security and for whom alternatives were bleak. The co-operative was the last instalment in a downward spiral.

His admiration for the ability of JS to publicise the co-op and deal with eminent outsiders did not obscure the less attractive aspects of the Director Convenor's style. The crowding of meeting time with trivia and leaving no time for proper consideration of controversial issues; the absence from meetings when temperatures were high; the suspicion that diversions or confusion of issues were prearranged; the threats to resign in the face of criticism or opposition - all these were regrettable in Naylor's opinion. While they are familiar features of a certain style of holding on to power they were antipathetic to what Naylor understood as the democratic ideal. Naylor felt insulted and, with other men, prevented from contributing to their version of the common good.

Naylor's wife described how he spent long hours working on KME matters in the evenings. "He's been too cautious, too careful. He worries too much. He was on terrible pay, yet he used to bring his work home - writing reports at eleven at night!". Naylor's was perhaps an energy the co-operative could ill afford to lose. He regretted the lack of professional experience to take commercial decisions in the co-operative and he also regretted the accumulation of power in one person.

"I saw an interesting programme on a religious sect in the US. It was just like the co-op."

6.3 Hilda Thompson - Steward, orange juice section

Hilda Thompson is in her fifties, married to Walter Thompson, also one time KME steward. They have three children from his first marriage and three of their own. She trained as a welder under British Leyland and was a shop steward there for seven years. She resigned over a personal issue and stayed in the background through changes of ownership. She worked during the King sit-in
when women were organised in running the kitchen, she emerged as a steward in the juice section under the co-operative and later moved into the radiator section. As one of the most politically aware members of the company, she and her husband had joined the Communist Party in 1960. In disillusion with Gaitskell's overt ruling of Labour Conference decisions, Experience of the CP for four to five years left her sceptical of them as a revolutionary force in British politics. At interview she was retired and enjoying her grandchildren. She had been offered a Labour seat on Kirkby Council but would be reluctant to go along with implementing government cuts. She saw no party to which she was attracted, as her husband was Treasurer of the Fighting Fund. Hilda was especially involved in maintaining morale during the sit-in. Meals were provided free and a butcher's contribution of 20lbs of sausage for £5 is remembered as a particular bargain. "The funniest thing was the extent to which people believed in the sit-in. One girl from St. Helen's apologised for being 'off sick' and brought in a sick note." The ease and eagerness with which people fell to task generated a sense of co-operation and efficiency which it was thought would automatically spill over into the work situation that followed. 

The principal achievement of the co-operative was seen by the Thompsons as the sense of solidarity and commitment. It follows that they recommended that only the 100% committed group, tested by defiance and solidarity, should be allowed membership of a co-operative. "To build a co-operative, you've got to be ruthless. The half and quarter Tories who don't believe in TU's - we should have got rid of them. Either join and do the work or get out." In practice such a suggestion was rejected on the grounds that it would have involved work sharing from the outset and so contravened the TU defence of differentials.

The Thompsons saw the co-op as a means to worker control and as an indication of the trend towards diminished authority roles. They remained anxious to portray the success, limited as it was, of the co-operative and here they were caught in the contradiction of such ideals in a market economy. "From the beginning we should have been told from the platform that it may be necessary to cut the arm off to save the body." Over the issue of settlers' mobility Hilda favoured allowing the settlers to strike and take the consequences. With his fear of bad publicity and his reluctance to set such prece dent Spriggs did not want that. "He wanted to play the Big Boss - he wasn't prepared to compromise. He was originally going to lay them off then he sacked them. I've personally seen him sack people."
A real achievement of the co-operative was the upgrading of the labourers to semi skilled - a measure supported by the Director Convenors; this did not however extend to the three women cleaners. Hilda was herself given the opportunity to blaze the trail of equality for women. During the call for 20% increased production of radiators in 1978 Hilda offered herself and two other women to train as welders. Welders were notoriously difficult to attract and keep. The women slipped in during a time of emergency and with a week's training behind them they took to welding bosses onto radiators. After the 20% increased production was achieved - without extra pay - the women were asked to move back, but they resisted. Despite the fact that the work was too heavy and the women less efficient they stayed put till the end of the co-op. "It nearly killed us. New machines would have made it easier for us, and for the men. One or two of the girls got so proficient they were doing their score and sitting down at 2 p.m."

Commitment to principles political and democratic took a toll of the Thompsons' health as it did many other energetic members of KME.

A personal achievement was felt by Hilda to be her ability as a steward to protect and discipline the women of the orange juice section. Despite poor working conditions the women were considered the hardest working and least complaining section in the factory. This may have been due to the care with which Hilda consulted them on all issues discussed at Stewards' Meetings. "They used to ask how much juice had been made and sold and what the profit was. I used to put it up on the notice board."

As political activists of a rare kind the Thompsons found the workforce at KME very little interested in political issues. Although people often referred to Walter Thompson for clarification of Trade Union and policy matters, he regretted that the co-operative experience was never translated into political statements of any generality. He considered that he had failed to enlarge the political comprehension either of the Convenor or of the stewards he controlled.

The process of disillusion felt by the Thompsons and several other activists at KME began with the realisation that the co-operative offered no change in working conditions and virtually none in power, influence and control. The announcement of Directors' fees at a mass meeting in the presence of the Press effectively stifled any criticism of it. From then on company cars, promotions and the inability of the stewards to do other than rubber stamp Convenor policy led to disillusionment.

The Thompsons argued for the Council to be proportionally representative; for targets and autonomous work groups to help efficiency and productivity. In the absence of measures of this
kind the Thompsons were left consoling themselves that they at least learned what pitfalls to avoid. They saw no advantage in worker director bosses under the system that obtained at KME. While TU's are still to be the backbone of the working-class movement they found the leadership to be wanting and even "corrupt". The Thompson's had known and experienced direct action in a small firm before, and were able to represent the trade union leaders to the members to speak about discipline. The Thompson's ambitions to fuse into the co-operative venture the divergent interests of the TU and working class aspirations were not realised. If anything the Thompsons felt that in the end there was more fragmentation and loss of interest among those who gave most time and energy to the co-op.

Exponents of democracy at the workplace (e.g. Pateman 1970, Paton 1978) cite this learning that takes place. Its diffusion into political consciousness is as problematic as the nature of the lessons learnt. The Thompson's children are successful products of comprehensive schools. They are not interested in the political activities of their parents.

6.4 George Tame - foreman, radiators section

Almost 50 years old, George Tame is married to a working wife and has one child. He left school at 14 - a tough Council school where he got the cane. He went to work in Bibby and Sons before the end of the War. His ambition had been, like most young men in the area, to go to sea - but he didn't. His eldest brother did.

National Service ended in a discharge on an incident involving violence and he went to work at Fords Halewood. He left there to work in Fisher Bendix and intended to return to Fords but never did. At KME he worked four and half years as a press operator and ten years as a driver of a stacker truck fork lift. He represented KME on the Committee which negotiated with Worcester Engineering and in the last twelve months of the co-op he was Deputy Assistant Convenor. At interview in late 1979:

"I'm out of work. Never have been before in my life and don't want to be but I'm much happier."

A large ebullient man with a romantic sense of rebellion. "I'm a bit of a rebel but not a wrecking machine. I kick against the boss but I wouldn't damage anything." For George Tame the 'bosses' are those making the workers work, paying them and punishing them. He was never able to reconcile the conflicting duties of a steward in the co-op. His instinct was to defend the 'undefendables' whatever. One lad, reluctant to bluff his way out of discipline, was told by Tame, "You stay outside and I'll tell the lies."
In the heady atmosphere of power, conflict and the struggle to have a say George Tame’s personal style was considered by many in the co-op to be too individualistic and too loud. "His idea of good stewardship was to call Dick Jenkins 'dog arse' to his face." Or, "The man's a bully and an animal." His demeanour and career in the co-op undoubtedly isolated him. Remarks by other workers show that they considered Tame’s understanding of power to be a crude one of physical and verbal threats; he seemed lost in the more intricate processes of alliance and intrigue.

While he professed as a priority the maintenance of his own home and family he did attempt to influence opinion in the co-op. He became Deputy Assistant Convenor in the last twelve months of the co-op's history. For some observers it was an unseemly canvassing for position but Tame saw it as an attempt to limit what many saw as the intolerable concentration of power in the hands of the two convenors who were absent from the worksite on innumerable visits to London and abroad. His interest was always in concrete issues where his suspicion was roused and his first question on becoming assistant convenor was to ask the whereabouts of a stainless steel tank, part of the orange juice process which was 'lent' to a shipping firm. Valued by a superintendent informally at about £2,000 secondhand it represented to Tame an asset whose disposal he felt entitled to query. He was given no satisfactory explanation and his frustration concentrated on issues where he felt he could publicly expose inconsistencies of this kind.

He was particularly incensed by the continuing provision of a sick pay scheme for the staff. This represented a valuable resource to him. "If I, as staff, had a big electric bill, say £40, I could go sick and get my wages and the sick pays the bill. Staff never got pulled up for being late even the way the ordinary worker did." His interpretation of behaviour was undoubtedly coloured by his own sense of realism which could be interpreted as cynical and opportunistic. His attempt to have three days paid leave to bury a sister obliged him to provide four witnesses; another testimony to the stricter routine for shopfloor workers in his opinion.

According to George Tame those who worked at KME 'with contented minds' were those who were moderate, prepared to work and do overtime without pay if it meant keeping them in a job. "But if I work, I want pay. As I say, you can work anywhere for nothing." Those most badly affected were "energetic people who wanted to have a say - but you were treated as much!"

George Tame became a disappointed man. Perhaps the original call to action would have inevitably led to disillusion but the
experience of the co-operative must have contributed. "Jack Briggs - when he said, "I want you to go and take both bunches of keys from the security men. I'd have gone to the end of the world with him then."

Was he left apathetic or militant? "Militant. But you couldn't fight against yourself. It's like looking at yourself in a mirror and cracking yourself on the chin, sort of thing."

6.5 Keith Frost - 'Shift' manager

Now in his late 40s, Keith Frost left school at 14 and had two semi-skilled jobs before going for National Service. He was an NCO and travelled abroad before returning to factory work. He joined BMC in 1963 and was glad to be in a solid, viable factory. His career is a list of promotions from semi-skilled inspector to foreman of quality control in 1964. He was Senior Production foreman in 1966 and Material Controller in 1968. He was described to the Press Shop under IPD as 'the note maker'. He was enthralled with factory work. "It got into my blood. Making things in every corner of the factory. It was so adaptable like a big shed and wires of grass around for expansion." He worked in the factory for 16 years with only 5 days off during that time. He drove 26 miles to get to work. After having been out of work for 6 months after the closure of KME, he got a job as a storeman, working 70 hours a week, with overtime.

While the course of his career indicates that he was a driving force he is also reported by some to be a harsh disciplinarian out of touch with contemporary attitudes. Many who worked with him nevertheless respected him as an honest and hardworking manager. As Superintendent he sat in and was one of the first of the management to start on the shopfloor thus signalling his acceptance of the co-op.

He claimed to have been the victim of a 'Kangaroo Court' which emanated from his desire as Shift Manager to address a public meeting. His immediate complaint was that cancellation of a requisition by him for heaters had led to a loss of production. As a reprisal he claimed to have been set up for the sack on a charge concocted by the Convenor in collusion with the General Manager. In the event a group of his workforce expressed confidence in his ability and commended him - "He's the only man who does the job." Three weeks after the event a steward involved in the proceedings went to Frost and apologised for his part in it. While Frost himself professed concern over loss of production on nights due to impossibly cold working conditions, the lateness of the date, Autumn 1978, suggests that some crisis point had arrived for him which determined him to make a public stand over the issue.
Being outspoken and abrasive appears, from reports in 1977 and 1979, to have been characteristic of Frost. In late '77 he had written the directors a proposal that the Works Council be revitalised or substituted by a Board of 7 Worker Directors without pay or sharing the fees paid to the two Director Convenors. This was to take control from the two and the group of seven would be men within the factory whose technical and informational skills would combine with the production side. The Accountant, the Transport Manager, the General Manager etc. would represent important areas of responsibility. The proposal was reported to a mass meeting by Jack Spriggs but in such a way as to pour scorn on it. In view of the factory's history, the suggestion of more Directors as a solution to KME's problems was an easy line for a laugh.

Frost's energy and sense of responsibility certainly appear to have developed in him a sense of managerial competence which he was anxious to employ. This led him into conflict on numerous occasions both in the early Council meetings and then in the general running of the work. An incident which approaches farce indicates some of the strong interpersonal tensions which developed in the co-op. When the Transport Manager, a close personal friend of Jack Spriggs and generally referred to as the "Third Director", asked for a warehouse to be left clear one Friday, Frost continued his production and stacked 3,500 radiators in the open, hired a tarpaulin to lash them down and watched over them during a weekend of gales. His proposal that lorries loading up should take from this pile outside was ignored by despatch workers on instructions from the Transport Manager "They'll rot away we're not taking them." Frost then used his own men to carry each radiator into the warehouse. He justified the cost of his time and hiring the tarpaulin as nothing compared to the loss of production that would have been entailed. "I wouldn't budge. I made the radiators. We were 3,500 radiators better off."

While the traditional assumptions of hostility between trade union representatives and management could not be erased by the creation of a co-operative Keith Frost was one manager at least who did not withdraw in a negative way and subtly undermine the running of the factory as it is alleged many managers did.

Frost's anger at the failure of the co-operative was such that he registered himself as creditor with the liquidator. At the time of interview in late 1979 he was sad and felt he was robbed of a job. He blamed the Director Convenors. He blamed them for incompetence, interference and the undermining of initiative or responsibility that might have emerged within the company.
His constant theme was the skill and competence of men already in the firm to do the job of maintaining efficient production. He described the workforce as suffering poor conditions, requiring humane treatment and fair play in order to give of their best. He contrasted the workers at KME favourably with those in his present place of work. By comparison at KME they were tractable and hardworking. In this Frost is one of approval contrasts with most descriptions of KME which tend to regret the inadequacies both of the workforce and of those in control, apportioning the blame according to standpoint.

Frost is not an ideologue nor does he consider himself in any way radical: "I only vote Labour out of habit but I look back on Labour with gratitude: 'They gave the workers a chance.'"

6.6 Betty Rose - "orange juice section"

Betty Rose is a married woman in her twenties with two children. She worked as a packer in the orange juice section, her husband being a maintenance mechanic on the buses. Following the failure of KME she became unemployed and anxious about the Thatcher government and the possible effects on mortgages: "If the mortgage goes up well be out in a tent."

She was in a family of eleven children her father a seafarer - a boilerman. She left school at 15 - a RC comprehensive which she didn't enjoy - and went to work in a factory. "Girls in the offices can talk better than me, spell better than me. I think factory girls are more down to earth."

She has an instrumental approach to work and as a poor-time-keeper by nature - she used this to get the sack when she wanted to move on. She had a previous job in Dubiliers where she enjoyed conveyor belt work which was fast and not fiddly. She found it a fair way of organising work as everybody did the same.

She joined the company under King and was not so active in the occupation as she was about to produce her first child. On the day King was thrown out* 4 she stayed near the back of the meeting. "It was hilarious, "It had never been done before. It was like someone coming to throw me out of my house. Never possible."

Her sense of what a co-op was to be was simple. "When they said we were going to run it I thought we were going to have more say than we did, I thought we'd have a say about conditions of work.

4*This may refer to the day the Receiver, who followed King, was thrown out.
I thought you could never work for a better place than a union factory. In another factory we'd say, 'Wouldn't it be great to work for a Union'. But it wasn't."

At KME she worked very hard from 7.45 to 4.15. "In the juice section they speeded up the machines from 30 to 50 pallets a day - we thought the machines would explode. If we hadn't had breakdowns we couldn't have lasted."

She was aware that the plant was outdated and dirty and they were overmanned. The protracted vigil in the cloakroom after the shut down of the juice plant was an alternative to redundancy but many women would have accepted the latter willingly. As part of the demoralised group who were put to knit in the cloakroom she remembers gleefully how habit congealed into right. When work was available the women would complain, "That's terrible. What about the knitting?"

The main impression she carried away was of very poor working conditions which never would have been tolerated in a conventional firm. Working on outdated machinery and under inefficient organisation led in her opinion to backbiting. "At KME a lot didn't pull their weight and it's aggravating to look down the line when you're sweating your guts out. Before it was a co-op you went to a shop steward who sorted it out. Under the co-op they said, 'It's your factory.' - what can you do?"

The last job she did was particularly unpleasant. It was cleaning rusty car bodies using acid protective aprons and gloves. Assurances that the process was not dangerous was unconvincing as the workforce without exception developed sores on their faces. The acid made holes in leather and in their clothing. Worse than that simply was the lack of heating. "The co-op didn't give enough consideration. It got you near to tears with the cold."

Her redundancy money of several hundred pounds was spent on Christmas presents for the children and furnishing her new home. She never took furniture from one house to another but liked to work to lavish comfort on her family. "I love spending but I don't like debts. I should have been a rich man's daughter."
6.7 Simon Soltley — maintenance fitter

A married man in his forties with adolescent children, Simon Soltley worked at KME for 8 years and took part in the 1974 sit-in and the final occupation. He was in charge of maintenance stores when the co-operative was set up. He lived in Maghull, one of the 'posher' districts near Kirkby. Personal criticism of his lifestyle led him to reply that his mortgage repayment of £26 a month was less than what some men spent on beer. He had made a different choice. He spent his redundancy money on a holiday in the US. Looking back on his experiences in the co-operative — "I will never be sorry to have been there - all the pain, all the upset. The people who became my friends just the contact with the theatre people /a group who put on a show to promote the sit-in/. It must have been the best thing that ever happened to me."

He was a supporter and admirer of Jack Spriggs — "I agree with JS that the workforce should have buckled-down. Regardless of what they say JS couldn't have put another ounce into that place. If half the people on the shopfloor had put one quarter the effort he did we'd still be there."

While he didn't necessarily approve the charismatic fervour of mass meetings under Spriggs, he saw no alternative to the low level of actual political consciousness of the workforce. "I learnt how really shallow most working class movement is. The top 2-3 percent are activists and the rest follow them because they can't see any alternative."

He suffered a great deal of stress and reports increased ill health in the co-operative as a result of strain. His own action was to volunteer to be mobile and in doing this he wished to set an example. "His action was ridiculed and criticised as it involved taking a 20% cut in wages. His wife took a part-time job to subsidise their children at college.

His approach to the co-operative may be summarised as egalitarian and authoritarian. He resented the sectional superiority of the skilled unions. The TASS dispute and the action of Jimmy Naylor particularly upset him. "I would willingly have given up AUEW rule to adopt co-op principles. The aristocracy of labour - that's Clive Jenkins and what his men are worth. I don't hold TU principles very high."

He saw the nature of unskilled work as an inhibition on participation, and the efforts to do without supervision were always a failure. "You can't run a co-op on free expression.\"
Most workers can't work and think of their work at the same time. They should be driven forward and it's not wrong to direct if the total community gets a share."

for himself and for others the failure to change working practices was stressful. "It's hard working in a co-op for people who think about it." And in a failing situation: "Work becomes unbearable because people can't face the truth about themselves."

He did get time off from work to attend a local college in Liverpool where he embarked on a degree course. This led to accusations of privilege: "Jimmy Naylor accused me of accepting a lower job to symbolise the co-op in return for hidden rewards." When interviewed he was extremely sensitive to any suggestion that members of the workforce had profited personally from sale of scrap etc. This topic touched his "funny bone". In future he would only enter a co-operative with a selected workforce and he recalls that everyone he met after the end of KME wished they 'had done more'. The appeal of the co-operative for him was its egalitarian concept. "I hate inequality of any description. I'd like racial, religious and financial inequality to be stamped out. To stamp out the supervisor-worker relationship would have been just a little step forward."

6.8 Erroll Masterton - Assembly Shop Steward

A married man in his late forties, Masterton had worked without pay during the original sit-in. After 17 years in the firm - "I was forty at the time so I was not going to Merseyside looking for jobs. I was all for the occupation - we stayed to fight for jobs." He became a steward under the co-operative.

The eventual decline of the co-op saddened but did not surprise him. While he and many others hoped that solidarity would carry the enterprise he attributed the failure mainly to the financial constraints imposed on the co-op. He also recognised the internal problems it generated. He noted that his earning eventually deteriorated at KME. Following closure of the co-op he trained for seven weeks and went to work as a press operator in a press shop. Looking back to the co-op - "Sometimes now I feel that the balance is better - but some of the scores are too high. I come home feeling I haven't had the chance to earn a days pay. But you get this all the time - it varies from day to day."

This pragmatism underlies Masterton's experience in the co-op. He raised no criticism of management or the convenors.

"Dick Morgan was a foreman who came through the shopfloor. I think he did the job as well as you could." And - "Jack Spriggs was very sincere in everything he did. He was the whipping boy."
(Did you ever feel that Jack Spriggs was making mistakes? But we all did. We agreed with everything he did. Jack never did anything without our approval.)

He saw the dilemma that faced the co-op between saving jobs and streamlining production. "With hindsight we should have made redundancies but it was against our principles. We should have listened to advisors but we didn't." He recalled vividly one particular meeting - "The orange juice section was doing well and we needed more workers. The vote was taken on whether we would take full time or part time. We voted to take full time people and therefore drain our resources."

His explanation lies somewhere between the instrumental approach, which he felt he shared with most workers, and the problem of providing incentives for tedious and unpleasant work. "It's nice in a co-op to think differently - for a 'future' reward... But it would be a material reward. Where I'm working now it's a bonus scheme."

An interest in problems of production on the Accadian air system led to his becoming a shop steward. "I asked for an interview with Dick Morgan as to why there was no flow of work. The Convenor thought it better that I spoke as a shop steward so I allowed myself to be taken onto the shop steward committee." He was not unwilling - "I knew that by asking for an interview I was putting myself forward as a spokesman."

He saw the main role of steward as communicator and he felt 'protective' towards those he represented. "In my department they knew I did what I could. In a large department like the radiators it was impossible to gather people together for reporting back. Difficult to get it across and people will interpret differently." He knew that the stewards worked with poor information often meeting without agendas. He attributed this to difficulties of organization rather than attempts to manipulate. He saw the decay of standard disciplinary codes as a major problem at KME although he also recognised it in part as a consequence of traditional defensive attitudes of trade unionism. "A foreman would say - 'You know you can't win'. I'm working in a new place now and the foreman says the same thing - so it's not peculiar to KME. It's trade unions and it's not always the stewards that lead the people out on strike - they (the people) are the union."

He saw the concept of 'democracy' as difficult linked as it seemed to powers of articulation and persuasion - "You can't talk to people and sway them to your own way of thinking all the
It struck me that people have their own opinions. The disposition of people can't be changed. Towards the end of the co-op however he felt that people had gained in confidence and more opinion was being expressed by the shopfloor.

Of the several events and issues we deal with Masterton had little detailed experience. He was not considered one of the 'activist' stewards. The deputy convenor considered him to be part of the 'nod squad' on the stewards committee. "I can't remember Masterton making any remarks" recollected Vic Cummings.

Asked to compare his experience of the co-op with the work he went on to do Masterton seemed to roll the co-op into the whole of his working life in Kirkby. "My life at KME was as a sprayer, then firing enamel, then assembly electrical rectification.... Where I am now it's all gas stoves - a completely new thing."
We have now explored some of the key episodes and issues of the history of KME as a co-operative; and described some of the roles and some of the people who filled certain of them at different times during the 47 years. To the extent that this exploration and description is 'evidence', it must be admitted that it is very partial and quite subjective evidence. However, it does allow us to make further comments on the items we were looking for, as set out in 3.4 above. We then discuss the implications of our framework of a clash between sources of attitudes and finally suggest how it might be used in future research, particularly in longitudinal studies of rescue co-operatives.

7.1 Tensions

The first, most obvious, conclusion is: Yes, there were tensions! There were stresses within people forced into ambiguous or contradictory roles. Without over dramatising, there were several reports of increased physical or mental stress, and plenty of evidence of individuals finding their positions intolerably difficult. There were also conflicts between people: disputes, examples of decisions countermanded, trials of strength. There was a view expressed by at least one individual that industrial relations in the co-operative was relatively smoother than previously, but there were certainly sectional and interpersonal conflicts and this picture of good industrial relations seems to have been very much a minority view.

In a way, finding tensions in a co-operative as in any other organization is not surprising. However, one has to set this against the expectation that a co-operative means co-operation to see that it is a finding worth emphasising. Some tensions arise from conflicts of interest. Individually and as a group, workers have different material interests from the business interest of their firm, even though, as a co-operative, it is collectively theirs. Such tensions include that between the requirement for extra production and the need for reward or recognition or that between efficient running of a section and the maintenance of jobs for those underemployed. These tensions are if anything enhanced by the co-operative form, first, because of the unrealizable expectation that they should be solved, and, second, because the co-operative promise is to all so that a solution has to be open and not be seen to disadvantage any particular group.

If that is not enough, there are also new tensions brought in with the co-operative form, for example, the role conflicts experienced by stewards, the clashes between council members and convenors. These can be seen as arising directly from the
clash between old attitudes and new expectations - the convenors sticking to their old sources of authority, other activists expecting democratization.

A third type of tension would be that between different versions of co-operative ideology. Certainly some took it to imply complete egalitarianism and power-equalization, whereas for others it was the union running the factory. The important thing, though, about all these tensions, is that they are to be expected.

### 7.2 Differentiation

Once again, another simple conclusion is that there were indeed different responses to the new situation from different people. A hopeful point is that there were some activists, individuals wanting to show that the co-operative ideal could work, wanting to share power and use it responsibly, prepared to put effort - and soul - into the co-operative.

Some of these activists became disillusioned. They did not achieve what they wanted, either for themselves or for their mates. It was some of the activists who became bitter critics of the co-operative and of the Director Convenors. Others did get from the co-operative things they couldn't otherwise have got such as status, promotion, training etc., though these seemed to be in a minority - perhaps because of the generally constrained situation of the co-operative.

Those workers for whom the co-operative ideal was incidental and for whom KME represented an opportunity to make a success and a challenge to their initiative tended to see that initiative as restricted and thwarted by the TU based power structure or by the lack of managerial and business expertise.

Those few who were more politically conscious and who saw the experiment as a step towards worker control, were overawed by the magnitude of the task of education and organising not only for the shopfloor but also for the leadership.

For the majority whose interest was in keeping jobs the style and leadership evolved by the Director Convenors was gratifying while it appeared to exert influence on the government. Even critics of the top men grudgingly admired their achievements which went back four years before the beginning of the co-op to the militancy developed under Thorn and IPD. It represented 8 years work too.
For the minority who were interested to share in power, who relished responsibility, the concentration of power under the co-op was as centralised and secretive as under that of the traditional managers they had fought. And in the co-op, they were without separate Union challenge to it.

"You are investigating a myth. This was a dictatorship."

Stewards wishing to enlarge the TU role by becoming responsive middle managers were confused by the ambiguity of their role and blocked by the convenors.

One of the main reasons for the differences between these groups of people lay in what they expected. It did appear that many of those who expected greater rewards were disappointed. However, our sample was clearly biased towards activists - and towards those who wanted to speak out. We can have less confidence about our conclusions on non-activists. There is no doubt that everyone put in a lot at the start, that there was a generally positive response. And most of the shopfloor workers were prepared to go along with the leadership throughout. Thus we can still hypothesise that, given adequate 'slack' and reasonable material benefits, non-activists in a rescue co-operative might well continue to respond positively even when some activists, seeking more, became disillusioned. In this interpretation any negative attitudes of shopfloor workers towards the end of the co-operative could be taken as a direct reaction to poor conditions, pay and job security. If there was in any sense a general rejection of co-operative ideals, this was simply because this particular co-operative obviously wasn't working.

7.3 Change over time

There is certainly evidence of some simple processes taking place. For example, for individuals whose expectations began high and were not met, there was a process of disillusionment and reversion to old, defensive, economistic attitudes. A clear example here was the call for increased productivity which was first of all met on a basis of goodwill, but could not be kept up or repeated without some kind of material incentive.

Conversely, those with lower expectations, or those who did achieve hoped-for rewards, were those who did not become so disillusioned. The Director Convenors were in a sense playing for the highest stakes. Though they may have also felt disillusioned and depressed at times, they did get rewards in terms of personal achievement, power and authority, and were reinforced in their positions by these. To the extent that many other activists 'fell away', there was a process towards power concentration, and in fact no clear example of any opposing counter-process, although there were some (failed) attempts to
set up alternative bases of power. As for those who saw the whole experience as an experiment in 'politicizing' the work-force, there was very little comfort for them - little evidence of increased awareness of the co-operative's potential role in political change. The political dimension was always secondary to the basic idea of the co-operative as a vehicle for maintaining job security.

It is worth commenting here that it is not a complete answer to such problems to look for new structures or to attribute failure to structural faults. For example one could well point out the absence of an effective Council. However, a Council was present as a structural element from the early days of the co-operative. The crucial failure was the failure to establish a process of legitimation for a Council. Tony Eccles (1981) makes some well thought out suggestions for the type of structure required at a rescue co-operative such as KME. However such a structure could never have been implanted overnight. It would have to be built - and built politically - over a period. Even then a new structural element such as a Board or Committee could not be a direct solution. It could at best assist in some positive process of regeneration to counter the process towards degeneration that seems to be built in to the situation where a rescue co-operative sits uncomfortably in a (hostile) market environment. Such new elements could be set up to reinforce or sustain the efforts of activists, or to help, by training and personal development, to release the potential of others to become new activists.

Equally, to argue that it was never really a co-operative, as in the comment that "You are investigating a myth", won't altogether wash. Emerson (1983), discussing another failure, suggests five elements that have to be present before a so-called co-operative can be said really to have been a co-operative. He argues that those five elements were never present in "Neighbourhood Textiles" so that its failure cannot be put down as a failure of co-operation. The same factors (psychological ownership, an appropriate decision-making structure, a suitable information system, a programme of development, trust and respect) were certainly also absent at KME. But it seems to us that his line of argument rules out co-operation as a way of saving jobs except for the jobs of those who are already convinced and experienced co-operators. KME could hardly have started off as a totally successful co-operative; what was needed was the possibility of learning and of processes for developing as a co-operative. To take this a little further, ideally one should also recognize the likelihood of differences in response and different requirements from different individuals, so a variety of possibilities is required. Perhaps a helpful way of putting this is to suggest a variety of channels at different levels, emphasising the implications of
the word 'channels' allow flows, where structures are simply connected.

7.4 **External Constraints**

Once again, it is clear enough that there were constraints. One can say, not that being a co-operative compounded the business problems, but that business problems made it harder to succeed at working co-operatively. It is hard to judge how much harder it made it, how much 'slack' there actually was.

There are not only market constraints to consider. It is important to recognise, first, areas where problems exist which the co-operative form cannot be expected to eliminate, and, second, new problems inevitably brought by the co-operative form. Under the first heading we would include: (i) the intrinsic alienation of certain jobs; (ii) differences between sectional interests; (iii) different competences and potentials of different individuals as well as (iv) market and financial constraints. The second heading new problems brought by the co-operative, covers: (v) role conflicts; (vi) the uncertain basis of authority; (vii) higher levels of interpersonal scrutiny.

As with the various tensions noted in 7.1, the main thing about all these constraints is to recognise their presence, and to realise that being a co-operative cannot of itself do away with them. It may be possible to work to loosen some of them, but the existence of difficulties arising from them should not be put down as a failure of the co-operative form.

7.5 **The need for a model**

We have indeed been able to interpret much of what occurred at KME in terms of the clash between old orientations and new expectations. This leads to the question: what can be done to alleviate the problems caused by this clash? It seems a little negative just to conclude that here is an extra dimension of problems that co-operative idealists need to be aware of. Can we get behind the immediate clash to look again at these two sources of attitudes to working in a co-operative?

The old orientations to work are solid at the back of people's minds for two reasons. First, they relate directly to a well-understood model of 'normal' work in a capitalist environment. Subject to division of labour directed at maximum efficiency and profitability, that work may be more or less alienating but is certainly not in principle subject to control by the workforce themselves. Second, they derive from a history of experience, both the individual worker's own work experience and workers'
collective experiences embodied in trade union practices and other working customs. Defensive, utilitarian attitudes found practical expression at KME in, for example, the refusal to give up the practice of working to 'scores', and this kind of attitude is likely to remain entrenched for the foreseeable future, even if it does not represent the way many people would ideally like work to be.

Co-operation may be an ideal for some; for most thrown into a co-operative it is an untried promise. There really is no fully formed model of a workers' co-operative in the general consciousness, and this is why that promise can mean so many different and contradictory things and leads to inevitable disappointments. One fairly obvious suggestion is that one should "talk it out" before embarking on a co-operative rescue, so as to specify what the co-operative can offer and see that it does match the expectations of would-be co-operators. Arguably, the longer period of negotiations at the start of the Meriden co-operative allowed for some aspects of co-operative working to be hammered out in advance, so that more in the way of democratization was achieved in that case. Meriden also failed in the end, and it may be that this approach would restrict membership of co-operatives to small groups of committed activists. For co-operation to have a wider impact, it has to be possible for rescues to take place with 'normal' workforces, a large proportion of whose members are not activists - even if they might become more active if the co-operative succeeds in developing their capabilities.

Co-operation may be relatively untried in Britain but it is quite a potent promise for many. It is important to recognise this and to respect people's right to high expectations. It may be possible to build on certain aspects of the public image of co-operation (such as the latent desire for egalitarianism) but to modify other aspects in a more pragmatic direction (for example, so that egalitarianism doesn't have to mean absolutely equal in all respects). A realistic model of a workers' co-operative needs to be worked out and somehow implanted in the public mind before the mismatch of expectations we found at KME can be avoided in future co-operative rescues.

7.6 Summary and Hypotheses for Future Research

Taking into account the various constraints and the inevitability of many of the problems, the KME co-operative experiment may have been a relative success. It did not survive, however. Politically and commercially it failed. So to make anything of its relative success we have to learn from the experience.
KME had its own peculiarities and personalities and happened at a certain political juncture. Such an experiment can never be exactly repeated. So our conclusions, tentative as they are, stand for KME alone. However, we can use what we have learnt to put forward hypotheses for other co-operative experiments, particularly any medium or large rescue co-operatives in unionised workplaces that may be set up with central or local government support. There seems to be an increasing number of such rescues in the past year or so, and in many cases there is the same lack of a worked-out model of a workers' co-operative as at KME.

We can use the framework of the clash between old orientations and new expectations to make the following hypotheses about such cases.

- There will be an initial period of enthusiasm in which, given the right technical and organizational skills and not too hostile a market environment, the co-operative should be able to establish itself, possibly at the expense of material working conditions, pay, etc.

- During the initial period leaders will become established on a self-selected basis, reflecting the needs for solidarity in struggle and for skills of negotiation and confrontation, rather than requirements of managerial competence.

- After the initial period, concrete rewards will be necessary to maintain the co-operative's momentum. Pay and working conditions will need to be at least as good as elsewhere, and there will need to be opportunities for those seeking a more active democratic part to make their influence felt.

- After the initial period, problems are likely to occur over differentials, role conflicts, discipline, etc.

- Different members are likely to want different types of reward, and it will not be possible to satisfy all expectations aroused within the work situation itself.

- As a result of these problems, the co-operative will tend to degenerate into a traditionally organized workplace with power centralized and standard division of labour, unless actions are taken to initiate regenerative counter-processes.

- Such positive actions require as a minimum the recognition of the nature of the problems occurring, and could also include: setting up a variety of channels for information and influence at several levels; developing management and communication skills among a range of members; finding ways of rewarding different individuals by considering their careers inside and outside the co-operative; looking for political support outside the organization itself.
To assist the process of building co-operatives that will not degenerate there are two tasks that can be suggested for future research. One is to build up in some detail a model of a workers' co-operative intermediate between the collectivist ideal and a fixed hierarchical representative structure. The other is to follow up and test the above hypotheses with longitudinal studies of worker co-operatives, particularly rescues. If these tasks are embarked upon immediately and with enthusiasm, then the KME experiment need not in the end be a failure.
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