

ACADEMIA Cooperativism

FOCUS ON



A DREAM
FORGOTTEN

DR. ALEKSANDRA BILEWICZ



Dr. Aleksandra Bilewicz from the University of Warsaw tells us what the Społem Association once was, what has survived of it, and what led to its demise.



ACADEMIA: Most people associate the Union of Polish Food Cooperatives, known as “Społem” for short, exclusively with the communist era, and therefore with bad connotations. Its roots, however, stretch back even further. Why have they been forgotten?

ALEKSANDRA BILEWICZ: Because of what happened in the post-WWII period. In the communist People’s Republic of Poland, Społem was transformed into an economic, state-controlled organization, consequently forced to comply with an economic plan, which contradicted the very basic cooperative ideas: democracy and autonomy. The political transformation of 1989 touched off the negation of the whole heritage of the communist era, which is of course understandable, but at the same time, in one fell swoop, we also did away with the cooperative movement. An idea which had been developing in Poland since the 1860s was then reduced to one of the symbols of an ineffective, centrally planned economy. In 1990, under the so-called Special Act on Cooperatives, the old associations were dissolved and cooperatives were told to fend for themselves, without the support that the cooperative unions had given them before. And everything fell apart. Some were privatized, others retained their character formally, but essentially – to cite the term used by Adam Piechowski, a historian of the cooperative movement – became “non-cooperative cooperatives,” where the basic principles were not observed.

Is the Polish conflict between the romanticist and positivist mentality also important in their demise? Cooperatives are, it seems, a certain manifestation of thinking about the social “here and now” with an impact on the future?

Indeed, one can say that the movement is derived from a positivist current that is not in the mainstream of Polish culture. However, I would argue that the cooperative ethos is not so much a denial of romanticism as a creative synthesis of the positivist and romanticist trend. The concept of a consumer cooperative was born in nineteenth-century England. Workers and social activists from the city of Rochdale, dominated by the weaving industry, established the first classical, canonical cooperative, whose members set forth certain cooperative principles, now known as the Rochdale Principles.

The idea of developing a cooperative movement on Polish soil was initially promoted by the positivist and liberal circles in Warsaw. These were progressive circles, related to the notion of “organic work,” proclaiming the need to build laboriously an independent national and economic existence up from scratch. The idea of economic democracy, at the core of a cooperative, perfectly fit in.

However, the proper development of food cooperatives in Poland dates back to 1906, to the founding

of the Cooperativist Society (*Towarzystwo Kooperatyistów*). Its founders were mostly people associated in the past with the Polish Socialist Party (PPS), socialists from the pro-independence movement. And Polish socialism at that time had a certain romanticist element to it – related not so much to the stereotypical mad rush, but with working hard on behalf of an idea – but at the same time also an impassioned element. On the one hand, there was the ideological leader of the movement, Edward Abramowski. He was a great thinker, philosopher, the founder of Polish psychology, but at the same time he was described as having his head in the clouds. He was convinced that the idea of cooperativism would change the world and let Poland be reborn in a completely new way, as a society organized into democratic cooperatives that would overcome capitalism. On the other hand, the founding fathers also included Romuald Mielczarski, later the director of Społem, who had his feet planted firmly on the ground. He was an émigré independence activist, but at the same time he had graduated from a trade school in Antwerp and attached great importance to this mundane aspect of cooperativism, requiring meticulous bookkeeping and everyday hard work. Actually, the cooperative movement was therefore a synthesis of two ideas.

However, the positivist component is easily forgotten. Today, people interested in cooperatives often stress the utopian vision of social change but not the laborious, everyday work.

Was that an aspect of cooperatives from the beginning?

Yes, they were created in very difficult conditions and in a difficult area. Poland had been annexed by the surrounding powers, so setting up Polish associations was difficult, especially in the Russian partition, where Społem had its roots. They were created among poor and uneducated people, often illiterate, in villages or in workers’ circles. The founders had to overcome not only their own weaknesses, but also the difficulties associated with the implementation of the idea itself, with convincing people that a cooperative was not anything that would save them immediately, but something worth investing their money, loyalty and effort into. And that it would not pay back immediately.

What is needed to make a cooperative prosper is solidarity, ideological character, but also hard work, patience, perseverance. And these features seem to be alien to the mainstream Polish national tradition, an impetuous, anarchizing one, related more to rebellious uprisings, and not with creative, arduous labor.

How did Społem work?

It was a union of food cooperatives, serving as a supervisory and advisory body. At the same time, it ran a warehouse where cooperatives could buy inexpen-

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sive, good quality products. Initially, it functioned as the Warsaw Union of Food Associations; when Poland regained independence in 1918, it would become a nationwide union (ZPSS Społem).

And how did cooperatives associated in the Społem Union work in practice?

A group of consumers would gather together to form a democratically managed association aimed at cutting out the commercial middleman, in other words, to buy directly from producers, partly so that the price margin that usually went into the middleman's pocket would go to its members instead. That took various forms, such as a purchase dividend paid back at the end of the year, with part of this surplus being spent on the development of the cooperative itself.

Members of a cooperative set up a shop. At first they did not always have the money to hire an employee, but ultimately a shop assistant would be working there. Once a year – and sometimes more often – the members met and voted on the most important current affairs of their cooperative, elected representatives to sit on the executive board and supervisory board. The Polish cooperative movement sought to protect cooperatives from becoming dominated by insider cliques – according to the Act of 1921, persons holding management offices could not be relatives or in-laws to one another, which made it difficult for one family or a group to gain control of a cooperative.

The context in which the cooperative movement developed was important: this was the time of the industrial revolution and the emergence of a new working class. This class remained the weakest social link: it had no rights, it was powerless against the changing market situation and the whims of entrepreneurs. On the other hand, the goods its members could buy often turned out to be of poor quality. Cooperatives brought an opportunity for gaining some independence in both matters.

How did they want to use this opportunity?

The rule was “one person, one vote,” as well as autonomy and political and religious neutrality. What is more, one could not profit from being in a cooperative – you only earned a dividend on purchases. This is often described as follows: in an ordinary enterprise, capital is in first place and people are in second, whereas in a cooperative, people are the most important, with capital being only a tool helping them to get out of poverty and, subsequently, to satisfy their cultural needs.

The cooperatives used their surplus money to fund reading rooms, community centers, to organize cultural and social life for their members, of which they were often completely deprived. This original idea was soon developed into the doctrine of so-called pan-cooperativism, which assumed that a federation



of democratic cooperative associations could transform economic relations – not in a revolutionary way, but in a peaceful one, meaning that capital would collapse under the pressure of the so-called organized consumption, that the cooperative movement would grow so much that the capitalist system would lose its *raison d'être*.

And indeed, Społem was a huge success. It was the largest trade organization in Poland, a powerful force. However, neither in Poland nor in the world did cooperatives ever attain their long-term goal of overcoming capitalism.

Why did not it work?

Probably because people are not perfect. It was naively assumed that everyone would wish to join cooperatives and that everyone would have enough self-denial and patience to stay in them. This belief collapsed at the time of the great economic crisis in 1929. Many cooperatives collapsed, and more statist tendencies began to arise among their members, due to the fear that grassroots associations were unable to cope with what was destructive in capitalism, that state intervention was necessary after all.

The cooperative press was full of self-criticism. This is another captivating aspect: the movement was self-reflective, with attention being paid to various problems, for instance, disloyalty among members. Loyalty was very important for the cooperative: having joined one, you had to shop in its store, and you could not, for example, buy for less from a private shopkeeper. Of course, not everything always functioned in the perfect way as in theory. Cooperative authorities were not always squeaky clean; some were fraudulent or lazy people. There were cases of barratry, of attempts by political forces to take over cooperatives.

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Photo p. 4:
Queue in a cooperative shop,
1930s.

Photo p. 8:
Window shop in Cieszyn,
1930s.

Photo p. 10:
Illustrations from a 1924
calendar published by the
Społem Association.

Społem, although it derived from the socialist circles of the PPS, sought to safeguard the principle of cooperative neutrality – cooperatives were meant to be independent from political parties. Members could have different views, but left them behind at the door. There were, of course, competitive movements. In 1919, for example, the Union of Cooperative Workers' Societies (Związek Robotniczych Stowarzyszeń Spółdzielczych) was formed, dominated by radical leftists and communists who believed that cooperatives represented part of the workers' movement and should therefore be subject to that wider political movement. They were campaigning, so their monies were often spent on party goals and were no longer independent. Although the ZRSS eventually merged with Społem in 1925, the political divisions within the movement remained. There were also right-wing and conservative currents in the cooperative movement. Especially in the Wielkopolska (Greater Poland) region, with a more bourgeois face, the leaders of the movement were often clergymen. Certain more pro-capitalist activists wanted to abandon those features of cooperatives that made it impossible for them to become similar to enterprises. For example, it was postulated that some members should be able to have more shares than others. Many political and ideological disputes also arose against this background.

And was the money a problem?

It was to some extent, but a cooperative was not purely a financial matter. It was not easy to belong, as one had to pay a contribution and there were no sales on credit, which had gained popularity before WWI. But it was also a matter of solidarity and perseverance, which people often lacked. That is why Społem attached such great importance to education. It published brochures promoting cooperative ideas as well as periodicals, such as a the bi-weekly *Społem* addressed to more

devoted members, and the more popular *Spółnota* [Community]. It organized various types of courses, integration trips, activities directed at young people, which were intended to kindle cooperative ideas.

Were there attempts to take over the cooperatives and convert them into a private business?

Of course there were. There were reports of dishonesty, in the shop or on the management board. Human weaknesses were visible, but also strongly stigmatized. The overall picture, however, does show the movement being drowned in a sea of greed, because a lot of cooperatives functioned well and the movement was strong and authentic.

And was it growing rapidly?

Indeed. When the Cooperativist Society, i.e. the precursor to Społem, was established in 1906, its activity was only educational, promoting the idea of the cooperative movement. By 1911, a warehouse was established.

Społem's maturity came after WWI. Then it took to supervising cooperatives and supporting them: it checked if everything was working as it was supposed to, and it supplied favorably priced products to other cooperatives.

From 1930, Społem also ran its own bank established in response to the need to manage its own capital. Społem also became a producer and had its own factories, e.g. in Kielce, which have been functioning ever since – for instance, the "Kielecki" mayonnaise brand is now produced there.

And then?

Some household items, e.g. floor polish, soap, washing powders. In the 1930s, fruit juices were made. There was a confectionery factory in Włocławek. Społem also had its own mills, so flour was produced.

It also imported coffee, tea or raisins under its own brand, and exported, for example, eggs and bentwood furniture, to the United Kingdom, among other destinations.

What happened during WWII? Did Społem fall asleep and wait?

Paradoxically, in quantitative terms it actually evolved. The union lost its name and came under German tutelage. But for some reason, requiring further research, the Germans found it beneficial to maintain this organization, probably for purely provisioning reasons. Maybe the idea was that when food went short, people would organize it for themselves. However, any ideological activity was forbidden; only economic bulletins, trade information leaflets or hygiene publications could be published. In the underground, however, social and educational activities were constantly being

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pursued, trips and courses organized. Społem also had contacts with the resistance movement, the Home Army (AK) and the Peasant Battalions. On the one hand, there was official business under the direction of the German commissioner, and on the other – unofficial activity, involving the support of the underground and provisions for various people who found themselves in a difficult situation: artists, writers like Maria Dąbrowska, etc. Parcels were also sent to prisoners of concentration camps. There were also cases of helping Jews. This was initiated by the union's authorities at the time: Marian Rapacki, the director of the union starting in 1926, who died performing official activities during the Warsaw Uprising, or Stanisław Dippel, a board member who also died in Warsaw in 1944.

So, what was not killed by the Germans, was finished off by the Russians?

We might say so. Społem somehow did survive the German occupation, but its organizational essence perished in the communist era.

Why?

Adam Benon Duszyk, a researcher of the cooperative movement in Radom, is preparing a book documenting in detail the impact of the communist-era policies on cooperatives, to be published as part of the research series "Cooperativism" (which I co-edit together with Dr. Bartłomiej Błesznowski from the Institute of Applied Social Sciences at the University of Warsaw). In general, I can say that the first communist bodies, such as the State National Council, decided that cooperatives would be a pillar of the economy of the people's state, which, however, involved their centralization and loss of autonomy. Already in 1944, at the Congress of Cooperatives in Lublin, it was decided to merge the entire Polish cooperative movement, to be administered by two headquarters: one economic, one auditory. Ideological issues were thus to be separated from economic ones, which had never taken place in the cooperative movement. Społem was then renamed the Economic Association of the Cooperatives of the Polish Republic and henceforth it included not only consumer cooperatives, as before the war, but also, for example, credit, commercial or dairy ones. Cooperatives in the countryside were completely reorganized: so-called communal cooperatives were formed, taking over the former consumer cooperatives. And this was also artificial, because Społem was one movement, urban and rural, within which there was room for social pluralism, and thus for ideological dispute. In 1948, the Central Cooperative Association (*Centralny Związek Spółdzielczy, CZS*) was established. This meant another top-down reorganization and even tighter centralization. From 1949, cooperatives had to carry out the state economic plan, playing from then on a subordinate role to state-owned enterprises. Due to these undemocratic

changes, Poland could no longer be represented in the International Cooperative Alliance. On the wave of liberalization following Gomułka's thaw of 1956, the CZS was abolished. However, in 1965, food producer cooperatives were again centralized, forming 23 huge province-level units. These were mass organizations with which individual members found it hard to identify.

In consequence of all these changes, Społem became a monopolist in trade, which was surely a warped realization of the vision that cooperativism would win out over capitalism. It won out in a way, as it became officially supported by the state. But it ceased to be democratic and people stopped co-creating it because of their own needs, as participation was *de facto* obligatory. This is a curse that still overshadows the cooperative movement in Poland to this day. The ones that are currently operating have abandoned their principles, they only function because of a certain inertia. And so, the important institutional tradition of independent cooperatives ended up destroyed. And such impermanence of institutions is one of the major factors hindering the development of our country.

I suppose there are some organizations striving to bring back the genuine ideas of the cooperative movement?

There is such activity, but at on a very small scale. Today's "food co-ops," which I studied for my doctoral thesis, attempt at invoking the older concept. These are small groups of consumers who organize food directly from farmers, bypassing intermediaries. They are democratically managed, with some approaching this issue even more radically: they do not recognize any hierarchy of positions at all, they are managed by the consensus method. They hark back to the ideas of Edward Abramowski, to cooperativism as a bottom-up, democratic and anti-capitalist movement.

But there are also big differences. While in the past cooperatives were formed among rather poor, hard-working laborers who needed basic necessities, today's co-ops are established by the middle-class and intelligentsia, focused on the consumption of high quality goods, such as organic food.

This movement is therefore not likely to become as widespread as it once was. Still, importantly, it is thanks to such cooperatives that the concept has been recalled at all. Moreover, they are also extending a hand to small farmers, whose position in today's world of big agribusiness and retail chains cannot be envied. Perhaps they bring a chance to renew this agriculture, even some sort of fashion for small ecological farms. In this sense, what they represent is of great value, another attempt to build a bridge between the city and the country. This is the way it was described by a huge proponent of the cooperative movement, Maria Dąbrowska, in her 1938 book *Ręce w uścisku*:



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Rzecz o spółdzielczości (“Hands in a Handshake: On the Cooperative Movement”): there is an advantage not only for urban consumers, but also for farmers, who can sell their produce at “fair” prices.

I do not know what the future of this movement will be, but the seed has been planted. People are becoming more and more interested in the cooperative movement; the concept has been shedding its odium. Social cooperatives – a kind of workers’ cooperatives – have also been created in the last decade and a half. I also see that today’s Społem association is also beginning to be interested in its roots. Its vice-president came to the meeting regarding my book, held in Zachęta; he wishes to renew the ideological aspect of this movement, so who knows? Perhaps the Społem cooperatives will somehow return to their democratic roots?

Does the rebirth of even a small-scale cooperative movement represent a certain kind of building civil society?

As I see it, the very understanding of civil society today is a result of our forgetting the idea of the cooperative. Civil society is meant to involve organizations functioning independently of economic matters, whereas the essence of the cooperative lies in the combination of economics and democracy. Nobody remembers today that these are not separate spheres in which society functions. People believe that on the one hand there is entrepreneurship, and democracy does not concern it, and on the other hand there are NGOs or informal organizations operating in the field of civic activity. However, if we extend the concept, cooperatives can be an implementation of the idea of civil society, and they certainly do contribute to the revival of the idea of the common good.

But still, we have a certain problem with this concept, don't we?

Yes. Because of the way our Polish mentality has been shaped by our history. The concept of the common good at some point became a caricature of itself. “Common” began to mean “belonging to no one”; it was associated with something introduced forcibly, something of inferior quality. It met with contempt, no one cared for it, and at most people used it for their own purposes. This is also – although it is slowly beginning to fade – a legacy of the communist-era system that is, quite rightly, a thing of the past.

There is one more thing: the conviction that Poles are capable of acting together only in the face of a common enemy.

The history of Społem provides an example that this is not always true. That is why it is worth studying, promoting, and invoking.

INTERVIEW BY KATARZYNA CZARNECKA