Imperial cooperative experiments and global market capitalism, c.1900–c.1960†

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Abstract
Concentrating on the connection between the cooperative movements in colonial India and Ghana, the article has two aims. First, it counters the diffusionist story portraying the cooperative institution as indigenous to Europe, from where it was exported to the rest of the world. Second, it draws attention to the contribution and overall importance of cooperatives in the global market economy. Pursuing these two aims, and following a review of the existing literature, the article discusses the development of the cooperative movement in British India between 1900 and 1950. It then turns to the global establishment of the Indian experience as a role model for other colonial regions, notably West Africa. The article then considers the practical implementation of cooperatives in the Gold Coast and Ashanti (both now in Ghana) around 1930, and their development until 1955. Finally, based on the two main cases, as well as on the Cooperative Wholesale Society in Britain, it explores the economic function of cooperatives beyond national particularities, and tentatively analyses the relation of the institution to the broader forces of capitalism.

Keywords: capitalism; credit; cooperative; Ghana; India; market

Introduction

In 2012 there were one billion member-owners of cooperative enterprises worldwide.1 Despite the historic significance such a number implies, little has been written to elucidate the complex process of global dissemination of cooperatives and even less on their practical operations beyond the nation-state. Conventionally, the story of cooperatives is traced back to Great Britain, the ‘mother’ of cooperation, and particularly to the ‘Rochdale pioneers’, who by now have attained a legendary status in the history of social reform. In the wake of their success, new forms of cooperatives formed in continental Europe. From there, the story goes, the organizational know-how was exported to other parts of the world, where national cooperative movements were established.2 Comparative studies of cooperatives have tended similarly to concentrate on Europe, particularly Britain and Scandinavia.3 Most recent research has emphasized trans-regional connections, and

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has presented a concerted effort to tell a story going beyond a compilation of assorted national movements.⁴ Timely and necessary as such contributions are, their focus on consumer cooperation necessarily limits the scope of such research to periods, regions, and countries exhibiting this particular variety of the economic institution.

This article seeks to redress the limitations of the secondary literature on the global history of cooperatives in two ways. First, it counters the crudely diffusionist story portraying the cooperative institution as indigenous to Europe, from where it was exported to the rest of the world. Tony Ballantyne’s influential appeal to think beyond the metaphor of a wheel and its spokes, metropole emanating to periphery, by also recovering networks and webs that bridge different colonies and regions of empire, is pertinent here.⁵ Not only do efforts in the promotion of cooperatives exhibit such epistemic networks and colonial webs of communication spanning India to West Africa (the focus of this article) but, as we will see, they also originated beyond, or transcended, the imperial circuit. A second aim of the article is to draw attention to the dialectical relation of cooperatives to the broader economic system. Classic studies in global history have traced back the competitive advantages of nineteenth-century Europe vis-à-vis the rest of the world to earlier developments in financial instruments, and more particularly to the establishment of joint stock companies.⁶ The gradual transformation of joint stock companies into corporations, and, their corollary, limited liability, have also been associated with the birth of modern capitalism.⁷ A global perspective on the history of cooperatives in the twentieth century, in both their limited and unlimited liability incarnations, produces a more complicated institutional picture of the world market economy. Cooperatives, by means of logistics, through chains of stores and innovative marketing, contributed to the creation of consumer societies and culture, and therefore to the demand side of economic expansion in Europe.⁸ The British Cooperative Wholesale Society (CWS) became a ‘global player’ in trade and production.⁹ In addition, as this article argues, colonial policies promoting cooperatives facilitated the production and marketing of commodities on the supply side and, in turn, the further incorporation of such regions into the world market.

Pursuing these two aims, the article is divided into five parts. The first reviews the existing literature, and sketches the history of the various types of cooperatives, and their dissemination and performance around the world. Here emphasis is put on circuits of dissemination bypassing the conventional centre–periphery axis. The article then concentrates on one such South–South connection. While the second part describes the development of the cooperative movement in British India between 1900 and 1950, the third turns to the global establishment of the Indian experience as a role model for other colonial regions, notably West Africa. The article then traces the introduction of cooperatives to the Gold Coast and Ashanti (both now in Ghana) around 1930,
and their development until 1955. Finally, based on the two main cases as well as on the CWS, the article explores the economic function of cooperatives beyond national particularities, and tentatively analyses the relation of the institution to the broader forces of capitalism.

**Cooperatives around the world**

Throughout history humans have cooperated to build common infrastructure and attain higher standards of living. It was, however, the nineteenth-century organizational endeavours of various economically disadvantaged groups that popularized the label of cooperation as an economic institution. In Britain in 1844, following earlier failed experiments in cooperation and the defeat of the general strike of 1842, the Rochdale Pioneers organized a successful cooperative to meet the consumer needs of its members. Following the success of this initiative, and the accompanying rapid growth of cooperatives, the CWS was established in 1863 as a business dedicated to the supply of such societies. In its enterprise to secure consumer goods, however, the CWS soon went well beyond the nation, opening a depot in New York in 1876, and one in Freetown in 1913, as well as acquiring tea plantations in Ceylon and India from 1902 onwards.

Other types of cooperatives, reacting to other forms of economic and social transformation, such as credit cooperatives and agricultural cooperatives, were established almost simultaneously in continental Europe. The most important developments here were associated with the social reformers Friedrich Wilhelm Raiffeisen and Hermann Schulze-Delitzsch. Raiffeisen founded a Hülfverein (friendly society) in 1848, followed by a Genossenschaftsbank (cooperative bank) in 1872 in the Rhineland. Schulze-Delitzsch, similarly, was the pioneer of the Volksbank. Denmark is cited conventionally as the most successful example of agricultural and dairy cooperation. Starting from Jutland in 1882, a system of ‘democratic capitalism’ spread, covering some 90% of the farms and smallholdings in Denmark by the eve of the First World War.

The success of the Danish model soon took on a global dimension. It has been cited, for instance, as a formative influence in the process of adoption of cooperatives by various actors involved in rural reconstruction during the Japanese colonial period in Korea. The Danish experience itself, however, could be taken as an example of the early transnational entanglements of the cooperative movement. Borrowings from both Rochdale and Raiffeisen affected the dairy industry in Denmark, itself highly suitable for cooperative economies of scale. Further, from its very inception there were formative influences beyond Europe, as a Danish delegation visited Philadelphia and inquired into newly formed US cooperative creameries, before such organizations were established in Denmark. At a more practical level, it could be noted that the success of the movement, and of the dairies in particular, was predicated on the huge exports of butter and cheese to England around the turn of the century. Conversely, CWS’s success in the period was partially ascribable to the import of these cheap, quality goods, meeting demand in England.

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16 Christiansen, ‘Denmark’s road’, p. 25.
Recent research has duly pointed out that ‘there was no simple linear process of diffusion from cooperative centres like Britain and Germany to the Nordic periphery’.18

As for cooperation outside Europe, most of the literature seems to rally behind various interpretations of the view that from ‘Europe cooperative ideas spread all over the world’.19 Reading back cooperatives to their supposed, European essential types, a form of fixation with origins against which Marc Bloch warned many years ago, runs the risk of oversimplifying historically complex processes of adaptation.20 Further, and even more academically unsound, the diffusionist theory deprives other regions of autonomous developments, omitting in the process connections that de facto bypassed Europe, as in the case of Indian influence on West African legislation and practice, as shown below. This article, in contrast, suggests an approach that embraces the fluid character of exchanges, and takes economic context into consideration.

It is contended here that, instead of origins, an emphasis on circuits of knowledge circulation could be more helpful in analysing the global history of cooperatives.21 For this purpose, however, a broad definition of cooperation is needed, one that can accommodate not only the models listed above but also some of the specificities associated with the historical development of cooperation in different locales of the Global South. Thus, although Johnston Birchall’s definition of ‘member-owned businesses’ – that is, institutions owned and/or managed by stakeholders – is very helpful in contrasting cooperatives to shareholdings, it sits ill with movements with a high degree of state participation.22 To accommodate different types of cooperation, as well as their different historical and geographical manifestations, it is better to think of the institution as a pooling of resources for the creation of economies of scale benefiting non-capitalist market participants or, more generally, actors of modest to moderate means.

One circuit of great importance for the dissemination of cooperative ideas beyond Europe from roughly 1890 to 1930 was created by imperial endeavours in economic development. The most comprehensive and consequential project in this regard was the state-supported introduction of credit cooperatives in British India.23 Similarly, French authorities introduced the Sociétés indigènes de prévoyance in West Africa in the early 1930s (and in certain contexts even made them obligatory).24 Here again, it should be stressed that the process of dissemination took the form of knowledge circulation, rather than diffusion from metropole to colonies. The most informative study of cooperation within the British empire has hinted, for example, that the ‘Indian legacy’ was carried to the rest of the empire. Unfortunately, such connections have not been sufficiently spelled out so far.25

Apart from highways of empire, by 1920 there were other channels conducive to the circulation of knowledge. The International Co-operative Alliance (ICA) had been in operation since 1895.

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25Rhodes, *Empire and co-operation*, p. 130.
It had survived the First World War and continued with the ‘ascertaining and propaganda of co-operative principles’ worldwide. By 1920 the ICA was flanked by other organizations promoting cooperation on a global scale. The International Labour Office started a co-operative service in 1919, a branch institution devoted to the gathering and distribution of materials concerned with cooperation. Sir Horace Plunkett, an Anglo-Irish aristocrat, agricultural reformer, and champion of cooperatives, initiated a foundation in his own name in 1919, originally devoted to the study of cooperation in England and Ireland. The Plunkett Foundation soon started publishing materials on rural development from all corners of the empire, and eventually became a global hub for the gathering and dissemination of materials on agriculture and cooperatives. The British cooperative experience in India was also praised through inter-imperial channels, such as the International Colonial Institute (ICI).

One non-governmental organization deserving mention is the China International Famine Relief Commission (CIFRC). It was a committee on credit, headed by John Bernard Tayler under the CIFRC, which studied the already-established Indian movement. In 1923 the committee introduced a model constitution for credit cooperatives, and granted money for their development. The CIFRC also financed a trip for Tayler to Denmark in 1927 to investigate cooperative developments there, and to analyse the potential of agricultural cooperatives for China. In addition, Claude Francis Strickland, a seasoned cooperative activist with experience from India, to whom we will return in detail below, spent more than ten months in China. Among other things he taught courses at the University of Nanking (today’s Nanjing), and his lectures were subsequently published in Mandarin by the university. The transfer of ideas was, however, certainly not one-way. From late 1943, for example, Tayler spent some fifteen months in India, promoting the industrial cooperatives that he had proposed and started in the late 1930s in China. The cooperative loopback was made formal during the Second Five Year Plan in India, and in the wake of Mao Zedong’s cooperative transformation of agriculture, as an official Delegation on Agrarian Co-operatives was sent to China by the Indian planning commission, submitting a ‘glowing’ report that strongly suggested joint farming.

Despite the substantial global sway of cooperatives in the twentieth century, the success and authority of the various movements have oscillated both regionally and temporarily, and one recurrent criticism of extra-European cooperative movements has been the extent of state involvement. Newly independent states in South Asia and Africa often continued and accelerated colonial developmental policies regarding cooperatives. A corollary to such top-down initiatives has been

28Horace Plunkett and K. Walter, eds., *Agricultural co-operation, in its application to the industry, the business, and the life of the farmer in the British empire*, London: George Routledge and Sons, 1925.
29For example, Emile De Wilde commented somewhat over-optimistically at the 1929 meeting of the ICI that it was for a good reason that ‘on a, en Angleterre, estimé que la création de ces associations coopératives, pouvait être considérée comme l’enseignement le plus fécond; ce principe simple revêtissant un grand nombre de formes, permettra de transformer les cultivateurs indigènes et de leur faire comprendre que l’agriculture et leur propre développement sont dépendants des forces économiques qui régissent les marchés mondiaux’. In ICI, *Compte rendu de la session tenue à Bruxelles, les 24–25–26 juin 1929*, Brussels: Établissements Généraux d’Imprimerie, 1929, pp. clxxvi–clxxvii.
the issue of political power over the distribution of resources, and related corruption. Several studies have subsequently hailed late twentieth-century processes of economic liberalization, and the concomitant state withdrawal from cooperatives, as conducive to the formation of true, grassroots movements. This cycle of creative destruction can be summarized with the observation that, for example, cooperatives in Argentina have benefited in the wake of changes starting from 1989 in that they have been obliged to become more efficient. It could be noted that the United Nations’ decision to proclaim 2012 as an ‘International Year of Cooperatives’ marked a renewed global engagement with the institution in the wake of the 2008 financial crisis.

Cooperation in British India

The cooperative movement in India is conventionally traced to the 1904 Cooperative Credit Societies Act. What should be noted here is that the Act was the culmination of a long trajectory of colonial engagement with debt. Recurrent famines and occasional riots prompted a series of inquiries by the colonial regime in the later nineteenth century. The resulting knowledge often traced such calamities to the illiquid and stagnant rural economy. The unit of analysis and main cause for concern was indebtedness and the hardships endured by the ryot or peasant. The earliest piecemeal experiments to counter such privations by means of cooperation took place in Bengal, the United Provinces, and Punjab, and they were legally based on the Companies Act of 1882. In this context, serious debates on prospective cooperative credit legislation began to gather pace towards the end of the century.

The single most important catalyst in this respect was the seminal work of Sir Frederick Nicholson, at the time a collector in the Tinnevelly district of the Madras Presidency. Nicholson’s report of 1895 presented an analysis of agriculture in the Madras Presidency, and laid out the options for relieving the rural economy based on an inquiry into the available European models, such as popular banks, Crédit Agricole, Raiffeisen, and Schulze-Delitzsch. Contrary to what one might expect from an institutional diffusion from metropole to colony – that is, from Rochdale outwards – the report strongly endorsed the German Raiffeisen model for establishing credit cooperatives in Madras. The reason for this could be most succinctly ascribed to the fact that the Rochdale model was one of consumer cooperation in an industrialized setting, while the Raiffeisen model was concerned with capital markets and allocation in rural settings.

While building on the tradition of the aforementioned inquiries, Nicholson’s report diverged in one substantial aspect from the wisdom of the day. Although the preceding inquiries acknowledged in varying degrees the complexity of the debt relationship and the usefulness of the credit market, the indigenous sawcar or moneylender had emerged slowly as the main cause of indebtedness; by extension, the colonial regime saw itself as less culpable. Nicholson, too, devoted extensive attention to moneylenders. Notably, examples from Germany were not spared, and Henri William Wolff was cited, claiming that ‘villages are being sucked absolutely dry by the “Jews”’. But, such parallels notwithstanding, Nicholson’s report concluded that most rural credit in the Madras Presidency was extended from ryot to ryot. By extension, the report held professional moneylending castes not accountable for the problem of indebtedness in this presidency.

As the report gained momentum and importance within government circles, a committee, including Nicholson among others, and headed by Sir Edward Law, the finance member of the Viceroy’s Executive Council, was appointed in 1900 by the Viceroy, George Curzon, to assess the possibility of a cooperative bill at an all-India level. Here discussions on the role of moneylenders in Indian society resurfaced. These considerations reflected above all the ambition set by the advocates of the bill. Cooperatives were not meant to displace the moneylender altogether, but to create a fairer credit market, which would thereby uplift the rural economy.

Two important aspects of the 1904 Act need to be singled out. First, the broad jurisdiction of the Act was a departure from the agricultural legislation of the second half of the nineteenth century. Whereas some of the legislation covering formal credit, such as the Land Improvement Loans Act (1883) and the Agriculturalists Loans Act (1884), had an all-India scope, most agricultural legislation precipitated by the aforementioned inquiries was local in character, notably the Deccan Agriculturalists Relief Act (1879) and the Land Alienation Act (1900). The concern that the authority of local governments would suffer was expressed in the debates preceding the 1904 Act, and has carried on as a lurking general criticism in most of the regional studies on cooperatives, namely that it failed to take into consideration local peculiarities. Beyond the most apparent difference in revenue collection – ryotwari, zamindari, and mahalwari systems – there have also certainly been differences in the nature of rural credit. Interest rates varied wildly in different regions around 1900, pointing to the absence of an all-India convergent credit market or, more broadly, a money market. Class and organization on the supply side of credit were also highly diverse, even within the same region. In relation to cooperative credit and general credit schemes on behalf of the government, it is of utmost importance to note that a large proportion of the small rural loans extended and repaid were not monetized until well into the twentieth century. In practical terms this meant that many credits were in some form of staple foodstuff – usually grain such as millet or rice – borrowed until the next harvest. Similarly, agricultural instruments such as ploughs were often borrowed by agriculturalists lacking such basic tools, while these loans were compensated with labour. In allowing for bye-laws, and in vesting high powers in the regional registrars, the Co-operative Credit Societies Act brushed aside local peculiarities in favour of an

45National Archives of India, New Delhi, Legislative Department (henceforth NAI, LD), Progs., Nos. 846, 1901.
46The unit of the ryotwari or raiyatwari system was the individual plot of land, the landholder or tenant being the direct payer of revenue. The system was gradually established in western India in the nineteenth century. In contrast, in the zamindari system, the zamindar (large landowner) would collect revenue for the government. In colonial times the latter system was practised in Bengal and parts of the United Provinces. The unit for the mahalwari system was the mahal, a set of plots taxed collectively. See Eric Stokes, B. Chaudhuri, H. Fukazawa, and Dharma Kumar, ‘Agrarian relations’, in Dharma Kumar and Meghnad Desai, eds., The Cambridge economic history of India: vol. 2. c. 1757–c. 1970, Cambridge: Cambridge University Press, 1983, pp. 36–241.
unprecedented ambition for rural reform at an all-India level. In this light, the Act could be seen as the first national agricultural law.

This brings us to a second facet of the Act, namely the issue of state involvement. While the Act, as recommended by Nicholson for the Madras Presidency, was loosely based on the Raiffeisen model, it also envisaged substantial financial involvement on behalf of the state. The capital necessary for the registration of a village credit society was Rp2,000, and another Rp2,000, but not more, could be borrowed from the state, on what could only be called highly preferential terms. It has been argued that other state loan programmes, such as the ones for land improvement and agriculturalists, known more broadly as taccavi loans, targeted specifically rich and credit-worthy communities, and thereby aggravated the already discouraging social stratification at the turn of the century. In contrast, the Co-operative Credit Societies Act’s avowed purpose was to encourage ‘thrift, self-help and co-operation among agriculturalists, artisans and persons of limited means’.

Although the expectations of some contemporary observers and champions of cooperation were not matched, the growth in the number of registered societies and members of cooperatives in the first half of the twentieth century was nothing less than spectacular. The number of primary credit societies in the year before Partition has been estimated at 112,951.49 While this certainly formed the backbone of the movement, there was also a gradual growth in the number of non-credit, as well as non-agricultural, societies. The overall number of 171,699 societies gives us a rough estimate that approximately 66% of the societies were primaries, around 1947.50 What has been rendered as a major disappointment in almost every study on the subject, however, is the low proportion of credit demand covered by the primaries by the middle of the century.51

Why was the supposedly lower institutional interest rate failing to displace the moneylender? One explanation advanced for western India can be cautiously extended to an all-India level. It has been convincingly argued for Gujarat that the higher market interest rate was deceptive, in that money-lenders did not expect to recover the principal.52 Similar arguments have been made for various regions of colonial India.53 The capital accumulated by moneylenders could be counted in debt bonds rather than immovable property or liquidity: that is, their clients were preferably perpetually indebted, but nonetheless also solvent. Significantly for this study, analogies between debt in India and West Africa in the late colonial and early postcolonial periods have been long established.54

Indeed, following the semantics suggested in the cited study, the role of local credit suppliers in the Global South has been reappraised. Above all, the efficiency of indigenous credit institutions and their role in linking local and Metropolitan economies have been positively assessed.55 Recent studies of entrepreneurial diasporas, such as Hadhrami traders in the Indian Ocean,
Chettiar in South East Asia, and Levantine or Syro-Lebanese merchants in West Africa, have similarly depicted the historically maligned figure of the moneylender in a better light.  

Cooperative societies, in contrast to moneylenders, could not afford long-lasting overdue credits by their members, not least because a large proportion of their working capital was also borrowed. Bearing such observations in mind, the credit cooperatives up to 1930 have been described as complementary to the moneylender, rather than an alternative. A bolder interpretation could be suggested. It is beyond doubt that neither institution operated in a vacuum. Rather than being purely complementary, or antithetical for that matter, the two institutions influenced each other over time. In this sense, the function of cooperatives in the first half of the twentieth century in India is better represented as a corrective to the moneylender. Evidence from the secondary literature seems to support this argument. For example, a study of the land and credit markets in Chotanagpur in the 1920s and 1930s has shown that the existence of a strong credit cooperative correlated with lower debt rates per head. One celebrated study of the Punjab peasant, admittedly written by a champion of cooperatives, claimed that members of cooperatives could write off their entire debt in ‘ten to twenty years’, and that ‘a remedy has been found by which the rising tide of debt can be stemmed’. Another study has shown that in the 1980s the presence of a ‘formal lending institution’, whether a bank or a cooperative, was associated with considerably lower interest rates for credits provided by moneylenders.

Despite all hindrances and shortcomings, the cooperative movement was seen by many throughout the period as the ‘best hope’ for India’s rural development. Moreover, its sheer size transformed the movement into an international sensation in the 1920s and 1930s. The interest manifested beyond British India was combined with the ever-growing body of materials and knowledge production accompanying the movement, which turned the Indian cooperative into a model to be studied, and sometimes followed, elsewhere. This peculiar South Asian export found an exceptionally receptive global audience at the time. So far, the literature has pointed to the formative influence of the 1904 Act, and the movement in general, on cooperative legislation in Canada and West Africa. The former was a good example of a reverse of North–South knowledge transmission, and the latter a compelling instance of South–South exchange. Indeed, in 1945, when writing about the early years of cooperation in the colonies, the Fabian Colonial Bureau noted that the ‘Raiffeisen and Schulze-Delitzsch type of co-operative credit association had [in the first decade of the twentieth century] been benefitting the rural populations of Europe for at least half a century, and India was already a laboratory of co-operation as applied to primitive rural communities.

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57 Catanch, Rural credit, p. 224.


63 Fabian Colonial Bureau, Co-operation in the colonies: a report from a special committee to the Fabian Colonial Bureau, Edinburgh: Riverside Press, 1945, p. 33.
Career abroad

Two figures representing the global dissemination of the Indian cooperative model require special attention. Sir Malcolm Darling has been celebrated as an example *par excellence* of an Indian civil servant. Darling studied at Eton and King’s College, Cambridge, starting his career in the Punjab in 1904. In 1916 he was an assistant registrar, and by 1927 a registrar of cooperatives. In 1947, Darling became chairman of the Plunkett Foundation. Apart from being a ‘peripheral’ member of the Bloomsbury Group, he was also a champion of rapprochement with ‘colonized subjects’; his books on Punjab agriculture and peasants are still reference works today. The second registrar from the Indian cooperative movement, who is of even greater importance for this study, is the previously mentioned Claude Strickland. Born in 1881, a year after Darling, Strickland studied at Oxford and started his career in the Indian Civil Service (ICS) as a district officer. Between 1915 and 1920 he was a deputy registrar, and he preceded Darling as the registrar of cooperatives for Punjab between 1920 and 1927. Not unlike Nicholson, Strickland and Darling’s expertise was solidified through a pilgrimage to European cooperatives in 1920. This joint research trip, sanctioned by the Governor of Punjab, produced separate monographs on the working of cooperatives in Germany, Italy, Holland, and Belgium, among others.

Ironically, if knowledge on Europe produced an accomplished cooperative professional within the ICS in the age of empire, it took knowledge of cooperation in India to make one a global expert. Here, however, the stories of the Oxbridge duo diverged. Darling’s career in the ICS was lengthier, and led to more publications. By the late 1930s Darling began to broaden his cooperative scope to the rest of the empire, and beyond. For him the size and economic context of the South Asian cooperative movement carried a self-explanatory significance outside British India: ‘Its experience is therefore of value to other countries in Asia, & even more so perhaps to countries in Africa in which the co-op. movement is just starting or in its infancy.’ On this assumption, in 1946 the Colonial Office invited Darling to join an Advisory Committee on Co-operation in the Colonies. He was also a member of the special committee assembled by the Fabian Colonial Bureau, and thus a co-author of the report on *Co-operation in the colonies*. The following years saw Darling’s expertise employed through the unofficial channel of the Plunkett Foundation, as well as the Advisory Committee.

Strickland took more initiative in fashioning himself as an expert beyond the ICS. After a conversation in 1929 with Lord Frederick Lugard, the former Governor-General of Nigeria and the leading theoretician of British colonial policy in tropical Africa, Strickland sent him a note explaining the value of Cooperation for small (or large) producers in Tropical countries. The note itself started with the remark that cooperation ‘especially in the simpler forms of credit and of agricultural purchase and sale, can make [a] valuable if not indispensable contribution to

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64 Established in 1918 by the prominent Irish advocate of cooperation Sir Horace Plunkett, the foundation soon became a hub for gathering and disseminating information on the development of cooperatives around the world.
69 Cambridge South Asian Archive, University of Cambridge, Darling Papers (henceforth CSAA, DP), 25.17.
70 CSAA, DP, 1.1.
71 Weston Library, Commonwealth and African Collections (formerly held at Rhodes House, Oxford; henceforth WL, CAC), MSS Lugard, 9/5, p. 2 (handwritten).
the life of the more backward or less organized races’. In this document, Strickland liberally extended the South Asian cooperative experience to the rest of the world. Founding his argument on the freshly printed report of the Royal Commission on Agriculture, he contended that ‘any attempt to set up an “Office” Registrar, as in England, whose business is only to record and to take specific legal action, will be disastrous. A Registrar in Asia or Africa has very different and active duties.’ Further, although a basic knowledge of cooperatives in Europe was necessary, it was claimed that a deputation of the prospective registrar to India, Japan, and Ceylon would be ‘essential, since he will find nothing in Europe exactly resembling the problems [sic] and people of t[rol]opical dependencies’. The Colonial Office Conference prepared a confidential memorandum, in which the Secretary of State directed the special attention of the colonial governments to cooperation. The document was annexed by a memorandum penned by Strickland, in which he appealed ‘that in our African dependencies, among the Arabs of the Near East, and elsewhere where co-operation has not been introduced, the urgency of organizing the coloured races along these lines should now be realized’. Strickland and Lugard’s collaboration on the theme culminated with the publication of the former’s Co-operation for Africa, with an introduction and generous endorsement by the latter.

The early 1930s saw Strickland’s cooperative expertise employed in the analysis of various regions. In 1929 he had already visited Malaya on a committee assessing the possibility of establishing a cooperative bank; he now travelled to Zanzibar and Palestine. In 1931 he also drafted a bill for cooperatives in Tanganyika, comparing ‘section by section with the Ceylon Ordinance, for the drafting of which and its passage through Legislature I was made responsible when in Ceylon’. Although the Tanganyika draft was also approved, stringent financial conditions compelled the governor there to postpone it. In the meantime, Strickland had also contacted the government of the Gold Coast, informing it that he was ‘ready and willing to offer his services as an expert adviser since he says that the working of Co-operative Societies is a very technical matter, and experience such as his might be of great value to the Gold Coast’. Eventually he participated in the drafting of its cooperative legislation, a point which is considered in detail below.

As Strickland’s regional credentials continued piling up, he travelled to Nigeria and Sierra Leone to advise and report on the possibilities of establishing cooperatives there. The professional character of his cooperative expertise was reflected in his remunerative demands: while discussing his free passage, monthly rates for his absence from England, and honoraria for the prospective reports, Strickland suggested a lump sum of £1,000, prompting one administrator to comment that the former registrar was ‘opening his mouth pretty wide’. Apart from advice given on the existing and prospective institutions, the ensuing report also reveals that, despite his universal belief in cooperatives, Strickland was not exempt from some colonial and racial stereotypes. The tropes of the deceitful oriental and the dull African, in particular, were explicitly expressed neither in force of character nor in willingness to collaborate with one another are Nigerians (other than the most backward tribes) inferior to the Indians among whom I spent many years on co-operative duty. If there is less mental acuteness – and I do not imply any lack of sound intelligence – the apparent defect is not necessarily a disadvantage, for acuteness may be misapplied.

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72 Ibid., p. 5.
73 Ibid., p. 9.
74 Ibid., p. 17.
75 Ibid.
77 The National Archives, Kew, UK (henceforth TNA), CO 323/1151/6; TNA, CO 618/49/9.
78 TNA, CO 691/118/10, p. 2.
79 TNA, CO 96/688/16.
80 TNA, CO 554/93/9.
While there was an active supply side in the global circulation of Indian cooperative expertise, the demand for it was also on the rise. In 1929 the colonial authorities of the Gold Coast sent an agricultural expert to Ceylon and Madras ‘to obtain the latest information regarding the movement in those countries’. The draft Ordinance itself was originally published in the Gold Coast press earlier in the same year. It immediately drew attention from different corners. The ensuing debates are revealing in more than one way. First, local assent and knowledge were sought. Early on, the Provincial Council of Chiefs of the Eastern Provinces was consulted about the draft; they expressed themselves in favour, but raised with the government particular sections of the bill in detail. Further, the Horace Plunkett Foundation was consulted, resulting in a memorandum that touched upon liability, the size of the prospective societies, financing, and privileges such as stamp exemption.

What stands out above all, however, is how much the process of drafting the bill was inundated with references to Ceylon and India. Indeed, the original version was drafted by the Director of Agriculture G. G. Auchenleck, as he himself had cooperative experience in Ceylon. The Plunkett Foundation’s memorandum repeatedly referred to Ceylon. In other documents discussing the bill, many sections mentioned original clauses in the legislature for Ceylon, occasionally even their number coinciding. Some clauses were traced back even further to Indian legislation, comparing the relevant clauses with the respective ones in Ceylon. In case of differences, the supposedly better variant was proposed for implementation. Finally, the correspondence with Sir Francis Stockdale, who was Director of Agriculture in the Colonial Office, and who was invited as an agricultural adviser to the Secretary of State in 1929, also testifies to the establishment of this role model.

To what can we assign the extraordinary extent of the legislative influence of South Asian cooperatives on the Gold Coast? Some regional similarities between West Africa and India, as well as aspects of an intra-imperial circuit, have certainly been discussed. Polly Hill’s comparative study of dry grain farming families, for example, drew attention to resemblances between Hausaland and Karnataka. She pointed out that villagers in South India in the late 1970s were hesitant to borrow from cooperatives, because of the ‘harsh action apt to be taken against defaulters’ by such societies. Further, parallels and comparisons have long been drawn, and India’s singular position as the primus inter pares colony within the British empire has been stressed. Intercolonial exchange and the works of the ICI have also recently drawn academic attention. The birth of the universal agricultural expert, the global debates on rural improvement and ‘reconstruction’, and the ‘human side’ of development within the context of the British empire have all been discussed and positioned earlier than the conventional wisdom of a post-1945 discourse on development.

Some observations here, however, go beyond the existing literature. First, it has been convincingly argued that the French and British imperial reactions to the loss of Asian colonies in the years after 1945 were matched by renewed endeavours within the African realm. The process of reconstructing

82TNA, CO 96/688/16, Enclosure 4 in Gold Coast No. 534 of 10 July 1929.
83Ibid., Comments on the Memorandum from the Horace Plunkett Foundation.
84Ibid., Proposed Amendments to the Co-operative Societies Bill, 1929.
85Ibid., Enclosure 6 in Gold Coast No. 534 of 10 July 1929.
empires entailed a more inclusive colonial project, and a substantial investment in development. In the case of cooperative legislation, especially in India, but also in West Africa in the 1930s, however, similar features of colonial development could be observed earlier. The Raiffeisen model was the basis of experiments in other imperial contexts, such as the Dutch East Indies.

Second, and perhaps even more significant, the transfer of cooperative knowledge and institutions from South Asia to West Africa (and beyond) gives us a complex picture that has little to do with conventional stories of diffusion from metropole to colony. Indeed, the Rochdale model was barely invoked when the Cooperative Credit Societies Act in India was debated. Further, the exceptional cooperative experience of South Asia eventually offered in itself a model for other ‘tropical’ colonies and dependencies. The pertinent question in this regard is whether the cooperative affinities were limited to legislation, or whether they extended to economic practices.

Practical implementation in the Gold Coast and Ashanti

In comparison to India, the Gold Coast presented an entirely different economic context at the outset of the cooperative movement there. The obvious difference was one of geographic and demographic size, as each presidency of the British Raj dwarfed the Gold Coast. It might be noted in this sense that the original Indian Act was more ambitious in scope. The Gold Coast and Ashanti, however, were in sharp contrast to most presidencies in more than one way. If the Indian Cooperative Credit Societies Act was established at a time of prolonged stagnation that had hit rural communities particularly hard, the Gold Coast and Ashanti Credit Ordinance of 1931 was approved at the pinnacle of a great economic transformation. One crop was of foremost importance in this regard. Local farmers had seized a rare opportunity in the context of a growing global demand for cocoa. The industry dated back to the 1880s, and by 1930 exports reached some 240,000 metric tonnes. This accounted for over 40% of world production at the time, and over 70% of the value of the colony’s exports. So important was this crop that it has been argued that the formation of capitalist relations in some of the cocoa-producing regions was the effect of this industry rather than its cause.

Two particularities of Gold Coast produce and marketing deserve special attention. First, cocoa leaving the ports of Accra and Takoradi was not the global ‘choice’ product. In the year 1933, for example, the price of cocoa in Caracas was almost three times higher than that in Accra. Second, a decisive component in the marketing of Gold Coast produce was the extension of credit. Thus, apart from the state creating infrastructure, a crucial facet of the merchants’ and middlemen’s operations was the extension of advances on the security of the future crop. In the period from the 1910s to the 1930s, a complex system, including European, Syro-Lebanese, and African private

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91 Jan Luiten van Zanden, ‘Credit and the colonial state: the reform of capital markets on Java, 1900–30’, in David Henley and Peter Boomgaard, eds., Credit and debt in Indonesia, 860–1930; from peonage to pawnshop, from Kongsi to cooperative, Singapore: ISEAS, 2009, pp. 160–77. See also Strickland, Co-operation for Africa, pp. 13–14, 23–7, where he criticizes the Dutch authorities in Java for not embracing initially (up to 1927) the ‘true’ co-operative model as applied in India.

92 For a classic example of this tradition as well as a celebration of empire, see Rhodes, Empire and co-operation.


96 Shephard, Report, p. 9.
capital, was 'locking farms to credit'. In the crop year 1933–4, for example, it was reported that 75% of the farmers had pledged at least part of their next crop in return for advances. It should be noted that cocoa was the main source of the colonial government's revenue; a little came directly from export taxes on cocoa, and considerably more from taxing imports bought with money generated by the cocoa industry. Above all the cooperative Ordinance was aimed at promoting the establishment of cocoa societies, and stimulating this sector. Model bye-laws were written exclusively for cocoa societies as early as July 1929. With its draft, the colonial government was trying to address the problem of 'quality' of produce, as well as the issue of marketing. The latter has often been presented as a question of indebtedness. By comparison with the Indian case, however, the focus of the authorities in colonial Ghana was rather on marketing as such; the issue of advances and debt, admittedly prominent in the discussions, was relegated to a secondary position.

While sections of the Ordinance displayed liberal borrowings from Ceylonese and Indian legislation, there were important deviations. Perhaps the most crucial was the departure from the original issue of credit. As already noted, the Indian Act of 1904 explicitly focused on credit, and its performance was financially backed by the state with the provision of cheap credit of up to Rp2,000. It was only later that a bank system took over the refinancing of the movement. The Gold Coast Ordinance, in contrast, provided neither for state support nor for a system for financing. Indeed, the issue was not simply neglected, but rather intentionally left unresolved. In April 1929, just weeks after the original draft had been published in the Gold Coast Gazette, Sir William Ormsby-Gore, the Secretary of State for the Colonies, received a letter from Sir Edward Sanders of the Niger Company and General Grey of the African & Eastern Trade Company. The two companies were active in the cocoa trade, and the letter may be seen as representative of the general commercial interest of European firms. The merchants commented on the recent publication of a draft Ordinance and urged in the strongest terms the creation of productive rather than marketing societies. Further, the scope of the government involvement was challenged.

Whilst we cannot of course object to co-operative societies which depend upon the efforts of their own members for success, we think it will be the wrong principle, and against the interests of merchants by whose efforts and capital the Gold Coast has been brought to its present position, if Government introduce, manage, control or finance co-operative societies in West Africa out of Government funds and through Government officials.

Similar concerns were also expressed in the London-based West Africa newspaper in June 1929. The front page feared that the 'real progress' of farmers would be retarded, the revenue injured, and an injustice put 'upon private enterprise'.

Significantly, the commercial concerns of the big firms were taken to heart by the colonial government. A memorandum from the discussion leading up to the Ordinance reveals that Strickland urged 'strongly that provision should be inserted in the Bill for Central Societies or Banks'.

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99Shephard, Report, p. 41.
101TNA, CO 96/688/16, Sub-Enclosure to Enclosure 5 in Gold Coast No. 534 of 10 July 1929, model bye-laws for Co-operative Society for the Marketing of Cacao (with unlimited liability).
103TNA, CO 96/688/16, unpaginated.
105TNA, CO 96/698/16, Enclosure 4, 'Memorandum giving reasons for non-acceptance of certain of the suggestions put forward by Mr. C. F. Strickland in his note of 29.9.30, in S. S. 991/30'.
It should be remembered that Strickland was active in India in a period that saw the passing of auxiliary legislation prescribing the status of central societies (the Act of 1912), and more generally the gradual establishment of district and apex institutions pooling resources together on an even broader scale. Strickland’s suggestions were rejected. The main reason for this was unequivocal: the memorandum stated that the whole infrastructure employed in the financing, transport and shipment of the crop was ‘in the hands of the local European mercantile community’, which had invested considerable capital in ‘advances, direct or indirect, to farmers’. This community ‘was therefore nervous of the whole co-operative movement, and from the very beginning opposed anything in the nature of amalgamation or federation of the proposed primary societies. Since these firms obtained cacao by means of a system of competitive advances they were naturally hostile to a movement aimed at eventual abolition of advances.’ In this sense, in its effort to address multiple interests at once, the colonial government, by means of its Ordinance, only half-tackled the question of marketing. It might be noted that the initial expectation and hope of officials was that the primaries would naturally form unions and accumulate capital that would allow for the creation of higher institutions for refinancing.

Even without a clear formulation about how the issue of advances would be bypassed, the co-operative movement took off slowly in the early 1930s through the efforts of the Agricultural Department. Reports showed that most new societies were created as a result of active persuasion during visits of agricultural instructors to villages. Sometimes the language used in the department’s reports revealed the fluid character of the core principle of cooperation: voluntary membership. One report from Birim North, for example, stated that ‘at nine villages some farmers, 49 in all, agreed to form societies, and at four other villages societies will probably be formed soon’. Other reports related active propaganda work to a growing interest in cooperatives. In contrast, slow progress was often associated with the hesitation of paramount chiefs to cooperate. Thus, in the state of Ajumaku, Saltpond District, the ‘progress is hindered by the failure [sic] of the Omanhene to give his approval of the co-operative movement’. There were also reports of ‘anti-propaganda’ carried out by brokers. Despite such drawbacks, by the beginning of September 1931 the Agricultural Department could boast 205 societies, with a projection of 500 in 1932 and up to 1,000 in 1933. The expectations for meteoric growth soon proved unfounded. The number of cooperative cocoa societies for the Gold Coast and Ashanti in March 1938 stood at 385, with a membership of 9,711 and a ‘paid-up’ share capital of £26,422. On the eve of the key cocoa event of the decade, the ‘hold-up’ of 1937–8, provoked by a price-fixing agreement among cocoa-buying firms, cooperatives marketed some 7,807 tons of cocoa for £318,371: only 2.6% of the overall supply. Even though the movement seemed to have stalled shortly after its initial take-off, it did not fail to raise and sustain officials’ hopes for agricultural development. The two major documents concerning the cocoa sector around the 1937–8 ‘hold-up’ devoted large sections to cooperatives. One reason was the ready availability of information sources through the Department of Agriculture. Another reason, however, was a deeply rooted contemporary conviction that this particular institution could alleviate economic problems among agricultural producers. Cecil Shephard’s Report on the economics of peasant agriculture in the Gold Coast wryly criticized the excessive faith in cooperatives, observing that there was a ‘widespread belief that the mere word

106 Ibid.
107 Department of Agriculture Gold Coast, Monthly News-Letter (henceforth DAGC, MNL), 35, 1 April 1931, p. 6, emphasis added.
108 DAGC, MNL, 37, 15 June 1931, p. 4.
110 DAGC, MNL, 35, 1 April 1931, p. 5.
111 Public Records and Administration Department, Accra (henceforth PRAAD), CSO8/1/41.
112 Nowell et al., Report, p. 40.
“Co-operation” possesses some mysterious power which ensures success irrespective of the manner in which the business of the system is organised.113

Shephard, unlike others in the epistemic community discussed here, such as Darling, Stockdale, and Strickland, based his expertise upon academic credentials, holding the Carnegie Chair of Economics at the Imperial College of Tropical Agriculture, Trinidad. Moreover, the report referred often to the Indian cooperative experience, and, even more importantly, not always as a model simply to be followed, but sometimes as a negative example from which to draw lessons. Shephard commented, for example, that the cooperative movement would never succeed in replacing the moneylender.114 The Gold Coast government had thus made the right choice of leaving the formation of banks and financial services to the primary societies. Shephard professed that, despite the growth check, cooperatives still had a bright future: ‘Co-operative societies can be made an efficient agency for the rapid and widespread improvement of agriculture. The more intelligent and progressive farmers will serve as an example to others.’115 The Nowell commission, set up immediately after the 1937–8 ‘hold-up’ to investigate its causes, similarly saw great potential in the movement, suggesting even ‘a general system of purchase through Co-operative [sic] [that] would be both easier and more economical than the present system’.116

The events surrounding the ‘hold-up’ are beyond the scope of this article, and, in any case, have drawn much academic attention.117 It suffices here to paraphrase an early analyst of cooperatives in the Gold Coast, in saying that both the ‘hold-up’ and the Second World War bore mixed blessings for the movement.118 Late 1939 saw the development of a control marketing scheme, under which the UK government purchased the entire cocoa crop at a set price. While the scheme was initially planned as a temporary, wartime measure, it proved to be the origin of the Ghana Cocoa Marketing Board.119 The new system was in stark contrast to the recommendations of the Nowell commission. It allocated quotas to firms in accordance to their pre-war performance, securing de facto and de jure the market share of the European companies, which were now designated as ‘A’ shippers. Cooperatives were classed as ‘B’ shippers, with a correspondingly small quota. However, the cooperatives’ quota was raised by the government during the war, a move that directly encouraged new members to join.120 The wartime ban on advances theoretically also worked in favour of cooperatives, as their members could borrow within the existing organizational structure.121 The impetus of the movement was reinforced by the establishment of a new Department of Co-operation in 1944, and a renewed institutional zeal personified by new recruits such as Brewster Surridge, formerly a registrar in Cyprus, and Captain Walter Cheesman, who was transferred from Nigeria.122

113Shephard, Report, p. 45.
114Ibid., pp. 46–7.
115Ibid., p. 53.
116Nowell et al., Report, p. 44.
120Ibid., p. 7.
121Apeadu, ‘Notes’, p. 7.
122Ibid., p. 9.
While in the early 1940s consolidation of primaries took place, in the years immediately following the war, the Cocoa Marketing Board was established, which proved exceptionally favourable for the development of the cooperative movement. In the period between the war and 1956, further transformations took place. An apex financial institution was established in 1946. Two years later, a Co-operative Wholesale Establishment was created. While the number of societies grew again, and the membership rose four-fold in the decade to 1954, the share capital skyrocketed, growing almost sixteen-fold to £406,471. By 1948 cooperatively marketed cocoa had reached 10% of the overall Gold Coast production, and by 1953 it was already more than 22%. By the time that the Convention People’s Party came to power and the independence of Ghana was declared, cooperatives were a major political and economic force.

In 1961 the cooperatives were merged with the newly formed party organization, the Farmers Council. Although the formal label of cooperation was not abandoned, the ‘old’ cooperatives were in practice eliminated. The nationalization of the movement has been discussed in the secondary literature and is beyond the scope of this article. The question remains of the cooperative movement in the broader context of an expanding global market economy, together with issues of typology and nomenclature.

Cooperatives, the global market economy, and capitalism

State involvement, in both the colonial and postcolonial periods, in the promotion of a cooperative movement around the world, including the cases investigated here, has obscured the line between ‘voluntary’ and top-down institutions. Indeed, it could be argued that cooperatives in both India and Ghana, although clearly initiated by the state, often exhibited a blend of state positivism, cautiously chosen incentives, and private initiative.

Were cooperatives then a European imposition? Cooperatives in India, meant to ameliorate rural capital distribution, certainly addressed a growing grassroots issue. In the process of their establishment, however, indigenous credit funds were progressively disregarded. Nicholson discussed Nidhis in the Madras Presidency and Malabar as a showcase for the ‘general honesty’ of local villagers, and as proof for the potential of credit associations. He nonetheless pointed to some of the difficulties and limitations that Nidhis were experiencing in the 1890s, and argued that better cooperation was a solution. By 1932, when such indigenous associations were practically a competitor to the now established credit cooperatives, Strickland grouped together Chinese and Japanese Huis and Hotokushas and Indian Chit funds (mutual help and rotating credit associations) and described them as ‘perverse institutions’, amounting to gambling practices. In the case of Ghana it makes little sense to speak of Eurocentric imposition, by virtue of the fact that the role model followed was recognized as Indian. Nonetheless, in the preceding discussions officials similarly argued that indigenous susu rotating credit associations did not facilitate production and commerce.

Uncertainties when taking a global perspective or using a universal typology of cooperatives have been recognized in the secondary literature. One way to resolve the issue is to look beyond the formal prescriptions (rooted in the European experience) as to what constitutes a cooperative, and to think of border-crossing and type-transgressing similarities and differences. It could be noted, for example, that in their initial stages cooperatives across the world offered a platform
for disadvantaged economic actors to pool resources, and thereby create economies of scale. This was often done to redress the influence of another group or class of economic actors. In the iconic rendering of the Rochdale cooperative these were shopkeepers, a fact reflected in the pioneers’ attention to weighing practices and unadulterated commodities. In the case of India, credit cooperatives were clearly initiated as a countermeasure to moneylenders, who were a crucial link in a money–commodity chain bringing agricultural produce to consumers and industries throughout India and beyond. In the case of Ghana, the need to establish cooperatives was manifested as a counter-force to African cocoa brokers, again crucial in the marketing of the produce, as well as to European and Syro-Lebanese firms representing larger capital. Thinking of structural differences between regions, such as relative economic development, the revenue-raising capacity of governments, and their generally superior access to capital, can also explain the past extent of state involvement in cooperatives in the Global South.

Such observations lead to the question of the relation of cooperatives to the broader economic system. Although on a theoretical level there have been attempts to reconcile cooperatives – admittedly of the producer type – with Marxian economic thought, historically such institutions have hardly operated beyond the fold of a market economy, and, by implication, have obeyed its inherent mechanisms. By the process of enhancing and making commodity chains more efficient, cooperatives partook in the overall broadening of the global market economy of the twentieth century. A broader perspective thus allows us to contend that, instead of framing cooperatives as an ‘alternative’ to capitalism, one could rather think of the institution (at least in terms of its history) as a form of capitalism, colonialism, and even postcolonialism ‘with a human face’.

Assisting the expansion of a world market economy, however, does not mean that these economic organizations have necessarily fostered a capitalist class; if they have done so, it has certainly not been by design. On the contrary, conventionally and on a global scale, cooperatives had fail-safe mechanisms for keeping capital accumulation at bay. These included various ways of limiting the share that an individual could hold in the organization or, conversely, limiting the dividends that members of the cooperative could receive. In practice, such precautions did not always succeed. Without getting into detail, the formation of a powerful sugar industry in Maharashtra, western India, from the 1960s onwards, was based formally on the cooperative institution. The aforementioned developments in Ghana in the early 1950s also point in this direction.

A global perspective on the cooperative movement also allows us to see some structural differences reflected in the regional manifestations of the institution. Without undue reference to a ‘world system’, it seems that the specialization in credit, production, and marketing cooperation in the colonies, preceded by (but also concomitant with existing) consumer cooperatives in Great Britain, was hardly adventitious. In this respect, CWS’s activities, when ‘going global’, hold precious insights into structural differences. The CWS has been hailed for developing ‘co-operative to co-operative’ trading links, and for its involvement in the production of commodities in far-flung corners of the empire. In 1950 the British Broadcasting Corporation featured a series of talks by George Darling on the ‘Co-operative movement’, in the programme Calling West Africa. CWS’s operations, including their cocoa-buying depot on the Gold Coast and their India and Ceylon tea estates, were praised for offering exceptionally good labour conditions for the ‘native’.

In reality, however, CWS’s trade relations with cooperative entities in the colonies were often subordinated to ‘hard-headed’ business concerns. Thus, the late 1940s saw M. G. Hewson, the Registrar of Co-operative Societies in Accra, write directly to the English and Scottish joint

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131Webster, Wilson, and Vorberg-Rugh, ‘Going global’.
CWS, explaining that ‘tropical raw materials’ such as ‘tea, cocoa, coffee, rice, and oil fats . . . can be grown on the Gold Coast though the present value of cocoa gives to it a probably unhealthy predominance’.134 He continued to emphasize the demand for ‘finished products’ in Ghana. ‘Of course both these aspects tie up in so far as they together represent the twin facts of a two way traffic.’135 For its part, in the late 1940s the CWS hesitated to enter any binding trade relations with the Co-operative Wholesale Establishment in the Gold Coast and was more interested in playing a ‘direct part in [the] contest’ between commercial banks in supplying credit to producer cooperative societies.136 It could be noted that, as early as 1920, Alfred Cecil Pigou had pointed wryly to the tension between cooperative principles and market forces. While the success of the Danish dairy industry was conventionally read at the time as triumph of cooperation, Pigou commented that it could be also read as a success of ‘commercial principles’.137

Conclusion

Apart from its well-recorded presence in European history, the cooperative economic institution has a history as a global and colonial endeavour in the first half of the twentieth century. However, the connections binding different regions of the world to the idea of cooperative development often bypassed colonial and capitalist metropoles. As we have seen, the original, large-scale extra-European model broadly followed the German Raiffeisen example, rather than the English Rochdale pioneers. The 1920s and 1930s saw a further transfer of what could be called an Indian model, adapted and adopted in West Africa, and in the Gold Coast in particular. In the process, some significant figures of the ICS and especially the cooperative movement of the subcontinent, such as Malcolm Darling and Claude Francis Strickland, rose to the occasion. There were also civil servants from the Gold Coast administration, and agricultural experts with far-reaching credentials, such as Francis Stockdale and Cecil Shephard, Professor of Economics in Trinidad, who were instrumental in the initial stage of establishment of cooperatives for the world cocoa production champion of the time.

In both India and the Gold Coast, top-heavy cooperatives had some direct antagonists in their sights. In the former case these were ‘moneylenders’; in the latter they were African cocoa brokers and European and Syro-Lebanese trading firms. This point was highlighted above by some of the quoted reactions coming from representatives of the ‘European merchant class’. Although cooperatives did not succeed in replacing either group of economic agents, which, with hindsight, appears a very ambitious expectation, the movement had enormous sway, and in some fields of operation and periods met with success. Perhaps even more importantly, the vesting of the idea of cooperation with a ‘mysterious power’ outlived colonial regimes, and can be recognized up to contemporary times.

Finally, I have tried to convey the notion that India and the Gold Coast showcase a history marked by a complex relation between cooperatives and the broader economic system. Pooling resources to create economies of scale in regions – or even in sections of an economy – devoid of large capital accumulation had an obvious appeal. Cooperatives were usually meant to ameliorate severe hardships brought about by market forces. They often succeeded, perhaps paradoxically, in expanding the reach of the global market.

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134 PRAAD, RG4/2/5, Trade Enquiries.
135 Ibid.
136 Ibid.