

**A MARXIST POLITICAL ECONOMY APPROACH TO THE
ATLANTIC CANADIAN CONSUMER CO-OPERATIVE
GROCERY STORES**

by

JASON PHILIP DOHERTY

B.A., ST. THOMAS UNIVERSITY 1997

**Thesis
submitted in partial fulfilment of the requirements for
the degree of Master of Arts (Sociology)**

Acadia University
Spring Convocation 2000

© by Jason Philip Doherty, 2000



National Library
of Canada

Acquisitions and
Bibliographic Services

395 Wellington Street
Ottawa ON K1A 0N4
Canada

Bibliothèque nationale
du Canada

Acquisitions et
services bibliographiques

395, rue Wellington
Ottawa ON K1A 0N4
Canada

Your file *Votre référence*

Our file *Notre référence*

The author has granted a non-exclusive licence allowing the National Library of Canada to reproduce, loan, distribute or sell copies of this thesis in microform, paper or electronic formats.

The author retains ownership of the copyright in this thesis. Neither the thesis nor substantial extracts from it may be printed or otherwise reproduced without the author's permission.

L'auteur a accordé une licence non exclusive permettant à la Bibliothèque nationale du Canada de reproduire, prêter, distribuer ou vendre des copies de cette thèse sous la forme de microfiche/film, de reproduction sur papier ou sur format électronique.

L'auteur conserve la propriété du droit d'auteur qui protège cette thèse. Ni la thèse ni des extraits substantiels de celle-ci ne doivent être imprimés ou autrement reproduits sans son autorisation.

0-612-51993-7

TABLE OF CONTENTS

DEDICATION	v
ACKNOWLEDGEMENTS.....	vi
ABSTRACT	vii
CHAPTER ONE: INTRODUCTION.....	1
WHAT IS AN ATLANTIC CANADIAN CONSUMER CO-OPERATIVE GROCERY STORE?.....	2
WHAT IS INTERESTING ABOUT THE ATLANTIC CANADIAN CONSUMER CO- OPERATIVE GROCERY STORES?.....	4
THESIS STRUCTURE	6
CHAPTER TWO: LITERATURE REVIEW.....	9
THE GROCERY STORE.....	9
PRIVATE AND CO-OPERATIVE BUSINESS ENTERPRISE.....	15
HOW DO THE ATLANTIC CANADIAN CONSUMER CO-OPERATIVE GROCERY STORES WORK?	23
WHAT DO MARXIST POLITICAL ECONOMISTS HAVE TO SAY?.....	31
CHAPTER THREE: METHODOLOGY	44
RESEARCH DESIGN.....	45
RESEARCH SAMPLE.....	51
DATA ANALYSIS AND PRESENTATION	54
CHAPTER FOUR: ANALYSIS I.....	59
A POSSIBLE RESPONSE TO QUESTION ONE.....	60
A POSSIBLE RESPONSE TO QUESTION TWO	76
A POSSIBLE RESPONSE TO QUESTION THREE	102
CHAPTER FIVE: ANALYSIS II.....	134
QUESTION ONE AND THE LITERATURE	134
QUESTION TWO AND THE LITERATURE	141
QUESTION THREE AND THE LITERATURE.....	147
A MARXIST POLITICAL ECONOMY APPROACH TO THE ATLANTIC CANADIAN CONSUMER CO-OPERATIVE GROCERY STORES	151
CHAPTER SIX: CONCLUSION.....	160
THESIS SUMMARY	160
RECOMMENDATIONS FOR FURTHER STUDY.....	163
REFERENCES	169
APPENDIX A	173
APPENDIX B.....	176
APPENDIX C.....	182
APPENDIX D	183

DEDICATION

This thesis is dedicated to Vincent E. Doherty who has worked at an Atlantic Canadian consumer co-operative grocery store for twenty-five years.

ACKNOWLEDGEMENTS

Thanks to everyone who has contributed to this thesis, especially the interview participants. I was able to complete this research because they donated their time and effort.

Jim Sacouman deserves recognition for his time and contribution to this thesis as the primary advisor. His patience throughout the course of my degree is greatly appreciated.

Thanks to Tony Thompson for filling the position of the internal reader as well as talking with me about the co-operative and Marxist political economic literature during the course of my degree program.

Thanks to Susan Machum for filling the position of the external reader and contributing to my education.

Thanks to Michael Clow for the writing workshops. This thesis was improved by his suggestions.

Sharon Midwinter deserves thanks for her support throughout my entire Masters degree. Sharon helped in the production of this thesis in many ways.

This research was partially made possible by a research grant from the Dean of Arts at Acadia University.

Thanks to those members in the Department of Sociology at Acadia University who facilitated my coursework.

ABSTRACT

This thesis explores the Atlantic Canadian consumer co-operative grocery stores in relation to the experience of consumer, worker, and manager members. This thesis employs an exploratory case study and semi-structured interview research design in order to collect, analyse, and present the perceptions of interview participants. The model of reasoning used in this study is primarily deductive beginning with a review of co-operative and Marxist political economic literature. However, inductive reasoning adds colour to this thesis by utilising what the interview participants think is important about the Atlantic Canadian consumer co-operative grocery stores. Three general research questions are used to guide the investigation of the Atlantic Canadian consumer co-operative grocery stores. First, how is the relationship between worker and consumer owners of the co-operative store similar to the relationship between employees and shareholders found in a capitalist store as depicted in the Marxist literature? Second, is the memberships' control over management less effective and less democratic than shareholder control over management in the strictly capitalist form of business as depicted in the Marxist literature? Third, how is the relationship between worker and manager owners in the co-operative store similar to the relationship between workers and management found in a capitalist store as depicted in the Marxist literature? This thesis concludes by defining a Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores. Recommendation for further study of the Atlantic Canadian consumer co-operative grocery stores are outlined in the conclusion.

CHAPTER ONE INTRODUCTION

Canadian society is organised around the production and exchange of those goods that each one of us needs in order to survive. Most Canadians work for a wage in the private sector of our economy and in turn trade that wage for the necessities of life. Shelter, clothing, fuel, water, and food are common items that Canadians take for granted. People, for the most part, do not think about how these goods are produced, where they are manufactured, or how they manage to get to our communities until they are unable to obtain them.

The Atlantic Canadian provinces have been without large manufacturing centres for the better part of the twentieth century (Brodie, 1990). For this reason, Atlantic Canadians have been forced largely to purchase the necessary items of life that are produced elsewhere in Canada. As well, Atlantic Canadians throughout the last century had to purchase these goods from private regional, corporate, or foreign companies. This prompted some Atlantic Canadians to think about how goods are produced, where they are manufactured, and how they manage to get to our communities.

The Atlantic Canadian consumer co-operative grocery stores make up one organisation that was conceived under the economic conditions of the Atlantic Canadian provinces. Atlantic Canadians organised themselves into co-operative grocery stores in order to buy and sell grocery items at a secure and fair price. The purpose of this chapter is to introduce the Atlantic Canadian consumer co-operative grocery stores and explain my preliminary research interest in the Atlantic Canadian consumer co-operative grocery stores. This chapter is organised into three major sections in order to complete the above goals. Each of these sections will guide us through this thesis as we unravel “A Marxist

political economy approach to the Atlantic Canadian consumer co-operative grocery stores”.

I. What is an Atlantic Canadian consumer co-operative grocery store?

Historically, the Atlantic Canadian economy was based on the exploitation of natural resources by local capitalists, foreign interests, and the capitalist elite of central Canada (Brodie, 1990; Pobihushchy, 1997; Sacouman, 1979). The Atlantic Canadian co-operative movement began with a local and regional desire to gain control over the economy of Atlantic Canada. The Atlantic Canadian consumer co-operative movement is a grass-root, social and economic strategy based on a shared concern for the well being of community members (Co-op Atlantic, 1996). In addition, the consumer co-operative movement is purported to promote principles of equality, fairness, democracy, and independence. Proponents of the consumer co-operative movement argue that these principles are absent from the traditional economic structures of the Atlantic Canadian economy (Coady, 1958; Craig, 1980).

The Atlantic Canadian consumer co-operative grocery stores work together through a co-operative wholesaler called Co-op Atlantic. Co-op Atlantic is what is commonly called a second tier co-operative or a co-operative that is owned and operated by first tier co-operatives¹. Co-op Atlantic was established as an umbrella organisation in order:

[To] provide goods and services to its members, to provide service where none exists, to eliminate unnecessary profit in trade, to protect the rights of people as producers and consumers, to distribute ownership as widely as possible, to enable people to protect themselves against exploitation and

¹ Generally the first tier co-operatives that own a share in a second tier co-operative are not similar types of co-operatives. For example, Co-op Atlantic is composed of marketing co-operatives, farm supply co-operatives, and consumer co-operatives (Co-op Atlantic, 1998).

unfair business practices, and to develop a form of business in which people are the main concern. (Co-op Atlantic, 1996:1)

There are a number of co-operative organisations found under the umbrella of Co-op Atlantic: worker, marketing, and consumer². However, I am specifically interested in the Atlantic Canadian consumer co-operative grocery stores. A consumer co-operative is “a business that is owned and democratically controlled by the people who use its services” (Allan et al., 1993:2). A consumer co-operative is composed of “a group of people who have organised to provide themselves with goods and services” (Co-op Atlantic, 1996:1). Consumer co-operatives are a model of economic development that is used, by consumers, as a means to gain control over the place in which they buy their food (Ronco, 1974).

In this part we examined what a consumer co-operative is and how the Atlantic Canadian consumer co-operative grocery stores are organised under Co-op Atlantic. The consumer co-operative movement was placed as a historical movement from which the Atlantic Canadian consumer co-operative grocery stores were conceived. In addition the differences between worker, marketing, and consumer co-operatives were highlighted. In

² Marketing co-operatives consist of producer members who usually produce the same product but, in some cases, produce a variety of products. Producer members of marketing co-operatives, such as farmers, co-operate for the purpose of excluding middle-men from the processing and distribution of their goods (Sacouman, 1979). Members of marketing co-operatives, such as in produce, wheat, and poultry, employ workers in both processing and distribution (Brown, 1997; Fox, 1998a; 1998b). Marketing co-operatives differ from worker co-operatives because they employ people as workers and not as members. Worker co-operatives employ labour as members through participation in the ownership and management of the co-operative. Labour in a worker co-operative has control over the production process and shares the surpluses of production. In fact, worker co-operatives do not directly employ anyone; the workers employ themselves (Hannah et al., 1986; Staber, 1992). Like marketing co-operatives, the consumer co-operative is “a business that is owned and democratically controlled by the people who use its services” (Allan et al., 1993:2). Indeed, a consumer co-operative is “a group of people who have organised to provide themselves with goods and services” (Co-op Atlantic, 1996:1). Consumer co-operatives are a model of economic development that is used, by consumers, as a means to gain control over the place in which they buy their food (Ronco, 1974).

the next part we examine what is interesting about the Atlantic-Canadian consumer co-operative grocery stores.

II. What is interesting about the Atlantic Canadian consumer co-operative grocery stores?

Grocery stores are found at the centre of most communities and it is likely that everyone has used a grocery store to buy food and grocery items at one time or another. Grocery stores have become so common in our communities that most people use grocery stores as the sole means to acquire food and essential grocery items. It seems that grocery stores have become an essential part of our communities because they provide us with a place to buy those things that we need in order to survive from day to day.

Shopping at the Atlantic Canadian consumer co-operative grocery stores appears to provide us with an accessible, clean, and more than adequate market in which to purchase food. Grocery and food items are stacked or shelved in isles that allow people to examine goods with relative ease. The selection of goods and variety of each good is astounding and amazes even the most demanding consumer (Czerny et al., 1997). It seems that the Atlantic Canadian consumer co-operative grocery stores have become a “pleasurable” place for people to purchase their grocery items given the large selection of goods, the endless variety of any one good, and the ease at which one may choose from these items.

What is not apparent on a preliminary visit to the local Atlantic Canadian consumer co-operative grocery store is how all of these goods manage to reach the co-operative, as well as, how they come to be presented in such an organised and meticulous fashion (see Appendix A). How is the work divided and organised among members at

the Atlantic Canadian consumer co-operative grocery stores and how has this changed from simpler co-operative stores in the past? Getting the work done at one of these stores appears to have become much easier than it had been before they were given the appearance of the grocery store. The Atlantic Canadian consumer co-operatives are larger and the members appear to have access to a wider range of choices. How are the co-operatives managing to provide a “pleasurable” service when compared to early co-operatives?

Although the Atlantic Canadian consumer co-operative grocery stores have become larger and more varied than before for co-operative members, however, recently they have not been doing so well. There is a lack of commitment on the part of co-operative members to participate in annual meetings (Craig, 1980; Jordan, 1981; Salomons, 1982; Staber, 1992). Why are members not participating in the Atlantic Canadian consumer co-operative when it appears that things have improved a great deal?

In this section we examined my preliminary interest in the co-operatives and why the Atlantic Canadian consumer co-operatives are an interest for this thesis. Three primary questions were defined on the basis of what appears to be going on at the Atlantic Canadian consumer co-operative grocery stores. First, how is the work divided and organised among members at the Atlantic Canadian consumer co-operative grocery stores? Second, how are the co-operative members managing to provide a “pleasurable” service when compared to early co-operatives? Third, why are members not participating in the Atlantic Canadian consumer co-operative when it appears that things have improved a great deal? In the next part of this chapter we will review how this thesis is structured and the contents of each chapter.

III. Thesis structure

This thesis is divided into four central chapters including the introduction as the first chapter and the conclusion as the sixth chapter. Second, I examine co-operative and Marxist political economic literature in order to see if the literature can resolve our preliminary interest based on the three questions. Third, I explain the research design, method of data collection, sampling technique, and analysis techniques used in this research project. Fourth, the findings are presented and the participants' responses are compared with each other in order to identify similar and dissimilar responses. Once the patterns of similar and dissimilar responses are identified, possible responses to each research question are formulated. Fifth, the possible explanations developed from the participants' responses in chapter four are compared to alternative ideas outlined in the co-operative and Marxist political economic literature.

The purpose of the second chapter is to examine the literature in the areas of co-operative and Marxist political economy in order to see if the preliminary research interest has been previously explored. Given that our research interest has, for the most part, not been previously explored from a Marxist political economic perspective, new insights arise from the absence of such a critical examination of the Atlantic Canadian consumer co-operative grocery stores. On this basis three general research questions are formulated from the review of the literature to provide a foundation on which to inquire about the Atlantic Canadian consumer co-operative grocery stores.

In chapter three, I focus on the methodology of social research and the specific methodology of this thesis study. The exploratory case study approach is determined to be the most suitable research design given the questions, ethical considerations, and

available resources. The semi-structured interview is examined as a method of collecting data and for this thesis as a means to obtain information about the Atlantic Canadian consumer co-operative grocery stores. The sampling technique of “snowballing” is also discussed in relation to its strengths and weaknesses given the ethical requirements of this thesis. In addition to research design, method of data collection, and sampling technique, the presentation of this thesis is discussed in connection with the analysis in chapters four and five.

The experience of interview participants is the sole source of data used to develop possible explanations of the Atlantic Canadian consumer co-operative grocery store when considering our research questions. The interview participants’ responses to my inquiry have been organised according to three considerations. First, the position of the participant within the Atlantic Canadian consumer co-operative grocery store is used to define respondent categories. The responses of an individual participant are presented according to the category in which the particular respondent may be defined. Second, the responses of all participants are presented under theme categories, such as “reason for joining the co-operative”. Third, the experiences of participants under the theme categories are organised into sections relating to the general research questions. As well, the last part of each section includes the comparison of views focusing on the similarity and dissimilarity between the three groups of respondents: worker, manager, and consumer members.

In the fifth chapter, I compare the possible explanations developed on the basis of participant responses to what is stated in the co-operative and Marxist political economic literature, as reviewed in the second chapter. The chapter is divided into three major

sections including the first, second, and third research question. The possible explanations developed in chapter four are compared to the co-operative and political economic literature. On this basis, recommendations for further study are formulated in relation to the three research questions developed at the end of the second chapter.

This thesis explores some dilemmas that the Atlantic Canadian consumer co-operative grocery stores face in relation to the co-operative membership. This critical exploration of these co-operative grocery stores and how they manage to accomplish co-operation strengthens the position of their institution as they enter a new century. This thesis will provide a theoretical basis to justify an examination of these consumer co-operatives from a Marxist political economy approach. Given that this is an exploratory and preliminary research study recommendations for continued research of these co-operatives are made in the conclusion.

CHAPTER TWO LITERATURE REVIEW

Consumer co-operatives are one form of grocery store. Proponents of consumer “co-operation” argue it is a superior, democratic and egalitarian way to organise grocery stores when compared to conventional capitalist grocery stores. It is important to understand the arguments made by the proponents of co-operation and the views of Marxist political economists in order to provide a foundation for the study of the Atlantic Canadian consumer co-operative grocery stores. The purpose of this chapter is to examine the literature in order to provide a basis for understanding the claims made by the proponents of co-operation, the normal form of capitalist grocery stores against which they compare co-operatives, and the kinds of critique given by Marxist political economists when considering “co-operation”. From this discussion we will develop some questions about consumer co-operatives as a basis for our study of the Atlantic Canadian consumer co-operative grocery stores.

I. The grocery store

A. The emergence of the modern grocery store

For most of us in modern cities, and even in rural areas, food comes to our table not directly from the field but the grocery store. The majority of us are so removed from the farms where the food is grown that we actually have given little or no thought about how food manages to be brought to the shelves of the store(s) in which we shop (Czerny et al., 1997). The question of how food is brought to the shelves of the store(s) we shop in prompts further questions surrounding how food exchange is organised and how we have come to rely on the “modern” grocery store as a place to buy our food.

People need food in order to survive. How the production of food is accomplished determines the things which people must do in order to obtain food. People live and produce as members of a group, community, or society. Thus, it is necessary to organise a group, community, or society based on the need to produce food. The production of food becomes social because people who live in a society must organise themselves into particular relationships in order to acquire the food they need to survive (Marx, 1990).

Our society has very few farmers growing the food that everyone in society needs. Those people who are not growing food must find some way to acquire the food that they need. How the trade of food for non-food items is accomplished can be investigated by looking at those places where people have traded goods for food in the past. The most common place that people traded goods for food in the past was in some market area, such as the farmer's market. The farmers and producers of goods would meet in order to exchange their products for those things that they needed. This system of exchange was direct in that farmers and producers of other goods were meeting in person for the purpose of trade (Marx, 1990).

The food market changed from a system of exchanging goods to one that involved the exchange of goods for money. The producers of goods would be able to acquire the food that they needed by giving a farmer money instead of the goods that they produced. This meant that they could trade with farmers who they wanted to buy food from but who did not need the goods that they produced. The system of exchange changed from one of exchange between producers to one of exchange between producers and consumers.

The money system of exchange changed the food market because it was no longer a place to trade goods for food but a place to buy and sell food. This allowed people who wanted to buy and sell food a chance to participate in the exchange of food even though they did not produce food or a good themselves. These people are commonly known as merchants or middlemen and generally they facilitate exchange between farmers and people who want to buy food (Marx, 1990).

The modern food market is controlled by merchants or people who do not produce food but practice the buying and selling of food. Over time these merchants gained control of the food market because they made it easier for the farmers to concentrate on growing food.³ The development of a retail food market is interesting but it is not the focus of this section. The focus of this section is the organisation of the retail food market and how the buying and selling of food is accomplished in modern grocery stores, specifically the Atlantic Canadian consumer co-operative grocery stores.

In this part we discovered the social basis of food exchange and the early form of the food market. It was understood that the introduction of money changed the way that the exchange of food in the food market was organised. The market changed from an exchange between the producers of goods to one of the buying and selling between the producers and consumers of goods. In the next part of this section, the private and co-operative grocery stores will be examined in order to discuss their differences.

³ Some middle merchants or owners of the modern grocery store have recently added put-together bakeries, juice-making machines, and other “value-added” systems. These systems can be argued to be the production of food but they are in reality a way of adding value to existing food items. This point is debatable and interesting but not the focus of this thesis. The owners of grocery stores are not in the business of producing food in a general sense but they are in the business of buying and selling food.

B. What is the difference between a co-operative grocery store and Sobeys⁴?

Grocery stores are one form of retail food market; they largely carry food items that people need to survive. The modern grocery store also carries specific non-food items including hardware and cleaning supplies. There are generally two forms of grocery stores in modern Atlantic Canadian society: the private and co-operative grocery store.

Private grocery stores are organised in order to produce a profit from the exchange of food between farmers and those people who do not produce the goods they need to survive. Private grocery stores in Canadian society dominate the distribution of food and other necessary grocery items. These corporate giants dominate the grocery market (Czerny, et al., 1997) and, as a result, they are able to buy grocery items at a low price from farmers and sell them at a high price to those people who do not produce food.

The competition between these corporate giants to produce profit for owners has resulted in lower wages for those people who work in the food markets, lower prices for producers, higher prices for consumers, and the reduction of the number of people buying and selling groceries (Coady, 1958). The focus of these private buyers and sellers of food is not on the fair exchange of groceries and quality of service but rather on the accumulation of profit for private owners (Sacouman, 1999).

Historically, these private grocery stores were owned by people who did not reside in the communities that they were serving. This resulted in poor service in terms of quality and cost of the grocery items. Money that was made in a community was transferred back to the owner's location (Brodie, 1990). Local people were dependent on grocery stores that had no interest in local communities beyond making a profit. Local

⁴ Sobeys is a local and privately owned grocery store chain in the Atlantic Canadian provinces.

producers had a hard time receiving a fair price for their goods because goods could easily be purchased elsewhere. In addition, these private grocery stores did not provide stable employment for community members and there was no assurance that these stores would be there in economically depressed times (Bedford & Pobihushchy, 1993; Quarter, 1992).

Co-operative grocery stores were formed in order to solve many of the problems that arose from the use of private grocery stores. Co-operative stores were formed to provide local producers and local consumers with a grocery market that operated on the basis of fair exchange. The principles of the co-operative grocery store were developed to treat people fairly and provide people with a secure supply of high quality food at a fair price (Bedford & Pobihushchy, 1993; Coady, 1958; Craig, 1980).

Co-operative grocery stores differed from the private grocery stores because they were not formed to make a profit from the buying and selling of food and grocery items. The co-operative grocery stores were interested in providing local producers with a place to sell their goods and providing local people with the opportunity to buy these goods. The co-operative grocery store is a community venture in the grocery business with the intent to strengthen local communities through regulating the buying and selling of food and grocery items (Bedford & Pobihushchy, 1993; Coady, 1958; Sacouman; 1979).

Co-operative grocery stores are also interested in enriching community members by educating them about the buying and selling of food. In doing so, this gives community members the opportunity to take control over the buying and selling of food in their communities. This element of community concern and responsibility in the

production and regulation of a necessary service, the buying and selling of food, is what sets the co-operative grocery store apart from the private grocery store (Coady, 1958).

The co-operative stores were also developed to ensure that grocery items would always be exchanged at a reasonable price and that the grocery store itself would always exist in the community. Private corporations that left small communities because they could not make a profit had an impact on community members because people did not have a local place to buy food. Co-operatives were interested in securing the grocery stores themselves for communities and in doing so provide secure capital for community members (Bedford & Pobihushchy, 1993; Quarter, 1992; Sacouman; 1979).

The contrast between private and co-operative stores is made on the basis that co-operative stores are more ethical than private stores because of fair exchange, community ownership, local support for producers, and the fair treatment of local people when buying and selling grocery items. In addition, the co-operative grocery stores provide a forum for the education of community members, and money that is made in the community is reinvested in the community. In this sense, community members are co-operating to provide themselves with the necessary service of food and grocery exchange (Bedford & Pobihushchy, 1993; Coady, 1958; Sacouman; 1979).

Private grocery stores are not interested in serving the needs of the community unless there is some profit to be made in the process. Private grocery stores are not interested in taking a loss for the benefit of the consumer and producer in hard times. Private corporations are only interested as long as it is in their best interest to do so and this comes, in most cases, at the expense of the local community of producers and consumers (Brodie, 1990; Sacouman, 1999).

In this part the private and co-operative grocery stores were considered in order to provide a basis for inspecting the co-operative stores as a form of business. This inquiry of the private and co-operative grocery stores will give us an insight into the purpose and structure of co-operatives. In addition, this presentation will provide a foundation for a focus on the essential relations of business in the next section of this chapter.

II. Private and co-operative business enterprise

The private and co-operative grocery stores accomplish the same task of buying and selling food but they organise this task in different ways. This section will examine how private and co-operative grocery stores resolve the buying and selling of food. This section is divided into five parts: A) How is food bought and sold privately and co-operatively? B) How are relations of property organised? C) How do owners participate? D) How is the use of property accomplished? E) How are goods and services distributed?

A. How do you buy and sell food privately and co-operatively?

Given that private and co-operative grocery stores are presented as different forms of business with different public images, what makes them similar? The buying and selling of food makes them similar in that they are forms of business. However, they are different based on how they accomplish the buying and selling of food. How can we best describe how private and co-operative grocery stores are similar and how they are different as forms of business?

The first step is to identify the social relationships that are an essential part of that enterprise. The second step is to ascertain how these relationships are organised to accomplish the business of buying and selling food. By completing steps one and two, each form of enterprise can be identified based on how the essential social relationships are organised to accomplish business (Clow & MacDonald, 1991). The differences

between the two will be apparent in the consequences of their accomplishing the business of buying and selling of food.

B. How are relations of property organised?

In the last part the private and co-operative grocery stores were outlined as forms of business and the need to examine the social relations of business was discussed. The ownership of grocery stores is explored in this part because those people who own the business (grocery store) have control over how business (money exchange activity) is accomplished. Ownership has become primary in business because it is the most common social relationship used in illustrating the distribution of wealth, in this case, food and other items sold at the grocery store (Moody, 1997; Tilly & Tilly, 1998; Veltmeyer, 1986).

Ownership is defined according to a person's legal right and responsibility over a piece of property (the grocery store). Two popular forms of ownership are private and community; each defines some individual or group as the owner(s) of property (the grocery store)⁵. There is no lack of property in society, even natural resources that are not being used are held in ownership by one group or another. The private and co-operative grocery stores rely on the private and community forms of ownership.

Private ownership of a grocery store may be held in several ways including as a share holder or sole proprietor. If one is a sole proprietor of a grocery store then the individual has full access to and control over the use of the grocery store. If one holds a share of property then s/he has limited access and control over the use of the grocery store. However, shareholders, like the sole proprietor, may sell their property when they

⁵ The third form of ownership in Canadian society, the public form was excluded from the discussion because there are few if any grocery stores owned and operated by the state in Canada or the Atlantic

choose and are entitled to the proceeds gained from the use of their property (Moody, 1997; Tilly & Tilly, 1998; Veltmeyer, 1986).

Community ownership is distinct from private ownership of a grocery store based on the use and control of the grocery store. Community ownership means that the grocery store can be used for the community's purposes. In addition, community grocery stores can be used on the basis of an individual community members' choice. However, the community member is not entitled to a share of proceeds from the use of the grocery store and does not have a right to sell his/her communal "share" of the grocery store. The distinction to make between private and community grocery stores is that the community grocery store is not for sale because it already belongs to everyone (Luttrell, 1997; Nozick, 1992; Quarter, 1992).

The private and community categories of ownership entitle people to a variety of rights and responsibilities as owners of grocery stores. How does one go about exercising the rights and meeting the responsibilities in each category of ownership? The next part of this section is an inquiry about participation in the ownership of the grocery store specific to the private and community categories.

C. How do owners participate?

The last two parts included an explanation of the private and community forms of ownership in relation to grocery stores; ownership is the first essential relationship of business. In any category of ownership, the owners must be present or represented in some fashion in order to direct the use of property (the grocery store). How the participation of owners is organised in the direction and use of property (the grocery store) can be understood as the second essential relationship in business.

Participation by owners in the private category of ownership is organised in a number of ways based on whether the individual is a sole proprietor or shareholder. The sole proprietor can organise his/her participation in the direction and use of his/her grocery store in any manner they please. For example, they may choose to appoint a board of directors to oversee the use of their grocery store, they may hire a manager to direct the use of their grocery store, or they may direct the use of their grocery store themselves (Craig, 1980; Quarter, 1992; Veltmeyer, 1986).

The shareholder model generally organises the relationship of participation based on an election of a board of directors. Shareholders, based on the number of shares they hold, vote for individuals to represent them on the board of directors. The board of directors, as the representative of the owners, directs the use of the grocery store as they see fit. In some cases, the board of directors hires a manager to see that the grocery store is used according to the wishes of the owners (Craig, 1980; ; Quarter, 1992; Veltmeyer, 1986).

In the community category of ownership, participation in the use of grocery stores can be organised in a number of ways that may be similar to or drastically different from private relationships of participation. Community members may elect a board of directors to act on behalf of the community in the use of the community grocery store or they may take an alternative and unstructured approach. The unstructured approach appears as simple co-operation, volunteer activities, or a simple community affiliation with members who they see as being ideal leaders and, thus, informal representatives in the direction and use of the community grocery store (Co-op Atlantic, 1996; Quarter, 1992).

This part contained an investigation of participation by owners under the two categories of ownership. From this investigation, the participation of owners was concluded to be organised in a number of ways based on the category of ownership under question. The formal organisation of participation is found in the private category of ownership and is geared toward legal and property related accountability and responsibility of representatives. The alternative community form, particularly the form that uses an unstructured method of participation, assumes that we are all responsible for the state of community grocery stores.

D. How is the use of property accomplished?

Ways of socially organising the ownership and control of property and participation are closely related and based on legal rights, responsibilities, and representative accountability. The third essential relationship of economic activity is the use of property (grocery stores). In any business, representatives or managers may exist at all levels of property use and be associated with a variety of responsibilities. In the use of property (grocery stores), the manager of an organisation is responsible for hiring, directing, and firing employees. Managers are most often interested in producing the results desired by the board of directors and the owners of the grocery store (Craig, 1980; McIntosh, 1981; Quarter, 1992).

In the private category of ownership, the representative is interested in producing a return on property (the grocery store) for the owners (Marx, 1990; Sacouman, 1999; Veltmeyer, 1986). In private ownership this is accomplished through a return on shares in the form of dividends and value added to the grocery store, as an increase in share value. The return on the property in the form of money is the only benefit to the owner in the private form.

The community category of ownership and representation may not include managers in the use of the grocery store because community members are the ones using the grocery store. In this sense, community members may not employ people and rely on the elimination of management through the use of grass-root participation in the use of the grocery store (Luttrell, 1997; Ninacs, 1993; Nozick, 1992). The community category of ownership may also rely on employees to support or supplement people in the use of the grocery store.

Employees may be used on a full-time, part-time, contracted, or temporary basis by the private and community categories of ownership in the use of the grocery store (MacDonald, 1991; Moody, 1997; Tilly & Tilly, 1998). The manager's relationship with workers in these instances is fundamental to accomplishing the use of the grocery store through productive economic activity. The production of goods and services by workers is key to explaining how the use of the grocery store is accomplished (Clow & Jordan, 1981; MacDonald, 1991; Quarter, 1992; Salomons, 1982).

The use of property, then, can be accomplished in a number of ways, such as relying on managers and workers; managers, workers, and volunteers; or none of the above. The various ways of organising the use of property are social because people are involved as at least one of the following: managers, owners, and workers. The fourth essential relationship of business is distribution.

E. How are goods and services distributed?

This section examines the fourth essential relationship. How are the proceeds and products of these relationships distributed once property has been divided into forms of ownership, participation has taken place, and the use has been accomplished? The relationship of distribution may shed some light on the quality and quantity of the good

or service received (Bedford & Pobihushchy, 1993; Craig, 1980; Quarter, 1992). The relationship of distribution can be considered for examination on the basis of profit and cost. The profit of production in the case of each category is returned to the owner of the grocery store. Profit from the production of goods and services is usually returned in the form of either shares or dividends.

The relationship of distribution can also be considered in terms of the access to the goods produced. The number of people who have access to the goods in each instance is determined on a different basis. For example, in the private category of ownership, participation and access to goods are determined on the basis of cost. If you have money to purchase the good then you can have access to the good (Ronco, 1974; Wood, 1996).

Community property may operate on three bases: membership in a community, need, and participation. The distribution of goods in this form is usually based on the need for the service and participation by community members (Quarter, 1992). In some cases, those who participate do not need the service but have chosen to take responsibility for the use of property and give the proceeds to those community members who require them.

The social organisation of ownership, participation, and use affects the distribution of goods and services created from such activity. The private organisation of business, after workers and managers have been paid, directs the proceeds of production back to the owners. The community organisation of business directs the proceeds in a number of ways depending on community intent. Some ways of directing proceeds in the community category are back to participants, those who have a need for the proceeds or

to the property itself.

What is common to the relationships of ownership, participation, use, and distribution is that they are all concerned with property in some fashion. The most common form of property ownership, participation, use, and distribution in society is the private category. How the community category incorporates ownership, participation, use, and distribution of property is largely discussed in comparison to the private organisation of these essential business relationships.

F. Two forms of grocery store business enterprises

There are apparently two competing forms of grocery stores or formal (money-exchange) activity: 1) private; and 2) co-operative (Marx, 1990; Nozick, 1992; Wood, 1996). Throughout the examination of the essential elements of business it was apparent that the private way of organising ownership, participation, use, and distribution of grocery stores dominates the community co-operative form (Pobihushchy, 1997; Sacouman, 1979). The popularity and quality of one form over another is under constant debate and most often in reference to the dominant private form (Brown, 1997; Nozick, 1992; Quarter, 1992).

The private form includes grocery stores that are owned by individuals or groups of people. Such companies are run for profit and the accumulation of value in the form of money, land, and infrastructure (Marx, 1990; Tilly & Tilly, 1998). The owners of these grocery stores generally compete with each other according to the competitive principle of capitalism (Sacouman, 1999). Private grocery stores employ people in the use of property on the basis of a wage, salary, or piece payment. The proceeds of production are distributed back to the owners as dividends or in the increase in share value. The distribution of goods or services in the private grocery store is based on the

ability of the consumer to pay for them.

The community grocery store includes local-private ownership by people in the form of community capital (Ninacs, 1993; Quarter, 1992). The community form implies community participation and responsibility in business. Ninacs defines community economic development as: “the potential to create community driven sustainable employment and at the same time, help to improve the social health of a community” (Ninacs, 1993:1).

In the first section of this chapter I introduced the grocery store. In this section I discussed the grocery store as a form of business enterprise, either the private or co-operative form. In the next section I will begin the review of the Atlantic Canadian consumer co-operative grocery stores as a form of business and discover how they manage to work. This will help formulate our investigation of the Atlantic Canadian consumer co-operative grocery stores at the end of this chapter.

III. How do the Atlantic Canadian consumer co-operative grocery stores work?

It is necessary to consider the principles of co-operation, the organisation of co-operative grocery stores, participation by co-operative members, and how co-operation manages to be accomplished in order to define the Atlantic Canadian consumer co-operative grocery stores as a form of business.

A. What are the principles of co-operation?

It is necessary to outline the principles of co-operation in order to understand the reasons that co-operatives exist according to their social philosophy. The Atlantic Canadian consumer co-operative movement was developed in reaction to the private organisation of the essential relations of business and their affects on Maritime people. In order to understand the formal structure of the Atlantic Canadian consumer co-

operative stores and their organisation of the essential relationships of business we must first examine the principles on which the co-operative movement is based.

The social philosophy of co-operation is based on six principles⁶ that were defined at the 1966 International Co-operative Alliance conference (Co-op Atlantic, 1996; Craig, 1980). The Atlantic consumer co-operatives are based on six principles: 1) open and voluntary membership; 2) democratic control; 3) limited interest on shares; 4) the return of surplus to members; 5) co-operative education; 6) co-operation among co-operatives (Co-op Atlantic, 1996).

The principle of open and voluntary membership ensures that people who do not want to belong to a co-operative are not forced to become members. This principle can be found in the early Rochdale⁷ co-operatives and stems from the co-operative self-help ideology. Those individuals who would like to help themselves by co-operating with others have the choice to become a co-op member (Craig, 1980; Quarter, 1992).

The second principle, democratic control, is present to ensure that each member has an equal share in the co-operative and that no one group of individuals can control the co-operative. The process of nominating and electing individuals to the board of directors is to be democratic; each member should have an equal vote. Further, no member can hold a position on the board of directors for more than three consecutive terms (Co-op Atlantic, 1996; Craig, 1980).

The principle of limited interest on shares is directed at keeping the co-operative healthy financially. The co-operative needs to replenish its stock of capital and expand

⁶ A seventh principle of co-operation has recently been added, "concern for community" but this is excluded. Co-operatives and co-operative principles have always included community as a significant part of their ideology through fair exchange and support for local producers (Co-op Atlantic, 1998).

from time to time to serve the needs of its members. In addition, the co-operative promotes co-operative education ventures and other social initiatives that need to be funded. Some co-operatives use this principle in association with financial reserves⁸ (Quarter, 1992).

The return of a surplus to members differs according to the type of co-operative that its members have organised. A surplus is returned in two forms to the members of the Atlantic Canadian consumer co-operatives: through the cost of goods or through a dividend based on the amount purchased. These forms of distribution take place once a year for some consumer co-operatives or, in the case of direct charge co-operatives, from day to day (Bedford & Pobihushchy, 1993; Quarter, 1992).

Education is an essential element of the Atlantic Canadian consumer co-operative movement and has been from the beginning. The adult education movement created by the fathers of Atlantic Canadian co-operation, MM. Coady and J. Tompkins, was responsible for explaining the idea of co-operation to Nova Scotia farmers, fishers, and wage workers. Education is fundamental to explaining the social aspect of co-operation and informing people interested in the co-operative movement about the social philosophy of co-operation (Bedford & Pobihushchy, 1993; Coady, 1958; Craig, 1980).

⁷ The Rochdale co-operatives are an early form of co-operation developed in Britain. These co-operatives operated on the basis of voluntary membership and, as a result, those people who did were not a member of the co-operative could use the services which the co-operative was developed to provide (Craig, 1980).

⁸ Financial reserves are generally used in three ways. First, financial reserves allow the co-operative grocery store to compete with private grocery stores on the basis of price. If a private grocery store drops the price of a good below the actual cost of a good, the co-operative store can respond by doing the same. Second, financial reserves are also useful when other co-operatives decide to give a producer more than market value for their product. This may be done in order to ensure that the co-operative members receive the highest quality for their money or that the producer receives a fair price for their product. Third, financial reserves are also useful when co-operative stores need to replace broken fixtures or re-model their fixtures based on modern grocery store designs.

Co-operation among co-operatives is important for the continued growth of co-operatives in the Atlantic Canadian provinces and in Canada as a whole. The purpose is to create a network of co-operatives so that the needs of co-operative members can be better served. Further more, for increased growth, co-operatives need sources of funding and attachments to the broader community in more ways than just providing a service (Bedford & Pobihushchy, 1993; Co-op Atlantic, 1996; Craig, 1980).

In this part we considered the principles on which the Atlantic Canadian consumer co-operative grocery stores are based. The co-operative principles are useful for explaining the development and purpose of the consumer co-operative movement as a form of business. In the next part we will identify the formal organisation of the Atlantic Canadian consumer co-operative grocery stores.

B. How are the Atlantic Canadian consumer co-operatives organised?

There are a number of ways to organise a consumer co-operative and members decide among four kinds usually called the dividend, direct charge, basic, and plus. The two traditional forms of co-operative stores are the dividend and direct charge forms; the basic and plus forms have recently been added (Co-op Atlantic, 1998). The basic and plus models seem to be a result of changes in the co-operative movement.

The traditional dividend model provides services to co-operative members based on current market cost or a competitive price. The cost of producing the service for the member in terms of wages, overhead, spoilage, and capital depreciation are covered under the cost of the product. Members receive a dividend or a share of the profits of the store at the end of the co-operative year based on the value of their purchases at the co-op (Co-op Atlantic, 1996).

The direct charge model accomplishes the same goals as the traditional model but

through a different method of co-operation. The member is charged a service fee each week to cover the cost of production and distribution as stated above. In return, the member receives a benefit through cheaper goods at the co-operative or the actual cost of the good in some cases (Quarter, 1992).

The basic model seems to have developed from a change in the co-operative membership over the last number of years. Families are smaller, both parents often work, and goods that are processed seem to be the most popular while sales in bulk goods have dropped. The overall operating cost of co-operatives has increased because the capital required to carry frozen and boxed processed goods has increased. The basic model is designed to carry those goods that are “basic” in order to lower operating costs and increase the turnover of goods (Co-op Atlantic, 1998).

The co-op plus model is similar to the dividend model but with a few changes in the services offered. A member of the co-op plus model pays a market price for goods and receives a discount each week. This process allows the co-op plus stores to be open to people who are not co-operative members (Co-op Atlantic, 1998). This mirrors some of the earlier co-operative models and their principles of free association, such as the Rochdale co-operatives (Craig, 1980).

C. How is participation structured in the Atlantic Canadian consumer co-operatives?

The dividend, direct charge, basic, and plus models were investigated and emphasis was placed on their differences in the last part. In the following part we will look at how people participate in these models and the co-operative system as a whole. Identifying the structure of participation in the Atlantic Canadian consumer co-operative stores is important because it will indicate to us how participation in and use of the

grocery stores are organised.

The Atlantic Canadian consumer co-operative stores are structured according to the following democratic processes. The members elect a board of directors once a year at an annual meeting. The store manager chairs the meeting until the president is identified and then the president accepts control. Members nominate fellow members for positions on the board of directors: president, secretary, treasurer, and vice president⁹. The election takes place at the annual meeting and the board of directors is determined (Co-op Atlantic, 1996).

Each member has one vote in the co-operative regardless of the number of shares s/he holds. Membership is open to anyone who wishes to become a member within the limit of how many members the co-operative can possibly serve. Any member of a co-operative has the right to be nominated and elected to the board of directors unless s/he works at the co-operative (Co-op Atlantic, 1996). The justification for refusing full rights of membership to be able to be nominated and elected to the board of directors, is that such rights may become a conflict of interest. The exclusion of worker members from the board of directors has begun to change in some co-operative stores and is discussed in chapter four.

The board of directors hires a manager of the retail store and is responsible for the decision making in the upcoming year. The board of directors is generally responsible for leading committees, gathering information, and proposing, modifying, debating, and implementing new policies. Co-op Atlantic is hired to manage the day to day operations

⁹ Nominating committees are organised by the board of directors at many of the local co-operative grocery stores as a solution to the lack of participation by some members in the administration of the co-operative.

of the store, in the case of the Atlantic Canadian consumer co-operative stores¹⁰ (Co-op Atlantic, 1996).

The manager's job is to manage the co-operative within the guidelines of Co-op Atlantic policy and the local co-operative's policy, as set by the board of directors. Managers have some autonomy over the organisation of the particular co-operative store because they are allowed to have control over the day to day operation of the grocery store. However, in some cases the manager must approve specific items with the board of directors such as large expenditures on capital. The member is not involved in the day to day operation of the store other than as a consumer or employee (Co-op Atlantic, 1996).

Employees of the Atlantic Canadian consumer co-operative grocery stores are required to be members of the co-operative but they are not required to shop at the co-op. The employee members have the same voting rights as the consumer members who do not work but shop at the co-op. As discussed, the employees do not normally have the right to be nominated and elected to the board of directors although, as we shall see, this has started to change.

What is Co-op Atlantic's role? Co-op Atlantic is a second tier co-operative that includes a number of consumer co-operative grocery stores, farm supply co-operatives and marketing co-operatives as members (Co-op Atlantic, 1998). Co-op Atlantic is a wholesale warehouse that buys goods in large quantities and distributes them to the individual grocery stores. Each consumer co-operative grocery store is a member of Co-op Atlantic and uses its services on a regular basis. Member representation on the board

¹⁰ Some grocery stores in the Atlantic Canadian consumer co-operative system have opted out of the Co-op Atlantic management program. The members of these stores have chosen to hire their own

of directors of Co-op Atlantic is also accomplished through election in co-operative districts (Bedford & Pobihushchy, 1993; Quarter, 1992).

In this part we discovered the participation relations shaped by members involvement in the Atlantic Canadian consumer co-operative stores. Parts one and two of this section explained the principles and formal organisation of the co-operative stores. These exercises flesh out the business relations of ownership, participation, use, and distribution in the Atlantic Canadian consumer co-operative grocery stores based on the formal co-operative literature. This provides a basis for inspecting the Atlantic Canadian consumer co-operative grocery store as a form of business in the next part of this section.

D. What form of business is a consumer co-operative grocery store?

Co-operation is an economic strategy that is commonly associated with community economic development (Brown, 1997) or the co-operative economy. Co-operatives stand for private ownership by community members, local control, community-based development, and co-operation between co-operatives at the local and national level. These co-operatives seek to retain surplus money that is lost to global companies when consumers support globally owned corporations (Bedford and Pobihushchy, 1993; Brodie, 1990; Craig, 1980; Quarter, 1992; Sacouman; 1979). Co-operatives are also a reaction against the appropriation of surplus by one geographic area at the expense of another (Brodie, 1990; Craig, 1980; Quarter, 1992; Sacouman, 1979).

There is nothing public about co-operatives because they are privately owned and operated by their members for the service of their members. Co-operatives do not normally promote social dependence on volunteers, state agencies, or private capital at the local (community) or national level. Co-operatives are also a reaction against

manager instead of using Co-op Atlantic's manager.

publicly owned capital that is poorly maintained and, in some cases, not sufficient to meet the needs of community members. Co-operation is, therefore, a form of community economic development that is rooted in expressions of self-help and independence.

The Atlantic Canadian consumer co-operatives appear to seek the independence of the private form through implying community owned private property. However, the character of the ownership is community, implying a lack of formal or capitalist ownership, because each member is unable to sell his/her share of the co-operative when they leave. In this way the Atlantic Canadian consumer co-operative can gain independence from the state by retaining community ownership and, as well, they gain the control of the private form.

In this part we placed the Atlantic Canadian consumer co-operative grocery stores as a form of business based on the formal co-operative literature. The co-operative movement identifies itself as a co-operative venture that is a community owned enterprise. There is a strong theme of private community ownership in order to provide independence from the state and, thus, security. The following section introduces Marxist political economic theory on which questions concerning the co-operative as a community form of business are formulated.

IV. What do Marxist political economists have to say?

This section presents the Marxist political economy approach to explaining business under capitalism and it includes the introduction of questions about the Atlantic Canadian consumer co-operative grocery stores as a form of business. This section is divided into seven parts so that we may master political economy by considering one idea at a time. In part "A" of this section we investigate what Marxist political economy is

and how it has been developed as a way of explaining business. In part “B” of this section we will discover who a worker is and who a worker is not under the social relations of the capitalist business. In part “C” the political character of social relations under capitalist business is outlined. In part “D” of this section a wage is determined to be less than the time and creative ability of the worker. Part “E” identifies political consciousness and the ways it is created under capitalism. How social classes under capitalism are bound together in the production of those things that we need to survive is dealt with in part “F”. Part “G” is dedicated to formulating questions about the Atlantic Canadian consumer co-operative grocery stores based on the previous discussion of political economy.

A. What is Marxist political economy?

In this part we will review the history of Marxist political economy, briefly, so that an explanation of Marxist political economy can be constructed in part “B” through “F” of this section. This examination provides a foundation on which to discuss Marxist political economy in later parts by bringing attention to its central themes. This exercise is important in the proper examination and subsequent use of Marxist political economic theory in this thesis.

The principal study of the economy as inherently political and social stems from Karl Marx (Marx, 1975; 1990). Marx discusses the reality of capitalist business within the social relations determined by the organisation of capitalist business as a way for people to obtain those things that they need to survive. Marx's *Capital*, written from the point of view of capital, represents the first volume of what was intended to be a six volume series. The remaining texts were to be written from the point of view of landed property, wage labour, the state, international trade, and the world market; they were not

completed before Marx's death (Lebowitz, 1992:12).

Marxist theorists of the last century explored *Capital* with hopes of permanently solving the problems of capitalism. These theorists placed stress on the ability of the working class to change society, technology, and the social organisation of production. Recently, Marxists have begun to look "Beyond Capital" (Lebowitz, 1992) to reassert a fuller version of "Marx's Marxism" (Sacouman, 1999) as a way of understanding and guiding the liberation of the working class.

Political economy is based on the investigation of social relationships through an analysis of the actual things people must do in order to survive. Political economic theory places emphases on the political and social interests involved in the organisation of people in the economy. Ellen Meiksins Wood notes: "The original intention of historical materialism was to provide a theoretical foundation for interpreting the world in order to change it...[T]he very structure of argument suggests that...[T]he ultimate secret of the capitalist production is a political one" (Wood, 1996:19-21).

B. How are people organised under capitalist business?

Marx defines people under the capitalist system of business according to their relationship to those items that they need to survive, such as factories, land, and raw material (Marx, 1990). Marx argues that there are three classes in capitalist society: the bourgeoisie, petit-bourgeoisie, and the proletariat (Sacouman, 1999). The bourgeoisie owns those things that people need to survive and employs proletariats or workers in the use of these items in order to produce goods and services. In exchange, the bourgeoisie pays the proletariats a wage for their time and ability to transform nature. In Marx's era this class would have included, to name a few, the owners of the textile mills, ceramic factories, and mines (Marx, 1990).

The petit-bourgeoisie owns those things that they need to survive but do not regularly employ anyone other than themselves and their immediate families. The number of people that they can and do employ may fluctuate but this class is distinct from the bourgeoisie because they do not regularly employ workers. Marx may have included in the petit-bourgeoisie class independent butchers, shopkeepers, cobblers, and tailors (Hale, 1995).

Marx defined the proletariat as people who do not own those things that they need to survive and have nothing to sell except their time and ability to transform nature. These people are forced to sell their time and ability to transform nature in order to live another day. These are the people that Marx suggested would be responsible for changing the actual things that people must do in order to survive in a capitalist society. Marx argued that they would change society through a self-emancipating revolution; capitalism would be replaced first with a worker-controlled state bureaucracy and then with a communal form of living (Braverman, 1974; Hale, 1995; Marx, 1990; Sacouman, 1999).

In addition to Marx's three-class-system of economic and social analysis, Henry Veltmeyer has added a second class segment of the petit-bourgeoisie. This addition is prompted by Veltmeyer's observation of the Canadian class structure based on great change he detected on the basis of 1981 Statistics Canada data. Veltmeyer identifies an increase in Marx's petit-bourgeoisie to include those who do not own those things that they need to survive but manage and control them for other individuals, specifically share-holders (Veltmeyer, 1986).

What Veltmeyer finds interesting about this class of professional managers is that

they are paid more per-year than their time and ability to transform nature would produce. Therefore, the capitalist does not make any money from the purchase of a professional manager's time and ability to transform nature. In this sense, professional managers are not treated like the proletariat (working class); however, they do not own those things that they need to survive at the end of the day (Velymeyer, 1986).

C. Are the social relations found in economic activity political?

In this part Marx's logic when considering social classes and productive activity is presented, specifically his idea that production is primary, and the consequences this has for the proletariat (working class). Before actors engage in social activity that is not directly related to human survival they must satisfy their physical needs. If a person neglects essential physical needs, such neglect can lead to death. Marx notes: "But life involves before everything else eating and drinking, habitation, clothing, and many other things. The first historical act is thus, the production of the means to satisfy these needs, the production of material life itself" (Marx, 1975:48).

Therefore, how people are organised into particular social relationships in the economy is rooted in Marx's argument that people must acquire those things that they need to survive before they do anything else. Capitalists use a system of exchange to satisfy this primary need for those things that we need to survive. In other words, capitalists pay wages (which can be used to buy those things that people need to survive) to workers for the use of their power or ability to labour, which Marx called their "labour power" (Marx, 1990).

The capitalist and worker, according to the capitalist system of logic, meet in a free market for the purpose of exchange. The capitalist, as the buyer of time and the ability to transform nature and the worker as the seller of time and the ability to transform

nature agree on a wage (Marx, 1990). Non-Marxist economic theorists largely argue that the exchange between the capitalist and worker is fair under the free market system of capitalism. The non-Marxist economic theorists argue that the value of labour is the price it receives in the labour market; wages equal the value of labour's contribution to production on the assumption that, in a competitive market, everything sells at its real price as suggested by Smith (Clow, 1999: 4-6).

However, Marxist political economists argue that the exchange between capitalists and workers in the capitalist free market is not fair. Marxists assert that capitalists receive in return for a wage the ability of the worker to be creative and produce value in transforming nature (Marx, 1990). If the value of a worker's efforts was not greater than her/his wages then why would any employer interested in a profit hire the worker?

The non-Marxist argues in return that the market is free and workers are not forced into an unequal exchange. However, the Marxist economist would point out that workers are forced because they do not have free access to those things that they need to survive, such as food. In addition, property laws associated with capitalist production remove public ownership of land from the worker through privatised property. In Marx's terms, workers are forced into a relationship with capitalists and their system of capital production in the so called "free market" economy. Marx notes:

In the social production of their existence, men and women inevitably enter into definite relations, which are independent of their will namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness. (Marx, 1975: 424-425)

This part included a detailed study of the relationship between the capitalist and the proletariat. The primary need to reproduce oneself and one's family was noted by Marx as being the foundation on which a forced relationship is based and could exist. The forced nature of this relationship manifest in unequal exchange was noted by Marx to be the reason that capitalists could reproduce themselves without working. This leads logically to the content of the next part that asks, how do we know when the exchange is unequal?

D. How do we know that the ability of the worker to labour is greater than a wage?

Marx argues that the extra value derived from exploitative exchange is appropriated by the capitalist from the worker in the form of extra (surplus) value. If the owner paid for the value of labour power or the time and ability of the worker to transform nature, then they would not be able to create surplus value. Marx defined the value created by the time and ability of the worker to transform nature, beyond the wage of the worker and after all other deductions were made, as surplus (extra) value (Marx, 1990).

If workers were paid for their ability to transform nature then there would be no surplus value and, thus, no capitalist production system. The fundamental element of the capitalist system of production is the ability to pay the worker a wage less than their ability to transform nature and, thus, extract a surplus from the exchange. Marx argues that the capitalist system of production rests on the ability of the capitalist to separate the workers from those things that they need to survive and incorporate the worker in a productive manner. Marx calls these two principles of capitalism the formal and real subordination of labour (Marx, 1990).

Marx's conclusion is that the relationship of exchange is unequal on the basis of surplus value, and the capitalist system of production would not be capitalist without surplus value. What effects do these facts have on the social relations of business as explained by Marx under the capitalist system of production?

E. How does a system of unequal exchange produce political consciousness?

This part will consider the production of political awareness under the capitalist economic system of production. This examination will support the investigation of the binding together of capitalist social classes in business under the next part of this section. This exercise is important because it will provide an explanation of the political character of work in the capitalist economic system.

The social relationships found under capitalism are inherently political because they are rooted in the production and exchange of those things that people need in order to survive (Sacouman, 1999). Human beings are organised in social relationships of business and exchange that are fundamentally exploitative. Marx notes: "The mode of production of material life is the general process of social, political, and intellectual life. It is not the consciousness of men that determines their existence but their social existence that determines their consciousness" (Marx, 1975:425).

The consequence of incorporating real human beings in a system of unequal and exploitative exchange was noted in the conception of the economy and class as political. The political character produces, according to Marx, a system of alienation in business that is inherently non-human and antagonistic. This brings to the surface questions surrounding the state of the capitalist system of production and how it manages to operate given this consequence for humans.

F. How are classes bound together in capitalist business?

In this part we discuss how human beings, divided into social classes, are bound together in capitalist production. Marx identified three parts of capitalist economic activity that bind these classes together. The three primary parts are the separation of thinking and doing; a system of management; and breaking down the production process into small parts in order to make them simple. The separation of thinking and doing divides the planning of production from the act of production. Control over the production process is removed from the worker and placed within the hands of planners or management. The worker is left with no knowledge of the general production process and no control over the act of production (Braverman, 1974; Brighton Labour Process Group, 1977).

The system of management reinforces capitalist control over each aspect of the production process ensuring the separation of thinking and doing. The existence of a system of management allows the capitalist to monitor the productivity of the worker, apply sanctions, and enforce the planning put forth by management. The antagonistic nature of the capitalist system of production makes the existence of control essential (Braverman, 1974; Brighton Labour Process Group, 1977).

There are three aspects of breaking down the production process into tasks that are simple: the replacement of the relationship between the worker and tools with the relationship between the worker and machines. The division of all tasks requiring some skill for their operation into separate jobs; and the further breakdown of unskilled tasks. The breaking down process represents a reorganisation of the division of work within the production process. The skill and value of the worker is reduced, while the worker becomes an extension of the machine (Brighton Labour Process Group, 1977).

This part concluded that the capitalist economic system of production included three principles for binding people in antagonistic relations: the separation of thinking from doing, a system of management, and breaking down the production process into tasks that are simple. This inspection provides a foundation for developing questions in the next part of this section.

G. What do Marxist political economists have to say about the Atlantic Canadian consumer co-operative grocery stores?

What questions can we ask about the Atlantic Canadian consumer co-operative grocery stores and their organisation of ownership, participation, use, and distribution given our discussion of political economy? To this point we have discussed the private and co-operative grocery stores and their difference in the organisation of the essential business relations of ownership, participation, use, and distribution. The formal literature of the Atlantic Canadian consumer co-operative grocery stores would have us believe that “co-operation” is a superior, democratic and egalitarian way to organise grocery stores when compared to conventional capitalist grocery stores (Bedford & Pobihushchy, 1993; Co-op Atlantic, 1996; Craig, 1980, Quarter, 1992). Marxist political economists, on the other hand, would suggest that the private and co-operative forms of business are similar ways to organise the buying and selling of those things that people need in order to survive based on their use of wage labour in the production of the co-operative service.

Marxist political economists would place emphasis on the relationship between employees, managers, and owners of the Atlantic Canadian consumer co-operative grocery stores. Marxist political economists would point out that there is an exchange between the workers and the owners in the production of the co-operative service. The owners of the co-operative grocery store are trading those things that the worker needs in

order to survive, in the form of a wage, for the worker's time and ability to produce the co-operative grocery store as a service.

Marxist political economists pointed out in our discussion that this form of exchange in a capitalist business is forced, unequal, antagonistic and, thus, exploitative. What is the nature of exchange between the employees of the co-operative grocery store and the owners of the co-operative grocery store? Is this relation of exchange similar to those found in capitalist forms of business or is this relationship of exchange different because the employees are also shareholders in the co-operative grocery store?

What question can be asked given this line of thinking about co-operative grocery stores and the relationship between employees and owners and when considering this material relationship of exchange? I start with the following general question as a basis for inquiring about the relationship between owners and employees:

- (1) Is the relationship between workers and owners in the co-operative store basically similar to the relationship between shareholders and employees found in a capitalist store as depicted in the Marxist literature?

The way that the co-operative is structured in relation to participation and the election of a board of directors would suggest that owners have more control than shareholders in the private capitalist store because they operate on one vote per-member basis. How effective are members in directing management through the board of directors given that the board of directors has a management agreement with Co-op Atlantic? In order to explore the answer to this question and this line of thinking the following question will be used as a general basis of inquiry:

- (2) Is Memberships' control over management less effective and less democratic than shareholder control over management in the strictly capitalist form of business as depicted in the Marxist literature?

Marxist political economists explain the organisation of business through relationships of exchange or the exchange of those things that people need to survive. According to the Marxist political economists the following question is central: do the workers in the co-operative grocery store, as owners, have control over the production of goods and services in the co-operative from day to day? Are the workers of the co-operative involved in the significant decision making processes of “co-operative business”? To investigate this line of thinking the following general question will be used as a basis from which to formulate additional questions:

- (3) How is the relationship between worker and manager owners in the co-operative store similar to the relationship between workers and management found in a capitalist store as depicted in the Marxist literature?

Marxist political economists talk about participation in business according to those things that people must do in order to survive. The co-operative grocery store provides an interesting problem for Marxist political economists because workers in the co-operative grocery store are essentially involved in a relationship of exchange with themselves. What is the nature of this exchange and how does co-operative ownership of the means of production determine a workers position in the grocery store? It will be important to ask workers, managers, and members about the above questions because they hold different positions in the co-operative grocery store.

For example, the member may be involved in the co-operative as an elected official on the board of directors or they may be involved with the co-op as a consumer. The manager may be a member of a co-operative but also employed by the board of directors. Managers are at the same time employed on a contract basis through Co-op Atlantic by members of a co-operative store as they are directing owners in the

production of goods and services. How does the worker who is a member experience the co-operative grocery store if they are unable to be elected to the board of directors?

Chapter summary

The purpose of this chapter was to examine literature in order to provide a basis for understanding the claims made by the proponents of co-operation, the “normal” form of capitalist business against which they compared co-operatives, and the kinds of critique given by Marxists political economists when considering co-operation. This chapter considered: 1) The emergence of the modern grocery store 2) Private and co-operative business enterprise 3) How the Atlantic Canadian consumer co-operative grocery stores work, and 4) What Marxist political economists have to say about the Atlantic Canadian consumer co-operative grocery stores. This chapter addressed these topics in four sections: section one explained food markets and introduced the buying and selling of grocery items, section two examined how the private and co-operative grocery stores organise business, section three discussed the formal structure of the Atlantic Canadian consumer co-operative and, in section four, Marxist political economy was examined. In addition, this chapter brought to the surface some general questions about the Atlantic Canadian consumer co-operative as a form of economic activity.

The research design of this thesis study will help place the content of this chapter and its associated exercises in a framework for understanding the relationship between the literature and the analysis. The research design used in this thesis will be discussed in the following chapter. The following methodology chapter will also include a discussion of who should be contacted to answer these questions and how their responses should be gathered.

CHAPTER THREE METHODOLOGY

We would expect, from the way that the Atlantic Canadian consumer co-operatives present themselves in the formal co-operative literature, that working and shopping in a community owned and operated grocery store would be a different experience from working and shopping in a private grocery store. It is evident on the basis of ownership that the local Atlantic Canadian consumer co-operative is a unique form of business because the people who shop at the co-operative own the store. However, it is not apparent that the local consumer-owned Atlantic Canadian consumer co-operative grocery store is any different from the local private grocery store in its use of wage labour and management.

In the last chapter non-Marxist economics, co-operative, and Marxist political economic literature was reviewed as a basis for investigating the Atlantic Canadian consumer co-operative grocery stores. The non-Marxist economic and co-operative literature failed to answer the preliminary question about the similarity of the Atlantic Canadian consumer co-operatives to private grocery stores in their use of wage labour and management. Similarly, the Marxist political economic literature provided an analysis of the private use of wage labour and management but did not specifically analyse the consumer co-operative form of enterprise and its use of wage labour and management.

The purpose of this research study is to investigate if the Atlantic Canadian consumer co-operative grocery stores are significantly different form of business when compared to their private, or capitalist, competitors in their use of wage labour and management. Further, it will provide preliminary and exploratory research data on which

future research may be based. This will be achieved through a comparison of the experience of people involved in co-operation with the claims made by the formal co-operative and Marxist political economic literature. In addition, the experiences of the variety of people involved in co-operation will be compared in order to identify possible answers to the above research questions.

The purpose of this chapter is to explain the research design chosen for the examination of the Atlantic Canadian consumer co-operative grocery stores as a means to identify possible answers to each of the research questions listed in chapter two. Three issues in the practice of social research are examined in relation to the study of the Atlantic Canadian consumer co-operative grocery stores. In the first section the exploratory case study and semi-structured interview are examined as a suitable research design for inquiring about the Atlantic Canadian consumer co-operative grocery stores. The second section is a discussion about the people who should be contacted and how they should be contacted in order to explain what is going on at the Atlantic Canadian consumer co-operative grocery stores. Finally, in the third section the way this study has been presented is discussed in relation to how the data is analysed. Examining how the research process is organised allows us to understand the strengths and weaknesses of the research design used in this thesis.

I. Research design

Possible answers to the central questions of this research study must be explored by asking people who are involved with the Atlantic Canadian consumer co-operative grocery stores about their experience of co-operation. The formal co-operative literature reviewed in the last chapter focused on what are claimed to be the positions and relationships of people in the structure of the Atlantic Canadian consumer co-operative

grocery stores. Within the co-operative grocery stores “the members” are involved in consumer co-operation in a number of ways that are fundamental in accomplishing “co-operation”. Some members manage the production of the co-operative service, others work at the co-operative, and the majority of members are only involved as consumers.

The non-Marxist economics and co-operative literature has, for the most part, focused on the supposed differences between the co-operative and the capitalist grocery stores, placing emphasis on the “apparent” superiority of the co-operative approach over the private. The economic and formal co-operative literature has not focused on the similarities between the co-operative and private grocery stores in the involvement of manager, worker, and consumer members. The Marxist political economic literature has focused on private use and has said little about the co-operative use of wage labour and management. If the Atlantic Canadian consumer co-operative grocery stores are a different form of business enterprise when compared to traditional private stores, then they would logically incorporate labour and management in a different manner than private grocery stores.

The different groupings of co-operative members, the varying level of involvement of co-operative members in co-operation and the relative lack of critical research on the Atlantic Canadian consumer co-operatives determined the need for a research design that would be suitable for an exploratory and comparative analysis. There was also a need for a research design employing a method of data collection that would be suitable for retrieving descriptive explanations about people’s experience of the Atlantic Canadian consumer co-operative grocery stores because few studies exist on which to base an investigation. I want to allow the people involved in co-operative stores

to be able to raise matters which may not be expected by the researcher, but I also want to address the questions relevant to the claims made in the literature.

A preliminary investigation requires people to talk about their experience and perception of the Atlantic Canadian consumer co-operative grocery stores. This means that surveying a large number of people using a standardised survey instrument would not be a good strategy given that the people involved in co-operation would be restricted to pre-selected response categories and not able to construct possible responses (their experiences) in their own words (Ives, 1986:145; Looker et. al, 1989:314; Stoecker, 1991:94-95). Similarly, a research design that allowed the people involved in the co-operative stores to construct all of the questions (decide what should be talked about) and responses (their experiences) in their own words would not ensure that the general research questions of this study would be answered.

The exploratory case study approach is useful when using methods of data collection that combine the researcher's and the subjects' interest in conversation. The exploratory case study approach is useful for a preliminary study interested in exploring the experience of various groups of people involved with the Atlantic Canadian consumer co-operative and comparing their experience with the claims of the literature. In addition to exploring the perceptions of people involved with the consumer co-operative in comparison to the claims of the literature, this study is interested in comparing individual perceptions of consumer co-operation with each other and, thus, demands that this study be a preliminary examination of consumer co-operative relationships.

The exploratory case study is particularly useful when trying to establish such causal relations on the basis of "how" and "why" questions (Yin, 1994:6). Breaking

below the surface of the Atlantic Canadian consumer co-operative grocery stores and examining the complex issues that arise from the work of buying and selling grocery items represents specific research interests but ones that are complex. The need to be free to explore the perceptions of people involved with the Atlantic Canadian consumer co-operative grocery stores within a general situation suggested that the case study would be useful. Kitay and Callus note that the case study:

[H]elps us to understand complex social situations and processes. Case studies can also promote the generation of new ideas and theory development....[A]n important use of case studies is exploratory....(1998:104)

The exploratory case study research design allows the co-operative participants to explore their experience of the Atlantic Canadian consumer co-operative grocery stores within the constraints of the general questions determined by the researcher's examination of the literature.

The exploratory case study can be effectively used with more than one method of data collection. The semi-structured interview was chosen as a method of data collection for this study based on four considerations: the amount of resources it demands, its use for acquiring in-depth and exploratory information, compatibility with individual perspectives, and the overall personal and conversational approach that the method operates on (Quinn-Patton, 1987).

First, the semi-structured interview was in part selected because it requires few resources compared to other methods of data collection. Alternative methods of data collection require large amounts of time and resources. For example, large surveys not only require a significant amount of time to design, especially if they include preliminary testing, and may require statistical packages to analyse.

Second, the semi-structured interview is organised to include those things that the researcher is interested in talking about which is most commonly based on a literature review. In this case, I am interested in discussing the three general questions developed on the basis of the literature review. These three questions were outlined at the beginning of this chapter and were the reason for using the exploratory case study in the first place. In this way new ideas about general topics of interest can be explored in detail providing a chance to express complex opinions or perceptions (Quinn-Patton, 1987: 40-42).

Third, the semi-structured interview can be organised to provide an opportunity for the participant to talk about those things they feel are important. In this way the participant is contributing to the study by pointing out those things that the literature or the researcher may have forgotten or ignored. This also allows the interview participants to talk in their own language and communicate with the researcher using their own ideas. The semi-structured interview in this way allows for individual perspectives rather than perspectives determined by the researcher prior to the data gathering process (Quinn-Patton, 1987: 40-42).

Fourth, the semi-structured interview is a form of conversation between the researcher and the participant that allows for the transfer of ideas in a descriptive manner. This descriptive manner provides information about the topic in an in-depth manner and allows the participant to express their feelings with great description. The semi-structured interview, as a medium for description, allows for the easy transfer of complex ideas about the topic in a straightforward manner. The personal approach of the semi-structured interview allows the interview participants to feel that they have received

something from participating in the study because someone has taken the time to listen to how they feel about the topic of inquiry (Quinn-Patton, 1987: 40-42).

The semi-structured interview in this study has been organised according to three sections (see Appendix B). The first section allows the subjects to talk about their experience or opinion of the Atlantic Canadian consumer co-operative grocery stores. The role of the sociologist in this section is to facilitate the discussion by prompting the subject with general questions such as “Can you talk about co-operation?” or “What do you think is important about co-operation?” In addition, the sociologist must prompt the subject to expand or clarify statements that are not explored in the level of detail required by sociological study (Clow, 1997).

The second section is an opportunity for the sociologist to ask questions about the Atlantic Canadian consumer co-operative grocery stores based on what the literature has argued to be important. The sociologist must ask specific questions about the Atlantic Canadian consumer co-operative grocery stores based on categories pre-determined by the literature review. Further, the sociologist must direct the discussion according to the interest of the literature and address any issues overlooked during the first section (Clow, 1997).

The third section provides the sociologist and participant a chance to negotiate a final meaning about the Atlantic Canadian consumer co-operative grocery stores. This clarifies any inconsistencies that may be evident between sections one and two. This section acts as a tool of confirmation between the sociologist and participant (Clow, 1997; Rubin & Rubin, 1995).

II. Research sample

In the last section the exploratory case study approach and the semi-structured interview were introduced as the chosen design of this thesis study. In this section we will discuss why manger, worker, and consumer members should be consulted about the three general questions concerning the Atlantic Canadian consumer co-operative. This exercise is important in order to establish the value of consulting the people who were involved in this research study.

This study was undertaken in the neighbouring Maritime Provinces of Nova Scotia and New Brunswick because of their location. The amount of travel resources available determined the need to collect data in an area close to Acadia University. Acadia University is located in Nova Scotia. Being a student there provided the researcher with the opportunity to question people in the Nova Scotia consumer co-operative community. New Brunswick was chosen because the researcher is familiar with the consumer co-operative community in New Brunswick and travelling costs to New Brunswick were low because of its location in relation to Acadia University.

Fifteen¹¹ Atlantic Canadian consumer co-operative grocery store members were interviewed for roughly two hours (each) about their experience with the co-operatives. The participants in this research study were selected because they were involved either as a manager, worker, or consumer member. Sub-categories included store managers, middle managers, board of director and non-active members. The groups were subdivided to increase the variety of responses that might be given as possible answers to the three general research questions in the inquiry of the Atlantic Canadian consumer co-operatives.

The interviews were recorded, transcribed, and reviewed for the purpose of accuracy when reporting the experience of participants. The people contacted about their experience of co-operation included six consumer, five workers, and four manager members who are or had been involved with the Atlantic Canadian consumer co-operative grocery stores. The unequal allocation of participants into categories was chosen based on sub-categories and the focus of the three general research questions, thus more worker and consumer member participants were included in the sample. Names, places, and dates were omitted to ensure confidentiality as required by social science research ethics (SSHRC, 2000).

The respondents are identified throughout the study based on their involvement in the co-operative either as a manager, worker, or consumer member. The managers, workers, and consumer members are identified in the analysis based on the names that they are given. The managers who responded have been given names that begin with the letter "M" such as Michael, Michelle, and Milton. Similarly, the workers who responded have been given names that begin with the letter "W" such as William, Wanda, and Wendy. In addition, the consumer members who responded were given names with the letter "C" such as Christine, Cheryl, and Charlie, regardless of their activity or inactivity on the board of directors.

Contacting possible participants proved problematic given the ethical requirements of informed consent and confidentiality¹² (SSHRC, 2000). One way to

¹¹ The number of people interviewed was limited to fifteen because of time and resources.

¹² Informed consent is the ethical requirement that all research participants must enter into the research study of their own free will and that they fully understand what the purpose of the research study is, as well as how the information they divulge will be used. Confidentiality is the ethical requirement that all participants remain unidentified by the reader of the thesis study so that they may be protected from those who wish to persecute them because they disclosed information or because they hold specific beliefs. In

contact these individuals would be through the co-operative grocery stores themselves. Obtaining lists of co-operative members and their involvement with the co-operative would have provided a way in which to utilise a stratified random sample.¹³

The first problem with contacting participants in this way is the ethical requirements of informed consent would not be obtained on the basis of the participants' free will. The consumer members would likely not feel obliged to participate if they were contacted through the co-operative grocery store. However, employees of the co-operative may feel obliged to participate, even though they may not want to because contact was established through their place of business (work) (Rubin & Rubin, 1995).

Selecting groups of people and then percentages of those groups from one location is not a requirement of case study research. Case study research operates on the principle of selection for a purpose or the selection of a case because it resembles theoretical categories or exhibits desired characteristics (Yin, 1994). The purpose of the case study is to examine specific cases that are based upon the interests of the study. For this reason, the selection of people based on their categorical affiliation was acceptable and a standard practice in case study research (Machum, 1998).

The participants were selected on the basis of their category and their accessibility in the co-operative community. The method of "snowballing", creating a sample from a few key informants, was essential given the constraints. Key informants who had invaluable knowledge about the co-operative community in the Maritime Provinces and who were known by this researcher were contacted for help. These individuals

addition, confidentiality places responsibility on the researcher in the case that interview-participants face consequences because of the researcher's violation of social research ethics.

¹³ A stratified random sample is the selection of participants based on the use of a complete list, the division of people on the list into groups, the selection of an equal amount of people from each group, and the

introduced other members of the co-operative community after inquiring about their interest in participating in this project. Machum (1998) notes that the “snowballing-technique” produces a sample with like-minded people but argues that this is not a consideration for the case study approach, as the focus is on the specific case and not a random selection of cases.

The reception from these individuals was positive given that they had agreed to participate prior to the interview. Information surrounding the purpose of the study and the subsequent use of their information was explained in a short letter of introduction. In addition, a signed informed consent sheet (see Appendix C) was given to the participants as a contract in the event that they felt information was misused or that confidentiality was broken.

These people offer insights into just how “co-operative” the grocery stores are and how co-operation actually is carried out as a form of business. Through consultation with managers, consumer, and worker members the degree to which the co-operative grocery stores are different than standard commercial operations should be able to be determined. The diversity of perspectives expressed by manager, worker, and consumer members should facilitate a comparison of responses and procedure to a variety of possible answers. In the next section we will discuss how the information given by these participants to the researcher should be analysed for use in providing possible answers for the three general research questions.

III. Data analysis and presentation

Once people have been contacted and the information has been collected for analysis, the social researcher must analyse and present this information to the reader so

selection of people on a random basis (for example-every fifth person).

that they can benefit from the perception of co-operative participants. In the following section we will examine how the analysis used in this research study is organised in association with the presentation of findings so that we can understand the utility and purpose of the way the analysis and presentation of findings is organised.

Yin (1994) discusses the analysis of case study evidence and argues that a plan for analysing data is necessary for a well-organised case study analysis. Yin presents two strategies for organising case study analysis including the case study description and the question-based (theoretical proposition) models. However, Yin argues that the case study description model should only be used when the social researcher lacks a question about what is going on (Yin, 1994: 104).

Since I have used questions about what is going on as a basis for inquiring about the Atlantic Canadian consumer co-operative grocery stores the theoretical proposition model (question based) would be the best choice of the two strategies outlined by Yin. Yin defines the theoretical propositions model as a study in which “the original objectives and design of the case study presumably were based on such propositions, which in turn reflected a set of research questions; reviews of the literature, and new insights”. It is clear from our discussion of the Atlantic Canadian co-operative grocery store to this point that we began with a general question, reviewed literature, and developed some new insights (“how” questions) into the Atlantic Canadian consumer co-operative grocery stores.

The presentation of this thesis study has been guided toward the analysis of the data or the presentation of possible answers to the research questions about the Atlantic Canadian consumer co-operative grocery stores. The introduction began with the topic of

inquiry and our preliminary research interest. The literature review allowed us to examine the discussion of co-operatives in hopes of finding a specific answer to our research interest. The lack of answers to our preliminary question based on the examination of the literature in the last chapter produced new insights into the Atlantic Canadian consumer co-operative grocery stores and their use of management and wage labour. This presented an opportunity to design a research project in order to investigate our new insights and find out possible answers to our general research questions. Yin notes:

The propositions also help to organise the entire case study and to define alternative explanations to be examined. Theoretical propositions about causal relations-answers to “how” and “why” questions can be very useful in guiding case study analysis in this manner. (1994: 104)

Yin describes this way of presenting a case study (intro-literature review-methodology-findings-analysis) as a linear-analytic model of case study report writing. Yin notes that this style of case study presentation is commonly recognised as the most suitable for an exploratory case study that is a thesis or dissertation (Yin, 1994: 137-138). I organised this thesis according to a form of the linear-analytic model presenting my thesis as introduction, review of literature, data analysis one, data analysis two, and a conclusion.

The way in which the analysis was done in this exploratory case study was by building an explanation of the Atlantic Canadian consumer co-operative grocery stores based on similar and rival data from the participants. Yin notes (1994) that the explanation-building model is useful for exploratory case studies but the true goal of the exploratory case study is to generate ideas for further studies. Yin notes the social researcher involved in an exploratory case study must be sure to focus on the generation

of new ideas rather than drawing concrete conclusions. Yin notes “a similar procedure (explanation-building) for exploratory case studies, has been commonly cited as part of a hypothesis-generating process...however, this goal is not to conclude a study but to develop ideas for further study” (Yin, 1994: 110).

Chapter summary

In this chapter we looked at the exploratory case study research design and the semi-structured interview method, the “snowballing” sampling technique, and the organisation of analysis used in this thesis study. The exploratory case study was determined to be the most useful research design for this thesis given the preliminary and exploratory nature of the inquiry. The exploratory case study approach allows the researcher to explore and compare perceptions of those people involved in the co-operative movement. The exploratory case study is also useful because it deals with general but complex research interests, allows for the specific sampling of research participants, and works well when administering qualitative methods of data collection. The semi-structured interview was discussed as a useful way to gather information from respondents because it allowed for in-depth, descriptive, and exploratory information. The semi-structured interview also allowed for general questions to be explored on the basis of what the interview participant thought was important about their experience with co-operation. The semi-structured interview also allows for the accurate reporting of participant responses because they can be recorded and transcribed for further reference.

The “snowballing” sampling technique was determined to be a requirement of this thesis given ethical limitations in contacting employees through their place of work. The use of key informants to select those people who would like to participate and who would

not mind being contacted was deemed acceptable because the exploratory case study assumes such a selection of people. People are specifically selected because they have special insights into what is going on with the topic or “case” of interest. The specific selection of people also allows for a variety of perspectives to be covered, thereby increasing the chance that all perspectives will be covered.

The last section of this chapter looked at the method of analysis used in conjunction with the exploratory case study research design. The analysis was used as a way to organise the entire presentation of this thesis, so preliminary questions about the co-operatives could be addressed. The analysis technique that was determined to be useful was the pattern-matching and the explanation-building models on the basis that they would contribute most to an exploration of the insights given to us by interview participants.

In the next chapter we will look at the responses given by the interview participants by identifying themes or matching patterns in their discussion of the Atlantic Canadian consumer co-operative grocery stores. The next chapter will be organised according to the respondent’s involvement with the Atlantic Canadian consumer co-operative grocery stores as a manager, worker, or consumer member. The next chapter will provide a basis on which to discuss the responses given by the respondents about the Atlantic Canadian consumer co-operative grocery stores.

CHAPTER FOUR ANALYSIS I: COMPARING RESPONSES

This chapter is divided into three sections devoted to the observations of consumer, manager, and worker members. Each of the sections is dedicated to developing a possible response to one of the three general research questions. The sections are divided into sub-sections based on respondent categories. Each sub-section presents the responses of the interview participant under particular theme categories. The theme categories are particular to the research question.

In addition to the three major sub-sections, each sub-section has a fourth sub-section. The fourth sub-section is organised on the basis of the theme categories used in the first three sub-sections. The purpose of the fourth sub-section is to construct a possible response to the general research question based on what the participants have said.

In this chapter, I have completed two levels of comparison. First, the responses of interview participants are compared to other research participants who fall in the same category. For example, the observations of consumer members are compared to the experience of other consumer members. Second, the perceptions of interview participants are compared to the views of participants who fall in a different category. For example, the outlooks of manager members are compared to the standpoints of worker members. The first level of comparison is completed in the first three sub-sections of each section. The second level of comparison is completed in the fourth sub-section of each section.

The first section inspects participants' views under three theme categories: "reason for joining an Atlantic Canadian consumer co-operative grocery store", "co-operation in the beginning", and the "relationship between the consumer and worker members". The second section is an illustration of interview respondents perceptions of co-operation under the theme categories, "role of the co-operative principles in the Atlantic Canadian consumer co-operative grocery store", "participation by co-operative members", the "relationship between manager and consumer members", and the "role of Co-op Atlantic in local co-operative grocery stores". In the third section we outline the perceptions of interview partners under the theme categories: "change in the Atlantic Canadian consumer co-operative grocery stores", "future of the Atlantic Canadian consumer co-operative grocery stores", "relationship between manager and worker members", and the "future of worker members in the Atlantic Canadian consumer co-operative grocery stores".

I. A possible response to question one

In this section a possible answer to the above general research question is defined from the experience of consumer, manager, and worker members. The standpoints of consumer, manager, and worker members are examined in the first three sub-sections. The similarity and dissimilarity of outlooks between respondents are noted under the theme categories. The general observations of consumer, manager, and worker members are described in the fourth sub-section and a possible response to the above research question is developed.

A. Consumer members' responses

i. Reason for joining an Atlantic Canadian consumer co-operative grocery store

The consumer members consulted included those who have been involved with an Atlantic Canadian consumer co-operative grocery store for both a short and long period of time. Each member presented their history with an Atlantic Canadian consumer co-operative grocery store and talked about their reasons for joining a co-operative grocery store. Charlie suggested that he joined an Atlantic Canadian consumer co-operative grocery store because of the social principles of co-operation:

A lot of things at that time were ah, I ah, big business. Anti-big business. And, being aware of where you're getting stuff. Like, probably Irving stuff, there would be a big fight. I know. . .I know Stephanie would have fought against Irving, like um, if she knew there was a big sale on Irving stuff and to bring that kind of thing in, she would fight not to do it. Yeah. . .now some other members might not agree, but others would. That kind of social awareness.

Cheryl claimed that it was important to have a variety of products available to her at a reasonable price. Cheryl said that she was not always able to get the products she wanted at other stores and less often at a reasonable price. In contrast to Charlie, Cheryl stated that she joined an Atlantic Canadian consumer co-operative grocery store as a way to save money and to ensure that she received quality products for her patronage. In her words,

You are looking for a bargain. You are looking for what your dollar is going to buy.

The experiences of the consumer members in relation to their "reason for joining an Atlantic Canadian consumer co-operative grocery store" were not consistently similar. The dissimilarity between the consumer members' reasons for "joining an Atlantic Canadian consumer co-operative grocery store" is reflected in the contrasting character of the quotations. However, two ideas consistently come through in the members'

responses including the social principles of co-operation and the security a co-operative grocery store might provide by supplying grocery items at a reasonable price.

ii. Co-operation in the beginning

The views under “reason for joining an Atlantic Canadian consumer co-operative grocery store” varied from consumer member to consumer member but each individual described their delight with the co-operative during the formative years. A number of consumer members stated that the co-operative was like a large family because you would see the same people every time you shopped. Others mentioned the ease with which they could find goods and the enthusiasm that was a part of the co-op experience.

Christine recalled:

So, ah, I can recall when the Co-op was first organised, well, it was an exciting experience, I mean people were really excited. The member owners were excited, and they used to come to the meetings and so on, full of excitement, full of expectations and interest and so on.

The similarity of perceptions between the consumer members under the theme, “co-operation in the beginning” suggests a feeling of nostalgia on the part of respondents for “the good old days”. This is established later in the chapter when “the good old days” of co-operation are compared to the experience of consumer members under the theme “changes in co-operation”. However, first we need to finish our exploration of consumer members responses relevant to the first research question.

iii. Relationship between consumer and worker members

In the last part the consumer members gave similar accounts of the formative years of the co-operative grocery store. In this part we will discuss the outlook of consumer members when discussing their relationship with worker members. In this

part, consumer members agreed that they are very satisfied with the service that worker members provide.

The consumer members claimed that the worker members were helpful and always available for service. Cheryl said she was not afraid to ask worker members to look for any product that had run out or to reach for products that were on high shelves. Christine mentioned the quality of service that was given to people who needed help packing groceries and loading the car. Charlie placed emphasis on the community atmosphere at the co-operative:

Staff was great, um, and they seemed to have the same staff, which is always a good sign. And another thing I liked about being in there, I used to see a lot of people in there that I knew, it was more of a community things there, and I really liked it. And to tell you the truth, I still like it a lot. I really do.

Some consumer members pointed out the primary dilemma between consumer and worker members when considering their role as owners. The problems that consumer and worker members face as owners revolves around representation on the board of directors and, thus, control over manager members in some fashion. The problem arises because of the relationship between the manager member, the board of directors, and the worker member. Cheryl noted the potential difficulty in this:

The biggest difficulty, it is not necessarily more than a latent or potential difficulty, is with the workers...[F]irst of all they are members and they are members by virtue of being employed and like everyone else they are owners. Therefore, have that role in the overall operation of the co-op. Things begin to get dicey, and depending on how you look at it, whether these owners just like all the other owners have the right to be on the board or not. And if the answer is yes, then what happens when the board makes certain kinds of decisions involving working conditions and all those sorts of things? And what ought to take precedence, the ideal of collective ownership or the equality of all owners, instead of having two classes of owners, or the chance of people acting in their own interests, a conflict of interest instead of the interests of all owners.

In this part, Christine, Cheryl, and Charlie proposed that the worker members are doing a good job by serving consumer members. The similarity of responses between consumer members was found in comments on the service relationship that consumer members have with worker members. Cheryl also added to the discussion by noting the potential difficulty between the consumer and worker members when considering the role of worker members on the board of directors. The result was a difference between “the ideal of collective ownership or the equality of all owners, instead of having two classes of owners, or the chance of people acting in their own interests, a conflict of interest instead of the interests of all owners”.

In this sub-section, the observations of consumer members were considered in relations to three themes. The first theme, “reason for joining an Atlantic Canadian consumer co-operative grocery store”, prompted two responses from the consumer members including the principles of co-operation and the need to secure high quality goods at a fair price. Second, the theme “co-operation in the beginning” brought similar responses from consumer members with a focus on “the good old days”. Third, the theme “relationship between worker and consumer members” stimulated similar responses from consumer members who commented on the great service that worker members are providing. As well, under this theme category the equality of ownership in relation to worker member participation on the board of directors was noted as a potential difficulty. In the next sub-section the responses of the manager members will be studied in relation to the three themes explored above.

B. Manager members' responses

i. Reason for joining an Atlantic Canadian consumer co-operative grocery store

In the first sub-section, we discussed the perceptions of consumer members who identified two reasons for joining an Atlantic Canadian consumer co-operative grocery store. These included, according to the social principles of co-operation and gaining security through access to high quality goods at a reasonable price. I noted that this produced for consumer members a difference between the principles of co-operation and reasonably priced goods.

The manager members responded under this theme in a different context. Some manager members joined the co-operative grocery store as a consumer member and at some point applied for a job at the co-op. Other manager members joined the co-operative when they began to work at the store. However, all manager members tended to belong to their co-operative grocery store since the first day or early days of co-operation. Michelle remarked:

Well, first in ----, when our co-operative was being built, I applied for a position as their ---- and I was hired. I went to work immediately, with in --- weeks, in --- of --- before the co-operative first opened. I was involved in the process of first setting it up.

In this part we looked at the views of manager members when studying the first theme, "reason for joining an Atlantic Canadian consumer co-operative grocery store". Manager members generally agreed on their primary reason for joining the co-operative grocery stores. The manager members did not say that working at the co-operative store was the primary reason that they belonged to the co-op but they included "work" in their discussion. In some cases, manager members joined the co-operative store before they were employed at the co-operative. Most manager members tended to be among the first

people who started the co-operative grocery store.

ii. Co-operation in the beginning

The manager members who commented under this theme described three stages in the development of the Atlantic Canadian consumer co-operative grocery stores. The managers asserted that the periods were the formative years, period of growth, and the current stage. The manager members consistently commented on the beginning of co-operation in their stores by arguing that it was a time filled with enthusiasm and commitment on the part of all members. Some of their stores even relied on consumer members as volunteers to stock shelves and unload trucks. Michael noted:

And the membership was very supportive. We actually had members at times come into the store especially when we were getting the store ready to open, and ah, help, help out. Like stocking shelves, and that sort of thing. So it was a co-operative way. It was all co-operative, from start to finish. And when I say that, it was a self-help organisation. The real, true, co-op values were there, which were to set up their own business and reap the benefit from it.

The use of consumer members as volunteers during the formative years of the co-operative was a response from manager members that appeared in several themes including “changes in co-operation” and the “relationship between consumer and worker members”. The similarity of outlooks between manager members under the theme “co-operation in the beginning”, as shown in the above quote, included the “co-operative” nature of the enterprise because everyone co-operated to get things done. The manager members all reviewed this three-stage account of co-operation and similarly described co-operation in the beginning in terms of the level of membership commitment.

iii. Relationship between worker and consumer members

Manager members talked about two issues when investigating the relationship between consumer and worker members. First, manager members dealt with the time constraints that worker members' face when participating in the co-operative grocery store. Second, manager members identified the difference between consumer and worker members in terms of the knowledge that worker members use when producing the co-operative grocery store service.

The reason that worker members may not have any time to participate further in the co-operative grocery store is because they work at the co-operative during the day. One manager mentioned that the relationship of the worker member with the co-operative store, given their current constraints, is one of straightforward employment. The worker member, after a long day's work, may have little reason to participate further in the co-operative being too busy with other things seems to be the norm. Milton said:

There aren't too many that will, if we were having a co-op field day, there would probably be ten percent of our employees would show up. There again, I don't know why. Too busy with other things, seems to be the normal thing.

Milton recalled that relying on volunteers to produce the co-operative service, or to stock shelves, unload trucks, and to set up displays, worked well during the formative years. At some point, the co-operative store became concerned with providing a service to their members that was better or equal to private grocery stores. Workers at this point were being trained in merchandising techniques and standard procedures for getting the work done. Volunteers with little or no training may not complete the job correctly and worker members might have to go back and correct the mistakes that volunteers made. Milton remarked:

Because you get volunteer labour into a store putting stuff on the shelf they are going to do it anyway they want to do it. So, as we progressed, in the 80's and 90's so to speak, you hired people to do that kind of work.

C. Worker members' responses

In the last sub-section we inquired about the responses of manager members under three theme categories. In this sub-section we will review the outlook of the worker members under the theme categories, "reason for joining an Atlantic Canadian consumer co-operative grocery store", "co-operation in the beginning", and "relationship between manager and consumer members". This will enable us to contrast the responses of consumer, manager, and worker members with each other under these three theme categories in a later sub-section.

i. Reason for joining an Atlantic Canadian consumer co-operative grocery store

The worker members responded similarly under this theme citing their membership in the co-operative as a result of their family's involvement as consumer members. Some of the worker members were young enough to recall their childhood experience with the co-operative grocery store. The worker members talked about this in contrast to their current employment at the co-operative grocery store. Wanda asserted:

Yeah, my family has been a member since, I think about 1978, 1979. Somewhere in the late seventies....[W]ell, I started back three years ago...It depends. If their family has been a member for a long time, they'll try to get in at the co-op. Like, myself and friends, that's where we were members, so that's where we tried first, and we were successful, we got the job and if not, then we went somewhere else and looked for it.

The similarity of observations under this theme may not be what is important about the response of worker members. What is striking about the experience of worker members is their distinction between being a consumer member under their family membership and "starting" at the local co-operative a number of years ago. This implies

a difference between shopping at the co-operative with your family and starting to work for the co-operative.

ii. Co-operation in the beginning

The worker members proposed similar ideas under the theme, “co-operation in the beginning”. The worker members talk about the formative years of the co-operative stores much like the consumer members did, painting a picture of “the good old days”. The experiences of worker members were often linked to suggestions of how things have changed at the co-operative grocery store. This will be ascertained further under the theme “changes in co-operation” in the next section. William claimed:

When we first went through, I was pretty young, I was about only about five years old, when we first joined up, you know, but I can remember the big difference from back then to today, you know, and you got members week, and you wouldn't have to wait. Now you have to line up at the back of the store, and wait an hour to get to the front....[S]o, that's a big difference, you know, we never used to do that.

The worker members were in some cases too young to have been employed at the co-operative grocery stores in “the good old days”. This provided a problem in obtaining early employment information from each individual. Some of the worker members, as mentioned, belonged to the co-operative as consumer members in “the good old days” and, thus, could only recall their perception as to what was going on. However, this fact should not take away from their perception of co-operation in the beginning but place it within the context of a consumer member.

iii. Relationship between consumer and worker members

The worker members defined two types of consumer members including the die-hard and regular members. The die-hard co-operative members are those people who are committed to the co-operative and take an interest in the day to day operations of the co-

op. The regular members are those who appear as customers, have no interest in the co-operative, and vanish when their shopping is done. Wendy said:

I think the die-hards are the loyal members, the ones who have always been there, for a long time. They stand by the principle of the co-op, and I think that someone who is a regular member is someone who just looks at it like it is a grocery store. You know, they see it as a grocery store and nothing else.

Some of the worker members identified consumer members in terms of their class position or material wealth. These worker members argued that class differences in society penetrate the co-operative organisation and effect it in a real manner. These worker members considered the economic inequality between members and had empathy for those consumer members that were not materially wealthy. Wanda noted:

The have and the have-nots. I don't have as much, therefore I am in the category of the have-nots....[Y]ou go to our co-ops parking lot, you have three-quarters of the cars that are brand new that month, let alone that year....[A]t the same time the other quarter of the people are in cars that are rusting away. Trucks that are ten to twelve years old, and you see it on their faces. That even if they don't say anything you can see on their faces that they are concerned when they go into this institution because they are not a member of the majority. That they want in and out as quickly as possible, because they are uncomfortable because they know that it is truly quote unquote, not theirs....[I]t is completely 100% mirrored, not only in the co-op, but in every business...

The worker members' views may be interpreted as reflecting that some consumer members interact with the worker members only in order to gain a service or only as a service provider. This is in contrast to other consumer members who interact with the worker member as a fellow co-operative member. These consumer members have some knowledge about how the work gets done at the co-operative and the challenges that worker members face. It is also evident that this type of member does not act like a

customer at a grocery store but a co-operative member who is knowledgeable about the principles of co-operation, self help, independence, responsibility, and so on.

One worker member also described the inequality between consumer members and how they perceive social interaction at the co-operative. This worker member questions the equality of membership at the co-operative and how inequality in society affects into the co-operative grocery store. This will be primarily addressed in the third section of this chapter. However, we can note at this point that there is, according to some worker members, a real difference not only between themselves and consumer members, but also among consumer members.

In this sub-section the worker members' observations were illustrated in relation to the three themes under consideration. The first theme, "reason for joining an Atlantic Canadian consumer co-operative grocery store", prompted similar feed-back on the part of worker members citing their affiliation, in most cases, with the co-operative grocery store through their families. The second theme, "co-operation in the beginning", proved problematic given that the employees for the most part were young and recall the formative days of co-operation only as consumer members. Their responses, interestingly enough, were similar to consumer members' responses listing recollections of "the good old days".

The third theme, "relationship between worker and consumer members", included similar responses surrounding the two types of members. The worker members suggested that they have a relationship with consumer members in two ways, depending on the type of member they define them as, including one of service provider and one of fellow member. In the next sub-section we will compare the responses of consumer,

manager, and worker members under these three themes in order to formulate a possible response to question one.

D. A possible response to question one

i. Reason for joining an Atlantic Canadian consumer co-operative grocery store

Under this theme category three ideas or responses were central to the claims of the interview participants. First, the worker and manager members included descriptions of working at the co-operative as a part of their response while the consumer members did not. Second, the manager and consumer members included a discussion of the principles of co-operation as a part of their response. Third, the consumer members were the only respondents who talked about the benefit of co-operation including the grocery store service, particularly in terms of price and quality.

On this basis we can make the following three points when formulating a response to question one. First, worker and manager members are more likely than consumer members to talk about their relationship with co-operation in terms of their employment at the co-operative grocery store. Second, consumer and manager members are more likely than worker members to talk about the principles of co-operation as a reason for their involvement with the co-operative grocery store. Third, worker members are more likely than manager and consumer members to talk about their involvement with the co-operative grocery store as a means of income.

ii. Co-operation in the beginning

Under this theme category one idea was common to the responses of all categories of participants. The co-operative grocery store was described as a positive experience during the formative years. The respondents placed emphasis on the

participation, interest, commitment, and enthusiasm of members. The co-operative grocery store was also described as a community where each time you shopped you would see the same people.

The only significant problem under this category would be the fact the many of the worker members who responded were young when their co-operatives opened. On this point the worker members described the co-operative grocery stores from the position of a consumer member under their family membership. However, what is also interesting is that they compared their experience as a consumer in opposition to their experience as a worker member. Based on these points we can conclude that consumer, manager, and worker members are likely to respond similarly under this theme category and talk about the formative years of co-operation in a positive manner.

iii. Relationship between consumer and worker members

The experience of the participants under the theme category, “relationship between consumer and worker members” included the ideas of class, two types of members, service, and work. On this basis we can make four conclusions. First, consumer members are more likely than manager or worker members to respond under this theme by talking about their relationship with worker members on the basis of service. The consumer members talked about “how helpful they are” and being “never afraid to ask them for anything,” pointing out the high quality of service worker members provided. As well, consumer members talked about the potential difficulty with worker members participating on the board of directors. This prompted a question about the principles and practice of co-operation.

Second, worker members are more likely than consumer and manager members to

talk about their relationship with consumer members in terms of how the consumer member treats the worker. Worker members noted that “die-hard members understand what is going on at the co-op when we do not have things”, “regular members are just interested in the goods”, and “die-hard members are interested in the principles of co-operation”. One may assume that an interest in the principles of co-operation includes “fair exchange” and equality of ownership between consumers and producers.

Third, worker members are more likely than manager and consumer members to point out class inequality among consumer members, and between consumer members and worker members. However, one group of consumer members described this problem in terms of two types of owners at the co-operative grocery stores. Given that there is this division between consumer members and consumer and worker members, one may conclude that a description of class inequality may have more to do with the class of the individual respondent rather than their position in the co-operative. This needs to be explored in more detail to confirm that indeed this is the case.

Fourth, manager members are more likely than consumer and worker members to describe the relationship between consumer and worker members on the basis of employment. The manager members noted that one member produces the service as well as consuming the service while the other only consumes the service. However, the responses of the manager members were focused on the constraints of employment.

iv. A possible response to question one

The possible response to question one is based on the ideas included in the experience of the participants and has three building blocks or sets of assumptions. First, the worker members are the producers of the co-operative service and, like workers in

traditional capitalist stores, they too consume the grocery stores service. The worker in return for producing the co-operative service, receives a wage, much like the employee in the traditional grocery store. In the case of the Atlantic Canadian co-operative grocery stores the worker owners rely on the co-operative grocery store to feed their families and, if the Atlantic Canadian consumer co-operative did not provide this, they would be forced to look elsewhere for a means to feed their families.

Second, the consumer members do not produce the co-operative grocery store service and do not rely on the production of the co-operative grocery store service to feed their families. Consumers, much like customers in traditional grocery stores, benefit from the exchange between the owners and the workers of a grocery store through lower prices and the quality of a service. For this reason, there is a difference for consumer members surrounding their interest in the co-operative grocery store based on savings/service and their interest, in some cases, in the principles of co-operation.

Third, both consumer and worker members are owners of the co-operative grocery store but, as stated above, they have a different relationship with the co-operative. Consumer members are much like shareholders in the co-operative grocery store because they employ worker members for their benefit and profit through the exchange of a wage for labour. Worker members are different from workers in the traditional capitalist grocery store on the basis of partial ownership in the business that they work in. How does this ownership translate to their involvement in the co-operative as a worker? Has it given them more control than the workers of a traditional capitalist form of grocery store? As one consumer member pointed out: “[T]hings begin to get dicey”.

On the basis of these three points we might respond to the above research question in the following manner. First, the relationship between the worker and the consumer member is similar to the relationship between workers and shareholders in the traditional capitalist form of business because there is the exchange of a wage for the production of a service. The relationship is not similar because the worker and consumer members are both owners of the co-operative grocery store. The co-operative grocery store is also based on the ideology of community economic development, such as the principles of co-operation, which call for the equality of all owners in participation and ownership. Finally, to develop a concrete conclusion to question one we would need to investigate further, to see if ownership in the co-operative translates for the worker into control over fundamental decision-making processes. The preliminary responses of the worker members suggest that they do not have control over fundamental decision-making processes. The next section examines whether co-op members exercise more effective and democratic control over management than shareholders in a private enterprise.

II. A possible response to question two

In this section the perceptions of consumer, manager, and worker members will be contrasted in order to formulate a possible response to the second general research question. This will lead logically to the next section in which the perceptions of consumer, manager, and worker members will be compared in order to draft a possible response to the third general research question.

This section is divided into three major sub-sections determined by the type of member who is speaking. The theme categories that are explained in the following section include “role of co-operative principles”, “participation by co-operative

members”, the “relationship between manager and consumer members” and the “role of Co-op Atlantic in local co-operative grocery stores”. The conclusions of the three sub-sections will be compared in the fourth sub-section in order to develop a possible answer to the second research question.

A. Consumer members’ responses

In this sub-section the views of consumer members are examined in relation to four theme categories the “role of co-operative principles”, “participation by co-operative members”, the “relationship between the manager and consumer members”, and the “role of Co-op Atlantic in local co-operative grocery store”. In the next sub-section the views of manager members will be examined under the above themes.

i. Role of co-operative principles

In the last section, consumer members mentioned that they joined the co-operative either because of the social or service aspect of consumer co-operation. The consumer members who joined the co-operative for the social basis (principles) of co-operation were at that point, and still appear to be, very strongly committed to these principles.

Cheryl responded:

Most of the people who shopped at those first couple of co-ops believed in almost the book theory. . .co-operative living. . .good stewardship, you know. Making the most of what there is and not trying too get to fancy.

The alternative outlook of some consumer members was that the principles were important in the beginning and they cite the principles as one reason for joining. However, they remarked that the principles have become less important to a large number of members and they are astonished at the change in the co-operative movement. These consumer members see the principles as having become a vehicle for obtaining high

quality goods at a reduced price. Charlie asserted:

Oh, they are miles and miles and oceans apart. I believe that the very first co-op we belonged to was grass roots. The theory was there, the practice was there, and now, its a grocery store. Its a grocery store, and I wonder if people understand the theory behind co-operatives....[M]ost of the members, they don't seem to. Its almost like their own Price Club...

The observations of consumer members when considering the “role of the co-operative principles” in consumer co-operation were similar. Some consumer members were concerned with the decline in emphasis on the co-operative principles and discussed reasons that could be perpetuating the problem and possible solutions. Other consumer members were not so optimistic when talking about the issue of co-operative principles and proposed, as seen in the quote above, that the Atlantic Canadian consumer co-operatives have become a traditional grocery store. The next theme focuses on “participation by co-operative members” in co-op activities, especially focal points like the annual general meeting.

ii. Participation by members in co-operation

Many consumer members said that they had not attended the annual general meetings for a number of years while others indicated that they attended all of them. When asked why many members do not attend the co-operative general meetings, respondents' standpoints supported a variety of ideas, such as work demands, understanding how co-operation works, the ideology of individualism, gender inequality, and economic inequality. Christine was the most prolific when talking under this theme and she noted most of the above concerns. The first point was lack of time after family responsibilities:

Ah, to serve on the board of a co-operative, for instance, requires a lot of commitment, and a lot of time. And some people, especially people who

are raising young families, you know, have a hard time making that kind of commitment, finding the time to do that.

The second was gender inequality:

And especially women have a hard time because they are the ones who are raising the children. They are the ones if they are working in the day they are also working at night, if they have a job outside of the home, they have two full-time jobs, one outside of the home, and one inside of the home

The third was general access to resources:

[So] ah, you know, they may be interested, and I have met many, many people who have a strong interest, they would love to volunteer, but they just can't. They just don't have the resources, they don't have the time.

Finally the fourth reason was simply no interest:

And then of course, there are a significant number of people who just don't have the interest. Some of them maintain that they don't have the skills. They say, quite frankly, what can I offer? There's nothing that I can do. . .that I can really do to, to, you know, further the interest of this co-operative and well-being of this co-operative and of its members and so on. So, they're honest enough to say that.

Other members who did not place emphasis on the wider variety of reasons that Christine mentioned were more concerned with the lack of interest on the part of most members. People do not understand how the co-operative system functions, one member stated, and people do not care as long as they are satisfied through low prices. Cheryl suggested that, as long as there are no major problems and the system continues to deliver the service, people are not interested:

I think that now, people don't see the need. As long as things are going okay, people don't see the need to go to the meetings or be involved in decision making. And that's probably why I never have gone. I choose to sit and complain about them in my own way.

Despite the difference in emphasis or disposition, whether a member is optimistic or pessimistic, the consumer members see a variety of reasons why members do not

participate. The significance of the responses can be found in whether one has the choice to participate or not. The gender and economic constraints, as well as the common constraints of raising a family may generate life-conditions where the person has little choice. This suggests that co-operatives are affected by that which is not co-operative, for example the rest of society, simply because their members are affected by these constraints.

iii. Relationship between manager and consumer members

The consumer members who were consulted said that they had good relations with manager members who would go out of their way to order goods that they did not have at the co-op. The consumer members who were active on the board of directors said that manager members were responsible for “managing” the store. In addition, they argued that manager members were important because they provided advice to the board of directors during board meetings. Consumer members agreed that manager members were responsible for directing worker members from day to day in the production of goods and services. Christine remarked:

Something else that is important here, very often, management is seen to refer to one person: the general manager. But I think a general manager that is doing a real good job in providing leadership, in participating with the board and providing leadership will work closely with his or her staff, all the other managers in that co-operative and all the other staff in that co-operative so that they have a feeling, an experience, of being one of a vitally important part of that co-operative. That they want to contribute, that they will contribute, they are being consulted and they have an opportunity to have a say and so on and so forth. That’s critically important.

Christine suggests that it is important for the manager members to be co-operative in their approach to managing the store not only in their relationship with worker members but also with consumer members. Christine argues that everyone who is

participating in the co-operative development experience should be consulted as to what will happen at the co-operative. For this reason, Christine points out the importance of a co-operative rather than a top-down management approach.

Other consumer members mentioned the problems that generally arise if the board of directors disagrees with a manager members' decision. In this case, whose decision is carried forward, whose is not, and who takes responsibility if the decision is a bad one? These questions are vitally important to the operation of a co-operative and Cheryl noted her experience with one such case on the board of directors:

There was one incident that I do remember happening because it was difficult one that had to do with the firing of a department manager. The board thought that, perhaps, that was a little harsh and was inclined to not reverse but to compromise at least the managers decision and Co-op Atlantic stepped in because it was a management agreement store....It is a tricky question because Co-op Atlantic is owned by the member co-ops just like the members own the co-op. So, it is supposed to go the other way around and often it does, ya know, again with the setting of policy and that sort of thing. At the same time Co-op Atlantic does have systems in place like management agreements and that gives them certain kinds of rights and obligations...it certainly gives them a role in the operation of individual co-ops so then the authority and influence is going in the opposite direction....in this particular case it was a management agreement store and they thought the board of directors was wrong and, again, it is a bit fuzzy but I think we threatened to withdraw the management agreement.

What does Cheryl's experience tell us about how the co-operative grocery stores operate under such circumstances? Does her account of a disagreement between a board of directors and the manager member suggest that decisions are not always made from the bottom up at the Atlantic Canadian consumer co-operative grocery stores? Does the management agreement between the local co-operative and Co-op Atlantic become a problem in these instances? These questions will be resolved under the next theme category, "role of Co-op Atlantic in the local Atlantic Canadian co-operative grocery

store". The consumer members concluded that the consumer-manager relationship is very important to the operation of the co-operative grocery store because the manager member provides management experience to the board of directors. Consumer members also stated the manager members have control, within the policies set by the board of directors, over the production of the co-operative grocery store service.

iv. Role of Co-op Atlantic in the local co-operative grocery stores

Some of the consumer members, who were asked about Co-op Atlantic were not aware of the organisation at all or had little knowledge of it. Other members were very knowledgeable and they tended to be the ones active on the board of directors. The general feeling about Co-op Atlantic was that it was necessary to obtain a variety of low priced goods. However, relations with Co-op Atlantic could become a problem if either organisation was not communicating effectively. Charlie proposed,¹⁴

Um, I guess the starting point is that we have to understand and appreciate full well the local co-operative and the central co-operative have to understand that they're in this together, that their well-being is a collective phenomenon and not an individual separate phenomenon....[Y]ou can't have co-operation between a local and a central unless there is co-operation. There has to be on-going consultation. ... So, we need both, at local and central co-operatives, ah, a leadership where boards are very aware, very committed, well informed, and in full possession of the knowledge of what's happening.

The relationship between the central and the local co-operative in terms of management was noted to be important to the overall well being of co-operative development. Charlie claimed:

[So] that they can hold management responsible, because that's their job. That's their primary job: to hold management responsible. And they have to be in touch with the local boards, I'm talking about the central.... In this

¹⁴ The following excerpts were taken from a lengthy passage. To understand the context of this passage please see Appendix "D" where the complex character of a relationship between a first and second tier co-operative is described.

case they are autonomous co-operatives. And they are related to one another through the common ownership of the central. Now, they own the central, they are the boss. The central on the other hand, has access to more information, more experience, more knowledge, so, there is a terrible temptation to conclude from that, that it is the boss. It is in charge. Well, that temptation has to be fought and defeated. Because the central has to be seen, has to see itself as the servant. And for it not to become the boss, it has to have close consultation. Otherwise the federation is destroyed.

There are two variables that we should take stock of on the basis of the consumer members' observations when considering the relationship between a first and second tier co-operative. First members seem to be familiar only with the second tier co-operative if they are active on the board of directors, and so people must be pro-active. Second, there is a tendency for control to be directed from the top down and not from the bottom up. A concern was expressed that co-operative members need to be active in ensuring the latter is the case at all times. To do this, co-operative members must become militant in their co-operative organisation.

B. Manager members' responses

In the last sub-section we looked at the experiences of consumer members in relation to the themes "role of principles in co-operation", "participation by co-operative members", the "relationship between manager and consumer members", and the "role of Co-op Atlantic in the local co-operative grocery stores". In this sub-section we will discover the perceptions of manager members in the same theme categories as listed above.

i. Role of principles in co-operation

The manager members spoke about their current challenges in terms of increasing member participation through education (concerning the principles), incorporating new strategies to compete with other food stores, and increasing the planning between stores

through Co-op Atlantic. The managers saw, after the first and second stages in the development of their co-operatives, a decrease in member participation and a loss of co-operative members to other stores. Manager members perceive that understanding the principles of co-operation and what co-operation is directly linked to participation and patronage. Michelle asserted:

I don't think people today, there again, they have a news bulletin from the co-operative and if they felt a real sense of ownership and they felt that it was something great to be a part of, I think they would open that up and read it. And in today's world I think people are busier, and when they come home at night, and there is a news bulletin, and its sticking out of their mail bag, and they're exhausted and they don't want to deal with it right then. And ah, so they put it aside and the next thing you know, its forgotten about. That's exactly what I think, you know.

In addition to linking the principles and knowledge of co-operative principles to the rate of participation by members, the manager members also pointed out that there are other things going on in society, especially "work". People need to be prompted to participate in co-operation after a hard days work on the basis that they are engaging in a profitable venture. Educating the membership is one solution mentioned by the manager members as a way to solve the lack of interest in co-operation and the principles of co-operation.

ii. Participation by members in co-operation

The manager members mentioned that there has been a large decrease in member participation over the years from one hundred to about fifteen or five percent. The manager members suggested that, with this decrease in member participation at their annual general meetings, there is less interest as well in participation on the board of directors. The manager members provided a variety of reasons for this decrease in

participation including a change in work environment, a change in member interests and a change in people in general. Michael responded:

I think that, a lot of households have both people working and there's a lot of demand on people now through their work, and they just from, my point of view, when they do have a couple of hours they want to relax and spend it with their families and do the things that they want to do. And that may seem selfish in some respects, but if you're commuting back and forth to different centres and you have a lot of companies out there that are working twenty-four hour shifts, so maybe you are on the night shift for two weeks or the back shift, or whatever, so --- is a big employer in this area, and they work a lot of shift work, so you have a lot of reasons why. . life is not as standard as it used to be.

The similarity in standpoints between the manager members under the themes of principles and participation is noted by their emphasis on patronage, participation, and education. The manager members feel that family and work related responsibilities affect members' involvement. The solution is to educate members on the principles and thus secure their patronage and participation and increase the remuneration through price by co-operating with Co-op Atlantic in order to compete with traditional grocery stores.

iii. Relationship between manager and consumer members

The general observations of the manager members when describing early co-operative stores was that they were informal in organisation. Boxes were left on the floor or shelves; the goods carried were basic; there were no frills; consumer members packed their own groceries; consumer members volunteered to clean, paint, and stock the store; and there were few worker members. The atmosphere was family oriented; all members visited the store often, to pick up groceries here and there and to generally see how things were going. Milton recalled:

When I started with the Co-op the store was very small and very insignificant. Little place but really busy. Had real good support back then, at the beginning. Probably only about 1500-2000 square feet. There

were no frills at all. Just a bare bones store. Just bring the goods in and slap them on the shelves so to speak. The store was sanitary, but it was well worn. It was a well-used facility that's for sure. That's where they started.

The manager members also remarked that there were two membership groups: those who had joined the co-operative when it began and those who had joined the co-operative during the second and third stages of growth. The members who joined the co-operatives during the beginning were noted as being the most committed to the co-operative in terms of participation and patronage. The managers argued that the second membership group needed to be educated about the benefits of co-operation. Michelle claimed:

I think our early members were more dedicated. Ah, they were from a different generation, they understood, more so, the co-operative movement, and what it was all about. And I think the idea of them being able to take part in their own enterprise and save money at the same time was very exciting for them.

These quotations may appear to be better suited to the "co-operation in the beginning" and the "role of principles" theme sections. Indeed, the citations do speak to these and further reinforce the conclusions drawn under these theme categories. However, the description of members by manager members is important to the theme "relationship between manager and consumer members" because the manager members are speaking about their relationship with consumer members in a service context. In that context, some members do not "support", have "dedication", lack "understanding the co-op movement", and do not "take part in their own enterprise". Manager members are stating, indirectly, that consumer members have become passive, less active and, thus, there is a greater emphasis on management's role as a provider of the co-operative service.

The similarity of views among members under the themes “relationship between consumer and manager members” can be noted in their construction of it as participation and patronage. They note that they are employed by Co-op Atlantic in the next theme and they admit that they are there to provide a service. However, they feel that they need to generate co-operation rather than to serve co-operation. Their relationship with consumer members has become one of many textures including service provider, co-operative organiser, educator, and production manager.

iv. Role of Co-op Atlantic in the local Atlantic Canadian co-operative grocery store

The managers presented their relationship with Co-op Atlantic on two bases depending on whether their store had a management agreement with Co-op Atlantic or not. The store that does not have a management contract with Co-op Atlantic relies on the board of directors to hire a manager. Co-op Atlantic provides a manager for those stores that have a management agreement with Co-op Atlantic. On this basis, Michael said:

And there is also a relationship with management agreement where we enter into an agreement where Co-op Atlantic provides the management expertise for the co-operative. Now, not all co-operatives go into that agreement with Co-op Atlantic, but a good percentage of them do. Now, we are, basically this store is managed by Co-op Atlantic, and I am an employee of Co-op Atlantic.

The managers mentioned that during the second period of growth they increased their use of Co-op Atlantic as a supplier. Co-op Atlantic began to carry items that they had not previously carried such as produce and meat. In addition, the managers suggested that they expanded their stores to include family fashions and hardware if they had not already had these departments. The managers’ descriptions of their relationship

with Co-op Atlantic differed from individual to individual and they identified a variety of issues. One manager member responded to them all. Michelle noted first the need for a wholesaler:

As we grew in size and we developed our own ----- wholesale, the reason we had done that was so that to eliminate having to buy from the competition and hopefully being able to buy at better prices. In doing that, we didn't take the support away from the local people. We still supported the local people, tremendously...

Second, she emphasised the cost of a wholesaler:

I'm not sure this was feasible to the extent that we have done it, because it takes a tremendous amount of money to keep that Co-op Atlantic ----- division there, and in order for it to stay there, then it has to also make a profit.

Third, the question of profit; she added:

Today, we have to rely on our ----- wholesaler to do that. And I'm not sure if, if their profit line is fair to the co-op members. Our profit line, back years ago was that we made enough profit to keep ourselves in business, with no surplus. Any surplus that we made certainly went back to the members in specials and...and ah, in that sort of thing.

Fourth, she added the need to be price-oriented for consumer members:

[In] order for a co-operative to be price oriented and survive as such, then the wholesaler company, which is Co-op Atlantic, has to be the same. The surplus profit that they make should be invested in their member co-operatives, by giving better prices.

In this sub-section, the experiences of manager members were examined in relation to four theme categories. First, the manager members seemed to link the importance of co-operative principles directly to the need for education and member participation. Second, all of the manager members agreed that participation has declined but they listed a variety of reasons including the primary one, work-related responsibilities outside the co-operative. Third, the manager members described their

relationship with consumer members as multi-textured including service provider, manager, co-operative organiser, educator, and production manager. Fourth, the manager members outlined their relationship with Co-op Atlantic as an employer/employee depending on whether the co-operative store had a management agreement. The manager members also explained the relationship between the local co-operative grocery store and Co-op Atlantic on the basis of the quality of service, investment, and cost to members.

C. Worker members' responses

In the last sub-section the perception of manager members was discussed in relation to the theme categories "co-operative principles", "participation by co-operative members", the "relationship between manager and consumer members", and the "role of Co-op Atlantic". In this sub-section these theme categories will again be explored but this time in relation to the outlooks of worker members. This will lead logically to the next sub-section where the responses of consumer, manager, and worker members will be compared in order to develop a possible response to the second general research question.

i. Role of co-operative principles

The worker members considered the principles of co-operation in terms of the different types of consumer members. They defined the different types of consumer members in relation to their commitment and understanding of the principles of co-operation. This tended to be based on their experience with these consumer members when they shopped or participated in co-operative activities, as noted in the theme categories "relationship between consumer and worker members".

The workers identified two types of members including the die-hard and regular members. Wendy proposed:

I think the die-hards are the loyal members, the ones who have always been there, for a long time, they stand by the principle of the co-op, and I think that someone who is a regular member is someone who just looks at it like it is a grocery store. You know, they see it as a grocery store and nothing else.

The die-hard co-operative members are those people who are committed to the consumer co-operative and take an interest in the day to day operations of the co-op. The consumer members are those who appear as customers, have no interest in the co-operative, how things are functioning at the co-op, and vanish when their shopping is done. Wanda reinforced Wendy's sentiment by asserting:

They look at it as, if they don't give me the same special this week, that I can get at the Superstore, then they take off and go somewhere else. They think that's what the big thing is, you get a couple of specials every week, they get suckered in and end up paying more for everything else. They just, its just, they see that big, splashy colourful flyer with .99 cents on it, and they think it is the be all and the end all so they have to go there. And their membership doesn't mean a lot to them. They cash it in whenever they feel like it.

The similarity of observations from worker members when considering the principles of co-operation was noted by their emphasis on what the consumer members were doing or not doing. They remarked that the principles were not the driving factor for some of the consumer members at the co-operative grocery store. They recalled that consumer members were more interested in the service, quality, availability, and price of goods at the co-operative rather than why the co-operative does not have a specific product at one time or another.

ii. Participation by members in co-operation

To this point consumer and manager members have considered participation in the co-operative in relation to consumer member participation. Managers never touched on their role in annual meetings and the board of directors as a form of member

participation. Worker members talked about the low rate of consumer member participation but also talked about the way they participate in staff advisory committees. In this part, the responses of worker members are examined in relation to their views when participating on staff committees.

The workers generally thought that staff advisory committees,¹⁵ if they existed in their local store, would be ineffective for representation on fundamental issues. The workers said that representation through the board of directors was a better route for worker representation, as we will see in the next part of this sub-section. The worker members described the role of staff advisory committees as a forum for discussion about safety issues and minor problems. William noted:

The biggest thing they seemed to deal with were safety issues. That seemed to be the big focus because they would go around and do a check of that in every department. Make sure that everything was working alright that all the equipment was working and nothing was broken down and that sort of thing.

When describing participation in the co-operative grocery store the worker members talked about the staff committees and work in general. The worker members noted that the staff advisory committees did not seem to be looking at fundamental issues at the grocery store, they seemed to be concerned with small concerns, and you never really heard anything about the issues put forward to management. William mentioned:

Like you never really heard about, a lot, about what would be the sort of thing they would move to management. ... You'd have a minor concern, like uniforms weren't coming in fast enough, so you'd get that looked after. They weren't getting enough boxes up front so, we made sure we put as many up front as we could.

¹⁵ Staff advisory committees exist in some co-operative grocery stores. Not all of the worker members had an advisory committee in their store but when these committees were explained they suggested that there would be problems with such a model.

Considering the theme category “participation by members in co-operation”, the worker members talked about their participation in the store staff advisory committees and suggested they dealt with only minor problems rather than fundamental issues. The worker members, as we will see in the next part, think that the board of directors would be a good forum for discussing fundamental issues.

iii. Relationship between consumer and manager members

The worker members thought that the relationship between the consumer and manager members was centred around the board of directors. Beyond an examination of the manager and the board of directors the main issue was the service and price of goods that the manager provided for the consumer members. Some workers focused on the relationship between the consumer and manager members on the basis of common interest. Wanda noted:

If you're trying to tell me that there is a have not on our administration board that isn't . . . I am talking above department head, I am telling you right now that you are wrong, and I am willing to stake a good deal of money I don't have on it.

The dissimilarity of worker members' experiences on this theme was denoted by a discussion of class and participation. Many workers felt that the manager and the board of directors have a common interest in profit, profit in terms of a lower price at the checkout. This would benefit consumer members because they would be paying less for grocery items, which in a sense can be identified as profit. However, they made a distinction, as above, on what type of member is concerned with the price and what type of member is interested in co-operation, given that there are members who believe in the principles of co-operation. Wendy argued that change could be prompted by participation on the board of directors:

I think the board of directors, one, would be more of a broad base for change...with the board of directors, they are the ones who affect the change. If they heard something and they wanted to act on it, they would certainly have the ability to do so.

While worker members had dissimilar views on the relationship between manager and consumer members, they felt that the focal point was the board of directors. Some workers felt that the board of directors could make change if they felt that change was required. Other worker members suggested that the board of directors share a common interest with the manager, and that is to create profit. These workers also pointed out that not everyone can become a member of the board of directors and this is reserved for a select and privileged few.

iv. Role of Co-op Atlantic in local co-operative grocery stores

The worker members had different opinions of the stores relationship with Co-op Atlantic given their specific occupation. These opinions ranged from not having any knowledge of Co-op Atlantic to having a series of experiences with the organisation. The workers who had knowledge of Co-op Atlantic basically stated that the relationship of the store to Co-op Atlantic depended on the volume the store sold. If the store sold a lot of goods then they received excellent service but if the store was small they received inferior service. William proposed:

We just didn't get the quality down there, that they did with the bigger stores. And the members notice that. That sort of thing they notice. And you got to tell them, you know, we didn't have the supply for it this week, and like a lot of stuff, I wouldn't put out. I'd send it right back. Like I would get something and it would be bad. And I'd run to -----, and I'd get it and there would be no problem with it. It'd be perfect stuff. There is that perception in Co-op Atlantic that they're going to put the time and effort into the most successful stores and they aren't going to worry about the smaller guy.

The few worker members who had knowledge of Co-op Atlantic, then, talked

about the quality of service provided to the local stores by Co-op Atlantic. The workers did not mention the management agreement, participation in the board of directors by co-op members, or the relationship between the board of directors of the local and Co-op Atlantic itself. The significance in this part is the fact that the worker members have no knowledge either because they have no time to participate or they have been systematically excluded.

In this sub-section the views of worker members were inspected in relation to the themes, “role of co-operative principles” in the Atlantic Canadian consumer co-operative grocery stores, “participation by co-operative members”, the “relationship between manager and consumer members”, and the “role of Co-op Atlantic in the local consumer co-operative grocery store”. The worker members responded similarly to the other respondents under the principles of co-operation suggesting that the value of the co-operative principles is determined by the type of consumer member under question. Worker members commented on “participation” with a focus on their role in staff advisory committees and the board of directors. Some worker members stated that the manager and the board of directors shared a common interest in profit and that they also shared membership in the same economic class. Other worker members saw the board of directors as a place to make change. Finally, workers generally stated that the role of Co-op Atlantic included service and product quality.

D. A possible response to question two

This sub-section is divided according to the theme categories outlined above relevant to the second general research question: “Is the Memberships’ control over management less effective and less democratic than shareholder control over

management in the strictly capitalist form of business as depicted in the Marxist literature?" is defined.

i. Role of co-operative principles

Under this theme category there were three primary responses that dominated the discussion of the respondents. First, the worker members divided the consumer members into two groups according to their relationship with the principles of co-operation. Second, the manager members discussed the Memberships' interest in the co-operative principles in relation to the level of participation by members in co-operative activities. Third, the consumer members talked about the role of co-operative principles in relation to the co-operative during the formative and present years.

On this basis we can make the following four points as a place to begin our response to the second general research question. First, consumer, manager, and worker members did not respond similarly under this theme category. Second, worker members are more likely than consumer and manager members to talk about the role of co-operative principles in relation to the behaviour of consumer members. Third, manager members are more likely than consumer and worker members to describe the role of the co-operative principles in the Atlantic Canadian consumer co-operative grocery stores on the basis of member participation in co-operative activities. Fourth, consumer members are more likely than manager and worker members to discuss the role of co-operative principles in relation to the differences between the formative and current years of co-operation.

The comparison of responses between the participant categories emphasised the difference in the type of ideas that consumer, manager, and worker members brought up.

In conclusion the role of the co-operative principles can be identified by examining the behaviour of co-op members when shopping at the co-operative, the level of participation by members in co-operative activities, and by comparing the formative years of co-operation to the current co-operative year.

ii. Participation by co-operative members

Under this theme category consumer, manager, and worker respondents discussed similar ideas when considering the level of participation, beyond shopping, by co-operative members in the Atlantic Canadian consumer co-operative grocery stores. Three ideas were developed by the respondents when discussing co-operation under this theme: the benefits of co-operation, a desire to co-operate beyond shopping, and a lack of resources or barriers to co-operation. The discussion of the respondents was focused on the level of participation by consumer members in co-operation beyond shopping at the co-operative grocery store instead of focusing on consumer, manager, and worker members.

First, for most people there is no benefit to participating in the co-operative grocery store beyond shopping at the co-operative. As an owner of the co-operative, the benefit that you receive which is immediate is the price of the goods at the co-operative grocery store. Second, some members simply have no desire to participate in co-operative beyond shopping at the store because they feel that they are of no use or they just have no interest in the administration side of the business. Third, co-operative members like other people in society face barriers to participating in voluntary activities in general. Some of these barriers are realised in the challenges of raising a family, the demands of modern employment, and little free time after everything is done at the end of

the day.

In this part we compared the responses of consumer, manager, and worker members under the theme “participation in the Atlantic Canadian consumer co-operative grocery stores”. Members perceived the benefits of co-operation only in terms of the immediate benefits they receive, the desire of members, and the reality that barriers exist for people when they consider participating in co-operation including family, work, and time responsibilities.

iii. Relationship between consumer and worker members

The consumer, manager, and worker members responded under this theme, “relationship between manager and consumer members”, in a dissimilar way by placing emphasis on rival ideas. The collection of ideas that were developed by the different groups of respondents revolved around service, role in production, and the board of directors. From these ideas we can build four statements to help us construct a possible response to the second general research question in the last part of this sub-section.

First, worker members are more likely than the manager and consumer members to suggest the relationship between the manager and the consumer members is centred around the board of directors and that price is the basic issue. We can assume, based on this, that a consumer members’ relationship with the store manager is determined by their participation on the board of directors. Second, manager members are more likely than consumer and worker members to describe the relationship between the manager and consumer members in terms of the role of consumer members in co-operation. Third, the consumer members are more likely than the manager and worker members to talk about the relationship between the manager and consumer members in terms of the service that

the manager is providing to the co-operative grocery store. The responses of consumer, manager, and worker members under the theme, “relationship between consumer and manager members”, were consistently different.

iv. Role of Co-op Atlantic in the local co-operative grocery stores

In this part the theme category “role of Co-op Atlantic in the local co-operative grocery stores” is discussed in relation to the responses of the different participant groups. The participant groups responded dissimilarly under this theme, entertaining a number of competing ideas about the relationship between the local co-operative grocery stores and Co-op Atlantic. One of the dilemmas under this theme category was that some of the worker and consumer members did not have any idea what Co-op Atlantic was or what their relationship with the local co-operative store included.

First, the consumer members who were aware that Co-op Atlantic existed were the people who had served on the board of directors of their local co-operative grocery store. Some of these members talked about the management agreement while others discussed the complex relationship between the local co-operative store and the second tier co-operative. Second, the manager members talked about Co-op Atlantic as a necessary service provider and as their employer, if they had a management agreement with Co-op Atlantic. The managers concluded that the buying power of Co-op Atlantic was primary factor for ensuring the participation of consumer members through lower prices. Third, the worker members who were aware of Co-op Atlantic talked about the quality of goods received from Co-op Atlantic and their role as a service provider.

On this basis we can develop three points to help us in the next part of this subsection. First, Co-op Atlantic does not exist for the majority of two co-operative

membership groups: worker and consumer. Second, the consumer members most likely become aware of Co-op Atlantic when they participate on the board of directors. Third, worker members are aware of Co-op Atlantic based on the quality of goods that they receive from the wholesaler. Fourth, manager members, as a whole, are more likely than consumer and worker members to have a good understanding of Co-op Atlantic and their role in the local co-operative store.

v. A possible response to the second general research question

A possible response to the second general research question can be formulated on the basis of four sets of assumptions. First, the principles of co-operation were very important during the formative years of the co-operative grocery stores and have become less central in the current co-operative stores. The people who joined the co-operative grocery stores during the formative years were and still are interested in the co-operative form of living, good stewardship, and so on. Many people do not participate in co-operation beyond shopping at the co-operative store because they face economic, family, and work related responsibilities. In addition, some people have no interest in co-operation beyond the price of the product that they receive. Based on the behaviour of members, there appears to be a small group of central members who are definitely interested in the principles of co-operation and a large mass of peripheral members who may be interested but base their interest on the immediate benefit.

Second, the lack of participation in the co-operative grocery stores beyond shopping by consumer members is defined by the context of co-operation. The context of co-operation is the society in which we live. Respondents stated that people may not participate in co-operation because they exist in and are constrained by a society that

fosters work, gender, and basic economic inequality. Social constraints generate and perpetuate barriers to participation that many people face and may not surpass without help from other co-operative members.

Third, the relationship between consumer and manager members is defined in relation to their ability to participate in co-operative activities, such as the board of directors. Many people do not have a relationship with the manager beyond the service of providing cheap goods at the co-operative because they can not or do not participate. Further, the members who do participate have a relationship that is bound to the management agreement with Co-op Atlantic which gives the manager complete control over the production of the co-operative service within the policies set by the board of directors.

Fourth, Co-op Atlantic does not have a relationship with the majority of worker and consumer members because they do not fully participate in co-operative activities. The primary relationship that Co-op Atlantic has with the majority of members of the Atlantic Canadian consumer co-operative is based on the quality and price of goods that the co-operative receives. For this reason the manager members place emphasis on competing with traditional grocery stores on the basis of price in an attempt to keep members shopping at the co-operative.

A possible answer to the second general research question can be made in the following points. First, the membership is less effective when controlling the manager when compared to traditional shareholders in practice because they do not participate as members on and in the election of the board of directors. Further, shareholders of traditional grocery stores are less likely to face economic and work-based inequality as a

constraint to participating in their business, as some co-operative members generally do. However, the membership does have control over the manager in one primary form and that is through their patronage or participation at the check out.

Second, when control is exercised from the bottom up and disagreements arise between the manager and the board of directors, the relationship may become problematic. In some instances, the management agreement with Co-op Atlantic constrains the authority of those co-operative members who sit on the board of directors. However, a consumer member noted that they could, in such an instance, eliminate the management agreement with Co-op Atlantic and carry out the interests of their membership.

Third, the co-operative system of election is less democratic than it could be when considering the role of worker members in most of the Atlantic Canadian consumer co-operative grocery stores. If the worker member has full rights to be elected to the board of directors as any other member has, then the co-operative principle of equality in ownership and participation is fulfilled and the co-operative is more democratic than traditional grocery stores. However, if the worker does not have the right to be elected to the board of directors then the co-operative principle of equality in ownership and participation is violated.

Fourth, the role of the worker on the board of directors becomes a problem on the basis of a conflict of interest because the worker is employed at the co-operative. Consumer members noted that this problem is not insurmountable and that some system needs to be agreed upon for the resolution of a conflict of interest issue in the instance that it arises. The role of the managers in elections and the board of directors was

questioned as well; one could assume that they might be in a position of a conflict of interest if they were involved in the election of workers through a nominating committee.

In this section the experiences of consumer, manager, and worker members were discussed in order to develop a possible answer to the second general research question. The co-operative was noted to be less democratic than it could be depending on the participation of members, how the principles are put into practice, and the role of the worker members when participating on the board of directors. One could assume that further investigation is required because individual co-operative grocery stores vary on each of these points. The relationship between worker and manager members was noted to be central to the above issues and will be investigated in the next section of this thesis.

III. A possible response to question three

A. Consumer members' responses

In this part we will deal with the experiences of consumer members and identify the similarity and dissimilarity between the observations of consumer members. The perceptions of consumer members are divided and considered under four theme categories. The themes are, "change at the Atlantic Canadian consumer co-operative grocery store", "the future of the Atlantic Canadian consumer co-operative grocery stores", the "relationship between manager and worker members", and the "future of worker members in the Atlantic Canadian consumer co-operative grocery stores".

i. Change at the co-operative

As mentioned in the first and second sections of this chapter, consumer members were enthusiastic when recounting their experience with co-operation during the formative years. They proclaimed the commitment of co-operative members to

participate in annual meetings and to develop the co-op store. The consumer members also asserted that this enthusiasm was in contrast to the participation level that is common today. This is meaningful when we realise that the number of people shopping at the co-operative stores has increased. Cheryl remarked:

[A]nd ah, the different commitment to participate by the owners in those various stages of development of the co-operative. And of course the highest level of commitment to participate is in the first stage of development where the co-operative is new, and ah, is facing challenges and people are very highly spirited about their co-operative and that is the highest level of participation....[N]ow, at the highest level of development where the co-operative is well developed and, ah, all of the sort of operational communications problems have been worked out and so on, ah, the, the people who are owners of that co-operative see that enterprise, that business as a business that provides them with service, and as long as the service is being provided, they don't have any more interest.

Cheryl also recalled at this point that the relationship between the board of directors and the consumer members who are not participating becomes very important. The emphasis in the early stage of development as she suggests is hands-on for all of the consumer members. Of course, as the co-operative grows in size and as the membership increases, new members may not have an interest, as long as the service of "co-operation" is provided, in participating in co-operative activities. For this reason the board of directors have to be pro-active in their role as co-operative leaders and they have to educate the membership because the membership may not fully understand the principles of co-operation. According to Cheryl,

[T]hat's where it is very, very important for the board, for the leadership of that co-operative to develop good member education programs, to recruit, ah, people for roles, for volunteers in various committees and so on, and especially for the board, who have that commitment and that understanding. Ah, because in that stage, when that stage of the development of the co-operative is reached, there's ah, its kind of a dangerous stage. Because its satisfying sort of the palpable expectations, the immediate needs of the people and they don't concern themselves with

it, and that's when things can start to happen that are very bad.

The emphasis on the board of directors and the education of co-operative members highlights the crisis in the participation of co-operative members. The co-operative on this basis can be said to have changed from an organisation with the full participation of its members to one with little participation, given that all goes well in the delivery of the co-operative service. One could assume that if the small group of co-operative members who participate on the board of directors failed to carry out the role of education and solicitation of the co-operative membership, that indeed the co-operative could be in trouble. Charlie noted:

So, the only way that I think that they have a fairly small board is that I keep seeing the names (list outlining the members running for the board of directors) and they are the same names over and over again. Either they are very outspoken and make sure that they become the president year after year after year or there are so few people around that want to do it in the first place that they end up having the same people even though they might not necessarily want to.

The consumer members under the theme of "participation" concluded similarly that there has been a drop in participation by co-operative members. One consumer member familiar with the issues of co-operatives suggested above that the development of a co-operative grocery store can be divided into periods of growth. The periods correspond to the participation and interest of members in co-operation and at some point many of the members only become concerned with the benefits of co-operative ventures. This is in stark contrast to the co-operative principles of self-help and independence that enshrouded the early co-operative grocery stores. I concluded that if the board of directors failed to solicit participation by co-operative members than they could be in trouble and Charlie reinforced this as well.

ii. Future of the Atlantic Canadian consumer co-operative grocery stores

When asked about the future of the Atlantic Canadian consumer co-operative grocery stores there was no consistent answer among consumer members. Some consumer members saw co-operatives returning to education and the principles of co-operation as a means of getting back to the essence of co-operatives. Other consumer members thought that co-operatives needed to return to selling just basic goods and eliminate the frills that have become the norm in many co-operatives. One thing that can be noted, however, is that none of the members saw co-operatives as stable and in no need of change. Christine said:

Now, these are people who can shop anywhere and don't need the solidarity, to, to make life better. . . better prices. So, it's really a reflection of our community. It's us. It's our community. Its almost like an elitist thing. So, I don't think it works well around here. I think that if it was starting all over again, you could get people from the lower income to try and do it again. To band together to set up their own co-operatives. Um, that would be the essence of a co-operative right there. But, that probably won't happen.

Christine responded with the assumption that the co-operatives that exist today reflect who we are and the society we live in. Maritime society on this basis can be said to have changed in a significant way. According to Christine the people in our community, or at least the people who are in co-operatives, do not need solidarity and better prices. Christine would like co-operation to be taken on as a strategy by those people in society who need co-operatives, particularly, low income. Christine would like to see low income people band together and start a co-operative store that suits their needs. Christine suggests this would entail returning to the fundamental principles of co-operation but she does not have much faith that this will happen.

iii. The relationship between worker and manager members

The consumer members had dissimilar views on the relationship between worker and manager members. The first group of consumer members saw this relationship, as essential to providing the co-operative service. One consumer member mentioned, as noted above, the importance of having a manager who includes staff in decision-making and uses a co-operative production strategy. One consumer member noted the relationship between the policies set by members and the role of the manager in directing production at the co-operative grocery store. Charlie noted:

[b]y and large there was always a clear demarcation between management and managing the everyday operations of the store and the policies the board set, that the management and the store were to live up to...

The second group of consumer members did not see the relationship between manager and worker members as that simple. The manager, they stated, directs production using a top-down approach and makes choices that they think will be beneficial to members. However, there are two groups of members in this case that the store manager may have to be concerned with and the one group is often neglected in the decision making process. The store manager, then, is torn between providing the best possible service for consumer members and providing meaningful employment for worker members. Cheryl noted:

In some ways my feeling is, is that the individual is going to be torn between wanting to provide a good happy work atmosphere and providing something that is satisfactory to the members themselves. In that respect, I would tend to think that they would have a very difficult time thinking that one is going to become more important than the other. If anything the fact that you need to satisfy the vast number of members is going to become more important than making sure that the workers have a happy/productive, working atmosphere. In some ways evidence of that then becomes the fact that you are tailoring these really menial jobs, in order to appease, please, or satisfy or make the greater number of

members happier. If you have somebody standing there for eight hours a day handing out flyers or directing you to the cashier, that doesn't seem to be doing something to make that a very satisfactory work relationship for that employee as much as it does to make it even more convenient for a member not to have to actually think anymore.

The outlook of consumer members under this theme category produces two primary perceptions or two points of view. First, the co-operative grocery store service can be produced co-operatively if the manager acts as a Co-op leader as opposed to a manager but the manager member provides a necessary service. Second, there may be problems when representing two groups of co-operative owners and this may mean that the interests of one group is neglected in favour of pleasing the other.

iv. Future of worker members in the Atlantic Canadian consumer co-operative grocery stores.

When asked about worker co-operatives, most members did not know about them or how they related to co-operation. The members who had knowledge of worker co-operatives thought that they might be useful in conjunction with the consumer co-operative system. Some members claimed that workers needed to be more involved in the co-operative system if the Atlantic Canadian consumer co-operative grocery stores.

Christine asserted:

I think in Atlantic Canada, well, right across Canada for that matter, and with respect to retail consumer co-operatives, we have a lot of work to do in that whole area. Some co-operatives have staff persons on their board. Some of them are appointed and have no votes. Some of them are elected by the general membership and of course they have the same rights and authorities as directors as any other director. In some, in very few cases, there are reserved seats on the board for staff, and the staff elect their own representatives.

What is significant about Christine's response is her emphasis on specific and few cases where staff can elect their own members. If staff were appointed or solicited by

manager workers this would simply be a conflict of interest because the manager employs the worker. Christine pointed out that they have a lot of work to do in that area and the work that is done in the area of worker member participation should be done considering the subordinate position of worker members in relation to manager members.

Christine comments further:

There are always, when innovations of this nature are made, you can expect that there might be some difficulties that arise. But those difficulties are not insurmountable, providing there is good will and so on. And ah, again, in my personal experience the difficulties that did arise out of having staff participate as directors, fully elected and participating directors. Where those difficulties did arise, they were minor; they weren't difficult to overcome. And most of those difficulties have to do with information and education. We often hear the critique that well, if you have staff on the board, they can be in a conflict of interest.

Christine makes a very good point about a conflict of interest when staff participate on the board of directors. This point can be applied to the role of the manager and middle managers, as well, when they participate on the board of directors. Education about the issue may resolve the differences between manager, worker, and consumer members when the participation of worker members is implemented.

B. Manager members' responses

In this part the perceptions of manager members when talking about the "changes in the Atlantic Canadian consumer co-operative grocery stores", the "future of the Atlantic Canadian consumer co-operative grocery stores", and the "relationship between worker and manager members" and the "future of worker members in the Atlantic Canadian consumer co-operative grocery stores" is discussed. This section builds on what has been discovered in the previous sub-section which considered consumer members' views under the above theme categories. This will lead logically to a

comparison of responses between consumer, manager, and worker members when considering these themes in the fourth sub-section.

i. Changes in the Atlantic Canadian consumer co-operative grocery stores

The manager members of the Atlantic Canadian consumer co-operative grocery stores generally mentioned that there was a large saving to members in the formative years, around fifteen to twenty percent. The manager members focused on a change during the second period of growth including an increase in competition that reduced the amount of savings to about eight to fifteen percent. They mentioned that a further reduction in savings to about two to six percent occurred more recently with the introduction of an Ontario food chain to Atlantic Canada. Milton proposed:

I can. . .well, I think there is a 15% spread, in the teens, a 10-15% spread between us and the other stores at that time. When Sobey's came in it went to 10-12% and now. . .we are still saving our members money. They are still getting good value at the co-op. Although it is only in the range of 2-5%. IGA is still up around 10%. I don't know how they are staying the market but they have a loyal following. And of course, they have been bought out by Loblaws and I guess they are changing them into Save-Easy's.

The manager members were consistent when talking about the result of this change in the savings to the co-operative membership. They noted that to keep the large number of members shopping at the co-operative grocery stores they had to become more competitive in pricing. This means changing the way that the Co-op stores merchandise products, an increase in advertising, and an attempt to educate those members who do not understand the co-operative movement. Michelle argued:

Well, we would like to think that they are thinking that they are part owner in a store, I feel great because I own my store. But unfortunately I don't think that too many people see that way...but its everybody is different, so I basically think that people see it as if I can get it cheaper at Sobey's then I'm gonna go there.

Manager members also recalled the level of commitment on the part of members to shop solely at the co-operative or to shop at the co-operative because they are members. Also manager members remarked that the co-operative membership does not necessarily look at what they are getting from the co-operative when they pay for their shares and service fees. The manager members simply said that there are some members who do not look beyond the price of the good. Michelle noted:

And the other thing I've noticed over the year...they look at the share capital and they look at the commitment, there is a commitment to be a member of the co-op and so they are looking at the commitment end of it more than the pricing and why I say that if there is something here that is a dollar and its a dollar at Sobey's, nine times out of ten, they would leave here and go to Sobey's. Why, I don't know. Maybe its the commitment end of it and they are not committed to shop at Sobey's you know. If they go there and they don't like it they can go somewhere else. But when you become a member of the co-op you are committing yourself.

The manager members agreed that the relationship with Co-op Atlantic is becoming clear with the introduction of merchandise planning and increased use of Co-op Atlantic as a supplier. The future of Co-op Atlantic, it seems, is going to be consistent with the norm of this period with the majority of stores using Co-op Atlantic as a manager supplier. The managers also agreed that co-operation would have to increase between Co-op Atlantic and the stores if they were going to become better competitors in the food market. Michael mentioned:

To be sure that we have a good supply of goods at a fair price. Co-op Atlantic is a big organisation. They used to be on the 500 List, and at one point they were on the ten list. The Financial 500, so they are a big organisation, so their buying clout is good. And, so, basically we are to support Co-op Atlantic as management agreement stores. Now, Co-op tries to buy local as much as they can. And we have the right to buy from local producers and suppliers. Now, ----- is a co-operative and there are lots of things produced as well as apples. . . I think cabbage, turnips, I know they buy from ----- and its not a co-operative but its local, bunch

of local producers, so I suppose it would be a co-operative in some respects. So, Co-op Atlantic, certainly where they can, will buy from the local market.

The similarity is striking in the experiences of manager members under the theme of “change in the Atlantic Canadian consumer co-operative grocery stores”. Manager members are concerned with price of goods at the co-operative because they argued that the majority of the members place emphasis on savings. Further, members do not seem to want to commit to the co-operative store by paying shares and service fees. Members do not make the connection between the shares and service fees, and owning the store. In some sense ownership of the co-operative has become less important than the price of a good.

ii. Future of the Atlantic Canadian consumer co-operative grocery store

The manager members agreed that it was very disappointing to see the co-operative movement decline on the basis of member participation and member commitment. They suggested that employees and the managers themselves worked hard to provide services and quality goods to their members. Michael summed this up with the following:

After you have worked so hard to give them (the members) good services and quality products for a fair price, it is hard to see them go down the road. (Clarification)

Manager members seem to be interested in competing with the other grocery stores in terms of price, service, merchandising, and presentation. It seems as though manager members think that the co-operative membership does not look beyond the price of the goods. In addition, the manager members seem to think that they have to keep the memberships attention and create co-operation rather than to provide a service to those

who want to co-operate. Milton proposed the following:

Yeah. . .they focused on marketing in the last two or three years to make the store keener on marketing what we have in the stores to the public. . .to the members or the customers, whatever the case may be. Showing them that we can be good marketers too, and we may be a little slow in getting up to speed because, let's face it, we were a closed shop for years.

The similarity of views between manager members in this part is apparent because they focused on price, service, merchandising, presentation, and their relationship with Co-op Atlantic as a supplier. The manager members were concerned with the lack of participation by consumer members and the frequency with which consumer members shop elsewhere. The manager members thought the way to increase the commitment of consumer members to the co-operative store was by competing with traditional grocery stores on the basis of price and service. Further, increasing their merchandising strategies and presentation will help to secure member commitment. This reinforces our further conclusion that there is a distinction to be made when considering the principles and the immediate benefit of co-operation.

iii. Relationship between manager and worker members

The manager members commented on their individual stores and how they changed from the seventies to the eighties. They mentioned a period of growth primarily during the eighties when things began to change at the co-operatives. The managers noted an increase in the number of worker members at the co-operatives as well as an increase in worker member training. Milton described this change in the following:

Well, basically, when I started out in the 1970's the co-op was small and had an assistant manager, that's what I was and had a meat manager, and I basically did the produce, did the grocery. We had a couple of grocery clerks. Two or three front end people, cashiers, and they took care of the money so to speak. But very. . .you didn't feel a lot of pressure back in

those days, or maybe I was younger. A lot of job sharing back and forth from one department to another...

Milton commented on a change in the way that the co-operative service was produced at the local co-operative grocery store. The co-operative managers and workers stopped job sharing and working in several departments. The co-operative managers and workers began to specialise in one area or department. This, Milton noted, was due to an increase focus on competition with other grocery stores in the eighties and nineties.

[As] we progressed into the '80s and '90s things became a little bit more technical, a little bit more competitive and you had to know a little bit more marketing somewhat so more courses became available, supervisory, supervision, marketing type courses, so...

Milton suggested that the result of these changes was that people became professionals in one area or another, professionals as a marketer of produce, meat, or grocery items. This was done with the purpose of providing a better service for the co-operative member and, as well, with an eye on what the private grocery stores were doing.

You ended up with having to have a produce manager and a grocery manager and as you got bigger you had to have a meat manager, and the assistant managers were done away with when you started having department managers, and so, I guess the next step for me was I was the assistant manager in the grocery department and then they did away with assistant managers and became grocery manager or second in command... So, people would be sort of professionals in that field, training in meat or produce or whatever, so you know they would know how to cut a roast and market that roast and in produce we would know how to market cucumbers. . .that you put cucumbers beside red tomatoes to give effect. And there is some of that visual marketing and people just required more, and of course, with the arrival of Sobeys' a very modern retailer...

Milton argued that the increase in employee specialisation and their desire to do as well for their consumer membership as private stores had at that time, were the reasons that co-operatives stopped using consumer member volunteers. Milton asserted that

consumer member volunteers were appreciated but that they did not have the training to do the job to the standards that trained worker members were expected to do. The result was that the worker members would have to redo the volunteers' work if it had not been done right adding extra work to the employee's day. Milton said:

Back in the beginning, members helped stock shelves, and they were here for things like clean up day or paint day where they would come in and paint the building and in the beginning the building was the type that needed paint, and very willing to help out, very willing to participate. Of course the membership was smaller, less people and then we had a lot of co-op minded people.

Milton stated that there was an increase in membership, a decrease in participation, and the need for paid workers:

And as the co-op got bigger, less participation of course and we had to change the way we marketed the store as well. We started out very basic, warehouse shelving, cases on the shelf. And then we kind of started getting conventional shelving which looks better than cardboard shelving and took the cardboard off the shelves and placed stuff on the shelves and it got more sophisticated so to speak and you had to have trained people to do that.

Milton recalled the use of trained workers over volunteers to please consumer members:

If you wanted a store that pleased people who weren't pleased with a bare bones store. So, over the years as things got more complicated, progressed more instead of a Geo, we ended up with a BMW so to speak. So, you just kept adding and adding and adding and had to be controlled by people who had a job to do. More than volunteer help. So, maybe the co-op system pushed the volunteers back some which in order for the store to progress, it had to do that. Because you get volunteer labour into a store putting stuff on the shelf they are going to do it anyway they want to do it. So, as we progressed, in the '80s and '90s so to speak, you hired people to do that kind of work.

The similarity of observations included conversations about the increase in use of workers as the grocery store expanded, reduction of volunteers at this time to provide a specialised service to members, and a look at what conventional grocery stores were

doing. One can assume that the drop in participation might not be because the original “co-op minded” members were not participating as much but because the co-op membership increased to include people with a poor understanding of co-operation and familiar with how things work in private grocery stores. A focus on savings at the co-operative instead of volunteer work, self-help, and independence might have forced co-operatives into a price and service war with traditional private corporations. The most interesting part of the above quote that would support this conclusion is the line: “instead of a Geo, we ended up with a BMW”.

iv. Future of worker members in the Atlantic Canadian consumer co-operative grocery stores

When asked about the role of worker members in the future of co-operative stores there was a mixed response. Some manager members felt that worker members were going to become more central to the production of goods and services in the co-operative stores. Other managers mentioned that co-operative workers face a heavy burden as consumer members do and, thus, just like today’s member, they will be committed if there is a benefit to co-operation. Michael argued:

No. Ah, looking at it from a managers point of view, of course, I always try to be fair with employees, and I always try to treat them the way I like to be treated. But as far as the commitment of an employee to a co-operative, there again, its the same as the membership. There are advantages to it, they will be committed to it. If there aren’t they won’t be.

Manager members talked about the worker members’ relationship with the co-operative in terms of their role as an employee rather than a co-operative member.

But as far as employees, I guess the question was how employees are committed to the co-op. . . Unfortunately, their participation is in direct relation to their pay cheque and their forty hour week.

When asked about worker co-operatives very few manager members were knowledgeable about these organisations. The managers who were familiar with them thought that co-operation between members and employees might work as long as there were agreements surrounding conflicts of interest. Some thought that this approach would not work because of demands for employee commitment and conflict of interests issues. Michael suggested:

Well, in a worker co-op, I expect they join co-operatively together in order to provide themselves with a salary and benefit of some sort. They have come together to find themselves a good job ...and what have you. Whereas in a co-operative like this, it's here to save our members to... to provide our members with a service that they wouldn't normally get somewhere else. There is that different aspect I suppose. I never thought of, I hadn't thought a lot about the worker co-op I suppose. If we were a worker co-op running a store, we would be doing it for our benefit, more than for the benefit of the people who shop here. But now we are doing it more for the benefit, well, we are doing it for our benefit too, but any monies realised in this operation would be directed back to the membership. More so than in a worker co-op where it would be directed back to the worker.

The manager members disagreed on the "future of workers in the Atlantic Canadian consumer co-operative grocery stores". The issues that were discussed, as recalled by Michael, included the time commitment of worker members and the benefits of their commitment. It was proposed that worker members would not have any time left to participate further in co-operation after working at the co-op. This might be related to the outlook of consumer members under participation, where consumer members suggested that some members have family and work constraints that do not allow them any time to spend co-operating.

C. Worker members' responses

In the following sub-section the responses of worker members will be reviewed under four themes, "changes in co-operation", the "future of the Atlantic Canadian consumer co-operative grocery stores", the "relationship between worker and manager members", and the "future of worker members in the Atlantic Canadian consumer co-operative grocery stores". In the last sub-section the standpoints of manager members were reviewed under the four themes as mentioned above. The review of consumer, manager, and worker members' experience under the four theme categories considered in this section will provide a basis from which to compose a possible answer to the third general research question in the final sub-section of this section.

i. Changes in co-operation

In this part the experience of worker members under the theme category, "changes in co-operation" are examined. The worker members gave similar responses to other members as to what the changes in the Atlantic Canadian consumer co-operative grocery stores have been over the years. A large majority of the worker members who participated suggested that the Atlantic Canadian consumer co-operatives have become just another grocery store. Wendy stated:

Well, I don't think they see it the same as they used to. Back then, when they first started, membership was one vote, and they had a say in what their store was doing, and where it was going and that sort of thing and today they just look at it as a grocery store....Like I say, it all comes back to get in and get out and we don't have time to, its just a grocery store, we don't have the time to put the effort into looking at all this stuff. Let's just get our groceries and we'll go home and we'll come back next week and see where it goes from there.

The worker members placed emphasis on the perception of consumer members when it came to shopping at the co-operative. The worker members talked about the

perception of most members when it came to the service fees, local support of producers, and the service that worker members provide to the consumer member. Wanda noted:

Now, I think with the service fee, I think they look at it as an added cost. They don't think they are actually getting anything for that money. You know, like certain things, back when ---- added a parcel pick-up person, the biggest thing you heard for the first couple of months was, our service fee is going to go up. You know, its gonna cost us more, its gonna cost us more, they're going to put our service fees up...Even at a quarter, you would have lost a lot of people. Because to them, they look at it as an extra cost and not a benefit to them...Whereas all the time, right up till then they would have been complaining how come there is nobody to pack our groceries like the store down the road. And carry them out to the car and when they do get it all they worry about is what's it gonna cost us.

The worker members continued to discuss the change in consumer members' perception of the principles of co-operation. The principles speak about fair exchange between producers and consumers, local and community support for producers, and self-help and independence. The worker members do not think that the majority of members care about the principles. Wendy pointed out the view of consumer members when it came to supporting local producers:

Yeah. . .they don't see. . .they'll see stuff come in and they'll wonder. . . they'll wonder why down at the Superstore they're getting all this stuff from California and it seems to look so much better and things like that, you know. And you try to explain to them that you are trying to buy from local farmers and trying to help all that, but it doesn't seem to make a difference to them.

Wanda noted the consumer members' reaction to the principles of self help and independence:

There is a news letter that goes out, but a lot of people don't seem to want to pick it up though. They'll get handed it at the front door and they will put it in the cart, and they won't look at it again. Whereas the older members, you'll actually see them stop and take time to look it over, and see what it has to say, to see if they can work with it. Other members will pass it to the kid, and they'll make a paper aeroplane out of it and it will still be in the cart when they leave the store.

Wendy suggested that ownership has become less central to the interests of the consumer member in a preference for service:

Like I say, the personal service is the big thing. I think it's fallen by the wayside just due to the fact that people think they are paying to shop, not buying a piece of the store and having a say and that sort of thing. Its becoming a matter of just getting your groceries and going home.

Concerning the theme category, "changes in co-operation", the worker members tended to agree that the Atlantic Canadian consumer co-operative grocery stores have changed primarily due to the perception and interests of the majority of consumer members. However, if you refer back to the previous section under "relationship between consumer and worker member" you will see that the worker members recognise that there are still consumer members who value the principles of co-operation. For the majority, however, this is not the case according to worker members.

ii. Future of the Atlantic Canadian consumer co-operative grocery stores

When the author asked the worker members about the future of the consumer co-operative system and its ability to transform society, the worker members responded in several ways. Some of the worker members did not see the consumer co-operative as transforming society because of the inherent individualism of most co-operative consumer members. Other worker members talked about the nature of co-operative participation, education, and the ideology of co-operation. William recalled the role of education:

Education in itself cannot do it. Just because you bring up an "ism" or a solution, does not mean that people will implement it. Education has got to be 50% of the problem. Yet the other 50% is as much personal as it is important to the small group, whether it be your family or your friends that shape you. If you are not willing to accept knowledge, you will not be

able to use knowledge.... Its because the "ism" isn't reality. Pure, flawless thought does not transcribe at all to us. ...

William responded further suggesting that the Atlantic Canadian consumer co-operatives are an ideal. However, the idea of co-operation does not, for William, seem to be taking place in the actual practice of co-operation. William suggests that there is really no way to take the perfect idea and put it into actual practice or to make it become a reality. William argued:

To get back to the "ism" thing, they (co-operatives) are flawless. They are involved in thought. They are flawless. There is no flaw. The ideal and the real. The constant philosophical battle. I've got the perfect pencil in my head, I can't manufacture that son of a bitch though. There is no possible way....

William continued to question what the Atlantic Canadian consumer co-operative grocery stores are in reality. William was a worker member of the local co-operative, but had first experienced the co-operative as a consumer member under his families membership. Although William holds the following view of co-operatives, he is still a consumer member but, he suggests, that since becoming a worker he has a better understanding of co-operation. William proposes that co-operation at the local Atlantic Canadian consumer co-operative grocery stores is based on profit:

Even though they are trying to sell you a socialist ideal, community based, community say, it's profit. It's bankable profit. We're all in this to make money. Do not kid yourself. It's capitalism, pure and simple. It's democratic. . .it's democratic in the sense that you are supposed to have a say. Is it socialist? It's socialist because everyone is supposed to have an equal say. An equal share. Does it happen in any of those cases. . capitalism, democracy, socialism? No.

Other worker members did not talk about the Atlantic Canadian consumer co-operative grocery stores in terms of what they really are or the role that education plays. Wendy focused on the role that consumer members play and why things are not going to

change. Wendy pointed out that people are self-centred, individualistic, and disgruntled with the community at large. Wendy suggested that people want instant gratification and if they do not get it they will turn against the place:

A lot of them, they just don't have the time for it. They don't want to be bothered and get in, get out. . . . you know. There is a problem, like I said, a lot of people get disgruntled when they go in and they see a line up and they have to wait four or five minutes just to get to the cash, and once they get the groceries they have to wait for a cart and that sort of thing. It does get the people turned against the place a little bit, but. . .

Wanda, unlike William and Wendy, preferred to make a prediction as to what was going to happen with the Atlantic Canadian consumer co-operative grocery stores. Wanda suggests that the Atlantic Canadian consumer co-operative grocery stores are going to lose the competition with the private stores by failing to keep people shopping at the co-operatives on the basis of price. Wanda thinks that the consumer members are going to realise when it is too late that the co-operative grocery stores are better than the private stores because they are committed to offering fair prices. Wanda also suggests that the consumers will have no one to blame but themselves because they failed to be independent or help themselves out.

I think it's going to get more private, just because people don't seem to be concerned about it yet. It's when the co-ops are going to be gone that they are actually going to notice that this is private, these guys are making their own prices and they're not supporting the community, and they're not putting the time and effort into us. Sadly, I think the co-op is going to be gone before people notice it. Just being the matter of fact that they won't be able to survive being in competition with the other guy. And that's gonna be something that people are going to notice when it is gone and people are going to wonder what happened and the only ones who are going to be blamed are themselves.

iii. Relationship between worker and manager members

The worker members defined the manager members according to their position in the co-operative organisation as either a store or department manager. The worker

members made a distinction between store managers and department managers stating that they interacted more with department managers and had little contact with the store manager. One worker member noted the difference or placed emphasis on the difference between the administration (board of directors and store manager) and the workers in material terms. Wanda recalled:

If you're trying to tell me that there is a have not on our administration board that isn't . . . I am talking above department head, I am telling you right now that you are wrong, and I am willing to stake a good deal of money I don't have on it. I can give you a perfect example: I am with my mother. I am pumping the gas in the self-serve gas, a lady pulls up to the full service gas bar, and asks me to put her oil and windshield washer fluid in, and I did it, and as I was leaving, she was trying to hand me money, and I said, I don't work here. They do. She was sure that I was nothing but an employee and that I couldn't afford to be there. And that I certainly couldn't own that car. And that isn't just a co-op stipulation.

The worker members said decisions about the operation of the department never flowed from the department to the managers' meeting. If there were problems affecting the department, the manager of the department made the decisions leading to a solution. Worker members agreed that there was a lack of consultation by store managers with their worker members to talk about problems and develop a solution. Wendy noted her relationship with the store manager in the following manner:

Personally, I never saw him a whole lot. Like he never seemed to be around very much. You'd see him go for his coffee that kind of thing, but that would be about it....But I didn't see him around the store a whole lot. About the only time you would see him was if there was something going on, like you know, employee of the year and they would hand out prizes, you'd see him there but that would be about it.

The general consensus between worker members was that the co-operative work place operated much like the private or capital work place in the rest of society. Some of the workers did not see any real difference between private and co-operative grocery

stores in terms of employment. Wanda commented on the state of employment at the Atlantic Canadian consumer co-operative grocery stores in relation to employment in larger society:

[W]hen you start, you start at the bottom. Pure and simple. You are expendable, you do not have an opinion. You are there to do and if you do not do, you are gone. Basis of employment!... And I can guarantee you that the same old stipulations, such as how you look, what you wear, what your size is, what your gender is, still apply....So, that's employment. As specific to the co-op, they're the exact same.

With regard to the theme category, "relationship between manager and worker members", the worker members noted a difference between the various levels of managers including department and store managers, and discussed the material inequality between store managers, middle managers, and worker members. The relationship between worker members and manager members was fundamentally one of employment, seen as being no different than being employed in the private grocery stores.

iv. Future of workers in the Atlantic Canadian consumer co-operative grocery stores

The part time nature of the jobs at the Atlantic Canadian consumer co-operative grocery stores made it clear to the worker members that they did not have a future in co-operation. The worker members suggested that they were generally looking for something better while working at the Atlantic Canadian consumer co-operative grocery stores. The worker members claimed that the temporary nature of their job and lack of permanent positions in the co-operative did not provide incentives for participation.

William noted:

It seems mostly to see it as a job...so. . . Seems to be pretty rare that you would find a full time one now. I think that is part of the problem where nobody wants to stay and work there because it's minimum wage, part-time and full time work is what people need these days, and there isn't much of it out there. Not in the grocery industry.... I don't think it is

having a whole lot of affect on the co-op system. People out there trying to support their families that are being affected.

The workers said that representation would be feasible with full time employment, dividends beyond their membership, and a future in the co-operative. If these securities existed in their co-operative job then they might have a reason to be concerned and participate in co-operation. As co-operative jobs exist at this point they are no different than working for any other organisation according to worker members.

Wanda argued:

[w]hen you are only working three or four hours a day, you don't go home and worry about what you can do to make it better the next day, cause you know next week you aren't going to be able to get any work out of it and they're just not seeing a return on their work, so they're not going to be too concerned with it....[T]hey don't seem to be getting anything out of it. There's not advancement, there's no offer of full time employment down there. . .they get to the top rate (pay rate) and they see their hours drop and they see three more people come in at five bucks an hour. They notice that and it does affect their work. (Clarification)

The worker members, however, thought that if the Atlantic Canadian consumer co-operative grocery stores offered full-time employment, a secure job, and some incentive to make the co-operative better, then the workers would be willing to participate further in co-operation. For the worker members it seems that the co-operative does not offer them a secure way to feed their family and, thus, they have no interest in co-operating. William claimed:

Like I say, without a lot of full time work out there, people aren't going to be putting their time and effort into it. If they had the full time work to offer people they'd want to be there. They'd want to put their time and effort into it....Well, if they had the full time work they would be willing to devote their time to that, if they actually saw that they were seen as a viable part of the organisation. And that they were getting something out of it and they could actually support their family. And that sort of thing.

Under the theme category, “future of workers in the Atlantic Canadian consumer co-operative grocery stores”, the worker members did not think that the co-operative at this time offers them a secure form of employment because most of the jobs are low paying and temporary. As soon as they rise to the level of a decent wage their hours are cut and workers at a lower wage are brought in to replace them. If the Atlantic Canadian consumer co-operative grocery stores offered them full-time and secure employment along with some incentive then they would be willing to make the co-operative grocery stores better.

D. A possible response to question three

In the last three sub-sections the observations of consumer, manager, and worker members were explored in relation to the themes, “change in the Atlantic Canadian consumer co-operative grocery stores”, “the future of the Atlantic Canadian consumer co-operative grocery stores” “the relationship between manager and worker members”, and “the future of worker members in the Atlantic Canadian consumer co-operative grocery stores”. The experiences of consumer, manager, and worker members were considered individually in their respective sub-sections. The purpose of this sub-section is to compare the responses of consumer, manger, and worker members under the above theme categories and develop a possible response to the third general research question.

i. Change in the Atlantic Canadian consumer co-operative grocery stores

Under this theme category the various groups of respondents talked about change in the Atlantic Canadian consumer co-operative in much the same way. First, the consumer members talked about the change in participation by the membership and the increased importance of the relationship between the board of directors and consumer

members. Second, the manager members talked about the large savings in the formative years for co-operative members and the decline of the savings to the present period. Third, the worker members talked about membership participation and the attitudes of members when shopping at the co-operative. In all the focus was similar because the respondents only considered their responses in relation to what the consumer member was doing.

On this basis three points can be made to provide a basis for our conclusions in the last part of this sub-section. First, the board of directors could be representative of all members including the worker members. Second, members might be shown in some fashion that they are receiving benefits other than lower prices at any one time, that they will have secured lower prices indefinitely because they control the business. Third, members whether interested in the co-operative principles or not could possibly be treating worker members as fellow members and not as if they are “their own individual bosses”.

ii. Future of the Atlantic Canadian consumer co-operative grocery stores

When considering this theme the consumer, manager, and worker members had an overall similar response that was simply, “something has to change”. First, the consumer members argued that the co-operative in some fashion or another needed to strengthen the role of or return to the principles of co-operation. Second, the manager members similarly responded that they needed to increase member participation or patronage if they were to save the co-operatives. Third, the worker members similarly agreed that the co-operative needed to change to survive but they disagreed on how this could be done.

We can outline three points on this basis to be included in our formulation of a possible response to the third research question in the last part. First, co-operation could become a private grocery store with shareholders or consider making some changes based on the principles of co-operation. Second, people might become a co-operative member because they want to make a principle-based change in how society is organised economically. Third, co-operative members could take action now or lose the economic infrastructure that they have created for themselves and, thus, the security of having access to high quality food through fair exchange.

iii. Relationship between manager and worker members

This theme category, “relationship between manager and worker members”, produced a variety of rival responses between participant groups. The consumer members focused on the representation of worker members on the board of directors. The manager members noted that the relationship of worker members with the co-operative has changed and there is an increase in the number of people working at the Atlantic Canadian consumer co-operative. The worker members focused on their employment at the co-operative and the fact that they rely on it as a form of income to feed their families.

We can construct three points on the basis of the respondent’s focus in order to develop a possible response to the third general research question. First, the worker members until recently have not been able to participate on the board of directors and a system might be designed so that they may exercise their rights as owners of the co-operative, as mentioned in the last section. Second, the increase in the number of workers suggests that worker members have taken on a greater number of responsibilities

in producing the co-operative service. This could be recognised in some fashion and the inequality between members needs to be compensated for or rectified. Third, since the worker members rely on working at the co-operative to feed their families, they are constrained, on the basis of a top-down production model at the co-operative, from participating and fully exercising their rights as a co-operative owner.

iv. Future of worker members in the Atlantic Canadian consumer co-operative grocery stores

Under this theme category, the “future of worker members in the Atlantic Canadian consumer co-operative grocery stores”, the various groups of respondents placed emphasis on different ideas. The consumer members noted that some work needed to be done in the area of worker member involvement with the Atlantic Canadian consumer co-operative grocery stores. The manager members said that worker members were under the same work constraints that create a barrier to consumer member participation and, thus, worker members may not want to participate after working all day. Worker members said that they would need an incentive to think about improving the co-operative after a hard days work and that they would need good representation on the board of directors if their role was to change in the future. In general the responses of the participants under this theme included ideas about the representation of worker members, work constraints, and worker member incentives to increase participation.

v. A possible response to the third general research question

A possible response to question three can be based on four sets of assumptions and stems from the points made in the previous parts of this sub-section. First, a large change has taken place in co-operative grocery stores since the formative years. Consumer members are participating less and they are demanding more. Worker

members are doing more and since the formative years have come to represent a specific position in the co-operative. Manager members are under pressure to provide a better service to consumer members by providing better prices and better service.

Second, the co-operative is in crisis because consumer members are not participating and they demand that they be given everything they have come to expect as a consumer in the private sector. In order to maintain the stores as co-operatives consumer members would need to take action and change this perception of the co-operative system by placing more emphasis on the capital or long-term fiscal benefits and less on the immediate or short-term monetary benefits. Consumer members might be given the opportunity to take control and embrace their responsibilities as co-operative members.

Third, worker members need to be represented on the board of directors and they could possibly be given some incentive to “co-operate” further. Representation on the board of directors has to be done according to co-operative principles of democratic election and the equality of owners. Workers might be able to elect a worker representative to sit on the board of directors as a worker member representative. This could be done in a democratic fashion and the worker member should be elected for a reserved position on the board of directors for a worker member. The manager might not be involved through a nominating committee and should not be involved in the election process, as it would be a conflict of interest on his/her part.

A system to resolve possible instances when a conflict of interest arises should be designed to resolve such issues and protect the equality of all co-operative owners. This process could be open for use by all co-operative members on the board of directors

including worker and consumer members. Manager members might be included because they have such a tool in the management agreement for resolving conflicts between themselves and the board of directors as outlined by consumer members in the last section. Further, the manager member controls a top-down production model that gives them non-democratic or authoritarian control over worker members in the production of the co-operative service.

Fourth, if worker members are to have full representation and rights as members of the co-operative then they could be supported by the membership. The membership must commit to providing full time and secure life-time employment to worker members as an incentive to ensure worker commitment. This might be done on the basis of the co-operative ideology of fair exchange between producers and consumers because the worker is the producer of the co-operative service.

The middle managers becomes a problem because they produce more value as well then they are paid in the form of a wage and, in turn, this in turn separates them from workers but also the store manager. Preliminary data suggests that they are more involved than the store managers and spend more time at the co-operative grocery store. How is the relationship between worker and manager owners in the co-operative store similar to the relationship between workers and management found in a capitalist store as depicted in the Marxist economic literature? The relationship between workers and manager members in a co-operative store is similar to the relationship between management and workers in a capitalist store because the manager is in charge of directing the worker to produce a service for the co-operative membership.

The co-operative membership is not engaged in the “fair exchange” of goods because they are not paying the worker members for the value that they produce. Further, the worker member is the only member, with the exception of the middle manager, that gives more to the co-operative organisation than they receive back in the form of “benefits”. The worker as well as the middle manager, as stated by consumer managers, may be fired if they do not do what they are told and the real consequence of this is that they may not be able to feed themselves or their family.

The store manager may not be fired in most cases because they do not work for the board of directors at the local co-operative grocery store. It might be assumed that Co-op Atlantic could move the store manager to another co-operative and replace the store manager with a new person if the board of directors was interested in terminating the management agreement over a dispute. However, the fundamental point is that the store manager has control and the worker and middle managers do not when considering their employment at the co-operative grocery store.

Chapter summary

In this chapter we compared the experiences of participants in order to develop a possible response to the three general research questions. The first section considered the general research question, “How is the relationship between worker and consumer owners of the co-operative store similar to the relationship between employees and shareholders found in a capitalist store as depicted in the Marxist literature?”. The responses of consumer, manager, and worker members were explored under the theme categories, “reason for joining an Atlantic Canadian consumer co-operative grocery store”, “co-operation in the beginning”, and the “relationship between the consumer and

worker members”.

The second section dealt with the second general research question, “Is the Memberships’ control over management less effective and less democratic than shareholder control over management in the strictly capitalist form of business as depicted in the Marxist literature?”. The experiences of consumer, manager, and worker members were investigated under the theme categories, “role of co-operative principles in the Atlantic Canadian consumer co-operative grocery stores”, “participation by co-operative members”, the “relationship between consumer and manager members”, and the “role of Co-op Atlantic in the local Atlantic Canadian consumer co-operative grocery stores”.

The third section of this chapter was reserved for the general research question, “How is the relationship between worker and manager owners in the co-operative store similar to the relationship between workers and management found in a capitalist store as depicted in the Marxist economic literature?”. The observations of conversation partners were discussed under the theme categories, “change in the Atlantic Canadian consumer co-operatives”, the “future of the Atlantic Canadian consumer co-operative grocery stores”, the “relationship between manager and worker members”, and the “future of worker members in the Atlantic Canadian consumer co-operative grocery stores.

In the next chapter the possible responses to the three general research questions constructed in this chapter will be compared to what is stated in the formal co-operative and Marxist political economic literature. This comparison will build a foundation on which recommendations for continued study can be made. In addition, the next chapter

will outline a Marxist political economy approach to the Atlantic Canadian consumer cooperative grocery stores.

CHAPTER FIVE

ANALYSIS II: RESPONSES AND LITERATURE

The purpose of this chapter is to compare the possible responses developed in the last chapter to the formal co-operative and Marxist political economic literature, as reviewed in the second chapter. This chapter is structured according to the three general research questions and their associated possible response. The first section is a comparison of the possible response for question one to what is stated in the formal co-operative and Marxist political economic literature. The second section deals with the possible response to question two and its comparison to the literature. The third section is a comparison of our possible response to question three to the formal co-operative and Marxist political economic literature. Finally, the fourth section outlines a Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores. This chapter leads logically to the conclusion which includes a brief commentary, summary of the thesis, and recommendations for continued study of the Atlantic Canadian consumer co-operative grocery stores.

A. Question one and the literature

In this section our response to the first general research question is compared to what is stated in the formal co-operative and Marxist political economic literature. This section is divided into four sub-sections. First, the response developed in the last chapter will be summarised. Second, the formal co-operative literature and what is stated in our review of this literature is briefly summarised. Third, what is stated in the Marxist political economic literature, as reviewed in Chapter Two, is defined. In the fourth section we discuss the response and compare it to what is stated in the literature in order to formulate an insight into the co-operative and Marxist political economic literature.

i. Summary of our possible response to the first question

In this part the possible response that we developed in the last chapter is summarised so that we may begin our review of the literature. This will enable us to compare the response to what has been stated in the literature, as we reviewed in the second chapter. The responses are based on what the participants have said and in that sense are important but we need to be reminded that this is an exploratory case study. For this reason we will make recommendations for continued study in the conclusion and avoid drawing concrete conclusions in the last section of this chapter.

In the first section of the last chapter we formulated our possible response to the first general research question based on three points. First, the relationship between the worker and the consumer member is similar to the relationship between shareholders and workers in the traditional capitalist form of business because there is the exchange of a wage for the production of a service. The relationship is not similar because the worker and consumer are both owners of the co-operative grocery store. Second, the co-operative grocery store is based on the ideology of community economic development, such as the principles of co-operation, which call for the equality of all owners in participation and ownership. Third, to develop a concrete conclusion to question one we would need to investigate further, to see if ownership in the co-operative translates for the worker member into control over fundamental decision-making processes. The preliminary responses of the worker members suggest that they do not have control over fundamental decision-making processes.

In this part we reviewed our response to the first general research question as we developed it in the last chapter. This will enable us to begin the second and third parts of

this chapter with the purpose to investigate a specific part of what has been stated in the formal co-operative and Marxist political economic literature. We identified, in our response to the first question, two points that are important for our investigation as to what has been stated in the literature: The rights of ownership as they relate to the co-operative principles and the definition of ownership as it relates to the relationship of exchange between worker members and the membership in general.

ii. Co-operative literature

The co-operative literature discusses the principles of co-operation as they relate to the co-operative movement and the Atlantic Canadian consumer co-operative grocery stores. We noted in the second chapter that the Atlantic Canadian consumer co-operative grocery stores are based on six principles: open and voluntary membership; democratic control; limited interest on shares; the return of surplus to members; co-operative education; co-operation among co-operatives (Co-op Atlantic, 1996). Given that we are investigating what the proponents of co-operation have to say in the formal co-operative literature in regards to ownership, we need to focus on the principle of democratic control and ownership rights.

In our review of the co-operative we examined the principle of democratic control. We noted that this principle exists to ensure that each member has an equal share in the co-operative and that no one group of individuals can control the co-operative. The process of nominating and electing individuals to the board of directors is to be democratic; each member should have an equal vote. Further, no member can hold a position on the board of directors for more than three consecutive terms (Co-op Atlantic, 1996; Craig, 1980). The spirit of this principle is the equality of all co-operative

owners regardless of their class, race, gender, and so on.

iii. Marxist political economic literature

The Marxist political economic literature addresses the capitalist economic system and makes no mention of the Atlantic Canadian consumer co-operative grocery stores, specifically. We need to define those ideas that Marxist political economists use which may be useful to our discussion of co-operative ownership. Marxist political economy talks about an individual's relationship to the means of production and how this varies between people.

The Marxist political economic literature discusses the relationship between those who own the means of production and those who do not own the means of production. We outlined in the second chapter three classes of people including the bourgeoisie, petit-bourgeoisie, and proletariat. The bourgeoisie owns those things that people need to survive and employs proletariats in the use of these items in order to produce goods and services. In exchange, the bourgeoisie pays the proletariat a wage for their time and ability to transform nature (Marx, 1990).

The petit-bourgeoisie owns those things that they need to survive but do not regularly employ anyone other than themselves and their immediate families (Hale, 1995). Marx defined the proletariat as people who do not own those things that they need to survive and have nothing to sell except their time and ability to transform nature. These people are forced to sell their time and ability to transform nature in order to live another day (Braverman, 1974; Hale, 1995; Marx, 1990; Sacouman, 1999).

In addition to Marx's three-class-system of economic and social analysis, Henry Veltmeyer has added a second class segment of the petit-bourgeoisie. This addition is

prompted by Veltmeyer's observation of Canadian class structure which he attributes great change on the basis of 1981 Statistics Canada data. Veltmeyer identifies an increase in Marx's petit-bourgeoisie to include those who do not own those things that they need to survive but manage and control them for other individuals, specifically shareholders (Veltmeyer, 1986).

What Veltmeyer finds interesting about this class of professional managers is that they are paid more per-year than their time and ability to transform nature. Therefore, the capitalist does not make any money from the purchase of a professional manager's time and ability to transform nature. In this sense, professional managers are not treated like the proletariat (working class); however, they do not own those things that they need to survive at the end of the day (Velymeyer, 1986).

In this part we reviewed the relationships that people may have with the means of production as described by Marxist political economists. The relationship people have with the means of production determines their relationship with each other setting out those who own, control, and employ people in the use of the means of production and those who do not. This will aid us in our comparison of the possible response to the literature, in the next part of this section.

iv. Comparison of the response to the literature

In this section our possible response to question one is compared to what has been stated in the literature. In the last section the Marxist political economic literature was reviewed so we will begin with the content of the co-operative literature. This will enable us to develop a conclusion that will be useful in the last section of this chapter, "A Marxist political economy approach to the Atlantic Canadian consumer co-operative

grocery stores”.

The co-operative literature discusses ownership in terms of property ownership and control over the use of property. The right to participate is, according to the co-operative principles, to be democratic and everyone is to have an equal opportunity to exercise their rights. The rights of participation are to be exercised on the board of directors which is required to direct management in the production of the co-operative service. The co-operative literature defines people either as an owner with the rights of ownership or not an owner and, thus, without the rights of ownership.

In comparison the Marxist political economic literature discusses ownership on the basis of one's relationship to the means of production. Marx identifies and develops social classes on the basis of property ownership, control in the use of property, and whether one employs another individual in the productive use of that which s/he owns. Marx places people in classes depending on the combination of these variables and ultimately ends up with two classes of owners and one class of non-owners. The significant point for Marx is that the non-owners need to work for the owners in order to survive.

The Marxist and co-operative literature agree on property ownership and control over the use of property as defining variables when discussing ownership over a business/means of production. Where Marxist political economists and the proponents of co-operation do not agree is in the definition of ownership as it relates to Marx's third variable, whether one employs another in the productive use of the business/means of production. The co-operative literature places owners in one group, the co-operative membership, whether they do or do not work for the co-operative. Marxists in

comparison would place the owners of the co-operative grocery stores in different groups on the basis that some are employed by the co-operative and some are not.

When we decided to investigate the Atlantic Canadian consumer co-operative grocery stores, we divide people according to their organisational position in the co-operative. Based on the Marxist political economic literature, if being employed at the co-operative played a role in their response, then people would present different experiences when talking about the consumer co-operative grocery stores. Indeed, as we discovered in the last chapter, being employed at the Atlantic Canadian consumer co-operatives did make a difference when comparing the responses of worker, manager, and consumer members.

In the possible response section above it was pointed out that there is an exchange between owners of the co-operative and worker members and that there are owners who work and owners who do not work at the co-operative. On the basis of this difference between owners, the key issue is whether ownership in the co-operative translates for the worker member into control over fundamental decision making processes. The preliminary data given to the researcher by the worker members suggest that they do not have control over fundamental decision-making processes.

The possible response suggests a perception of the Atlantic Canadian consumer co-operative grocery stores that acknowledges diversity in the variables used to define and discuss ownership. The diversity of ownership is based on the relationship of exchange with the co-operative grocery stores which some members have and other members do not. The possible response, thus, supports Marx's use of variables when talking about ownership, including his third variable, "if one employs another or not". A

significant question on the basis of this is, “What is the nature of exchange between the different owners at the Atlantic Canadian consumer co-operative grocery stores and how does employment at the co-operative result in the inequality of ownership between co-operative members?”

B. Question two and the literature

In the last section we compared our possible response to the first research question to what is stated in the formal co-operative and Marxist political economic literature. We concluded that the Marxist political economic discussion of ownership was similar to the possible response because they both identified the variable of employment as important in the definition of ownership. In this section we will contrast our possible response to question two with the formal co-operative and Marxist political economic literature.

i. Summary of our possible response to question two

A possible answer to the second general research question can be made using the following points. First, the membership is less effective when controlling the manager when compared to traditional shareholders in practice because they do not or can not participate in and on the election of the board of directors. Second, when control is exercised from the bottom up it is possible that the management agreement with Co-op Atlantic could constrain the authority of the board of directors.

Third, the co-operative system of election is less democratic than it could be when considering the principles of co-operation and the role of worker members if they do not have the right to be elected to the board of directors. Fourth, the role of the worker on the board of directors becomes a problem on the basis of a conflict of interest because the

worker is employed at the co-operative. This is not insurmountable because some resolution system could be put in place, as suggested by several consumer members. The role of the manager member in elections and on the board of directors was questioned, as well, one could assume that the manager member might be in a position of a conflict of interest if they were involved in the election of workers through a nominating committee.

ii. Co-operative literature

The formal co-operative literature for the most part does not provide us with any design for the production of the co-operative service with the exception of its relationship with Co-op Atlantic and the management agreement. We noted the role of the manager in the structure of the Atlantic Canadian consumer co-operative grocery stores. The board of directors hires a manager of the retail store and is responsible for the decision-making in the upcoming year. The board of directors is generally responsible for leading committees, gathering information, and proposing, modifying, debating, and implementing new policies. Co-op Atlantic is hired to manage the day to day operations of the store, in the case of the Atlantic Canadian consumer co-operative stores¹⁶ (Co-op Atlantic, 1996).

The manager's job is to manage the co-operative within the guidelines of Co-op Atlantic policy, as set by the board of directors and the policies of the local co-operative grocery stores. Managers have some autonomy over the organisation of the particular co-operative store because they are allowed to have control over the day to day operation of the grocery store. However, in some cases the manager must approve related items with the board of directors such as large expenditures on capital. The member is not involved

¹⁶ Some grocery stores in the Atlantic Canadian consumer co-operative system have opted out of the Co-op Atlantic management program. The members of these stores have chosen to hire their own

in the day to day operation of the store other than as a consumer or employee (Co-op Atlantic, 1996).

iii. Marxist political economic literature

How people are organised into particular social relationships in the economy is rooted in Marx's argument that people must acquire those things that they need to survive before they do anything else. Marx notes: "But life involves before everything else eating and drinking, habitation, clothing, and many other things. The first historical act is thus, the production of the means to satisfy these needs, the production of material life itself" (Marx, 1975:48). Capitalists use a system of exchange to satisfy this primary need for those things that we need to survive. In other words, capitalists pay wages (which can be used to buy those things that people need to survive) to workers for the use of their power or ability to labour, which Marx called their "labour power" (Marx, 1990).

The capitalist and worker, according to the capitalist system of logic meet in a free market for the purpose of exchange. The capitalist, as the buyer of time and the ability to transform nature and the worker as the seller of time and the ability to transform nature agree on a wage (Marx, 1990). Marxist political economists argue that the exchange between capitalists and workers in the capitalist free market is not equal. Marxists assert that capitalists receive in return for a wage the ability of the worker to be creative and produce value in transforming nature (Marx, 1990). If the value of a worker's efforts was not greater than his/her wages then why would any employer interested in a profit hire the worker?

Marxist political economists also point out that workers are forced into this relationship because they do not have free access to those things that they need to

manager instead of using Co-op Atlantic's manager.

survive, such as food. In addition, property laws associated with capitalist production remove public ownership of land from the worker through privatised property. In Marx's terms, workers are forced into a relationship with capitalists and their system of capital production in the free market economy. Marx notes:

In the social production of their existence, men and women inevitably enter into definite relations, which are independent of their will namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness (Marx, 1975: 424-425).

Marx argues that the extra value derived from exploitative exchange is appropriated by the capitalist from the worker in the form of extra (surplus) value. If the owner paid for the value of labour power or the time and ability of the worker to transform nature than they would not be able to create surplus value. Marx defined the value created by the time and ability of the worker to transform nature, beyond the wage of the worker and after all other deductions were made as surplus (extra) value (Marx, 1990).

If workers were paid for their ability to transform nature then there would be no surplus value and, thus, no capitalist production system. The fundamental element of the capitalist system of production is the ability to pay the worker a wage less than their ability to transform nature and, thus, extract a surplus from the exchange. Marx argues that the capitalist system of production rests on the ability of the capitalist to separate the workers from those things that they need to survive and incorporate the worker in a productive manner. Marx calls these two principles of capitalism the formal and real subordination of labour (Marx, 1990).

The social relationships found under capitalism are inherently political because they are rooted in the production and exchange of those things that people need in order to survive (Sacouman, 1999). Human beings are organised in social relationships of business and exchange that are fundamentally exploitative. Marx notes: “The mode of production of material life is the general process of social, political, and intellectual life. It is not the consciousness of men that determines their existence but their social existence that determines their consciousness” (Marx, 1975:425). The consequence of incorporating real human beings in a system of unequal and exploitative exchange was noted in the conception of the economy and class as political. The political character produces according to Marx a system of alienation in business that is inherently non-human and antagonistic. The Marxist interpretation of an individuals relationship to the means of production and how ownership is discussed plays a role in defining more than one group of owners at the co-operative. The employer and the employee relationship places emphasis on the relationship of the general co-operative membership with the worker members.

iv. Comparison of the possible response to the literature

In this part we compare the co-operative and Marxist political economic literature to the possible response we constructed for the second general research question. The co-operatives focus on the relationship between the membership and manager members are investigated. The focal points of this relationship are the board of directors as well as the relationship of exchange that the manager members facilitate on behalf of the membership.

The co-operative literature focuses on the role of the board of directors in setting

policy for the manager members to follow when directing the production of the co-operative service. The co-operative literature noted that the management agreement with Co-op Atlantic provides management expertise for the local co-operative membership. Ultimately the co-operative literature presents the democratic control of the manager members, by the membership through the board of directors as the structure of the co-operative organisation.

The Marxist political economic literature in comparison discusses the role of exchange between the owner and the non-owner of the means of production placing emphasis on the inequality of that exchange. Further, the Marxist political economy literature points out that the nature of the exchange is forced and exploitative because the workers rely on the exchange of a wage for labour power and the workers ability to transform nature as a means to ensure that they can feed their family. This places emphasis on the position of the worker as an employee under the direction of management rather than on the democratic control of the manager member through the board of directors.

The possible response reflects on both the co-operative and Marxist political economic literature. First, the possible response calls for a closer examination of the management agreement and its ability to undermine the democratic control of the co-operative by the membership through the board of directors. Second, the possible response notes the relationship of exchange between the worker members and the membership via the manager and calls for further examination. The Marxist political economic perspective is useful when considering consumer members and their relationship with the manager because the managers are not forced into a relationship of

unequal exchange.

We can understand this relationship better by examining Veltmeyer's addition to Marx's class of petit-bourgeoisie. Veltmeyer points out that professional managers are not engaged in an unequal relationship of exchange with the owners of the means of production because they do not produce a value that is greater than the wage they receive. In addition, taking this into consideration we would need, to investigate middle managers and their relationship of exchange with the Atlantic Canadian consumer co-operative grocery stores further, in order to compare them with the position of the store manager and worker.

C. Question three and the literature

i. Summary of response

In this part we reviewed the possible response to the third general research question as stated in the last chapter. The possible response is compared to the co-operative and Marxist political economic literature in the fourth part of this section. This will help us develop a Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores in the last section of this chapter.

ii. Co-operative literature

In this part the co-operative literature is reviewed within a focus on production and the relationship between the manager and worker member. The co-operative literature only identifies one ownership group and one general relationship with the store manager as considered in the last section. For this reason the co-operative literature does not speak directly to production as it is considered primarily within the democratic control by membership of the co-operative organisation through the manager member.

For this reason the following excerpt from the second chapter is the conclusion of what a co-operative business is, is the only real account of economic production.

Co-operation is an economic strategy that is commonly associated with community economic development (Brown, 1997) or the co-operative economy. Co-operatives stand for private ownership by community members, local control, community-based development, and co-operation between co-operatives at the local and national level. These co-operatives seek to retain surplus money that is lost to global companies when consumers support globally owned corporations (Bedford and Pobihushchy, 1993; Brodie, 1990; Craig, 1980; Quarter, 1992; Sacouman; 1979). Co-operatives are also a reaction against the appropriation of surplus by one geographic area at the expense of another (Brodie, 1990; Craig, 1980; Quarter, 1992; Sacouman, 1979).

There is nothing public about co-operatives because they are privately owned and operated by their members for the service of their members. Co-operatives do not normally promote social dependence on volunteers, state agencies, or private capital at the local (community) or national level. Co-operatives are also a reaction against publicly owned capital that is poorly maintained and, in some cases, not sufficient to meet the needs of community members. Co-operation is, therefore, a form of community economic development that is rooted in expressions of self-help and independence.

The Atlantic Canadian consumer co-operatives seem to seek the independence of the private form through community owned private property. However, the character of the ownership is community or a lack of ownership because each member is unable to sell their share of the co-operative when they leave. In this way the Atlantic Canadian consumer co-operative can gain independence from the state by retaining community

ownership and, as well, they gain control from the private form.

The co-operative literature does not explore the social organisation of production in the construction of the co-operative grocery stores service. The co-operative literature addresses the larger economic picture in relation to regional and global economic models. The relationship between the manager and the membership has in the production of the co-operative grocery store service became the primary point of this thesis. For this reason, the lack of literature concerning the actual social organisation of production was fundamental to this investigation.

iii. Marxist political economic literature

The Marxist political economic literature described the production of goods and service under a capitalist system as follows. Marx identified three parts of capitalist economic activity that bound these classes together. The three primary parts are the separation of thinking and doing; a system of management; and breaking down the production process into small parts in order to make them simple. The separation of thinking and doing divides the planning of production from the act of production. Control over the production process is removed from the worker and placed within the hands of planners or management. The worker is left with no knowledge of the general production process and no control over the act of production (Braverman, 1974; Brighton Labour Process Group, 1977).

The system of management reinforces capitalist's control over each aspect of the production process ensuring the separation of thinking and doing. The existence of a system of management allows the capitalist to monitor the productivity of the worker, apply sanctions, and enforce the planning put forth by management. The antagonistic

nature of the capitalist system of production makes the existence of control essential (Braverman, 1974; Brighton Labour Process Group, 1977).

There are three aspects of breaking down the production process into tasks that are simple: the replacement of the relationship between the worker and tools with the relationship between the worker and machines; all tasks requiring some skill for their operation are divided into separate jobs; and the further breakdown of unskilled tasks. The breaking down process represents a reorganisation of the division of work within the production process. The skill and value of the worker is reduced, while the worker becomes an extension of the machine (Brighton Labour Process Group, 1977).

iv. Comparison of the possible response to the literature

The co-operative literature for the most part did not focus on the social organisation of production when considering how the co-operative grocery store service is accomplished. The relationship between the worker and manager members under the social organisation of production would become clear. This is the primary absence in the co-operative literature and has been the focus of this thesis. The co-operative literature has placed emphasis on the democratic participation of owners in the administration of the co-operative store and has not focused on the democratic production of the co-operative service. The discussion of economic or productive activity for the co-operative literature has primarily focused on the consequences of a regional or global economic strategy rather than how the actual labour process is organised.

The Marxist political economic literature provides a number of tools that can be used when examining the relationship between the worker and manager members but it does not speak to the Atlantic Canadian consumer co-operative grocery stores in

particular, as has been the point of this thesis. The Marxist political economic literature focuses on the actual organisation of the labour process and talks about the three principles of a top-down or a capitalist production system. Marx's notion of simple co-operation is useful because it would resemble the desired characteristics of a grass-root production system.

The possible response speaks to the Marxist political economic literature and suggests that the nature of the relationship between the worker and the manager member is one of top-down production and employment. To be specific, employment at the co-operative needs to be examined further with an emphasis on the three principles of the capitalist labour process as outlined by the Marxist political economic literature. The possible response suggests a top-down production model rather than a system of simple co-operation is used to produce the co-operative grocery store service.

In this part we examined and compared the literature to our possible response for question three. We concluded that the Marxist political economic literature speaks to the production of the co-operative service and the relationship between the worker and the manager members. This needs to be investigated further before any concrete conclusions are formulated, however, the preliminary data shows that the Atlantic Canadian consumer co-operative grocery stores are using a top-down production system rather than one of simple co-operation.

D. A Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores

Co-operation, much like capitalism, is an idea that is supposed to make "things" better according to the creators and supporters of each economic strategy. Capitalism, as Marxist political economists have charged, makes "things" easier for a few and harder for

the many people who live in society. Co-operation, in contrast, the proponents of co-operation allege, makes “things” easier for everyone.

The Atlantic Canadian consumer co-operative grocery stores, as we have discussed in this thesis, are more complex than just making “things” easier for everyone. The idea of co-operation is not infallible because it involves principles for organising economic activity that are just and egalitarian in the production and exchange of grocery food and non-food items. However admirable the idea of co-operation is, we may propose that co-operation is much more complex in practice than it is in theory on the basis of the participants’ responses and our analytical discussion.

The primary problem with the practice of co-operation is that the necessary pre-conditions for co-operative development are not as ripe as they are reported to be. The ideological apparatus of the capitalist economic system is entrenched in our society and has become the defining feature of modern culture (Moody, 1997; Tilly & Tilly, 1998; Wood, 1996). A consideration for our queries is that the very forces assumed to stimulate co-operative economic development are ultimately the forces that constrain people from participating in co-operation. It is and always has been obvious that simple co-operation is the key to making “things” better for everyone; however, everyone is not co-operating. So, what is going on with the Atlantic Canadian consumer co-operative grocery stores and why are they in crisis?

People do not seem to be able to co-operate or do not have a desire to co-operate because of economic inequality and their reaction to it. People have reacted to economic inequality rather than against it, operating primarily on the basis of self-interest and individualism. For example, the respondents discussed the importance of participating in

the co-operative movement for people who are on a limited budget. However, they also noted that for the most part these were not the people who are participating.

Following these points, some of the respondents pointed out that co-operatives really do reflect who we have become and our relationship with the ideology of the capitalist system, reflecting individualism, self-interest, and consumerism. People are reacting to social inequality by co-operating but their relationship with co-operation is realised for many people in the immediate or “tangible” benefits they receive. For consumers living in a capitalist society the unfortunate reality is that “tangible” benefits are defined in relation to the immediate cost of a good and the level of service they receive when obtaining the product.

The respondents claimed that the crisis in the Atlantic Canadian consumer co-operative grocery stores reflects our desires as consumers, suggesting, that co-operation is a poor strategy to fulfil our self-interest as consumers in a capitalist society. The proposed “solution” is to acknowledge this fact, embrace capitalism and gamble on whether we are going to end up in the have or have-not category. It is quite obvious that this “solution” does not sit well with the co-operative members who are “die-hard” members and who believe in the fundamental principles of co-operation. What possible solutions do these individuals propose?

One solution that has often been presented by the people who took part in this study is the use of education to solve the crisis. People should be educated about the principles or spirit of co-operation, such as self-help and independence. However, self-help and independence, as suggested above in a capitalist society, have come to mean independence of the individual from the community and self-help through self-interest.

We know that this is not the self-help and independence that early co-operative educators ascribed to farmers, fishers, and wage-workers. As well, even if educated about the social meaning of solidarity and community, people will still face barriers to participating in co-operation simply because co-operative minded people live in a capitalist society. Living in a capitalist society creates and perpetuates basic social inequalities that stand as a barrier to participating in co-operation, as described by the interview participants. What chance does a co-operative education strategy have against the ideology of individualism, currently defined by a society entrenched in the capitalist culture of consumption?

The solution includes but travels beyond simply educating co-operative members and the general public. One respondent reinforced this assumption by suggesting that co-operatives are afraid to stand for their principles for fear of insulting anyone socially or in the most social sense, politically. How is it that co-operatives are fundamentally about making change based on their principles but the Atlantic Canadian consumer co-operative grocery stores appear on the basis of the participants' responses to have replicated the supermarket service? Could it be that the majority of people in the co-operative do not want to make change on the basis of the co-operative principles and that there are only a small number of "die-hard" co-operative members, as the respondents suggested?

The Atlantic Canadian consumer co-operatives enjoyed a period of growth in the eighties based on the interest of consumers. In my opinion the Atlantic Canadian consumer co-operatives made a mistake by embracing consumerism or at least promoting it by catering to consumer-minded people. The co-operatives undermined the principles

of co-operation by accepting the premise that saving money is the primary benefit of ownership. The result is that people generally see no reason to be a co-operative member if they are not saving money. The fatal wound of the Atlantic Canadian consumer co-operative grocery stores is, sadly, self-inflicted.

To further this problem, most consumer members deny culpability by assuming that the responsibility for the health of their co-operative store lies with the store manager. The co-operative store manager, without a model for co-operative production and facing the daunting task of catering to largely a membership composed of consumers, has relied on traditional management strategies. In hindsight some managers see the consequences of ignoring co-operative based organisational techniques and promoting the use of a top-down production approach. However, other managers do not see the consequences of this model and continue to prefer the competitive approach, using a low price strategy to obtain consumer support. What then is the solution to the crisis of the Atlantic Canadian consumer co-operative grocery stores for the “die-hard” co-operative membership?

Some co-operative scholars see this as the defining feature of the crisis in co-operation. The co-operative economic strategy was at one time promoted as the “third road” or a compromise between outright Socialist change and the present capitalist economic system (Sacouman, 1979). However, given the last decade of growth and the increase in problems for the Atlantic Canadian consumer co-operative grocery stores, this view has been replaced.

Prominent co-operative scholars in Atlantic Canada suggest that if we are going to make change through co-operation and transform society from a private to a co-operative

economy then we must oppose the hegemonic relations of private capital. Bedford and Pobihushchy argue that there is no third road and co-operatives must oppose the relations of capital:

First of all we can learn that most valuable of all lessons -- that there is no middle ground, no third way. As co-operators we either fundamentally resist and renounce the market or we embrace it and ultimately abandon co-operation. We may deceive ourselves that there is a third way, but this deception will sooner or later be removed and we will see the logic of the market face to face. (1995: 1-6)

The real value of co-operation is ultimately found not only in democratic and material equality but also in the basic social change which those early fishers, farmers, and wage workers hoped to make when they opposed the local merchant and company stores by forming co-operatives. Making basic social change on our principles is the way in which we take our ideals and place them into the context of practice (Sacouman, 1999). Making change is the first principle of a Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores.

The result of placing our ideals into practice, as we have seen through our examination of Atlantic Canadian consumer co-operative grocery stores, is that they can never materialise as a perfect replication of our thoughts. The solution is fundamentally in how we critically view our practice and, based on an evaluation after this viewing, make further changes in the direction of our principles. The respondents suggested that Atlantic Canadian consumer co-operatives should make some basic changes when considering how the practice of co-operation at the Atlantic Canadian consumer co-operative grocery stores has materialised in relation to the principles of the co-operative movement.

The second principle stems from our comparison of the first possible response to the formal co-operative and Marxist political economic literature. Recognising the diversity of ownership at the local Atlantic Canadian consumer co-operative is the second principle. There are a variety of owners who have different relationships with the co-operative grocery store including people who do and do not work at the co-operative.

Daniel Coleman recently introduced the idea of a multi-stakeholder co-operative in his paper "Combining Worker and Consumer ownership: The Experience of Weaver Street Market". Coleman argues that "worker ownership and worker self-management are familiar concepts to those working toward a human economy" (1995, 1). Coleman recommends in his article that workers be included in consumer co-operatives as worker members under various models of multi-stakeholder co-operative organisation.

The third principle of a Marxist political economy approach to the Atlantic Canadian consumer co-operatives is to make exchange equal. All members involved in the production of the co-operative service should receive an amount equal to the value that they contribute. In stating that, no individual should be subordinated to a relationship of exchange that is "not fair" in the words of co-operation or "exploitative" in the words of Marxist political economists. This principle stems from our comparison of the second possible response, to the literature in the second section of this chapter.

The fourth principle of a Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores is to make production co-operative. The production process seems, on the basis of this exploratory study, to be a top-down model in the Atlantic Canadian consumer co-operative grocery stores. This principle calls for

the Atlantic Canadian consumer co-operative grocery stores to consider becoming as democratic in producing the co-operative service as they have striven to be in ownership.

The fifth principle of a Marxist political economy approach to the Atlantic Canadian consumer co-operative includes operating on the basis of self-emancipation. Sacouman, among others, argues that all people in one way or another are social theorists and those of us who make social theory our business must be careful not to dominate the thinking. Sacouman's "social theory for a change" (1999) includes guiding those who do not make social theory their business so that they themselves can be empowered. Sacouman makes a good point in terms of human emancipation: emancipation cannot be constructed by elite engineers. However, human emancipation cannot be prompted by the drudgery of material constraints alone. Human emancipation must be a direct manifestation of human necessity guided by those people "who make their business" social transformation.

In this part we discussed the Atlantic Canadian consumer co-operative grocery stores and the problems that they are having with members' participation and commitment. In addition, we related some of the experiences of the participants to this dilemma and related ideas from current literature to the discussion. The direction that we discovered from the possible responses, our discussion, and the literature helped us to develop a Marxist political economy approach to the Atlantic consumer co-operative grocery stores.

Chapter summary

The last chapter compared the responses of participants on two levels including between the respondents of each group and between the various groups of respondents.

As well, in the last chapter a possible response to each of the research questions was summarised. In this chapter we compared our possible responses to the co-operative and the Marxist political economic literature. From this comparison we developed a Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores.

CHAPTER SIX CONCLUSION

In the last chapter we compared the possible responses to the three research questions to what has been stated in the co-operative and Marxist political economic literature. On the basis of our comparison I developed a Marxist political economic approach to the Atlantic Canadian consumer co-operative grocery stores. I outlined five principles to be included in such an approach: make change, acknowledge the diversity of ownership, make exchange equal, make production co-operative, and operate on self-emancipation. The purpose of this chapter is to summarise what has been completed in this thesis, make recommendations for the continued study of the Atlantic Canadian consumer co-operative and, in doing so, conclude this thesis. This chapter is divided into three sections including summary of thesis, recommendations, and conclusion.

I. Thesis summary

In the first chapter, I introduced the Atlantic Canadian consumer co-operative grocery stores and described in a general fashion the common experience of people when shopping at grocery stores. I suggested that shopping at the Atlantic Canadian consumer co-operative grocery stores appears to have become pleasurable. The variety and quality of grocery items that co-operatives carry has improved as well as the ease with which one may view, choose, and buy these items.

We also noted that it is not apparent to the person shopping at the local grocery store how these goods manage to appear and be presented for the members in an orderly and meticulous fashion. We formulated our preliminary research interest on the basis of two points: (1) The Atlantic Canadian consumer co-operative grocery stores have become a pleasurable place to shop but consumer co-operation seems to be in crisis. What is

going on at the Atlantic Canadian consumer co-operative grocery stores? (2) How do the grocery items manage to be presented in such a meticulous and orderly fashion and why are consumer members generally unaware of how this is accomplished? On the basis of our initial interest and these preliminary ideas we set out to investigate what is stated in the co-operative, non-Marxist, and Marxist political economic literature in order to see if we could resolve our initial questions about the Atlantic Canadian consumer co-operative grocery stores.

In the second chapter we investigated co-operative, non-Marxist economic, and Marxist political economic literature in order to see if our preliminary research interests could be resolved. The literature contained a variety of ideas about co-operation, the buying and selling of food, and the capitalist system of production but it did not say anything about the co-operative system of production. From the literature we developed new insights into the Atlantic Canadian consumer co-operative grocery stores and formulated three research questions.

The co-operative literature discussed the principles of co-operation and the structure of participation by co-operative members. The co-operative literature also discussed the virtues of co-operation when compared to the traditional capitalist or the private form of the buying and selling of grocery items. The non-Marxist and Marxist political economic literature discussed the capitalist form of economic organisation from opposing standpoints. The non-Marxist literature did not critique the co-operative form of business and explained how private business operates. The Marxist political economic literature pointed out the consequences of capitalist production in terms of social inequality, relationships of unequal exchange, and oppression based on forced economic

relationships. Both the co-operative and the Marxist political economic literature talked about the private model in a critical manner but neither discussed co-operative production.

On this basis we developed three general research questions comparing the Marxist political economic critique of the private model to what has been stated in the co-operative literature. First, how is the relationship between worker and consumer owners of the co-operative store similar to the relationship between employees and shareholders found in a capitalist store as depicted in the Marxist literature? Second, is the Memberships' control over management less effective and less democratic than shareholder control over management in the strictly capitalist form of business as depicted in the Marxist literature? Third, how is the relationship between worker and manager owners in the co-operative store similar to the relationship between workers and management found in a capitalist store as depicted in the Marxist literature?

In the third chapter, I described the methodology used in this thesis including the exploratory case study research approach, the semi-structured interview, the "snowballing" sampling technique, the pattern matching analytic technique, and the rival interpretations analytic technique. We concluded that the exploratory and semi-structured interview approach was the most suitable research design for investigating the Atlantic Canadian consumer co-operative grocery stores. The ethics of undertaking research with people was also discussed as well as the organisation of this thesis study in relation to the analysis of data.

The fourth chapter was the first analysis chapter and included two types of comparison. First, the responses of the research participants were compared with other

respondents of the same type, such as consumer member to consumer member. Second the general responses of the participant groups were compared with the responses of the other groups, for example worker members with manager members. This allowed us to build a possible response for each of the three general research questions based on the experience of the participants.

The fifth chapter included a comparison of the possible responses to what has been stated in the co-operative and Marxist political economic literature. On the basis of the comparison we developed a Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores. This approach included five principles: make change, acknowledge the diversity of ownership, make exchange equal, make production co-operative, and operate on self-emancipation.

II. Recommendations for further study

This thesis has included at various points recommendations for further study and as stated in the third chapter, this thesis is an exploratory case study. The purpose, as Yin (1994) noted, is to explore possible responses as opposed to traditional scientific models that are designed to construct a conclusion. For this purpose, we will collect and review recommendations for the continued study of the Atlantic Canadian consumer co-operative grocery stores as they have been developed in this thesis.

The first possible response reported that social inequality constrains people when making the choice to participate or not in co-operative activities. Indeed, this idea was prevalent throughout the responses of the interview participants under many of the considered themes. The first recommendation for the continued study of the Atlantic Canadian consumer co-operative grocery stores is to explore the impact of social

inequality on people's ability, desire, and final decision to participate or not in the co-operative economic development strategy.

Under the first response the diversity of ownership was recognised with a discussion of owner rights and responsibilities. The difference between the worker and consumer member, as owners of the co-operative, was acknowledged with considerations about worker member participation on the board of directors. The second recommendation is to investigate further to see if ownership translates for worker members into control over the fundamental decision-making processes in co-operation. As noted before, our exploratory responses suggest that ownership in the co-operative does not translate for worker members into control over the fundamental decision-making processes in co-operation.

The second possible response highlighted the manager members and their relationship with both Co-op Atlantic and the local co-operative grocery store. Three points under this response should be examined further when considering the manager member. First, the effect of the management agreement and its use by the store manager might be considered in relation to the principle of democratic control by the local co-operative membership. Second, the role of the store manager in a nominating committee could be discussed in relation to a conflict of interest given that the manager would ultimately work for the elected board members. Third, the role of the store manager in relation to the local board of directors might be examined in order to determine the relationship that the co-operative store has with Co-op Atlantic, as a result of the manager being an employee of Co-op Atlantic.

The third response resulted in the realisation that, when thinking about the production of the co-operative grocery store service at the Atlantic Canadian consumer co-operative grocery stores, there is little to no literature completed in this area. The production of the co-operative service by worker and middle manager members at the Atlantic Canadian consumer co-operative grocery store needs to be studied further. Specifically, we need to consider how the production of the co-operative service in these co-operatives relates to the production of the co-operative service in worker co-operatives and those in traditional private grocery stores. The exploratory data that I have presented suggest that, when compared to the traditional top-down models of capitalist production, it is not different.

The context of further studies should be centred on three primary points of co-operation. First, the inequality or equality of ownership could be discussed when thinking about the relationship that worker members have with consumer and manager members. Second, the role of exchange in producing the co-operative service might be identified as a contribution on the part of the worker members if they are paid a wage that is less than the value they produce. Third, the co-operative production model could be analysed on a micro or labour process level focusing on how the service manages to be produced for co-operative members. Specifically, what the production model means for worker, manager, and consumer members when considering ownership and relationships of exchange.

In this part we reviewed the recommendations that have been constructed in this thesis with the exception of the Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery store. The Marxist political economy approach

to the Atlantic Canadian consumer co-operative grocery stores will be examined in the next section of this chapter. This will ultimately enrich our understanding of the Atlantic Canadian consumer co-operative grocery stores and provide an analytical framework for explaining what is going on at the local co-operatives. As well, it will define the work that we must complete in order to save the co-operative system and build a solution to the current dilemmas of the Atlantic Canadian consumer co-operative grocery stores .

III. Conclusion

This thesis addresses a few of the issues currently faced by people involved with the Atlantic Canadian consumer co-operative grocery stores. Atlantic Canadians need to recognise the value of co-operating when thinking about Atlantic Canadian history and the consequences of supporting the traditional private grocery store. The co-operative membership must take responsibility if they hope to save co-operation and improve their position in society.

In this thesis we have gathered, compared, and discussed the experience of co-operative members with the Atlantic Canadian consumer co-operative grocery stores based on their position in the structure of the co-operative organisation. In this act of identification and classification we have divided the membership according to whether they are employed or not at the co-operative. In doing this, we have placed the fact that in larger society most co-operative members are both consumers and producers and the idea of a homogeneous membership in second place. We have placed relationships of production and exchange in first place in agreement with Marx's suggestion that they are primary for understanding the capitalist society in which we live.

This might be criticised on the basis that it could possibly feed the culture of self-interest created by the capitalist cultural or ideological apparatus. However, the consequences of failing to place the idea of homogenous community or membership second would have greater consequences. First, co-operative members would never have identified the differences between co-operative members and the inequality of ownership that exists between the membership groups, simply by failing to take note of the capitalist society in which co-operation is forced to operate and how this constrains people. Second, the members of the Atlantic Canadian consumer co-operative would never have been given the opportunity to construct equality between members by identifying inequality. Finally, the co-operative membership would never have been introduced to a Marxist political economy approach that ultimately prompts people to act both as producers and consumers.

The fundamental chore is not simply in thinking like a producer and consumer but in both thinking and acting as a consumer and producer. To this point there has been an inconsistency between the principles of co-operation and the actions of many co-operative members. The “die-hard” Atlantic Canadian consumer co-operative members face decisions that involve challenging the prevalent ideology of consumerism and self-interest because it has penetrated the co-operative organisation.

A Marxist political economy approach to the Atlantic Canadian consumer co-operative grocery stores is not a solution for the crisis in co-operation. The Marxist political economy approach, rather, is a critical analytical tool that may be used to bring the practice of co-operation closer to the principles of co-operation. The Marxist political economy approach speaks to the principles of co-operation because it explains the

dominant model of economic development in our society. In doing so it helps us to understand what co-operation is not, how capitalism effects our lives and our ability to co-operate, as well as giving us a tool that allows us to both think and act as a producer and consumer at the same time.

REFERENCES

- Allan, B. et al. (eds.). (1993). Renewing Community Power: Building Co-operative Movement. *The Moment*, 7, (1). Moncton: Jesuit Centre for Social Faith and Justice and Co-op Atlantic.
- Bedford, D., & Pobihushchy, S. (1993). Towards A People's Economy: The Co-op Atlantic Experience. *Interculture*, 26, 1-35.
- Bedford, D. & Pobihushchy, S. (1995). "Against The Grain: A Consideration of Share Capital in Co-operative Enterprises". Conference Paper prepared for the Canadian Association for Studies in Co-operation. (pp. 1-26). Montreal: Universite du Quebec a Montreal.
- Braverman, H. (1974). *Labor and Monopoly Capital*. New York: Monthly Review Press.
- Brighton Labour Process Group. (1977). The Capitalist Labour Process. *Capital and Class*, 1, (1), 3-26.
- Brodie, J. (1990). *The Political Economy of Canadian Regionalism*. Toronto: Harcourt Brace Jovanovich.
- Brown, L. (1997). Organisations for the 21st Century? Co-operatives and "New" Forms of Organisation. *Canadian Journal of Sociology*, 22 (1), 65-93.
- Coleman, D. (1995). *Combining Worker and Consumer Ownership: The Experience of Weaver Street Market*. (Conference Paper). Society for a Human Economy, Spring 1995, Session #2: "Real World Projects and Institutions That Embody Human Values".
- Clow, M. (1997). The Sociological Approach. Society and Ecology: A Social Science Approach to the Ecological Crisis. (Unpublished Manuscript) Fredericton: St. Thomas University.
- Clow, M. (1999). Liberal Tradition. From a manuscript in progress titled The Introduction to Political Economy being developed by Michael Clow in the Department of Sociology at St. Thomas University for Fernwood Books, Halifax.
- Clow, M., & MacDonald, P. (1991). "If You Go Down to The Woods Today, You're in for a Big Surprise": Addressing the Anomaly of Diversity in Tree-Harvesting Systems. (Unpublished Paper) Fredericton: St. Thomas University.
- Coady, M. (1958). *The Social Significance Of The Co-operative Movement*. Antigonish: St. Francis Xavier University Extension Department.
- Co-op Atlantic. (1996). *Atlantic Co-operative Guide for Consumer Co-operative Employees and Members*. Fredericton: Fredericton Direct Charge Co-op.

- Co-op Atlantic. (1998). 1997 Annual Report. Moncton: Co-op Atlantic.
- Craig, J. (1980). Philosophy, Principles, and Ideologies of Co-operatives: What Are Their Implications for a Vision of the Future? Saskatoon: The Co-operative College of Canada Future Directions Project Working Papers, pp. 1-21.
- Czerny, M. et al. (1997). Getting Started On Social Analysis in Canada. (3rd. ed.). Toronto: Between The Lines Publications Society Inc.
- Fox, Brent. (1998a, September 22). ACA at Forefront of Co-op Movement. The Advertiser, pp. 5.
- Fox, Brent. (1998b, September 22). Valley's Cuban Trade Ties were Continued. The Advertiser, pp. 23.
- Hale, S. (1995). Controversies in Sociology: A Canadian Introduction. (2nd ed.). Toronto: Copp Clark Pitman.
- Hannah, J. et al. (1986). Worker Co-operatives and the Labour Process. International Journal of Sociology and Social Policy, 6 (2), 117-132.
- Ives, K. (1986). Case Study Methods; An Essay Review of the State of the Art as Found in Five Recent Sources. Case Analysis, 2 (2), 137-160.
- Jordan, J. (1981). Developing Worker Co-operatives. Saskatoon: Co-operative College of Canada Future Directions Project Working Papers, pp. 1-43.
- Kitay, J., & Callus, R. (1998). The Role and Challenge of Case Study Design in Industrial Relations Research. In Whitfield, K. and Strauss, G. (Eds.) Researching the World of Work: Strategies and Methods in Studying Industrial Relations. New York: Cornell University Press.
- Lebowitz, M. (1992). Beyond Capital: Marx's Political Economy of the Working Class. London: MacMillan.
- Looker et al. (1989). Bridging the Gap: Incorporating Qualitative Data into Quantitative Analyses. Social Science Research, 18, 313-330.
- Luttrell, W. (1997). Transforming Communities. Halifax: Fernwood.
- MacDonald, M. (1991). Post-Fordism and the Flexibility Debate. Studies in Political Economy, 36, 177-201.
- Machum, S. (1998). Farm Wives' work: A Comparative Study of Dairy and Potato Farming in New Brunswick Canada. Unpublished Ph.D. Thesis. Department of Sociology: The University of Edinburgh.
- Marx, K. (1975). Early Writings. Condor: Penguin.

- Marx, K. (1990). Capital: Volume One (B. Fowkes, Trans.). London: Penguin.
- McIntosh, A. (1981). Adaptive Design For Co-operative Board/Management Relations. Saskatoon: Co-operative College of Canada Future Directions Project Working Papers, pp. 1-36.
- Moody, K. (1997). Workers in a Lean World: Unions in the International Economy. New York: Verso.
- Ninacs, W. (1993). A Synthesis of Knowledge on Community Economic Development (Developed for the National Welfare Grants Program). Victoriaville: Corporation de developement communautaire des Bois-Francs.
- Nozick, M. (1992). No Place Like Home: Building Sustainable Communities. Ottawa: Canadian Council on Social Development.
- Pobihushchy, S (1997). Integrated Co-operative Development: An Alternative Paradigm. Prepared for and presented at the International Co-operatives Research Conference: The Co-operative Advantage in a Civil Economy.
- Quarter, J. (1992). Canada's Social Economy: Co-operatives, Non-profits, and Other Community Enterprises. Toronto: James Lorimer & Company.
- Quinn-Patton, M. (1987). How to Use Qualitative Methods in Evaluation. London: Sage Publications.
- Ronco, W. (1974). Food Co-ops: An Alternative to Shopping in Supermarkets. Boston: Beacon Press.
- Rubin, H., & Rubin, I. (1995). Qualitative Interviewing: The Art of Hearing Data. London: Sage Publications.
- Sacouman, R. J. (1979). Underdevelopment and the Structural Origins of Antigonish Movement Co-operatives in Eastern Nova Scotia. In Brym, R. and Sacouman, J. (eds.) Underdevelopment and Social Movements in Atlantic Canada (109-126). Toronto: New Hogtown Press.
- Sacouman, R. J. (1999). Social Theory for a Change: Vital Issues in the Classics. Toronto: Irwin.
- Salomons, J. (1982). Co-operative Adaptation Through Employee Involvement. Saskatoon: Co-operative College of Canada Future Directions Project, pp. 1-17.
- SSHRC, (2000). Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans. Retrieved February 18, 2000 from the World Wide Web: <http://www.sshrc.ca/english/programinfo/policies/Intro01.html>

- Staber, U. (1992). Organisational Interdependence and Organisational Mortality in the Co-operative Sector: A Community Ecological Perspective. Human Relations, 45 (11) 1191-1212.
- Stoecker, R. (1991). Evaluating and Rethinking the Case Study. Sociological Review, 31, (1) 88-112.
- Tilly, C.. & Tilly, C. (1998). Work Under Capitalism: New Perspectives in Sociology. Colorado: Westview Press.
- Veltmeyer, H. (1986). Canadian Class Structure. Toronto: Garamond Press.
- Wood, E. (1996). Democracy Against Capitalism: Renewing Historical Materialism. Cambridge: Cambridge University Press.
- Yin, R. (1994). Case Study Research. (2nd ed.) Thousand Oaks: Sage Publications.

APPENDIX A PICTURES "A"- "D"

Shopping at the Atlantic Canadian consumer co-operative grocery stores appears to provide us with an accessible, clean, and more than adequate market in which to purchase food. Grocery and food items are stacked or shelved in isles that allow people to examine goods with relative ease. The selection of goods and variety of each good is astounding and amazes even the most demanding consumer.

It seems that the Atlantic Canadian consumer co-operative grocery stores have become a pleasurable place for people to purchase their grocery items given the large selection of goods, the endless variety of any one good, and the ease at which one may choose from these items. What is not apparent on a preliminary visit to the local Atlantic Canadian consumer co-operative grocery store is how all of these goods manage to reach the co-operative, as well as, to be presented in such an organised and meticulous fashion.

In this appendix I have presented a few pictures, taken at my local co-operative over the last twenty-five years, to demonstrate the variety and accessibility of goods. In addition, I have also presented these pictures in this appendix so that we might recall our pilgrimages to the grocery store for those items that we need in order to survive from day to day. These pictures, further, show the deliberate way in which grocery items and food appear in our grocery stores. This puts the above questions surrounding how food manages to appear and be presented in our grocery stores in the context of our discussion in this thesis.

Picture "A" shows the meticulous way that goods are displayed for the consumer who may view their choice of any one product before placing it in their shopping cart. Picture "B" depicts a display that was completed at my local co-operative grocery store to promote products grown in the local areas of New Brunswick. This display highlights the complex character of work that is often done by worker and manager members when participating in their co-operative. Given pictures "A" and "B", it seems that the quality of service and variety of goods provided by the co-operative have increased in comparison to the early co-operative stores.

Picture "C" displays the variety of any one good that is within arms reach of a co-operative member. If you look closely, you will see that there are a large number of apple varieties, as well as, other goods. Picture "D" complements the previous pictures by presenting not only the variety of greens, but also the way in which they are displayed for purchase. Given our examination of these pictures and the conclusion we can manufacture, that the co-operatives have flourished and improved a great deal, why are consumer members participating in co-operation less and why is co-operation in crisis? Further, how is the work divided and organised among members at the Atlantic Canadian consumer co-operative grocery stores?

Picture "A"



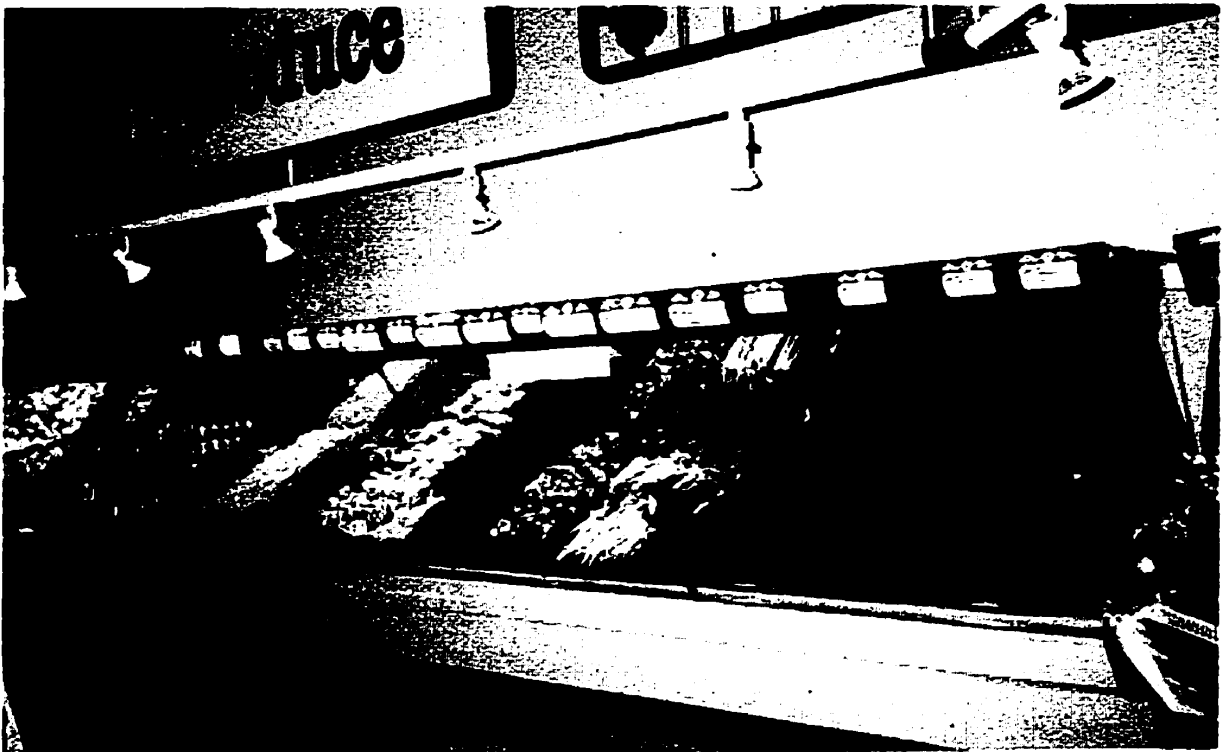
Picture "B"



Picture "C"



Picture "D"



APPENDIX B

INTERVIEW GUIDE

This appendix contains the interview guide that I used to collect data in this thesis study. The interview guide has been formatted and collapsed for presentation in this appendix and contains three major sections, as well as, a pre and post interview section. The purpose of this appendix is to present the interview guide that I used so that you might understand how my seem-structured interview is organised.

The first section allows the subject to talk about their experience or opinion of the Atlantic Canadian consumer co-operative grocery stores. The role of the sociologist in this section is to facilitate the discussion by prompting the subject with general questions such as “Can you talk about co-operation?” or “What do you think is important about co-operation?” In addition, the sociologist must prompt the subject to expand or clarify statements that are not explored in the level of detail required by sociological study (Clow, 1997).

The second section is an opportunity for the sociologist to ask questions about the Atlantic Canadian consumer co-operative grocery stores based on what the literature has argued to be important. The sociologist must ask specific questions about the Atlantic Canadian consumer co-operative grocery stores based on categories pre-determined by the literature review. Further, the sociologist must direct the discussion according to the interest of the literature and address any issues overlooked during the first section (Clow, 1997).

The third section provides the sociologist and participant a chance to negotiate a final meaning on the Atlantic Canadian consumer co-operative grocery stores. This clarifies any inconsistencies that may be evident between sections one and two. This section acts as a tool of confirmation between the sociologist and participant (Rubin & Rubin, 1995; Clow, 1997).

The majority of data was collected in the first section because the respondents discussed many of the issues that the proponents of co-operation and Marxist political economy identified in the literature. The second section ended up as a tool for identifying those questions that were not addressed and asking them. For many of the co-operative members, the issues surrounding the Atlantic Canadian consumer co-operative grocery stores are apparent.

INTERVIEW GUIDE

Pre-interview form

- A) Preliminary information
- B) Consent form
- C) Comments

I. **Subject based (50 min)**

- A) History (10 min)
- B) Position (10 min)
- C) Experience (20 min)
- D) Future (10 min)

IV. **Literature based (50 min)**

- A) Manager members (10 min)
- B) Worker members (15 min)
- C) Consumer members (15 min)
- D) Co-op Atlantic and the local stores (10 min)

V. **Confirmation (20 min)**

- A) Manager members (5 min)
- B) Consumer members (5 min)
- C) Co-op Atlantic (5 min)
- D) Worker members (5 min)

Post-interview form

- A) Additional comments
- B) Post-information
- C) Final conclusions

Pre-Interview Form

(A) Preliminary information

(B) Consent form

The purpose of this study is to gather data on the Atlantic Canadian consumer co-operative system in the areas of labour, management, and members. This information will be used for a discussion of co-operatives, class lectures, conference papers, and primary data for this research project. The identity of volunteers will be protected in each of these situations.

Confidentiality will be achieved through changes to any names, places, or dates mentioned in the interview. The primary collector will be the only individual to

have access to the interview recordings. The recordings will be erased after the interviews have been transcribed. The primary collector and thesis advisor will be the only people to have access to the interview transcriptions.

I _____ accept this contract of confidentiality and provide consent to Jason P. Doherty, a graduate student in the Department of Sociology at Acadia University, to use information in my interview based on the above stated conditions.

(C) Comments

I. SUBJECT BASED (50 MIN)

(A) History (10 min)

(B) Position (15 min)

(C) Experience (15 min)

(D) Future (10 min)

II. LITERATURE BASED (50 MIN)

(A) Manager members (10 min)

How do you feel about being a part of the co-operative?

How is the co-operative organised?

Could you describe your position in the co-operative?

Can you describe the process through which the board members are nominated from the membership?

What role does the board of directors, take when directing management of the co-operative?

What are your experiences with the board of directors?

How do they represent your interests?

Can you explain the politics of the co-operative?

How do politics effect your position in the co-operative organisation?

What would you change about the co-operative organisation in relation to the board of directors?

Can you describe the position of management in your co-operative?

Can you describe how this is different from other stores?

(B) Worker members (15 min)

What role do you think employees play in the organisation?

How often are management solutions developed through co-operation with employees?

Why do you think people choose to work at the co-op?

How does compensation at the co-op differ from similar retail stores?

What would you change about the employee's position in the co-operative organisation?

Can you describe you experience of working at the co-op?

How do you think this differs from your experience when working at non-co-operative stores?

Can you describe how shopping at the co-op benefits you as an employee?

Can you describe how this compares to shopping elsewhere?

Have you heard of worker co-operatives?

How do you think worker co-operatives would fit into your model of co-operation?

(C) Consumer members (15 min)

How is member involvement in the co-operative as administrators and managers promoted?

How often are members consulted on the day to day operation of the store?

What do you see as the desire and needs of members as consumers in co-operation?

How do you think this differs from the social development aspect of co-operatives?

How does this fit within the ideas of the co-operative movement?

How is member involvement as consumers promoted?

What do you think members are most interested in when shopping at the co-op, the price of goods or social and moral considerations such as under what conditions goods are produced?

How is the co-op experience different from your experience at other stores?

Would you change anything at the co-op store in relation to your consumer experience?

Would you change anything at the co-op store in relation to your member experience?

(D) Co-op Atlantic and the local stores (10 min-All members)

Can you describe your experience with Co-op Atlantic?

How closely do the co-operative stores work with Co-op Atlantic?

How is your relationship with Co-op Atlantic and local producers organised?

How would a disagreement between the board of your co-operative and Co-op Atlantic be settled?

How closely do the co-operative stores work together?

What is the vision for the co-operative movement in the future?

Can you describe how employees fit in this vision?

III. CONFIRMATION (20 MIN)

(A) Manager members (5 min)

(B) Consumer members (5 min)

(C) Co-op Atlantic (5 min)

(D) Worker members (5 min)

POST-INTERVIEW FORM

(A) Additional comments

(B) Post-information

(C) Final conclusions

APPENDIX C SOCIAL CONTRACT FORM

A signed informed consent sheet was given to the participants as a contract in the event that they felt information was misused or that confidentiality was broken. The contract is shown below and is similar to the informed consent sheet that participants signed giving the researcher permission to use their data for academic purposes. The sheet was modified to include the department and university name where I was enrolled for the third to fifteenth participants. The previous respondents were informed verbally about how they might make contact with my advisor.

SOCIAL CONTRACT FORM

The purpose of this study is to gather data on the consumer co-operative system in the areas of labour, management, and members. The information will be used for the discussion of co-operatives, class lectures, conference papers, and primary data for this research project. The identity of volunteers will be protected in each of these situations.

Confidentiality will be achieved through changes to any names, places, or dates mentioned in the interview. The primary collector will be the only individual to have access to the interview recordings. The recordings will be erased after the interviews have been transcribed. The primary collector and thesis advisor will be the only people to have access to the interview transcriptions.

I _____, a graduate student in the Department of Sociology at Acadia University, agree to follow the above guidelines in the collection, dissemination, and use of information received from research participants.

APPENDIX D INTERVIEW EXCERPT

This excerpt was taken from an interview with a consumer member who had served on a board of directors at one point and was familiar with the relationship between Co-op Atlantic and the local co-operative grocery stores. This individual talked about the co-operatives, Co-op Atlantic as the central and the local co-operative grocery store as the local. The individual gave me a lengthy response but I have collapsed it for presentation in the body of the text. For the purpose of clarity the entire quote is presented in this appendix so you may examine it in its complete form.

Um, I guess the starting point is that we have to understand and appreciate full well the local co-operative and the central co-operative have to understand that they're in this together, that their well being is a collective phenomenon and not an individual separate phenomenon. That their collect. . .that they either stand together, or they die separately. Ah, and that goes you know, it's very pervasive. Now, sometimes there is a perception by either the central, or by the local co-operative that if things were done differently, we would benefit more. And then, rather than there being a good consultation and communication going back and forth, there is a kind of unilateral action taken. Unilateral decision taken. Which ah, could be taken by either party, by the central or by the local and ah, and in both cases the thinking is or in either case the thinking is that this is good for the other. . .because it's good for me it's good for the other. It's good for us, it's good for them ah, and unless there is real good consultation in advance, the likelihood is that it's not good for the other. Or the other is going to find it abhorrent or unacceptable. Ah, so there is a powerful need for an instance by boards, that here is going to be co-operation, that there is going to be consultation, you can't have co-operation between a local and a central unless there is co-operation. There has to be on-going consultation. Just like there has to be ongoing continuing education, there has to be ongoing continuing consultation. Why? Because life is an experience in change. The life of a community, the life of a store, the life of a co-operative is an experience in change. Things are changing all the time. They're changing at the local, they're changing at the central, and we've got to keep communicating, we've got to keep consulting when the central gets an idea that if things were done in a particular way, in a different way, it would be better for everybody. That's fair enough. You've got the idea, now take the idea to the local co-operatives. Or to the locale where it is going to have an affect. For those co-operatives that won't be affected, maybe you don't have to take it to them. But certainly to those that are going to be affected, you have to take it to them. You have to give them time to think on and respond and so on and so forth. Um, and some people say, democracy, you know, you can't wait, ah, you've got to make fast decisions. Well, you can make fast decisions in democracy. Boards can give direction to management and as long as

management follows those directions doesn't take long to make a decision. But once those directions are lost, that management is not behaving the way it is supposed to be and that's why a board is there. To see that management is doing the proper things. So, we need both, at local and central co-operatives ah, a leadership where boards are very aware, very committed, well informed, and in full possession of the knowledge of what's happening. So that they can hold management responsible, because that's their job. That's their primary job: to hold management responsible. And they have to be in touch with the local boards, I'm talking about the central. On the other hand, the local board has to be aware so that it can control local management; hold management responsible, and I'm not saying that local boards or central boards should be dictating to management, as to what management should be doing on a day to day basis. But they should have a vision and a direction. And let management go ahead and pursue those goals, free up management so that management can pursue those goals, in full knowledge that certain things cannot be done. You cannot implement new policies without consultation, for instance. You can't implement new practices, for instance, without consultation, for instance, and so on and so forth. So, we need, I think, more well developed boards, at local and central levels. Ah, boards that can hold management responsible, accountable, but boards that at the same time are holding management accountable will provide the kind of direction that serves the co-operative movement. Serves the interest of the people. Ah, and for that, I talked about the need for continuing education for managers. We need continuing education for co-op members/owners as well. Including their boards. Adult education. Continuing education. It used to be referred to as adult education. I think its now continuing education. That's important for everybody, whether we are managers or directors or not. Yes, there are issues that arise and very, very problematic issues. Issues that or developments that take place that have terrible repercussions, negative repercussions on either central or locals that should have never happened. Ah, a co-operative system, like the Co-op Atlantic system or Federated out west, is essentially a federation. And in a federation, the individual federated parts are autonomous organisations. In this case they are autonomous co-operatives. And they are related to one another through the common ownership of the central. Now, they own the central, they are the boss. The central on the other hand, has access to more information, more experience, more knowledge, so, there is a terrible temptation to conclude from that, that it is the boss. It is in charge. Well, that temptation has to be fought and defeated. Because the central has to be seen, has to see itself as the servant. And for it not to become the boss, it has to have close consultation. Otherwise the federation is destroyed. Look at the problems we are having with the federal system in Canada. The federal government is going in one direction, the federating units in another directions, and there's chaos, and confusion. So, that's failure of consultation. Lack of consultation. In the

co-operative movement, we cannot afford that failure. We have to consult. And I think that's where the solution is to all these sorts of problems. And they often happen. You know, all kinds of trivial little things create enormous problems from a failure of consultation. And without consultation there is a loss of respect. And then there is all kinds of conspiracy theories developing and all of this kind of nonsense. Whereas with consultation, immediately respect is built, ah, all the suspicions, the alienation falls aside, and see. . . a co-operative system is a human system. The capitalist system is not a human system. It's a rapacious system. In the co-operative movement in the co-operative system, capital exists to serve people. In a capitalist market economy, people exist to serve capital. That's why, in the market economy, person is pitted against person. In the co-operative economy, people work together to use capital to serve them. And since none of them is in control of sufficient capital you know, to serve, they have to do that collectively. And that's the major distinction. And we have to appreciate that.