

Cooperative production – a contentious social space?

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(1st DRAFT – ALL COMMENTS WELCOME)

Abstract

Workers cooperatives and mutual organisations have received relatively little attention within work and employment related discourses. This is despite a revival of interest and a long history of cycles of interest. This paper draws on four years of research at a cooperatively owned mine in South Wales – Tower Colliery is the last deep mine in the area. The argument is that worker cooperatives are significantly different to typical work organisation, in that they are social movements and research into their experience can make a relevant contribution to the discourses of work and the sociology of social movements.

The paper will present an analysis of how the interactive social space has been changed by the redistribution of power and authority to the employees – the micro actors. The analytical framework draws upon sociological traditions as synthesised in Archer's work (1996) on culture and Mouzelis (1995) on patterns of social interaction. Reference will be made to social movement concepts and social skills as identified by Fligstein (2001). It will be argued that the changed democratic based power relationships has not only created a different social space but that the difference is such, that it can be seen to amount to an alternative social movement, that is a mode of transgressive contention (Mcadam et al 2001), whilst at the same time surviving as a mainstream economic organisation. We will propose a concept of 'deviant mainstreaming' as possible way of capturing the generic social processes at the cooperative.

Introduction

Historically, worker cooperatives have been part of the 'repertoires of contention' within working class movements (Tilley 1995; Traugott 1995). They are firmly recognised in the classics of UK social history (Thompson 1968) and have experienced cycles of research interest and attention since their first appearance in the 1820s. One cycle of interest declined in the early 1990s (Mellor *et al.*, 1988; Prychito, 1991; Byatt, 1991;) another started in recent years (Gates, 1999; Pendleton, 2001). In addition, a specialist field of cooperative studies has continued to operate almost in isolation from more mainstream academic concerns (Whyte & Whyte 1996; Cheney 1995; Jones 2003). Despite this history of interest, workers producer cooperatives and other forms of cooperative mutual organisation have received little attention within

work and employment related literature. There are a number of possible reasons for this neglect: both the numbers of producer co-operatives and co-operative employees are comparatively small and they do not fit in easily with discourses of industrial relations, management or HRM. Moreover, much of the literature appears to suggest co-operatives are relatively easily incorporated within the mainstream and are – or become – little different to more conventional work organisations. Because of their historic political ‘failure’, co-operatives are not easily seen as a ‘new’ social movement and, more generally within the sociology of social movements, they are rarely seen as being part of a movement cycle amenable to mobilisation techniques which can take advantage of political opportunities to ‘transform consciousness’.

Nonetheless, with a more sensitive approach to the ‘social experience’ of co-operative production, it is argued that such worker cooperatives are not only characterised by a distinctive labour process but can also be regarded as elements of a social movement which offers a viable alternative to conventional employment relations. Research into their experience can make a relevant political and practical contribution to the sociology of work and social movements. Co-operative production as a social movement shares with the trade unions the contradiction that they can be both socially contentious and emancipatory whilst serving to support and re-affirm the dominance of the main features of capitalist production. Hyman (1989, p232) argues that workers organisations ‘which are defined and constituted through struggle tend also to contain and inhibit such struggle’.

Theorising Social Movements

The narratives of social movement studies offer two broad conceptual frameworks to aid the analysis of this contradiction, which, more recently, have been supplemented by some attempted syntheses (Della Porta & Diani 1999; Buechler 1999; Crossley 2002). First, *resource mobilisation theories* with a largely American origin tend to stress the importance of understanding the methods of collective organisation, that underpin waves of mobilisation and challenge dominant power and legitimacy. These frameworks have a clear relevance to an understanding of the trade union movement that tends to be characterised by cycles of activity and have been drawn upon most noticeably by Kelly (1988 & 1998) and Hyman (1989). However, there is a key problem in their relevance to organisations less characterised by cycles, such as co-operatives. As cooperatives are rarely the outcome of a period of ‘collective mobilisation’ – it is very difficult to see them as challenging existing forms of domination. ‘Abeyance’ is one way of understanding a social movement that is not on an upswing of mobilisation (Bagguley 2002) but this effectively means it is ‘ticking over’ and not challenging. In effect, the resource mobilisation framework condemns worker co-operatives to a permanent condition of incorporation or degeneration, (Mellor et al 1988), viewed ironically as ‘islands of socialism’. One of the reasons for the lack of recognition of the role of worker co-operatives as a social movement has been the privileging of forms of contention through waves of mobilisation by this framework.

By contrast, *new social movement theory* – the second broad conceptual framework of social movement studies – places more analytical stress on the forms of movement development that serve to contend through challenging the dominant forms of legitimation (Della Porta & Diani 1999; Crossley 2002). In this respect, they enable recognition of social action and practice that is characterised by incrementally

establishing alternative social space within the existing order, rather than directly confronting that order through mobilisation. This framework tends to privilege a voluntaristic approach and opens up a greater variety of social movements for analysis: there is a greater acceptance of what actors do in practice and an intention to understand and explain such movements in their own terms. Although the term 'new' is still used to distinguish this approach, there is a general acceptance that such challenging of the dominant forms of legitimation through the creation of alternative cultural and social space is not actually historically new, but the term is generally retained to establish a difference with resource mobilisation theory. The possibility of a space of permanent resistance seems to underpin the analysis. As Raymond Williams (1973) expressed it:

'...no mode of production, and therefore no dominant society or order of society, and therefore no dominant culture, in reality exhausts human practice, human energy, human intention'.

Such 'alternative' social practices do not wait for the next wave of mobilisation but constantly open up the possibility of alternative social and cultural space. The mere act of social interaction and the construction of an 'alternative' discourse is a creative act having the potential to challenge the existing order. Similarities can be seen with Habermas's (1981) notion of 'lifeworld' developed by the new social movement theorist Melucci (1995).

More recently there has been a *rapprochement* between these two frameworks opening up a more inclusive understanding of social movements with a wider range of analytical possibilities. As Buchler (1999, p211) suggests:

'Thus, from their inception, social movements have a dual focus. Reflecting the political, they have always involved some form of challenge to prevailing forms of authority. Reflecting the cultural, they have operated as symbolic laboratories in which reflexive actors pose questions of meaning, purpose, identity, and change. When social movement theory recognizes this inevitable duality in social movements, it will once again be on a productive path'.

Frameworks are thus available to provide a method for understanding workers' cooperatives as social movements that create an alternative and potentially emancipated space. However, in the narrative of both frameworks and the synthesis quoted above, the notion of a dynamic social process over time is central. This is perhaps more visible with the emphasis on cycles in resource mobilisation theory, but change over time is also central to an understanding drawing upon new social movement theories, such as the extent to which they are able to retain their alternative identity as a 'symbolic laboratory' and thus to mount a challenge. Social movements that create alternative space also have to cope with the paradox of the extent to which they challenge but re-affirm and apparently emancipate while simultaneously incorporating. Clearly, new social movement theory and more recent syntheses seem to offer a more relevant approach to an understanding of movements that do not appear to be cyclical. In the absence of a readily identifiable cycle they suggest a way of clearly identifying the extent of their difference, the extent of it 'alternativeness' and the extent of their challenge. It is easy to plot an upward and downward cycle of mobilisation, but less easy to unpack the more qualitative description of the

emancipated space of a worker cooperative; an essential prerequisite to understanding whether their trajectory is toward emancipation or incorporation, or even whether such terms have any meaning for the actors.

Our research at Tower has raised these tensions empirically and in this analysis of the cooperative space we have drawn generally upon the approach of new social movement theory, together with the more recent synthesis, to offer an evaluation of the cooperative. The analysis is also informed by the work of Margaret Archer (1996) and Nicos Mouzelis (1995) who provide a framework rooted in the tradition of sociological theory that approaches agency and structure as being explicable through social interaction and the power resources available to the actors. The power resources take institutional and legitimating forms in Bourdieu's sense of economic, cultural, political and social capital (Mouzelis 1995; Crossley 2002). Concentration of these resources sustains hierarchies of macro and micro actors, but these resources are also capable of re-distribution and re-definition through the process of social interaction. Archer and Mouzelis would share the basic framework assumption as Raymond Williams (op. cit). The paper will present an analysis of how the advent of co-operative ownership has transformed the interactive social space of the labour process by redistributing power and authority to the employees – the micro actors.

Production at Tower Colliery is highly mechanised and, on the surface, coaling management structures vary little from the time British Coal controlled the pit. It is, perhaps, therefore unsurprising that – despite co-operative ownership – collective bargaining has been retained as an historic 'cultural routine'. However, the redistribution of power within these older structures has also created the socio-political space to allow alternative and innovative discourses, work practices and patterns of interaction to come into being. These co-exist alongside the traditional structures but have also had some considerable effect on changing the content of the traditional patterns of social reproduction and discourse. Economic survival in the market place and continued traditional patterns of organisation, together with a transformed social content and control over the full product of the mine, indicate that this experience could have emancipatory lessons for other comparable organisations. Despite appearances, everything *is* different.

It will be argued that the democratic base of co-operative power relations has not only created a qualitatively different social space but that the difference is of such an order that it can be seen to amount to an alternative social movement. In short, while taking action to survive as a mainstream economic organisation, the Tower experience can simultaneously be seen as a mode of 'transgressive contention' (Mcadam *et al.* 2001). In order to account for this seeming paradox, the concept of 'deviant mainstreaming' is developed as a possible way of capturing the transformative social processes which appear to characterise cooperative production.

Cooperative space and boundaries

This section of the paper describes and evaluates the extent to which an 'emancipated social space' has been created at Tower colliery. To aid this analysis it is helpful to place Tower within its physical and historical context.

The Colliery is perched on the northern boundary of the South Wales Coalfield. It sits on the side of a mountain in the nook of a glacial cirque some 1,900 feet high. Despite a spectacular view down the Cynon Valley it is an unforgiving environment; for much of the time it is lashed by driving rain and in winter is often snow-covered. Situated about two miles from the old mining and iron manufacturing town of Hirwaun, the colliery's name derives from a ruined folly, a tower built above the pit on the mountain by the iron master Crawshay. A colliery has existed at the site from 1864 it was nationalised in 1947, and more latterly transferred into the ownership of British Coal.

Around the traditional winding gear are placed the recognizable buildings of deep mine including administration, baths, canteen, maintenance, a high tech control room, medical and rescue facilities and trade union offices. The colliery has considerable further land ownership that includes moorland for current and future tipping. On this land and about a mile east of the main shaft is the 'drift exit', where the still hot coal is brought to the surface direct from the coalface along six miles of conveyor belt. Coal is graded and cleaned in the nearby washery, an integral part of the colliery, and stored for collection or, having been ground to a fine anthracite dust, transported by another mile long conveyor belt to a daily train taking the coal directly to the Aberthaw Power Station situated 40 miles away on the South Wales coast. Underground, the current working coalface is approaching 7 seven miles from the main shaft stretching south toward and under the top end of the Rhondda valley. The currently worked coal seam is cut either side of the main (underground) road in sections of 9 months of coaling. Whilst one section is being cut, tunnels are being driven to prepare the next section. A bit like building 'new factories' is one description. The whole operation is dependent on one cutting machine and its two huge rotating blades ripping through the current face coaling. As far as is possible, work proceeds 24 hours a day for five days a week; normally there are three shifts a day.

Following the sometimes fiercely contested new directions taken by Margaret Thatcher's 'enterprise economy' from the early 1980s, the year-long national coal strike of 1984-5 precipitated a massive closure programme and the effective demise of the industry. Tower was the last deep mine operating in South Wales until it too was closed in April, 1994. Although the mine workers voted to accept the redundancy offer, NUM members at Tower began a campaign for an employee buyout to establish a workers' cooperative. A group elected by the workforce, the Tower Employment Buyout Team (TEBO), assembled a business plan, a technical plan, bank loans, support from the local authority and the Wales Co-operative Centre, donations and, finally, a pledge of almost £2 million composed of £8,000 redundancy money from each of 239 miners. The Department of Trade and Industry accepted the TEBO's bid of £10m in November, 1994 and Tower reopened on 2nd January, 1995 as a worker-owned co-operative business enterprise.

The South Wales coalfield has long enjoyed a deep-rooted debate over the political direction and control of industry and the influence to be accorded to workers. However compromised by the pragmatism of necessity, the form of worker control now established at Tower can be seen as the legacy of nearly a century of experience with utopian ideologies and uncertain expectations. Historically, the nationalisation of

‘the commanding heights of the economy’ under the 1945 Labour Government, while a singular achievement, also represented a singular dilution of left wing aspirations for worker control and demands for state ownership which had dominated the labour movement’s thinking from 1910 to 1921. South Wales was among the most active centres advocating the syndicalist model of worker control of industry (Kendall, 1969). For example, in 1912, following turbulent industrial relations involving the intervention of armed force and consequent dissatisfaction with the leadership of the South Wales Miners’ Federation, union activists created the Miners’ Unofficial Reform Committee which published *The Miners’ Next Step*. This influential publication dismissed the objective of nationalisation as irrelevant and repudiated both collective bargaining and conciliation: the sole concern of unionised miners should be direct control of their own industry.

In 1947 the miners got a weakened form of nationalisation and joint consultation. And when the latter failed (Anthony, 1973), they reverted, as ever, to their unions and collective bargaining. After the early unreflective Labour Party support for syndicalist control – never acceptable to the communists who also enjoyed considerable influence in the South Wales valleys – had been abandoned; trade unions, including the NUM, came to regard any invitation from management to accept joint responsibility with suspicion for it seemed to threaten the unions’ ability to resist by their only effective means, collective bargaining. In short, the philosophical core of syndicalist thinking (Sorel 1916; Ridley, 1970) – the fundamental belief that all forms of contact with capitalist employers should be abjured in favour of worker self-reliance as expressed through trade unionism – has reverberated continuously through the social life and work experience of South Wales miners. Nor is this mere philosophical nostalgia – such notions remain potent icons for many at Tower today. For example, in 2000, the co-operative issued a limited edition ‘Millenium Plate’. The plate has the legend: ‘Eternal Vigilance is the Price of Freedom’ and carries three images of pit life and one of the Tower itself. At the top is an image of the ‘original’ Red Flag being raised by ironworkers and miners in 1830 and – in the centre – an image of an open-air union march complete with brass band surrounding the Tower Lodge union banner. The back of the plate details key historical events at Tower – a statement which can be read as the equivalent of the co-operative’s corporate mission statement:

TOWER COLLIERY

Throughout the long and chequered history of mining in the South Wales valleys, the name of Tower Colliery has stood out like a shining beacon. Coal has been mined in the area since 1759 and from 1808 Goitre Colliery, as it was then known, was owned by the Crawshay family.

During the famous Merthyr Rising of 1830, iron workers and Aberdare miners met on Hirwaun Common (now part of Tower Colliery), killed a calf and, dipping a white cloth in the blood, raised the first red flag in working class history. As a result of the rising, the Crawshay family built a tower on the mountain for their protection and, when the pit changed hands in 1864, the new owners re-named it ‘Tower’.

Ownership of the colliery changed several times in the early years of the 20th century, leading to nationalisation in 1948, but the miners of Tower always stood up for their beliefs.

Despite numerous struggles, pit closures continued through the 1980s and 1990s and by 1994, Tower was the last deep mine left in South Wales. In April of that year came the news that Tower was to close but after an eight month campaign, the miners themselves won the right to buy the pit, marching back to work in triumph on 2nd January, 1995. Five years on and Tower continues to prove to the world that workers can control their own destiny.

THERE IS NO SHAME IN FAILURE, ONLY IN NOT HAVING TRIED.

The language may appear anachronistic, romantic and even clichéd; but the powerful images communicate directly. The Tower is crumbling while the Red Flag still flies and the band plays on in the year 2000; and there is no escaping the capitalised pathos of that final line. However, there can be no doubt about the company's ambition to *continue*, "to prove to the world that workers can control their own destiny". Since 1995, the Tower miners have demonstrated how this can be accomplished; an achievement that, in our view, can be interpreted as both a reflection and the embodiment of the 'syndicalist romanticism' (Ridley, 1970) that informs their 'corporate culture' and 'philosophy of management'. But how do they make it work?

By any conventional measures, Tower Colliery is a successful business enterprise. Since re-opening in January 1995 as a worker-owned co-operative, coal production has increased from 380k to 670k tonnes in 2002 (+43%). Prior to closure, British Coal had claimed the colliery was uneconomic but it has a valuable product – anthracite – for which there is a continuing and significant local and international demand. This increased output needs to be seen in relation to the general decline in UK coal output which, between 1995-2002, fell from 35m to 20m tonnes and the more general marginalisation of coal as a source of power. Employment has expanded from 239 to 417 (+43%) – remarkably, this figure includes a small number of mining apprenticeships. Job retention and job creation are key company objectives. In absolute terms, the number of 'new' jobs may appear negligible but this has been achieved in the context of massive job losses in coal and against the broader background of the fairly devastating economic decline of the industrialised South Wales valleys over the last 20 years. (In the immediate locality, the Cynon Valley, male unemployment remains around 20%; not so long ago it was closer to 40%.)

Social space and the re-distribution of power

However, the surface appearances of authority-control relations at Tower are more familiar than might be expected. Despite the co-operative articles of association, conventional company law prescribes the remit and responsibilities of the Board. More exceptionally, coal is almost unique in British industry in that its managers are legally required to possess specified qualifications before being licensed to practice operational management. Similarly, modern mining technology imposes a division of labour on the labour process that shapes work organisation. Such constraints mean that, to a degree, little appears to have changed. There are new 'bosses' but colliery management, work organisation, work roles and operational practices are not dissimilar to those which prevailed British Coal. Except that, well, everything is different.

Ownership of Tower is vested in the employee-owners who enjoy all the conventional rights of company shareholders. Each member has to invest £8k in shares when starting employment at Tower. Banking facilities are available for new starters to receive a low interest loan to purchase the shares. As an organisation, the co-operative is a private limited company, which is structured to ensure members enjoy direct control over company policy on the basis of 'one-share-one-vote'. (Although the value of individual shares varies depending on when the member joined the co-operative, no one has more than 1 vote.) Company policy is set at the AGMs, which, thus far, have never been innocuous affairs. The Board is comprised of 6 directly elected Directors who have to stand for re-election on a two-year rotating cycle. Only two of the existing Directors are members of senior management and all are now 'working' Directors who have to account for their actions at the company AGM. The loss of each of these Board members was seen as a minor crisis for the organisation by (at least) the remaining Board members, such defeats are both rationalised and accepted as "how it should be" (Tyrone O'Sullivan). The mine manager – who enjoys a unique 'legal authority' (see below) – has never been a Board member. Beneath the Board, senior operational and engineering managers meet on a regular basis although 'executive authority' remains the province of the Board that meets officially monthly, but often weekly. There are routine and sometimes daily meetings between operational managers and representatives of the underground workers – a process that ensures extensive participation in work organisation.

It is important to recognise that the Tower Board is a significant break with the past. The organisational processes explained above indicate a very clear shift to bottom up democracy and accountability, but the traditional terms such as 'Directors' and 'Board' can obscure the complete break with the past in terms of ownership and control of economic capital. British Coal was the previous owner with a UK wide board that owned and controlled at that level. Mine management at Tower was accountable to a South Wales office based in Cardiff and then ultimately to British Coal. Managers were just that, they were not ultimately responsible for the economic capital of Tower. The TEBO broke this link. The land, mineral assets and capital were legally vested in the cooperatively owned company, which also became the employer. What was now owned defines the geographic, economic and social boundaries of the space of the cooperative. Control once vested in a distant UK Board is now in the hands of the on site Tower Board – all of whom are working employee / owner directors. The forms of power once so distant are now in the hands of the Tower Board: in a very real sense the 'buck stops' stops with them. Tower Board members and managers are responsible for decisions and their consequences; the possibility of blaming distant bureaucracy is a luxury of the past. Clearly, there are still external contingencies but these are now largely reflected in the market for the coal produced and, as shall be explained, the Board was not prepared to be supine in the face of market forces. Ownership and control being vested in the Tower Board fundamentally underpins the interactive significance of the democratic process, who is a Board member and the decisions taken by the Board really matter if Tower is to survive. Collective ownership, control and democratic accountability are the source of a different social space and community, enabling a redistribution of economic, political, social and cultural capital resources.

But some paradoxes remain. There is clear evidence employee-ownership has generated a qualitative change in 'organisational commitment' (see below) but,

among a minority, some old 'them and us' sub-cultural habits seem extremely difficult to relinquish. For example – particularly in the early days of the co-operative – the habit of taking colliery materials or equipment for 'home improvements' persisted for a time. Similarly, while what has been referred to as the age-old "valley practice" of "riding up on a bike to nick a couple of bags of coal when times are hard" has been tolerated, the company had to take action when there was a spate of more substantial, organised coal thefts. And, while the level of absenteeism is significantly below that which prevailed under British Coal, some old work habits – such as leaving early without permission – have also not been completely eliminated. These residual cultural practices have little impact but they do indicate that individual conceptions of what 'self-ownership' means do not yet fully accord with the corporate idealised view of what collective, responsible worker control should look like.

For the purposes of this paper the differences and paradoxes that have relevance to the labour process will be outlined.

Control of the Product

The Tower cooperative has been successful financially over its 9 years of operation. On an annual turnover of around £25m annual profits have ranged from £1 - £4m. As coal prices have been steadily falling during this period of operation the revenue has been sustained by an increase in output from 380k tonnes per year to around 600k per year. The production level has been at a plateau for the last three years and this is beginning to be the source of some internal tensions. Part of the success has been as a result of the product being an energy efficient high-grade anthracite. However, the markets have had to be secured and this has not been easy. The main contract is with Aberthaw Power station, which is now taking about 80% of the output. During the 9-year period of the cooperative this has been the bread and butter contract. Keeping this contract has been a considerable marketing success and has extended the cooperative's control over their context during the period. Other successes have been direct selling of coal outside of the coal factors. The Director of Marketing was an NUM branch official before the cooperative and the skills had been learned 'on the job'.

Controlling the whole product the revenue has been used for benefits and re-investment. Within the first year (1995-96) an £2m loan from Barclays was repaid and two years ago (2002) the final instalment of the £11.5m loan from the DTI was repaid. At the same time, £6m a year is invested in developing each new face.

Innovative developments include a plant generating £1m worth of electricity per year from methane extracted from the colliery and a new venture in making low carbon emission briquettes from sawdust and coal dust. Tower supports a range of local projects, including rugby, opera, motorcycle racing and community regeneration. Many of the Tower activists are allowed time to support these activities.

Control of Employment Relations

The initial workforce of 230 has expanded to 300 cooperative members. A further 100 are employed as contractors in face development, in a bagging plant and in security. Employees enjoy well above average terms and conditions of employment with across the board flat rate pay increases. Under British an output related bonus system used to

operate, one of the agreements within the cooperative consolidated these payments into the basic wage enabling wages to be predictable. There is a 1-year salary in-service death benefit (a provision agreed at the very first co-operative Board meeting in February 1995), and a sick pay scheme that provides for 6 months full pay and a pension scheme.

At the level of social practice, ‘controlling employment’ means is that all employees – including the managers and Board members – are trade union members; the majority being in the NUM. While the temper of industrial relations has changed markedly with the change of ownership, on the surface, unions continue to organise and operate in much the same way as they did when British Coal managed Tower. They have direct access to – we might even say ‘ownership’ of – all production and sales figures and a wide range of financial information. Annual negotiations take place with each of the major unions and, although there has not been wage increases every year, distributive bargaining does take place. Insofar as it is possible to speak of an agreed ‘corporate view’ of how to approach the complex issue of differential interests in a worker-owned co-operative, it is that “shareholders become employees once they walk through the pit gate”. Although, analytically, this is a difficult distinction to sustain, this construction appears to resonate with the historical experience and expectations of the mine workers. Hence, despite worker-ownership, expressed conflicts of interest have not been eliminated. Nor, more importantly, has there been any concerted attempt to eliminate them – numerous informants (including some managers) continue to distrust ‘management’ while a not insignificant number of members persist in holding ‘them-us’ values. Although it does not appear to create any major operational problems, for Tower co-operators, ‘co-operativism’ does not mean there is no potential conflict. Nor, indeed, does it preclude overt conflict. On one occasion, perhaps as no more than a conditioned historical response, two workers refused ‘a legitimate order’ and walked off the job, an act that precipitated a mildly embarrassing 24-hour strike. While the matter was quickly settled, analytically, what is important about this event is that not only did it involve a conscious (if unreflective) rejection of managerial ‘legal-professional’ authority but it also *re-activated* allegiance to the ‘union norm’ of never crossing a picket line which, in the South Wales valleys, can be seen as enjoying the status of a ‘community norm’.

While they are still key actors, the unions’ authority appears to be somewhat marginalized. As time passes, the unions’ symbolic significance as the creators of the co-operative lessens while their distinctive functional and political role as the singular ‘voice’ of employees is no longer secure; on occasion, proposed improvements to terms and conditions originate from the Board. Institutionally, they continue to both signify and directly represent the publicly proclaimed - and deeply ambiguous – distinction which is drawn between the ‘member-as-employee’ and the ‘member-as-shareholder’. That said, few can now draw the lines with any clarity or genuine conviction. Nevertheless, despite the high wages and excellent welfare benefits, the presence of unions clarifies the continuing sectional conflicts over distribution and, to some extent more importantly, differentials. Ownership has changed the centre and the balance of power and the dynamic of collective bargaining. As one branch official put it:

‘I would say its easier to negotiate now because he [mine manager] got no-one above him – well the directors are above him... But where under British Coal

perhaps the manager would agree with what the union was saying and would have thought that was the best way to go – his higher ups, area manager or what ever, would say no and he would be under strict orders to say no, this is what's going to happen even though in his heart of hearts you would have thought the unions proposals were the best thing for the pit – but his immediate bosses then of the Coal Board would say no, you're not going down that route. Whereas now, he's a sensible manager and he can say yes, what you are saying is right, and he can justify that with the board of directors or, if he thinks we are wrong, he still gotta justify that. Then perhaps we'll have a meeting with the managers, the union and directors. We didn't have so high up under British Coal, we never had the union. You had the national union, like the Arthur Scargills – but at pit level you got to the manager and that was it. But now all of the negotiating is done here – there's nowhere else to go. If we can't see eye to eye, we'll get the directors involved – we'll thrash it out at the end of the day and come to a compromise.'

Control of the Work/Labour Process

The degree of change in control over the product and employment relations has, perhaps, not been matched by equally significant change in worker control over the work or labour process. This is primarily a consequence of the constrained choices available: the legal prescriptions which regulate mine management combined with the technical imperatives of contemporary work processes inhibit any singular changes to the pre-existing pattern of work and labour processes. (This should *not* be equated with resort to any kind of simplistic technological determinism.) Contemporary mining can be regarded as a hi-tech process and, in this respect, operational work organisation has not and cannot change to a great extent. Nor do the Tower miners wish it were otherwise. There is also the question of 'what would a more democratic labour process look like?' The legal and technical imperatives noted above have long been conditioned by pre-existing democratic practices. For example, within Tower – even when it was managed by British Coal – coalface workers had always elected their own 'shift captains' to liaise with underground management. (They were often, but not always, lodge committee members.) This practice has continued and interviews with these shift captains indicate that while the *content* of the daily discussions which take place between them and mine management (i.e. engineers, production control and safety management) has remained largely unchanged, the *context* and, to some degree, the *social* character of those discussions has changed. Although shift captains continue to rhetorically complain that "They're still management aren't they?" they also concede that "We're all supposed to be on the same side now, aren't we?" Even nearly 10 years on, it seems they are still not quite convinced their lifeworld *has* changed. Old values and old habits die hard in the South Wales valleys.

But there is significant progress elsewhere. For example, a number of the control room technicians are ex-miners who have been retrained to carry out this high skill, high responsibility task. Tower has also set up a training scheme for potential Board members and it has even suggested that facilities should be made available to allow workers to progress into the more 'professional' jobs, such as financial management.

Although mining remains a physically very demanding labour process, it is probably mistaken to see existing work tasks as somehow unrewarding. Given the intrinsic dangers of mining, virtually all roles carry a significant responsibility for safety and there are in fact very few unskilled jobs in modern mining. The (historic) level of discretion this engenders within the 'new' more 'owned' environment of Tower has enabled groups of workers to develop their own 'kingdoms' within the workplace, such as the security officers, the coal tip controller and the workers who operate the coal washery. This point can be made about more traditional work places, but within the democratic context of Tower, they operate with greater autonomy and appear to provide a platform for political and democratic participation.

As noted with the shift captains above, the *fundamental* change in the labour process is reflected more in the *context* of work relations than the specific *content* of the labour process. As one individual commented:

'Someone once said to me its like working at a holiday camp for adults, working at Tower! Some people think it is, but you know, you still got middle management and senior management there. Its more relaxed though. Under British Coal you was working for a company and that company wanted X amount of coal and they put pressure on you to get that coal. With Tower, although we got to get certain production, there's not that much pressure on people, even though we know if we don't produce it, Tower could close. People are more 'laid back'.'

For us, the fundamental change in the labour process does not concern the fine detail of the labour process but who *owns* the labour process. This point is exemplified by the cooperatives' response to a series of production problems that would have shut the pit in the days of British Coal. These production crises faced served to re-create the circumstances of the fight to save and buy the pit and the whole workforce came together to solve the problems. Most dramatically, three years ago, the face collapsed and buried the cutting machinery. Essentially the whole mine revolves around this piece of equipment (which would have cost about £1m to replace). Methods were devised to dig the machinery out, repair it and re-start coaling. More recently, methane gas under pressure came into the face from old workings shutting the face for over 3 months. Four miles of domestic plastic waste pipe were secretly purchased from building stockists around the country (secrecy was necessary to stop prices being raised against them) to help channel the gas out. Tower managed to start coaling again just before the coal stocks disappeared and customers went elsewhere. Although the changed work experience only lasted during the course of these events, they were collectively owned experiences that were often referred to in our discussions and interviews. Individuals were clearly aware that Tower had overcome problems which would have defeated British Coal. Although no one mentions it, such endeavour seems to reflect the 'corporate mission' to "prove to the world that workers can control their own destiny".

Control over Decision-Making

Participation at Tower is a complex, ongoing and an ever-present issue, where ambiguity comes to the fore. As outlined above, one of the prominent themes has been the need to constantly re-negotiate and try to define the relationship between the

employment contract and being a shareholder. It permeates daily operations and informs the way power is exercised in the working relationships between managers and the workforce. It appears there is a new and more complex employment relationship that lacks a conceptual definition.

Many features of traditional participative management practice – ‘open doors’ and extensive collective bargaining – exist and continue to operate. Respondents and other reports (such as one produced by ACAS) have at one level expressed a level of disenchantment and cynicism with these practices. However, we have also found through the interviews and observation that confident and often combative debate – with considerable humour – is a persistent feature of working life at Tower, where doors are often so open, they don’t seem to exist. Despite continued and sometimes vibrant disagreements, working relationships appear to be highly convivial and certainly egalitarian.

As shareholders, there is access to the processes of company democracy and control including the AGM and open canteen meetings. Considerable scepticism is voiced about these opportunities and there are ritual complaints about the lack of information, but practice often defied these statements. One aspect of the strike settlement was a special shareholders meeting to discuss the general running of Tower and, more recently, two of the original members of the TEBO team have been voted off the Board and replaced by a non-establishment member. One has since been re-elected. These elections are a focus of debate reflecting the considerable ‘political’ context that characterises relationships within the cooperative.

These changes can be directly attributed to the existence of the form of ownership and control of the cooperative, including the high level of re-investment in traditional mining activities. They are real differences of economic space and have had impacts that can be identified. Creative use of control over the company's product, the extensive if local nature of sponsorship and Tower's support for ‘alternative’ groups and activities are again different to what would be expected of a private company. The source of these activities is bound up with the history of the cooperative and of the founders, but also with being a cooperative and discovering that creative re-cycling makes economic sense.

With coal prices falling and output at a plateau, revenue has stagnated over the last three years. As revenue is not expanding, the distribution of what is available is increasingly becoming a fraught issue underlying all the important decisions. For example, the technical issue of the use of budgets and targets, becomes an issue of mine managers spending not being controlled sufficiently and can develop into an issue of expectation of those elected to manage to act on their ability to control managers as their employer. At another level, the increase in overtime for face workers over the last two years - since a new shift work agreement has been reached to cover longer shifts to reach the farther away face - has increased differentials, already under pressure as a result of flat rate pay increases since the start of the cooperative and lack of pay increases in some years. Job losses may also be imminent.

The Complex Legitimacy of Worker Ownership at Tower

It is perhaps surprising that these tensions do not create more problems than they appear to. One of main reasons why this does not happen is the very active discourse of debate and negotiation takes place across a wide range of issues and in a just as wide range of circumstances. Most of this would be considered 'informal' as being beyond what is required by production requirements and the line between employee and owner. This discourse, although it can be seen as tangential to the purpose in hand, time wasting and frustrating, are in essence the social process that 'manages' the tension between the bureaucratic/technical systems and the reality of the democracy. It appears that the redistribution of power that has made workers into owners, together with the yearly accountability of the Board has created a social space that allows negotiation into all social relationships. As a social process it is a constant challenge to existing forms of legitimacy and authority. It forms a community of social action that is a pervasive difference with Tower under British Coal and mark of cooperative production (Keenoy etc).

Unqualified formal management authority is legally vested in the Colliery Manager and his team of mining expertise; there is also a legal requirement to have underground safety officers (or 'deputies'). The mine cannot operate unless the mine manager says so and, for the most part, his authority – which derives as much from his technical knowledge (both tacit and professional) as legal *caveat* – is uncontested. In this respect, he carries ultimate responsibility for operational control and appears to enjoy the kind of 'authority-granted-from-below' that Chester Barnard analysed and advocated (Barnard, 1938/1968); he is a highly respected if not a popular figure in the organisation. Insofar as other managers represent his views, they too enjoy strong 'line authority' although this is not unconditional. As noted above, the elected 'shift captains' discuss and agree work operations and also function as the leader of what, in contemporary management-speak, would be called 'a self-managing team'. Shift captains have direct access to operational managers. Nonetheless, this legal context is one persuasive explanation for the apparently privileged position that surrounds some managerial functions. It is also a major reason why there has been no serious attempt to re-configure operational management-worker relations in terms of the democratic ideals which inform 'corporate policy'. In none of the interviews at any level has anyone suggested or argued that Tower ought to introduce more democratic forms of work organisation than exist at present.

Discussion

Sociologically it is suggested that the pragmatic conceptual framework proposed by Mouzelis (1995) helps to provide a method of understanding the extent of the difference of the experience of Tower cooperative. Drawing upon David Lockwood's distinction between 'system integration and social integration', he proposes the importance of recognising the voluntaristic 'interactive-situational dimension' of social space, or as he expresses it: "...moving from a virtual order of rules to an actual order of actions and interactions (p77)". Analytically, he insists on the need to acknowledge: "... the distinction between langue and parole, between the paradigmatic and the syntagmatic, between the virtual and the actual, is fundamental' (p137)"

Empirically, it is suggested that any interactive social space can be seen to have three compatible but analytically and logically distinct dimensions of social action: 'positional', drawing upon the logic of social roles in institutional settings (e.g. the

legal authority of management); ‘dispositional’, drawing upon the logic of habitus (e.g. the historical significance of union membership); and ‘interactive-situational’, drawing upon the voluntaristic recognition that actors can re-produce or change the other two dimensions in interactive practice (e.g. the observable change in the miners behaviour in a crisis situation). In a hierarchical social space where interaction is dominated by positional and dispositional dimensions macro actors will have a preponderance of economic, social, cultural and political capital or power resources. For these actors their access to power enables them to dominate through their control of positional and dispositional interaction. Power enables macro actors to have choice over change or reproduction within these dimensions. For meso and micro actors within such a hierarchy the positional and dispositional dimensions appear external and paradigmatic, as they have little control over shaping these dimensions. The opportunities of micro actors to influence the form and outcome of social reproduction are confined to the dimension of interactive-situational interaction. Essentially, a macro actor’s detail is a micro actor’s world.

As suggested in the quote from Raymond Williams above, there is always a part of interaction – more usually interactive-situational and dispositional – that is not fully integrated and provides space for alternative – even oppositional – discourses. The power of macro actors can be challenged by collective action and their legitimacy can be undermined by their actions that are contradictory, amount to a misuse of power or contravene dispositional authority and experience. Under British Coal Tower the employment relationship can be seen to have been characterised as a macro – micro hierarchy with meso actors such as shift captains and NUM officials.

The extent of the change in the interactive social space within the Tower cooperative can be appreciated within this framework. The macro actors are now the Board not British Coal. Four of the six members of the Board are NUM members. Two members of the Board are subject to re-election by the owner / workers every year. Political and social capital now derives bottom up instead of top down from British Coal. Economic capital is still constrained by the market and technical / managerial role, but the distribution and use of the revenue has changed markedly and is open to debate. Cultural capital and some political capital still resides with the mine manager, but is now more subject to negotiation and debate. Using Mouzelis’s framework it can be seen that the British Coal hierarchical form has gone and although the Board retains a degree of control over economic capital it has to continuously negotiate its political, social and cultural capital to achieve legitimacy. It is suggested that the interactive social space of the cooperative is now dominated by ‘interactive-situational’ dimension with that of role and positional much reduced.

This is a qualitative change of some significance, which is reflected in the changed sense of ‘habitus’ among the co-operator-miners (i.e. the dispositional dimension of social interaction). The cooperative has been in existence for 10 years and although the traditions and experience of mine work, South Wales Mining and NUM remain strong; there are indications of an additional view emerging. One respondent who was arrested during the year-long 1984-85 miners strike for occupying the cranes in Port Talbot docks and is currently the NUM Lodge Secretary at Tower suggested:

“I would say they’re [the miners] more relaxed now. They’re not so hard and fast now. But that’s because everybody is a part owner. It comes into the back

of your head. When you come to work you're a worker – you're only a shareholder at the shareholders meetings - every so often. Some people can't switch that off. They think 'Oh, I'm a shareholder, I've gotta have a say in how its all done'; and I think the managers have taken that on board. They still fall back into their 'British Coal' ways now and again cos a manager is a manager at the end of the day and they been brought up under British Coal. I think it was a bigger change for them than us. They were there and we were here and now things are more 'even' – not so much them and us now. There was a dividing line then and that was it. But I would say that line has been crossed both ways – we gone that way, they've come this way. We still don't see eye to eye every day but at the end of the day – we have our arguments – the manager might decide. 'Well I want to do it this way'; that's where the union's, well, more of a peacemaker because you've got the men saying they want to do it this way and the manager saying he wants to do it that way – I'm in the middle, well most of the time – and we come to some sort of compromise. The manager gets 50% of what he wants and the men get 50% of what they want and everybody's happy and we carry on. We don't have to go on strike for it like we did with British Coal."

This quote also suggests a feature of the interaction that may be emerging from the widespread participation in the process of debate. The genie of being both a worker and owner will just not be put back in a box; it is a constant feature of discourse within the colliery. It could be suggested that a form of partnership or an 'alternative' psychological contract has emerged from the experience of Tower. However, we would wish to suggest that the concept of 'social skill' is more consistent with a sociological analysis. Drawing upon the work of symbolic interactionists, Fligstein (2001) suggests a useful definition:

'The idea of social skill is that actors have to motivate others to cooperate. The ability to engage others in collective action is a social skill that proves pivotal to the construction and reproduction of local social orders.'

This may be more relevant to our work at Tower. It seems that the increased role of the voluntaristic interactive dimension of 'situational-interaction' is not just an outcome of the re-distribution of power in the Cooperative but also the on-going outcome of the actors improved ability to engage in discourse and negotiation, re-enforcing their move away from being mere micro actors.

Deviant mainstreaming

'Few things are harder to put up with than the annoyance of a good example.'
(Mark Twain *Puddn'head Wilson* 1888)

Tower Colliery is just that. It is a place of work where the majority still have to go underground. The workers may be the owners, but they also have a life outside of work and don't hang around at the end of the shift. Coal is an extractive industry and 'coaling' will increasingly become impracticable and will have to end if new seams are not opened. How to cope with this inevitability is the subject of ongoing strategic discourse, on which most will have a view. From the outside, the colliery gives little appearance of moving from British Coal ownership and a look at the Annual Report

will give few clues to the radical change that has taken place; revenue, markets and profits are and will remain all important. From a quick glance it would appear that the charge of incorporation and degeneration (Mellor et al 1988) that is historically used against these 'islands of socialism' has yet again been confirmed.

However, a closer inspection reveals outcomes, social relationships and discourses that are radically different from the days of British Coal. As we have indicated, these differences are not just internal, but are also evident in external activities such as marketing. Central to this difference is the form of bottom up ownership and control. The redistribution of power that has taken place has enabled radical changes to take place in the use of the value created in the production process and there has been a qualitative shift toward equality in work and social relationships, in discourse and decision making. A community has been created that challenges the institutions and their legitimating that existed in the days of British Coal (Keenoy etc) and it is argued that a 'symbolic laboratory' has been created as suggested by Buchler (1999) that has emancipatory qualities.

Insofar as it operates successfully in the market producing, selling and financing its activities, the Tower cooperative colliery affirms its appearance as business like any other in private ownership. However, the way it is owned and controlled is not only different but is an example of an alternative way of working and sharing the benefits of that work. How and in what way can it be said that the alternative features of the Tower cooperative are an emancipatory challenge to the dominant mode of capitalist production? Is it possible to say that Tower is in 'transgressive contention' (Mcadam et al 2001)?

We propose three possible answers. First, Tower is an inspiration for others to emulate. It may not be in Crossley's (1999) terms an entire 'working utopia' but it is a potent practical symbol that an alternative can work and survive. Symbolically, its 'Portakabin' visitor centre is used by people locally and from around the world. Many of the Tower activists and founders have continued to be directly involved in advising other cooperative organisations, credit unions and local community regeneration schemes. The existence of Tower has helped sustain the credibility of organisations such as the Wales Cooperative Centre, one of the largest cooperative consultancies in the UK. It has inspired a range of social economy and community activity throughout South Wales, and we would include ourselves and our research centre WIRC (Wales Institute for Research into Cooperatives) in this category. As Crossley (1999) suggests, it is inspiring and rejuvenating to visit Tower and talk to the worker-owners. It should also be mentioned that the colliery has inspired a French feature film and a contemporary opera.

Second, so far the trajectory of Tower has not been toward degeneration of its ideals and purpose, if anything it is suggested that new 'social skills' have been developed by the worker-owners, suggests ongoing and well embedded social change. Clearly market pressures and coal contracts dominate the cooperative's survival, but the experience has not been a simple contingent translation of market forces inevitably leading to degeneration. These forces have been actively contended and counteracted. Within Tower there has been a constant discourse over the tension between the need to have technical and managerial expertise on the Board and 2 of the 6 members being subject to election every year. To date the election process has survived.

Third, Tower is a challenge to the legitimacy of the dominant mode of top down capitalist organisation. Tower's very success within the market but with an alternative form of ownership and control is a challenge to the authority of the discourse that supports companies dominated by a small number of private owners. This in turn is linked with current ideological fashions of entrepreneurship, leadership, and top down governance and managerialism. Tower defies these powerful concepts and legitimating assumptions and in this way deviates from them.

Moreover, Tower's very success challenges the practical usefulness of such terms. Tower acts as a deviant having the appearance of the mainstream while at the same time serving to challenge and undermine the mainstream. This is what makes cooperative production a successful challenge: in expressing the value of 'self-reliance', it appears to conform to the mainstream but, simultaneously, challenges in a way that is difficult to frame or label – far less demonise as an opposition movement. It is an alternative way of seeing the tension between affirming and challenging. The assumption is that without a revolutionary change in the context, the inevitable cycle will be toward degeneration and incorporation. Social movements not mobilising are in 'abeyance'. It is being suggested here is that surviving and even thriving while retaining alternative practices and discourses is a challenge that is difficult to ignore. Cooperative survival does not depend wholly on a negotiated compromise with the more powerful, and the emancipatory ownership and control practices pose an ongoing but fundamental challenge of the dominant mode of managerial thinking and practice. It is suggested that the notion of 'deviant mainstreaming' captures this tension and the ironic quality summed up so well in the quote from Mark Twain. We offer it as a way of giving due recognition as social movements to other similar social economy organisations.

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