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CO-OPERATION

A magazine to spread the knowledge of the Co-operative Movement, whereby the people, in voluntary organization, produce and distribute for their own use the things they need.

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VITAL ISSUES

TRAINING FOR THE SERVICE OF THE WORKERS

The news comes that the Central States Co-operative Society has sent a train of ten carloads of food to the striking miners in Kansas—$64,000 worth of food—and that altogether this makes $200,000 worth of food that it has sent to them—forty carloads in all. Let us look into this business a little. Somebody must be doing this. It is the sort of thing that does not do itself—this business that is done by the workers for the workers.

There are people who say that all that is needed is for the workers to capture the government, take over the industries, and then tell the superintendent of what was formerly a capitalistic wholesale grocery concern to send food to the striking miners. It sounds easy. It is the soap-box method. But history shows that people who have got their training by administering business for the profit-making interests do not readily change their psychology. The Russian Soviet Republic tried the political revolutionary method, and executives of capitalistic training sabotaged the workers all along the line. The workers who study history are learning that the best people to direct and organize industry in the interest of the workers are people who are trained and experienced in doing just that thing. And the Co-operative Consumers’ Movement is the only organization of the workers that is steadily growing and successfully producing and distributing for use, and that is training people from the ranks of labor to serve the workers in administering industries.

Aside from the men who had the imagination and vision to conceive of it, somebody had to do it. Who directed this job for the Kansas miners? Who got the food together, saw that it was put on the right cars and saw that the cars went to the right place, to feed the families of the miners? Not the superintendent of a capitalistic grocery concern. I would not like to trust him with the job. He and his concern might do it, but they would have to have their rakeoff; and their heart is not in the undertaking. But the workers in the United States are raising up men and giving them the training to do this sort of thing. The man who did this job is Bob McKechan, manager of the Central States Co-operative Wholesale of East St. Louis, Ill. Others of the staff of that organization contributed their services; they also are working men trained to serve the
workers. How did McKeachan learn how to do this sort of thing; is it in the realm of big business? When he was a coal miner he joined the Gillespie Co-operative Society; then he became manager of its little store; and then he became manager of the Central States Co-operative Wholesale. He began at the bottom, and as he got experience he moved on up. That is the kind of training that fits a man to administer industries for the people. He is a friend of the workers; he knows the workers; and he has practical training in administering industry for them.

These miners of Kansas, unfortunately, are not organized as consumers. They had to turn to the nearest group that was. The Central States Wholesale performed all of the service free of charge and sold goods to them at cost. They got the advantage of saving both the wholesalers' and retailers' profits, and the advantage of getting pure food, and not having anything put over on them. And they got the food they needed. This sort of schooling, that McKeachan and his associates are getting, will some day put the workers in control of the situation. Thousands and thousands of workers throughout the world are now getting this training in the Co-operative Movement. The method is slow and arduous. It cannot be gotten out of books or lectures. It requires pains, and work and patience. But there is no other way. And without it victory at the polls or revolution will fail. Victory without the people who can control industries, who know how to run industries—will cost more than it is worth. The captured industries cannot be held unless they are in the hands of the people.

And if the people are sufficiently trained to run their industries they will find that they have captured them without a victory at the polls and without revolution.

**HOW TO KNOW THE WILD CO-OPS**

There is a little book called "How to Know the Wild Flowers." It tells their names and peculiarities. Among other things it tells how to distinguish mushrooms from toadstools. It gives much useful information. The people of the United States need such a book to guide them in the fields of Co-operation. "How to Know the Wild Co-ops" would be a good name for it. Every trade union should have several copies, and for initiation each member might learn it by heart. There are simple tests which may be applied to things that claim to be co-operative that will determine whether they are really flowers or weeds; whether they are safe or poisonous.

A smart fellow, called an "organizer," comes to town and talks about his old college chums, the Rochdale pioneers. He tells the working people that the workers are just as smart today as those old fellows in Rochdale were, and closes by explaining: "Let us have a society right here and now!" He then proceeds to tell how easy it is, and that all the people need to do is to buy a share in the great society that he represents, and a store will be opened within the first of next week that will put the private merchants out of business and return dividends that will cut the high cost of living all to pieces. He tells of the wonders of the "Corobberating Society of America," or the great "National Solesale," or the "Specific Leak," or the "Roachvale Sores Incoporated." All that the simple people have to do is to pay in their money, patronize the store, and every night the money from the cash register will be sent to the great and good and self-sacrificing men at the central office, and there you have a Co-operative Movement!

Here is where the key to "How to Know the Wild Things" comes in. Here are a few acid tests:

1. Ask to see the by-laws of the wonderful society. Is it co-operative? Has each member a voice? Does each member receive not more than a fixed interest rate? What is done with the surplus savings? Do the members get them in proportion to their patronage?

2. Ask to see the "organizer's" credentials from some labor body. It is a good thing to know just what labor leaders, if any, are behind the scheme. Some of the fakers now in jail carried good labor credentials.

3. Under what state law is the society incorporated? Is it incorporated as a co-operative society? Look out here for the "deed of trust" game that puts the control of the whole business in the hands of three trustees, who can take out of it all they want and the members have no say.

4. How are the officers elected, or are they appointed? Who appoints them?

5. How much is the organizer paid for settling stock or getting members, and who pays him? Is he paid a commission on sale of stock?

6. How much control of this store and its funds will the members have after it is started?

7. What are the members going to get for the money they put in? How much goods will be put on the shelves?

There are smart organizers who actually give what are apparently satisfactory answers to all of these questions. On the Pacific coast one of these carried a different set of by-laws in his pocket from the by-laws of his organization. But these fellows get fussed when the hard questions are asked. Just keep poking the questions at them and see if they can answer to the test of genuine Co-operation. Some of these things are not even toadstools. Some are like the Congressman and his seeds: his arguments won't go down and his seeds won't come up. And one sure point: Be sure that you know the right answer yourself when you ask the question. These chaps have much skill in making people think the wrong answer is the right answer.

**DON'T ASK TOO MUCH OF THE STORE**

We have a letter from a society in Missouri which says:

"Our store is doing well, but unable to make a net earning sufficient to satisfy all members. They feel that they should receive not less than 10 per cent savings returns every six months. The 'cash-and-carry' stores owned by the A. & P. Co., and located all over town, seem to give us the most trouble. Our members want their store to compete with this chain of stores, while maintaining a good delivery system which is demanded by our stockholders."

This is hardly fair. Still, we have heard of a society where some of the members made purchases at the A. & P. "cash-and-carry" store and brought their packages around to the co-operative store and asked the manager to send them home in the Co-op. delivery truck!

Any member of a co-operative society who is going into a private profit store to buy something that he could get at his own store should stop and ask himself a few questions: Is it fair to the other members? Have not they the same right to be loyal to our stockholders? Have they not the same right to be loyal to our store? Is it fair to our other members to hold the store? Do we want the other members to have the money? If they should all do the thing that I am thinking of doing how long would we have a co-operative store? Do I want the co-operative store to fail or succeed? If it fails who will be blameless and how much better off or worse off will the people of this town be? Am I playing the game fair? These are some of the questions he should ask himself.

But there are other questions that a still bigger man will ask himself: Suppose that I do save a few cents in this A. & P. store; do I never
spend any money for a good cause? I can afford to go to the movies once in a while; I smoke, I buy a drink occasionally, I buy a capitalist paper every day that lies to me about my job and my store; I would be better off to save that money and spend it on something that is good, on something that is building a better world, not only for me, but for my children? Suppose it does cost me a little more in my co-operative store; if I buy it and make it instead, then it will save me money in the end. We started this store of ours in good faith; the fellows who want to make profits out of us have tried to destroy it; will I be one to help them? How are the working people ever going to learn to run business for themselves unless we stick by our own undertakings? If this private profit store sells cheaper than my store does, why don't I make a success of Co-operation, or do I mean business when I joined the co-operative society? Am I a Co-operator or a piker?

But suppose that the co-operative store does sell as cheap, or cheaper, than the private store. Usually, the co-operative store, in the long run, is cheaper. Then, what is the matter to do? The short weight, the adulterations, the—I don't like to mention all of the things that the profit business has learned to put over on the innocent consumer, but if any effort will ask himself one more simple question, he will be thinking about something that may help him much: Where am I apt to fare best, at the hands of the man who is dealing with me for the one and only purpose of making as much money out of me as he can, or at my own hands, in my own store, in which I have as much of a voice as anybody, and which is run not to make money out of me, but to serve me?

Don't ask too much of the store; but remember that the store has an equal right to ask something of the member.

THE STATE GOES TO THE CO-OPERATIVE SCHOOL

The Minister of the Interior, Dominicus, before the Prussian Landtag on the 14th of October, according to "Le Co-operateur Suisse," of November 2, 1921, said that in the selection and in the advancement of high officials, it was necessary from now on to pay particular attention to the development of the modern social spirit of the candidates. One of the best means for encouraging this spirit is, in his opinion, to send these candidates to work for a period of several months in the service of the great co-operatives, or in the "maisons du peuple," in order to find out a little what is the life of the worker and the real point of view of the worker, and also to learn from them the methods of economic administration.

In another declaration on the 18th of October, this same Minister announced that the Co-operative Union of Hamburg is readily disposed to lend itself to this purpose. Thus we see that the State is coming to school to the Co-operative Movement. This is only the beginning of the educational work which the world will yet witness. Today in Europe the co-operative societies are carrying on economic affairs more efficiently than either the government or capitalistic business. The Co-operative Movement must be the teacher and leader.

J. P. W.

Every day for a month we had visited co-operative societies by pre-arrangement and introduction. We had seen the great institutions in the great centers. Now we determined to go to some small city of which we knew nothing. It might have a co-operative society or it might not; we would take a chance. Nürnberg won the lottery from Carlshad and Basel. We did not know a soul there nor the name of a hotel. Just for variety's sake we hoped for something small, struggling and insignificant, or new, or nothing at all—something that might make us think of home. We refrained from speaking the word until we sat down to dinner in the hotel. Then, with timorous misgivings, I asked the waiter if there were a co-operative society in Nürnberg. His face beamed with interest. Of course! He was a member. How many members? He did not know, but the membership must be about 50,000. How many families in Nürnberg? About 100,000 (400,000 population). The telephone book revealed nearly a page of numbers given to the society. We went to its central office next morning unannounced and sent in our cards to the directors. We were invited in and saw spread on the table of the president of the board a copy of a co-operative journal containing my Hamburg speech which they had read with interest. Then the same arrangements were made for our entertainment as we had experienced everywhere in Germany. An automobile was ordered for us, guides to take us to the various plants and a program of co-operative sight-seeing laid out.

The enthusiastic waiter was wrong; the Nürnberg society has only 40,000 members, but that means that nearly one-half of the families in that wonderfully clean and quaint old town are connected with the society. And its growth is steady and sure. The society has 30 stores, a large banking business, a warehouse, a bakery, and a number of dwellings for the members. The bakery has 23 double ovens—that means 46 ovens. The largest private bakery in Nürnberg has 4 double ovens. The bakery of this society sells 400,000 loaves of baling all of the bread that is consumed in the city. Besides the model dwellings that the society rents to its members, there is a co-operative building society, which has created a garden city in the suburbs which far surpasses anything that the English garden cities have attained. This society today, despite the cost of building, is going on with extensive house construction. In America the working man pays one-fourth of his income for the rent of a thing he calls home. In Nürnberg the working man pays one-fifteenth of his income for the rent and upkeep of a whole house which his society owns—and it is a house which he takes pride in calling "home." It is well built—brick, covered with gray stucco; a red tiled roof; a garden of vegetables, fruit trees and grapes in the rear; rose trees in the front yard and climbing vines over the front of the house. I take for example the house of a railroad worker which I inspected. It was a small house. I take for example the house of a railroad worker which I inspected. It was a small house. I take for example the house of a railroad worker which I inspected. It was a small house. I take for example the house of a railroad worker which I inspected. It was a small house. I take for example the house of a railroad worker which I inspected. It was a small house. I take for example the house of a railroad worker which I inspected. It was a small house. I take for example the house of a railroad worker which I inspected. It was a small house. I take for example the house of a railroad worker which I inspected. It was a small house.
CO-OPERATION

GERMAN SUCCESS AT SAULT STE. MARIE

By W. H. CLOSSER

The Sault Ste. Marie Mercantile Association had its origin in a modest way. The first attempt to organize, in 1913, was made by a group of men who saw the need for a wholesale supply and sales agency for the township. The association was organized with a capitalization of $3,000, a small amount by the standards of modern enterprise. However, it was ready for a great forward swing when the war broke out. It was just before the war. It was ready for a great forward swing when the war burst upon Europe and shattered the world. The 1918 prices from good to poor, ranging from 33 cents to 25 cents per pound, were used to represent the cost of goods. The association was organized in 1913, and the following comparative statement shows the business done since 1918.

The only motion to be seen were the huge fly wheels, silently revolving, creating and storing power. No human being was in the room. These engines, luxuriously housed, were quietly doing the work of thousands of hands while no eye watched. I did not see him, but it is possible that I could see him reading in his study, twenty yards away, interrupted only by the indicator which informed him that visitors had entered the room.

Already the membership of the German Co-operative Movement has surpassed that of the British Movement. I am persuaded that we shall find Germany taking the lead of the world in this field unless the German people are still further suppressed and crushed by that greatest modern atrocity which sprang from the loins of Wilson, George and Clemenceau and was spawned in the womb of Versailles. There is something in the German genius that makes for Co-operation.
The Ukrainian nationalization move and the war compelled the Russian government and freedom to the least Co-operation and political classes as a poorly disguised form of Co-operation has a more national character.

The following figures show the growth of Co-operation during the past year:

<table>
<thead>
<tr>
<th>Month</th>
<th>Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>26,197.06</td>
</tr>
<tr>
<td>February</td>
<td>27,950.95</td>
</tr>
<tr>
<td>March</td>
<td>27,692.77</td>
</tr>
<tr>
<td>April</td>
<td>26,197.06</td>
</tr>
<tr>
<td>May</td>
<td>25,188.91</td>
</tr>
<tr>
<td>June</td>
<td>24,031.48</td>
</tr>
<tr>
<td>July</td>
<td>27,671.59</td>
</tr>
<tr>
<td>August</td>
<td>24,408.95</td>
</tr>
<tr>
<td>September</td>
<td>22,585.98</td>
</tr>
</tbody>
</table>

This association installed a very modern electric bakery two years ago, with a daily capacity of 1,500 loaves, besides all its pastry baking. This plant is now far too small to take care of the increasing demand, and the association plans to build an addition to its large building, and will erect a modern oven amply large for this increased business.

There is no people among whom Co-operation has a more national character than in Ukrainia. In the Ukraine Co-operation and political action for national independence are identical. During the time of the Czar Ukrainian Co-operation was regarded by the Russian ruling class as a poorly disguised form of the Ukrainian nationalization movement; and only the mischance of war compelled the Russian government to permit the development of initiative and freedom to the least Co-operation.

The following were murdered: Members of the board of directors of the Consumers’ Union in Odessa and the members of the board of directors of a branch of the Dnipropetrovsk in Odesa (engineer Boris Blazowsky), supervising co-operator of the Consumers’ Union in Odesa (Tikh Klimivitsch), director of the educational department of the Dnipropetrovsk in Odesa (Katerin Kamaretska), and the secretary of the Odesa branch of the Ukrainian Agricultural Co-operative Union (John Sirenko).

These innocent people had engaged in no political activities. They had worked at their Co-operative business, and remained true Co-operators at their posts to the last moment, in the conviction of the justice of the government and the support of the government. On the other hand, others fled to the villages and sought to hide themselves upon the outbreak of the terror. From the above it is evident what difficulties co-operative workers had to contend against. The saddest fact is that, on account of the political conditions, no opportunity is allowed to care for the poor families of the murdered Co-operators. It should be the first duty of Co-operators to care for the poor, bereft children of the murdered comrades, but this is made difficult or impossible.

THE SEASON’S GREETINGS!

With those who work for the cause of Co-operation, who give of themselves and of their substance, we join heart and hand in high hopes and renewed allegiance. May the New Year bring us nearer to the realization of our fond ideals. As we look across the year that has passed we see the gains made, the positions held, and the foundations laid. Clouds have cleared away. Steadily the structure in this land of ours is building. It does not rest on its own. It is the work of human hands. For those who have given help, we are thankful. For those who have obstructed, we have only the hope that their feet may yet find the path.

May we consecrate ourselves anew to the Cause which brings upon its wings peace, justice, and good-will among men. May the strength of those whose hands hold aloft the light increase, and may their number multiply.

Greetings, good wishes, and success to all! We go forward together, toward the sunny slopes of the Land of Cooperation.

The Executive Board
Of the Co-operative League.
FINANCING PROGRESS

Who believes strongly enough in the civilizing power of the Co-operative Movement to be willing to help finance it? We are going to have a great Movement in the United States some day. But when? That depends on the amount of foundation work we can do now. Maybe we shall have a great Movement here in twenty years from now; maybe in ten; maybe in five years. Those who are striving for it know the obstacles that must be overcome; and they know that the educational and guiding work of The League is necessary to give the substantial results.

Already far-seeing people have written in their wills bequests for carrying on the work of The League. But the work must be pushed forward today. We want the well-wishers of the Co-operative Movement to live long; we want them to see great results in their own lifetime. Who will add immediate help for this cause?

The Executive Board of The League are carrying too great a burden. Each is doing the work of two. Our offices in New York are now located in four different places. We need a building of our own, where we can concentrate our administrative work. Who will give The League a building? We have to have it; why delay?

Ten district advisers are needed to cover the United States. We know just the work these advisers should do; who will finance them? A district adviser for New England, one for the Pacific States, and one for the other districts could save to the Co-operative Movement and to the people ten times their cost. Who will give The League the money to finance an adviser in one district? Who will give The League the money to finance the whole field?

The executive office work of The League is not met by the dues paid by the member societies. Still more help is needed; where is it coming from?

The Labor movement has sunk millions of dollars in fake co-operative and spurious ventures during the past twelve months; enough to finance for fifty years the most splendid co-operative educational program that our fondest dreams could conceive of.

And The League has earnestly advised the working people and begged them not to put money into these ventures; but the workers in the United States are not yet ready to lead the way. They must be shown and educated by those who have the understanding. In the course of time the power as well as the leadership will be theirs; but these are the pioneer days. The call today is for pioneers.

Now we are laying the foundations for a better civilization. Who will help. Who will finance the following needs:

1. A building for The League, so that Co-operation in the United States may have a central home of its own, and a fund to endow it, $100,000.
2. A house for The League without endowment, $50,000.
3. Ten district advisers, one for each of the ten districts in the United States, at $5,000 a year each, $30,000.
4. A school with 20 scholarships for training district advisers, store managers, co-operative executives and teachers in the Movement, for a year, $20,000.
5. Four Secretaries to do the essential work of the central office at $2,500 a year each, $10,000.
6. A national traveling adviser, to visit societies in every part of the country and advise them in matters of education and administration, and all expenses, $5,000.

(6) The yearly deficit on the printing of educational literature, $1,000.
(7) A new typewriter, $100.
(8) A new typewriter, $100.
(9) Individual, non-voting membership in the League, $1.

All of these things are going to come. We are going to have a great Co-operative Movement in the United States. But when? Much depends upon the response of those who are willing to finance permanent progress.

TECHNICAL ADVICE TO THE LEAGUE'S MEMBERS

The League has issued a bulletin to its affiliated member societies for the month of December on the Income Tax, giving legal advice on the items which are not subject to taxation, etc.

Monthly bulletins are sent regularly to all affiliated societies. During the past year these bulletins have covered the following subjects:

Advertising, suggestions for cooperative posters.
Labor costs and labor efficiency.
Practical instructions to clerks.
Co-operative education and the employees.

Bookkeeping advise and hints on overhead.
Women's guilds.
How to give credit.
Advice on share capital.
A model report form for financial statements.
Advice on marketing conditions and buying.

Societies affiliated with The League get these bulletins every month free of charge.

INDEX TO CO-OPERATION VOL. VII., 1921

Subscribers to CO-OPERATION wishing the index to Vol. VII., 1921, may have the same sent free of charge by sending a two-cent stamp to The Co-operative League, 2 West 15th St., New York, N. Y.
MILK STRIKERS ORGANIZE A CONSUMERS' CO-OPERATIVE CREAMERY IN CLEVELAND

The dairy workers of Cleveland, Ohio, who are on strike to resist the attempt to cut their wages $6.50 per week, have followed the example of their fellow-workers in Minneapolis, and have organized a Consumers' Co-operative Creamery. It will be remembered that the Franklin Co-operative Creamery Association, now doing a business of more than $100,000 a month, grew out of a lockout of the milk drivers about two years ago. At the invitation of the milk workers of Cleveland, some active members of the Minneapolis Co-operative Creamery got busy in Cleveland, showing the milk drivers how to organize. A committee of the strikers then went on to Minneapolis to study the organization methods at first hand.

The new Cleveland Creamery is to be called the City Co-operative Dairy Company. The society is incorporating, with a capital stock of $200,000, which is to be increased as big more capital is required. The maximum is being ordered, and a lease has been signed for premises. Farmers in the vicinity are giving their heartiest support to this new co-operative dairy, which will enable them to get a fair price for their products. In the meantime, collectors are out for subscriptions to the stock of the co-operative, not only among the consuming public, but among the dairy workers as well. Shares sell for $10 each, and no member may own more than $1,000 worth. No member has more than one vote, and proxy voting is not allowed. A reasonable rate of interest will be paid on shares, and it is planned to set aside reserve and educational funds, after which savings-returns will be paid out of the balance.

The City Co-operative Dairy will be a consumers' co-operative, and it is designed to deal justly with the milk producer, the workers and the consumers. The producer is assured of a fair price, the worker of living wages, and the consumer will get pure products on the co-operative basis. During eight months of operation, the Franklin Co-operative Creamery in Minneapolis made a net profit of $31,689.00, which will be distributed among the consumers. What is more, they have forced down the price of milk 3 cents a quart, since they began business, and have furnished milk free from adulterants. What has been done in Minneapolis can be done in Cleveland and elsewhere.

When the strike broke out in Cleveland, the city government attempted to take over one of the large milk depots and distribute milk to the consumers by means of the city trucks. An injunction issued by a Judge did away with this effort. Now the strikers and the consumers are taking the situation in hand themselves, and have furnished milk free from adulterants. What has been done in Minneapolis can be done in Cleveland and elsewhere.

The latest report to the Board of Directors of the Central States Cooperative Wholesale Society is a good one. Manager Robert McKechnie stated that in the three months ending October 15, the wholesale had sold $746,052 worth of goods, or about $3,000,000 a year. The overhead expenses of the wholesale office were 1.1 per cent, and the overhead of the retail "union" stores affiliated with the society amounted to 10.3 per cent, which is a low overhead for retail stores. The society is $60,000 richer than it was three months ago.

"CENTRAL STATES CO-OP" FEEDS KANSAS STRIKERS

The miners in Kansas who have been out on strike for many months as a protest against their enslavement by the Kansas Industrial Court Law, will have received $200,000 worth of foodstuffs from the Central States Co-operative Wholesale Society by the time this magazine was printed. Forty carloads of flour, beans, bacon and other foodstuffs have been shipped to the striking miners, and more are on their way. At the November, 1921, convention of the United Mine Workers of America, the miners voted to assess themselves $1 per month per person, for the purpose of providing free food of charge for the Kansas coal miners. There are 90,000 miners in Illinois contributing to this fund. The money thus collected is discharged through the Central States Co-operative Wholesale for food supplies. The Co-operative does not make a penny's profit on the transaction, the goods being charged against the strikers' fund at the wholesale cost. It should be remembered that the Illinois miners who are now supporting the Kansas miners are the backbone of the Co-operative Movement in Illinois, which is now acting as the commissary department of the labor movement.

A 50 PER CENT CO-OPERATIVE TOWN

The "Villa Grove Co-operator," commenting on an article published in last month's issue of CO-OPERATION, informs us that over 50 per cent of the families of Villa Grove, Illinois, are Co-operators. We reprint their figures, in the hope that some other societies can make claim to as good a record as the following:

In an article in the November number of "Co-operation," a statement is made that 25 per cent of the people of Waukegan, Illinois, are buyers, toast and milk from the co-operative store. Now, we claim a much better record here, and we think our figures will prove it. Out 175 members bought $22,661 worth of goods in the last quarter. We sold to non-members $14,560.43 worth, equal to about 116 members, so we are supplying approximately 280 families. That is over half the total number of families in Villa Grove, so that we now claim that in proportion to the population of the society we have members in any city in Illinois. We also claim that our business with non-members is larger than the other society in this state. If we are right we want to be shown.

The Villa Grove Co-operative Society has a clever means for popularizing Co-operation in the homes. Prizes of $5.00, $3.00 and $2.00 are offered for the three essays on Consumers' Co-operation written by high school pupils. The pupils whose parents are officers in the society are not eligible for the competition.

THROTTLING CO-OPERATION

In one of Roger Babson's financial bulletins to his wealthy clients some months ago, he said:

"We have the schools. We have the pulpit. The employing class owns the press. There is practically no important newspaper in the United States but is theirs."

This, of course, was not news to most of us. But it has not been an easy task to trace the control which advertisers exert over the press. The "Oklahoma Leader," a fearless organ of
the farmers and workers of Oklahoma, in its issue of December 10, has an editorial which exposes a specific instance of an attempt to throttle its advocacy of Co-operation, through pressure brought to bear by advertising concerns representing private industrial interests.

We reprint the editorial in part:

Co-operation not only saves us money, it not only adds to our well-being materially, but it cultivates that happy relationship with each other which is so necessary to the accomplishment of larger things. Not only that, but it demonstrates our social power, and proves indisputably that the workers can do things when they try.

Representatives of certain big advertising concerns in Oklahoma City called on the "Leader" recently. One of the committee observed that the "Leader" was an astute advocate of co-operative buying and selling by the farmers and wage-earners, to which we pleaded guilty. "Why should we—why should we—" said the advertising man—"why should we patronize your paper and give you money which you are using to prepare a club to knock us in the head with?"

The inference is plain. If the "Leader" would quit talking co-operation, if it would suspend or abandon its campaign of education in behalf of co-operation, if it would quit telling the farmers and wage-earners how to escape successfully the plunder machine which is robbing them, then the "Leader" could have a ten-page paper, of which eight pages would be advertising, and it would be a money-making institution, independent of a question of circulation. It is a newspaper that tells the truth, one that tells the farmers and wage-earners what is best for them, cannot live with the consent of the big advertisers.

AN ARTISTS' CO-OPERATIVE

Two hundred and fifty of the most prominent artists in New York City have launched a co-operative store, which will distribute artists' materials on which dealers have hitherto been making huge profits. A staff of experts has been selected, consisting of artists and chemists, to examine all materials offered for sale to artists and to pass on them as to their technical qualities. This is good news for the artists who have paid enormous prices for their paints, oils, canvases, modeling clay and other materials, only to receive inferior materials. Many an artist has painted a picture with paints supposed to be permanent, but which was ruined as soon as it was exposed to the light. A co-operative society has been hit upon as the remedy. And, as a matter of fact, Co-operation is the only remedy.

The artists are subscribing the capital with which to start their store. The society has also engaged an attorney to constantly look after the rights of artists in their relations with dealers. In addition to this, the artists are to publish their own magazine devoted to technical phases of their work.

The organizers of this new departure in co-operative effort include such well-known men as Robert Henri, George Bellows, Herter Bump, and others among the painters and sculptors. Its first headquarters is the National Arts Club, 26 Gramercy Park.

Any class of consumers who set their minds to it can do this same thing.

MINNEAPOLIS LABOR STUDIES

A course in Co-operation is being given at the Workers' College at Minneapolis. The Franklin Co-operative Creamery Association was responsible for the inauguration of this course. The idea was suggested by members of the Co-operative to the teachers of the Workers' College, and what is more, the Franklin Creamery is contributing $400 to subsidize this course. Quotations of literature are being ordered from The League for the students.

WORKERS' COLLEGES TEACH CO-OPERATION

Co-operation is now being taught in all of the workers' colleges run in conjunction with the labor movement. Courses on the history, philosophy and technique of the Co-operative Movement are being given in the following colleges:

- Denver Labor College
- Minneapolis Workers' College
- Seattle Workers' College
- Passaic Trade Union College
- Workers' University of New York
- Washington (D. C.) Trade Union College
- San Francisco Labor College
- Minneapolis Workers' College
- San Francisco Labor College

In the near future, more colleges will undertake such courses. A syllabus has been prepared by The League to aid teachers in carrying on a Co-operative course. This outline of Co-operation, together with a bibliography prepared by The League, is to be put at the disposal of all the labor colleges in the country, through the Workers' Education Bureau. It can also be obtained from The Cooperative League for study groups of any kind.

CENSUS RETURNS ON CO-OPERATION

The U. S. Bureau of the Census has issued figures on the extent of co-operative marketing and purchasing by farmers. In the 1920 census, figures were taken of the business done by farmers' co-operatives during the preceding year. These returns show that 3,664,449 farms secured their farm supplies, such as fertilizer, seed, feed, twine, coal, and even household necessities through co-operative purchasing or marketing associations. Co-operative purchases by farmers amounted to $84,615,669 in 1919. These purchases were made at 9.5 per cent of the farmers of this country.

The figures for co-operative marketing during 1919 are even more impressive. There were 611,383 farms selling their products through co-operative marketing associations, or 7.9 per cent of all the farms in this country. They sold $212,580,539 worth of produce in 1919, or an average of $3,412 for each farm.

The Co-operative Consumers' Movement among the farmers is strongest in Kansas, Nebraska, Iowa, Minnesota and California.

ANOTHER BOSTON BANK

A new credit union has just opened for business in Boston, Mass. Compare these features of the credit union with the business methods of your bank:

One may become a member, by paying $5 for a share. This need not all be paid at once. Shares can be paid for, by weekly instalments as low as 20 cents.

Deposits as low as 25 cents are accepted.

Loans are made to members only, at a reasonable interest rate. Repayment may be made within one year, in weekly, or monthly instalments.

All officers and members of the credit union are without pay. They are sworn to the faithful performance of their duties. The credit union is under supervision of the State Banking Commissioner. The committee and all financial statements are rendered every month.

This credit union is called the Union Workers' Credit Union, and is located at Room 634, Little Building, Boston. For the convenience of the members, the office is open Tuesday evenings from 7:30 to 10 P. M.

CUTTING EXPENSES

All the way from New Zealand comes a report of the efficient service of the manager of a co-operative society in that far-off country. When this enterprising manager took charge of his store in December, 1918, the percentage of expenses on turnover amounted to 15.3 per cent. For the period ending June, 1919, the expenses were 11.18 per cent; six months later, December 1919, 11.05 per cent; for the year ending June, 1920, down to 10.2 per cent. By the end of the last half year expenses had been cut to 9.5 per cent. This shows two
years' overhead cut down 4 per cent, while costs of labor were going up. And the percentages of surplus-savings went up, while the expenses were going down.

NEW RUSSIAN SOVIET HOUSING POLICY

A significant bit of news came in a recent dispatch from Russia. Leon Kamenev, Chairman of the Soviet Department of Moscow, is quoted as follows:

"The new municipal policy brings with it a radical change in the housing question. The new Russian government has the right of administration of the so-called fund of available houses. This fund consists of 10 per cent of all housing accommodation which is handed over to the newly-formed housing co-operatives. These co-operatives undertake the maintenance and repair of the houses. There are about 400 such co-operatives, which also undertake the restoration of destroyed houses or houses which require thorough repair and renovation."

BOYCOTT CO-OPERATIVES

The other day the "Journal of Patronal Associations" stated that, although thousands of certain branches (especially textiles) had lowered their prices 50 to 60 per cent, the retail merchants had not lowered theirs more than 20 per cent. Ab. The Secretary of the Swiss Industrial Associations formally accused the retail merchants of having an understanding amongst themselves to resist the lowering of prices demanded by the manufacturers.

We have, on our part, on many occasions, cited cases where the Co-operative was threatened with the blacklist by these associations of certain branches. We have here news to add to the cut prices, which proves the truth of the allegations of the "Schweiz. Arbeitgeberzeitung." In further proof of this the Co-operative Union of La Chaux-de-Fonds has just added a bit of news. Here is a letter which the society has received from the stationery trust:

"We have our careless members and our knawards! "To every case of the knocker from the outside, we know what to do with this fellow if he won't listen to reason—but the goods should be a booster, he is a thorn in the flesh. He cannot be convinced, he will not listen to reason, he won't even listen. At his union meetings he will repeat some false story, magnify it, and when told that it is not true, he leaves and spreads it broadcast. Against that kind of poison, the writer does not know what to use."

"In spite of this, perhaps because of this, we are getting a dozen of the society's members, who have been paying their dues and are trying to make something of their work."

"It is a very hard thing to do to the women. The lady unions have kept all of ours busy, and made a slight gain each week. A CO-OPERATIVE LAUNDRY CAN BE MADE A SUCCESS—WE HAVE ONE HERE."

EDUCATION AT MAHONINGTOWN

We worked for eighteen months to get started—and here we are—barely—but we were afraid of the times, lots of articles coming down, and didn't have time to wait until times were more settled. Every member received his money back and all but two are ready just as soon as times are more satisfactory. We think in about eight months to a year conditions will be more settled, but the fact that The Co-operative League of America has helped us in many ways to
get started in the right way. We are not going to give up, but still work for the good we know there is in it for us. Our board of managers is acting as an educational committee.

Malontingtown, Pa. C. M. Hill,

HENRYETTA HAS GOOD POLICE

The Henryetta District Co-operative Society of Henryetta, Okla., was organized during November, 1919. Twelve of us met and put up $10 each to defray expense of legal advice, charter fee, and incorporation expenses. We were accorded the privilege of meeting in the police chief's office during our organization meeting. We secured enough stockholders and money to buy out an old stock of goods, though we were sorry later for buying old goods. We started business on February 1, 1920. We had a hard struggle our first year on account of incompetent managers.

The second year we have done fairly well under another manager. We have bought and paid for a business lot, and have built our own store building. We handle groceries, dry goods, shoes, and a few other lines of merchandise. We are at present in the black and expect to house our two auto trucks, which saves about $100 per month. We have a wholesale warehouse and a branch store.

We think the Associated Magazine to be a valuable tool in education and recreation. Send us 500 copies for active trade unionists and others interested in education. We are preparing a Co-operative Census of all stores in the United States.

BOOK REVIEW


Professor Totomiantz has rendered a valuable service in compiling this anthology. It is a collection of the opinions, philosophies, and principles of various prominent European Co-operators. Most of the extracts are brief and give a fitting view of the thoughts of the authors. We find collected here quotations from the pioneer advocates of the Co-operative Movement, such as Holyoake, Owen, Maxwell and H. Wolff, of England; Schultz-Delitzch, F. Studinger, H. Muller, A. H. Kaufman, of Germany; Charles Gide, Fourier, Poisson and Daudet-Bancel, of France; L. Lazzati, Maximil. and L. Barbieri, of Italy; and H. Froniier, of Switzerland, etc.

We in the United States will regret not following the lead of many European countries in this respect. It is essential that the stories of progress and philosophy of the Co-operative Movement be told in our country. A comparison of the Co-operative Movement in Europe with that in America is instructive. The Co-operative Movement has made rapid strides in Europe and is making rapid progress in America. We are well on our way to a Co-operative Movement that will rival that of Europe. We are on our way to a Co-operative Movement that will rival that of Europe.

HANNIBAL EDUCATES

We think the Associated Magazine is a great scheme to educate members and can be used very effectively by mailing a few copies to active trade unionists and others inclined to be open on this subject. Experience teaches us that nothing is so essential to the success of a co-operative store as is education. Send us 600 copies of your latest issue.

A. S. BREWER,
Manager Hannibal Co-operative Society.

CALENDARS FOR 1922

A very attractive calendar has been issued by the Co-operative Central Exchange of Superior, Wisconsin, for the year 1922. The calendar has a striking reproduction of a four-colored oil painting made especially for this purpose. The picture teaches a Co-operative lesson, and makes the calendar suitable for advertising and educational purposes.

Last year the directors of the Co-operative Central Exchange supplied 25,000 calendars to local societies. It is intended to do even better this year. Many substantial reductions have been made in the price of the calendars, which sell for $10 each in lots of 100 or more, 15 cents each in lots of 500 and less than 1000, and 16 cents each in lots less than 500. Many societies are ordering calendars for their members and customers.

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Manager Hannibal Co-operative Society.

CALENDARS FOR 1922

A very attractive calendar has been issued by the Co-operative Central Exchange of Superior, Wisconsin, for the year 1922. The calendar has a striking reproduction of a four-colored oil painting made especially for this purpose. The picture teaches a Co-operative lesson, and makes the calendar suitable for advertising and educational purposes.

Last year the directors of the Co-operative Central Exchange supplied 25,000 calendars to local societies. It is intended to do even better this year. Many substantial reductions have been made in the price of the calendars, which sell for $10 each in lots of 100 or more, 15 cents each in lots of 500 and less than 1000, and 16 cents each in lots less than 500. Many societies are ordering calendars for their members and customers.

BOOK REVIEW


Professor Totomiantz has rendered a valuable service in compiling this anthology. It is a collection of the opinions, philosophies, and principles of various prominent European Co-operators. Most of the extracts are brief and give a fitting view of the thoughts of the authors. We find collected here quotations from the pioneer advocates of the Co-operative Movement, such as Holyoake, Owen, Maxwell and H. Wolff, of England; Schultz-Delitzch, F. Studinger, H. Muller, A. H. Kaufman, of Germany; Charles Gide, Fourier, Poisson and Daudet-Bancel, of France; L. Lazzati, Maximil. and L. Barbieri, of Italy; and H. Froniier, of Switzerland, etc.

We in the United States will regret not following the lead of many European countries in this respect. It is essential that the stories of progress and philosophy of the Co-operative Movement be told in our country. A comparison of the Co-operative Movement in Europe with that in America is instructive. The Co-operative Movement has made rapid strides in Europe and is making rapid progress in America. We are well on our way to a Co-operative Movement that will rival that of Europe. We are on our way to a Co-operative Movement that will rival that of Europe.
THE CO-OPERATIVE LEAGUE OF AMERICA

(Member of The International Co-operative Alliance)

Executive Office: 2 West 13th Street, New York

An educational organization for teaching the history, principles, methods and aims of the Co-operative Movement and for the promotion of Co-operation in the United States.

Join the League and help promote the education work of the Co-operative Movement. Individual Membership, 1.00 a year.

Subscribe for CO-OPERATION


Keep in touch with the Movement, $1.00 a year.

This Journal is Not Published for Profit

Co-operative Wholesale Grocers and Jobbers,
Bakers

We supply goods to Co-operative Societies ONLY

We are owned and controlled by Co-operative Societies.

We are organized to enable Co-operative Societies to co-operate collectively what they cannot do individually.

Co-operative Central Exchange

Offices, Warehouses and Plants:
Winter Streets and Ogden Ave.,
SUPERIOR, WIS.


THE FARMERS

The time was when the United States was an agricultural country. Most of the farmers worked on their own farms. The ambition of the farmer was to leave a farm to each of his children. The culture, the stability and the wealth of the country were among the farmers. Up to seventy-five and fifty years ago, the United States was breeding a race of sturdy farming people. The farmers lived well, did their own thinking and upon which dividends are to be paid. Communications should be addressed to M. E. Keep in touch with the Movement, $1.00 a year.

address, 119 Paisley Road,
Glasgow, Scotland

THE PRODUCER

Published by
Co-operative Wholesale Society, Inc.
1 Balloon Street, Manchester,
Post free 4. sh. 6d. a year.
The Trade and Technical Organ of British Co-operation.

CASH REGISTER FOR SALE

The Consumers' Co-operative Company, of Dayton, Ohio, has a cash register for $5.00 only one year ago, and is now for sale for $500, which we are assured is a bargain price. The register was bought for $750. It is now for sale, and the customers are to be paid. Communications should be addressed to M. E. Keep in touch with the Movement, $1.00 a year.

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VITAL ISSUES

THE FARMERS

The time was when the United States was an agricultural country. Most of the farmers worked on their own farms. The ambition of the farmer was to leave a farm to each of his children. The culture, the stability and the wealth of the country were among the farmers. Up to seventy-five and fifty years ago, the United States was breeding a race of sturdy farming people. The farmers lived well, did their own thinking and fostered a fine spirit of friendliness and neighborly sympathy. Each family produced in those days most of the things they consumed. Their industry had a large social motive. The agricultural period held the best days in the history of the United States from the standpoint of the making of men.

Then came the steady encroachments of trade, manufacturing and intensive industry for profits. A new race of people became dominant—a race of traders, speculators, and producers for profit. Gradually it came about that money could be made easier in exchanging and gambling in the products of the land than in actually producing things. Laws were made to promote and protect gambling. (It was called "trade" or "business"). The products of the farms presently became objects of interest and importance because of their gambling possibilities. The most influential citizens ceased to be of the farmers and became the chambers of commerce, produce exchanges, stock exchanges, merchants associations, and boards of trade. Buying at the lowest price and selling at the highest price became the great national occupation.

Steadily now, for the past thirty years the number of farmers who work on their own farm has diminished. The number of mortgaged farms has increased. The number of farms owned by absentee landlords and worked by tenant farmers has multiplied. The average farm worker has made a bare living from his industry. Out of sheer economic pressure, the boys and girls have left the farms and gone to the cities to take jobs in factories and to engage in the game of selling their labor at the highest price and buying at the lowest price.

The year 1921 saw a great change in the United States. For the first time in its history, the town population became greater than the country population. The majority of the people are no longer occupied in agriculture. The United States has ceased to be an agricultural country. How fares it with the farmer now? In the Fall of 1921, a hearing be-
fore the Agricultural Commission in Washington brought out the fact that the farmer in this country receives but thirty cents out of every dollar that the consumers pay for farm products. In Denmark, the farmer receives ninety cents of the consumers' dollar.

The greatest economic power in the United States today is represented in those forces that take this seventy cents tribute out of every consumer's dollar and hand the farmer thirty cents. This force is organized; it controls the press and the schools, and its representatives and agents constitute the great majority in every state legislature, in congress, in the cabinet and in the courts. This is a serious problem; but it is not only a farmers problem; it is the problem of every one of us. No civilization can endure that subjugates the producers of necessary things to the will and domination of traders in those things.

To meet this situation, there is one first step. The farmer must organize. Industrial labor lifted itself out of a state worse than slavery by organizing. The farmer is headed for a similar position, and nothing but organization can save him. His first duty is to organize as a producer—as a worker—to get adequate pay for his labor. That means adequate prices for what he produces. The consumers who are not farmers can not justly raise a voice against this. The farmer must organize for the same reason that industrial worker must organize. In the present economic system, without organization, slavery is their destiny. The man who is opposed to the trade-union principle for every worker, industrial or agricultural, is an enemy of civilization to just that degree.

But the farmer, as well as the industrial worker, cannot solve his problem by merely organizing and securing better reward for his labor. When he comes to spend the wages he has gotten for his toil, he is still at the mercy of those same forces that control his selling power.

The Co-operative League desires to render every possible assistance in what may be called the wrong reasons why the organization of the people as producers and as consumers should go forward together. The hope of the United States rests upon the progress of the Co-operative Movement and not upon the fictitious wealth, the product of exploitation, which high finance holds up as the test of our greatness.

A BUYERS' STRIKE

The Attorney General of the United States has suggested, as a remedy for profiteering and high prices, that the buyers should boycott all shops where they think prices are unreasonably high.

There is one thing that strikes the thoughtful citizen in these trying times: that is the utter poverty of politicians in constructive ideas. The whole country is beset with profiteering, unemployment, suffering and crime rampant. Boards of aldermen and city councils fail utterly to touch the problem. One American city has been advertised with screaming headlines as having a solution for its crime problem; and what do we find is its solution? It is building two new criminal court buildings and has increased its criminal prosecuting staff!

If one would be especially impressed with the utter futility of our political system, let him go to Washington and see the commotion among the bugs underneath? Such a scurrying and rushing hither and hither! Do you realize what all the excitement and fuss is about? The bugs are afraid of the light. They live and work in darkness. That is Washington. The big flat stone is the present enlightened economic profit-system. A new idea, born of suffering and discontent, comes along and tips it up a bit. A little light creeps in around the edges, and there is danger that the thing may upset. The bugs scurry as far from the light as possible, loudly proclaiming to each other the virtues of the stone and asserting that the new idea will not get in very far and disturb things.

The solution offered by the Government will not upset the stone—never fear! It proposes a nation-wide buyers' strike! If the workers proposed a nation-wide workers' strike because wages were too low, hell would be to pay such prices is exactly the same thing as low wages. The precious Attorney General knows that the buyers are not organized and there is no such a thing as an unorganized strike. A strike is a negative force any way. The Attorney General advocates a consumers' strike not only because of dearth of ideas, but because of its whole impracticability.

The government's job is to suggest possibilities of bringing happiness, self-reliance and justice to the people are so great as to be beyond human calculation. Privilege and poverty would disappear along with the train of crime and sin that follows them.

That the Government will do such a thing is unthinkable! If the people want privilege and poverty abolished they will have to do it for themselves. Not a buyers' strike, but a buyers' cooperative organization for constructive purposes is what this country of ours needs.

A SOCIAList ERROR

Socialists in the United States are teaching that the people need to vote for Socialism and secure a majority at election; and, lo! and behold! in the twinkling of an eye, all will be changed!

The New York Call, January 5, 1922, in an editorial said:

"H. G. Wells is right. It is not war that is the most terrible thing, horrible as it is. It is the stupidity of those who, having it within their power to change the present hellish conditions between the rising and setting of the sun, refuse to do it."

The editor who wrote this is the best informed on economics of any editor of any New York daily newspaper. He did not mean just what the editorial really meant that the people have the power, in a day, to take the first step toward a change. But many people take the statement
literally. The teaching among socialists is very prevalent that when they have a majority at the polls the change is as good as accomplished. Soap box orators are fond of giving this impression. As a matter of fact, it is far from the truth. If in any industrial country, the socialists should win a victory at the polls and attempt to change the present hellish conditions between the rising and setting sun, by a socialization of industry that country would be thrown into a state of hellishness that would be worse than the present conditions. If they captured the government they should proceed to take over the industries, chaos would be turned loose. There would be unemployment, suppression of civil liberties, suppression of freedom of speech, force without stint, wholesale arrests, bloodshed, poverty and crime—all multiplied beyond what they are today. Before the upset had lasted long the majority of the people would be praying for the good old times back again, some arch reactionary would be elected president, the "radicals" would be stood in rows in front of a wall, and mowed down with machine guns, and the same old game would be on again.

If there is any particular class of people in the United States today who are not radical it is the people who call themselves "real radicals"—the so-called extreme left wingers. Radicals are at the root; these left wingers are up in the branches—and a good thunderstorm would shake them out and bring them tumbling to the ground.

What the people want is bread and potatoes, and plenty of them. Any reorganization of society—that does not at once give them at least as much as they have been having—poor as it is—will not last very long. The promise that "we are working out a better state of society for our children" does not satisfy hungry people. No change from the present state will succeed unless it is an open change. Politics can change little. The politics, the government, is but the echo of the voice of the owners of the property. Sudden revolutions, both political and economic, fail because the present owners of the property are opposed to sudden change. And they are the forces which hold the surplus wealth, the surplus food, the guns and coercion. Finland came up against this thing. It elected 103 socialists in a parliament of 200. Then the trouble began. It is not a question of what is right or what is wrong; it is a question of facts, a question of the action of forces which cannot be changed overnight.

I do not say politics is futile. But I do say it is a secondary field; and any movement that hopes to change the present "hellish system" by political action alone is futile. It is an idle dream.

The only way to make the world a better place to live in is to go to work day by day and make it a better place to live in. That means work; and there are a lot of people who want it done without work. They think voting is easier.

If production and distribution for profit is a source of evil, then the remedy is to distribute and produce things for use. If people do not want to be dependent upon profit-making capitalists for the necessities of life, then the thing to do is to learn how to supply themselves with the things they want, independently of the capitalists. There is no easy way to do this. It can not be done by electing some other fellow—to go to a capital city—to instruct the thing called the government—to do it. The people must do it themselves. The capitalists are now supplying us with most of the things we use. They have learned how to do it. But if we want a change we have got to train ourselves to do things ourselves. If we are not willing to remake the world ourselves with our own hands, persistently and constructively, then other non-creative and destructive forces will remake it; and for the worse. J. P. W.
The Co-operators solved the problem by buying the big mill in Zurich. The beautiful holiday house in the Rigi Mountains is the Co-operators' vacation and recreation resort.

Co-operative housing, insurance and banking are all well advanced in Switzerland. The educational printing and the publications issued by the Union are the best examples of educational co-operative press work in Europe. Their printing plant is a model.

Switzerland has 374 co-operative electric societies which produce electricity for the members. Many of these get their power from the mountain streams and use this falling water from the melting snow to light their houses and run their sewing machines.

Let us look at the local co-operative society of Basel. This city has 185,000 population. The society (Der Allgemeine Consumverein—A. C. V.) has 41,000 members. Its yearly business is 60,000,000 francs. There are more members than there are families in the city. The society has a bakery with 18 ovens, turning out 10,000 loaves of bread daily and many other products. Sixteen wagons deliver the bread to the stores. There are 160 stores, one of which is the largest retail department store in the city. The creamery distributes 60,000 liters of milk daily. It supplies more than half of the families in Basel with milk and cheese. This plant handles butter and cheese and manufactures fermented milk products. With its laboratory, refrigerating machinery and modern apparatus, it is a standing confirmation of the principle that the people can carry on their own business better than private interests can carry it on for them. The plant looks like a university building.

The shoe repairing shop of the Basel society employs thirty shoe-makers and repairs 1200 pairs of shoes weekly. This society has a building department and at present owns 300 dwellings. Independent of the A. C. V. are several co-operative building societies developing homes for the people. The most important of these is Freidorf, with 180 houses. The money for this latter enterprise was largely supplied by the Swiss Union. The Freidorf society is now erecting a central building which will contain stores, an assembly hall, a gymnasium, restaurant, school and library.

The Basel society has also a large savings banking department. Its bottling department is the largest wine business in the city. Its own fire department is so efficient that the reduction of fire insurance premiums nearly pays for its maintenance.

Among the other activities of this society are a coffee-roastery; petroleum, coal and illuminating gas business; beer and soft drinks bottling; repair shops; blacksmithing and painting.

This Basel society is the largest, the most influential and the most benificial organization in the city. Basel is a beautiful and enlightened community; the co-operative society is doing more than any other agency to make it more beautiful and more enlightened. I doubt if there are any large societies in the world whose members in proportion have a better understanding of Co-operation than is to be found in Basel.

One can traverse the length of Switzerland in a few hours. In every town is a good society. Let me say a word about the Zurich society. It is much like that of Basel. Its central building is the largest and finest commercial building in the city. The building occupies a city block. The retail grocery on the ground floor is the most beautiful grocery store I have ever seen. I am familiar with the high-toned grocery stores in New York and other American cities. None of these compares with the co-operative store in the little city of Zurich. The interior is of rich golden brown glazed porcelain tile. Not only are the side walls of this material but the columns and raudings of the staircase. Porcelain electric chandeliers, fountains and other ornaments make this interior seem like a palace hall. The most and fish department, with aquariums of living fish, presents an appearance of a natural history museum than a commercial business. The two sub-cellar of the majority of the people. The two sub-cellar contains stores, an assembly hall, a gymnasium, restaurant, school and library.

These people are consumers. And every week many of them are challenging the office of The Co-operative League to show them the way to organize a consumers' society.

Here is how one group attempts it:

1. The leaders recognize the limitations of the people. These people are not united by a class-consciousness such as the organized workers or farmers have. They have no common interest. Most of them are poor bargain hunters and have no inking of the meaning of co-operative solidarity.

2. Confessing these limitations, the leaders have determined to unite such people in a straight promise to get them bargains.

3. Share capital necessary is $25 per member, payable in instalments; interest on capital is limited. One member has one vote only. No proxy voting permitted. The society handles dry goods, stationery, furniture, groceries in large quantities—all the common necessities of the home.

4. Goods are sold at cost plus 20 per cent; 10 per cent of this surplus goes to expenses of operation; the remaining 10 per cent is returned at the first of every month in the form of savings returns.

5. There is no store. A manager and clerk are employed. They have their headquarters in a large office building, displaying a few samples and wholesale catalogues. Members place orders in advance and goods are delivered to homes at wholesale cost plus 20 per cent, plus delivery expense.

The president of the society justifies this form of co-operative buying organization on the following grounds:

A. We don't want a store. If we attempt to run a store, we are doing just what private business does, and we cannot compete. Why do what everybody else is doing and lose money? We owe our members something better.

B. To compete with commercial stores we must offer our bargain-hunting members...
lower prices and a rebate. Therefore we undercut the department store prices on much of our stock, and in addition we guarantee a monthly dividend of 10 per cent.

C. We not only save the overhead expense of running a store, but we eliminate the expenses of depreciation on a whole lot of damageable goods. Our member who wants a new phonograph or suit of clothes, goes and overhaul the goods that are being returned at the big department stores by a thousand people, decides what he wants, comes to us, and we get it for him in brand new condition at a discount from the wholesaler.

D. We do not meet the requirements of the hand-to-mouth purchaser who never knows what he wants until he needs it, and we don't want to. Let the chain stores do it. We are teaching men and women to plan their purchases a few days ahead of their needs. And we are demonstrating to them that it pays to look ahead.

E. As for Ideals and Principles. Our members are not yet Co-operators, and we don't try to force them to believe that they are. But ultimately they are to become a part of the Co-operative Commonwealth of the future. How get them ready to serve as poor to their selfish individualistic interests and get them to buy through the same society, gradually the monthly dividend and the quarterly meeting and the visiting committee will begin to have an effect on them. Why they will realize that it is their society, run by their collective effort, giving them common advantages. They will begin to see the difference between such an organization and the ordinary profit-making institution. They will learn that they have something in common with the workers co-operative societies.

Is this an ideal co-operative? Is it practical as a business proposition? Is it contributing to the building of a new social order founded on co-operative principles, or is it only cheapening the cost of living for a group of middle-class men and women, and thereby perpetuating the profit-making system?

Can our middle-class men and women learn to become Co-operators? And if so, with what form of organization is it best for them to begin?

IT PAYS TO STICK
By WILLIAM ROSE
of Trenton, Michigan

[This communication is from a pioneer British Co-operator, now, for many years a citizen of the United States. It should be of interest to Co-operators in this young land of co-operative effort. Recently delegates from the League visited the home of Mr. McLeod, at Woolwich, London, England, which is described by Mr. Rose, who was one of its originators and its first secretary, in 1856. Today this society has 70,000 members, a capital of nearly $6,000,000, an annual turnover of $10,000,000. It has 134 branch stores, and operates its own tea warehouse, its own press, its own grocery, its own bakery goods, house furnishing, fish and green grocery depot, and butcher shop; and employs 1,700 persons. All this history, as set out in the early beginnings which Mr. Rose, who is now a great-grandfather, so picturequely describes.]

I will give the early experience of the Royal Arsenal Co-op; but first of all I will tell of the condition of Co-operation in that district, the factory end of Woolwich. When I was an infant, a Co-op. was started by some boiler makers. It ran for 30 years, but never got going, around one floor house.

The next thing I came upon was the Woolwich Co-operative Society. My father before me helped to start that on the same principle. These two, to my own personal knowledge, edge, wound up, paying in only a few shillings on the pound. There was another in the Plumstead district that started and only lasted a year. That was the field that I had to break into, but I was an enthusiastic and I wanted nothing to leave the world better than I found it, and after studying with it on my brain for about three months, piling up statistics, and having only a slim education, but some courage, I finally carried along until I brought the subject up before a mechanics meeting. About 23 of us met to organize a co-operative society: 18 agreed to plan their purchases a few days ahead of their needs. And we are demonstrating to them that it pays to look ahead.

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PRACTICAL WORK OF THE LEAGUE

REPORT OF THE ACTIVITIES OF THE CO-OPERATIVE LEAGUE FOR 1921

During the past year The League:

1—Sent out, in response to requests, 131,732 pieces of literature and 1,500 books.
2—Published two monthly magazines, averaging 12,000 copies per month.
3—Issued a monthly practical bulletin to affiliating societies, and sent out new service to 129 papers of the labor press.
4—Received and answered 3,500 letters asking for advice and information; and sent out 10,300 circular letters on routine work of the Co-operative Movement.
5—Conducted two courses in cooperation over a period of three months; embracing Store Management, Accounting, and Educational subjects.
6—Published a syllabus for the study of Co-operation in schools, colleges and study groups.
7—Sent speakers to 162 meetings in 35 states from coast to coast.
8—Sent two delegates to the International Co-operative Congress in Switzerland, who visited over 200 co-operative institutions in 10 countries, addressed audiences in Denmark, Germany, Czecho-slovakia and Switzerland, and lectured at the International Summer School at Basel.
9—Interviewed 500 visitors in the offices of The League from the U. S.
10—Circulated illustrated lectures and moving picture films on Co-operation.
11—Wrote 50 special articles for magazines and newspapers.
12—Organized Women's Guilds, and sent suggestions for socials, entertainments and members' meetings to 400 societies.
13—Gave legal advice on incorporation, charters, taxation, litigations, etc.

14—Drafted a model co-operative law for introduction in all states.
15—Investigated and lodged formal complaints with State authorities against fake co-operatives, and warned societies of fraudulent and unsound enterprises.
16—Published advice and warnings on the falling market, overbuying, income tax, and other practical business policies.
17—Gave written advice on problems of store management, sent out 2,000 circular letters, and supplied accountants and managers where they were needed.
18—Established one District Advisor in Kansas, and New Mexico.
19—Revised and brought up to date "The Story of Co-operation," "The British Co-operative Movement" and other leaflets on Co-operation.
20—Through news clipping agencies and papers coming into the office from all the states, The League has been able to keep a card catalogued record of the co-operative enterprises starting and failing. It has sent out letters and literature to all these societies, offering advice and help.

"HOME CO-OPERATOR" LAUNCHED

One of the most interesting things to be observed by the co-operative travelers in Europe is the prevalence of popular little monthly magazines circulated among the members of the co-operative societies. In every country where Co-operation is booming, these little home magazines are found. They are simple in style, and usually contained a good, snappy editorial on some phase of Co-operation, and news of the Movement. It was found that these little home magazines were one of the most effective means of keeping the interest of the members at white heat.

"Why cannot the Co-operatives in this country use this powerful and simple educational medium?" was the thought that came to our minds. Accordingly, we have launched a new magazine—the "Home Co-operator." It is a four-page monthly paper which keeps the individual members of local societies in close touch with the big events in the Movement, and educates them constantly in the co-operative idea. It pushes the co-operative idea in such a way that the people will adopt it.

To place a copy of this magazine in the hands of each and every member of a society will cost you only twelve cents a year. If a society has three hundred active members, it will cost $3 a month to keep them interested and informed about the Movement. Is it a good investment? The condition of the Movement in Germany, France, Switzerland and other countries, where this educational work is being used, is the best answer.

If further details or sample copies are desired, write to Albert Sonnichsen, the Editor of the "Home Co-operator," Willimantic, Connecticut.

A MODEL CO-OPERATIVE LAW

A Model Co-operative Law for adoption by the various State Legislatures has been drafted after more than a year of study by the Committee on Legislation of The League. The Model Law fills a real need. There are few States having even passable Co-operative Societies. Some States do not permit Co-operatives to follow the Rochdale principle of "one vote for every pound," some allow proxy voting. Very few States have drawn a clear distinction between Rochdale Co-operation and the fake article. The Model Law was drawn up with a view to these and many other factors. If adopted universally, the Model Law will undoubtedly stimulate the development of the Movement, while at the same time stamping out the fakers. Co-operative societies should prevail on the State representatives in their districts to introduce the Model Co-operative Law into their legislatures at the earliest possible moment. Copies of the Model Law will be sent on request.

HOUSING IN EUROPE

Our readers will be interested in an article appearing in the February number of the Review of Reviews, entitled, "Co-operative Homes for Europe's Homeless," by Agnes Dyer Warbasse. It is an article of 7,000 words with sixteen illustrations, describing at length her studies of co-operative housing in nine European countries during last summer. The manner in which the housing crisis is being handled by our fellow Co-operators abroad is most encouraging and stimulating.

WOMEN'S GUILD ORGANIZED IN A COURT-ROOM

The Court Room at Pratt, Kansas, was used for an unusual purpose last month by the Co-operators of that city. Permission was secured for the use of the Court Room by the Co-operative Society which arranged an educational meeting at which Mrs. Mabel W. Cheel, of The League, spoke. Before the meeting had been finally arranged for, Mrs. Cheel insisted on having women at the meeting. One hundred and fifty women turned out, interested and keen for an afternoon in court. An enthusiastic meeting was held, which was followed by the formation of a Woman's Guild.

It was a sight good for the eyes of Co-operators. In the rotunda of the Court House, tables were set up, refreshments were served to the members of the Women's Guild, and the audience was seated. The Court House was in the hands of the co-operators. In the rotunda of the Court House, tables were set up, refreshments were served to the audience after the meeting. Lawyers and clerks who had occasion to visit the Court House to file papers rubbed their eyes in astonishment to see the place in the hands of the co-operative society.

Since this meeting, many women have joined the society, and the organization of the Women's Guild promises to be of substantial help in promoting loyalty and enthusiasm among the members.
CO-OPERATION

NEWS AND CO-OPERATIVE MOVING PICTURE THEATRE

It is possible for the audience to run the show. A fine-looking theatre building was erected and is owned by the people of New Athens, Ill., on a co-operative basis. Mr. Wues, the manager of a local co-operative store, took the initiative and put the proposition up to the members of his society and the rest of the citizens of the little town. There was not a decent show house in the community, and he proposed that the citizens who liked shows should put up the money themselves and build one. Immediately $15,000 was raised in cash, a mortgage loan of a similar amount was secured from the local bank, and the theatre became a fact. Four nights a week the society runs a moving picture show, charging only ten cents admission. The profits now go to paying up the mortgage. On the other nights of the week the theatre is rented to outsiders, sometimes to regular theatrical road shows, which hitherto had never been able to visit the town. The interior is beautifully fitted up and seats 700 people. Similar co-operative theatres may be found in Beulah and Staunton, Ill., and in Newmanstown, Pa.

CO-OPERATIVE BANK AT HAMMOND, IND.

On October 20th the Brotherhood of Locomotive Engineers bought 51 per cent of the stock of the People's State Bank of Hammond, Ind., which is now known as the People's Co-operative State Bank of Hammond, Ind.

This bank is being operated along the same lines as the Brotherhood of Locomotive Engineers' Co-operative National Bank and some of the general officers of the B. of L. E. are on its board of directors. Since the reorganization of the Hammond Bank its deposits have grown over $60,000. Hammond and vicinity is a highly industrial section, and this bank gives the workers a fine opportunity to invest their efforts and their money in the great work of democratizing finance.

HOW THE FARMERS' UNION INURES THE CO-OPERATORS

The Farmers' Union Co-operative Insurance Company began work in October, 1918, and by August, 1921, had eleven and a half millions of dollars of insurance in force. The farmers are insured against loss by fire, lightning, windstorm, and tornado. The cost has proved to be about $7.50 per $1,000 for three years, whereas the same insurance in the old-line companies would be about $17.50. Therefore the cost of co-operative insurance to these farmers is less than half of what it once was when they were at the mercy of profit-making insurance companies.

In three years these Co-operators have saved themselves more than half a million dollars. They have also learned to run the complicated insurance business. And now they are preparing to go in for hail insurance and other activities beyond that. The workers of our cities and towns can learn something from these agricultural Unionists and Co-operators.

THE CLEVELAND DAIRY PROGRESSES

The Consumers' Milk Distributing Society of Cleveland, Ohio, which was started about the first of December, had collected and had in hand over $8,000 in the first quarter, and over $20,000 had been subscribed.

The private milk dealers at first told the people of Cleveland that they were making only a quarter of a cent a quart on milk. But since the co-operative creamery has started, the private dealers have cut down the price of milk two cents a quart. The co-operative creamery is already saving the people over $1,000 a day on their milk bills. When the creamery starts operations and there is a drop of one or two more, there may be a saving of $100,000 a month to the people. In other words, the co-op is indirectly declaring dividends to consumers equivalent to 10 per cent on over $5,000,000 of sales a year.

ILLINOIS STORES THRIVE

The news coming in from the local societies in Illinois is encouraging. The Farmington Co-operative Society returned savings to its members, of 8 per cent, amounting to $2,733. This society did a business during the last quarter of $45,974. About a year ago its business was in the neighborhood of $20,000 a quarter, so that the society has made a gain of more than 10 per cent in its business. This co-op is one of the Rochdale societies, affiliated with the Central States Co-operative Wholesale Society.

The Pana Co-operative Society, depots and other resources, which amounted only to $3,920, paid a 5 per cent savings-return during its last quarter, in addition to interest on share and loan capital.

"OUR CAFETERIA"—NEW YORK CITY

The last balance sheet of Our Cafeteria, organized in 1920, for the last half-year shows that the current assets are more than eighteen times the current liabilities. For the six months $32,000 worth of business was done. After deducting all administrative and operating expenses and after setting aside $1,874 for depreciation and taxes, there remained a surplus of $5,529 for the half year. An 8 per cent savings-return was paid. This co-operative restaurant now uses two whole buildings in New York City—635 First Street and 54 Irving Place. It has recently opened a new downtown branch at 32 Thames Street, near the Curb Market. Real co-operation is penetrating into the district of "big business."

A MINIATURE CO-OPERATIVE IN CLEVELAND

The co-operative idea is spreading in Cleveland, Ohio. The girls of the Industrial Club of the Y. W. C. A have started a co-operative store. It is said to be the smallest department store in the city. Its stock occupies a space about as big as a couple of writing desks, and consists of most everything that young women want, from hairpins to hand bags. Many hand-made articles are carried. Home made candy is among the goods sold. Shares are $1 each. A savings-return of 4 per cent was paid at Christmas time. Smaller beginnings than these have led to great economic structures in Europe.

WARNING FROM MISSOURI

The Co-operative Association of America is formed under the common law of Missouri as a trust estate, and the records of the Recorder's Office show the names of Clifton C. Fitzpatrick, Oscar H. Damon and Arthur Lesser as Trustees of all funds, property and estates, to hold same in trust during their life time.

They have put a large number of stock salesmen in the field and have been successful in floating quite a large amount of this stock. So far their activities have been confined principally to the city of St. Louis. They guarantee the shareholders 5 per cent, discount on his merchandise purchases, and 6 per cent, on their investment to be paid out of the surplus of the Association. In addition, the Association is to retain 3 per cent of the turnover of the stores. They tell the people that as soon as 300 members have been secured in their neighborhood that a store will be started. So far they have only one store in the state.

The next we heard of them was when two of their stock salesmen...
appealed at Moberly, Mo., and tried to induce the railroadmen who were trying to organize a co-operative society there to turn the organization over to them. They took the matter up with the Co-operative League of Missouri and we advised them to report these gentlemen to the Prosecuting Attorney immediately. We have heard nothing more from them. We will see that every labor group in the State is advised of the fact that they are in no sense a co-operative organization.—The Co-operative League of Missouri.

STRIKE INSURANCE

The masters of industry now realize that, in assuming the “open shop,” wage cutting task, they “bit off more than they could chew.” Face to face with the fight of their lives, yet eager to protect their own interests and profits, employers in various sections of the country have taken strike insurance. This precautionary measure assures the employer a certain income, even though his business is completely tied up by a strike against wage reduction, or a strike for any other reason.

By investing a small amount of money with his fellow-workers, the wage-earner can also have a most practical form of strike insurance; he can hold a policy in the most reliable company in the world. Between five and six hundred working people in Bloomington, Ill., alone are carrying this mode strike insurance, and the number is increasing. Policies are written by the Bloomington Co-operative Society, and they are known as membership certificates; they simply signify that the holder owns five shares of stock in the Co-op. Very simple, is it not?

Membership in the Co-operative Movement is the greatest, most reliable protection against hardships and inconveniences usually attending protracted strikes and lockouts. A workingman, with an investment in a Co-operative Store, is well provided with strike or lockout insurance, because he is guaranteed a specific amount of credit; he knows that he will not suffer hunger, even though he is forced on strike or is locked out. Commercial boycotts and starvation schemes have no terror for the holder of a membership certificate in a co-operative store.

Just how well any local union is prepared to win a strike or a lock-out will depend largely on how many members of that organization have provided themselves with practical insurance by identifying themselves with the co-operative movement. Those of us who believe in this wonderful movement and work for it must redouble our efforts as insurance agents, because the trade union movement is going to face the fight for its life, and organized labor must be placed in a state of preparedness.—Martin A. Dillman, in The Bloomington Searchlight.

CO-OPERATION DAWNS AGAIN IN IRELAND

In looking back over our Irish Movement during the terrible period now happily drawing to a close, it is consoling to find that notwithstanding all the hardships and untoward circumstances under which it has labored, a certain amount of real progress has been made. Many of our creamery societies have adopted the general store idea with much more far-reaching results than the material convenience of such expansions. Members or milk suppliers of these societies whose interest in the concern did not extend beyond the price they received for their milk, and whose knowledge of the Movement was a blind, have been transformed into earnest, enthusiastic Co-operative members. The Irish Co-operative Women’s Guild Movement has struck its roots deeply into the working of societies, and it is destined to grow into a powerful influence for the advancement of women. Manufacturing of our famous Irish home-spun has been taken in hand, on co-operative lines, and the manufacture of clothing is already one of our chief Co-operative developments. In various other directions the co-operative idea is being engrafted on industry.

There are other industries lending themselves in a particular manner to co-operative enterprise. What is now to prevent our engaging in them? What about our once famous tanneries? How much longer are our insecticides and seed oil mills to languish as solitary ruins along the banks of our noble rivers? When and by whom shall our silver, lead, copper and iron mines be re-opened? What about the untold wealth of our fisheries, our textiles, our foundries? Shall we await the advent of syndicates of capitalists to exploit our country, enrich themselves at the expense of our labor, and substitute an economic for a political slavery on our race? Or shall we, as men, as Co-operators, look squarely at the facts presented, and—recognizing in their true perspective the potentialities of our country, determine, by combined effort, to restore her industrial life, to develop her bountiful soil and boundless resources, and to make her what she was intended by God and Nature to be, a queen amongst the nations of the earth?—From the Irish Agricultural Wholesale Society Bulletin.

WISDOM FROM GERMANY

During the session of the Reichstag, November 17th, the Minister of Public Economy, Herr Schmidt, responding to the complaints against those who were exploiting the misery of the public, made the following remarks concerning the co-operatives: “The consumer has within his grasp a weapon which is very powerful, with which to defend himself against the exploitative business; it is the co-operative organization. Let him make use of it. He can be sure that the little that he gives to the co-operative will have a great influence, for the payment of tithes to commercial speculation.” “I see the position of the consumers reinforced by means of the consumers’ co-operatives and the network of their organization. I wish to call attention to the co-operatives through their development, are competing against the commercial interests in cutting down high prices. The consumer of the self-help, the education of the consumer is, in my opinion, worth infinitely more than all the laws and all the penal decrees.”

ITALIAN GOVERNMENT AIDS CO-OPERATION

The Italian Parliament recently passed a law which increases by 200,000,000 lire, the amount granted by the State to the National Credit Institute for Co-operation. This Institute has headquarters in Rome and about twenty branches in the chief provincial towns was constituted by Royal decree in 1913, in order to place at the disposal of co-operative societies of all kinds the necessary credit for the development of their activities.

The Institute at Rome is the most important financial instrument of the Italian Co-operative movement. At the end of 1919 it had relations with 5,570 co-operative societies, comprising 3,621 distributive societies, 1,227 productive and labor societies, 24 agrarian societies, 22 agrarian universities, and 151 miscellaneous societies. During 1920 it granted to the total amount of 885,000,000 lire (against 310,000,000 lire in 1919). During 1920 loans to the amount of 142,000,000 lire were granted to 380 productive and labor societies, in order to enable them to carry out the value of 218,000,000 lire. The agricultural societies received considerable support from the Institute, and were thus enabled to more than treble the amount of land under their cultivation.

HUNGARIAN DOCTORS CO-OPERATE

The National Union of Hungarian Doctors organized a co-operative society for the manufacture of surgical instruments and orthopedic appli-
CO-OPERATION

A FRENCH "CO-OPERATIVE DAY"

The Co-operators of France made a national drive for increased membership during December. The day had been prepared for as an important gala day for French Co-operators. The French Union was busy for weeks preparing posters, and literature, organizing meetings in various cities, all culminating in a great appeal to non-members to come into the Co-operative Movement. The fourth of December fell on a Sunday, and the day was celebrated throughout the whole country. A special edition of "L’Action Co-operative," the official journal of the French Movement, was distributed.

Charles Gide, the eminent Co-operator, author and economist, has been appointed to the new chair of Co-operation at the College of France, Paris.

This is considered by our French co-operative operators to be an event of extreme importance. They see in it a recognition of the value and position that the Co-operative Movement occupies in the national life.

Although seventy-four years old and weighed down with the numerous and important positions that he has continuously occupied in the educational and economic world, Monsieur Gide assumes his new duties with enthusiasm, for he is dedicated to the promotion of the knowledge of what he believes to be the "greatest of all causes—the Consumers' Co-operative Movement."

A dinner was tendered to him on the eve of the opening of the course at which glowing tributes to the years of service were made to France's foremost Co-operator, the kind friend, the wise teacher, the illustrious leader of the Co-operators of all lands.”

THE CONDITION OF CHAIN STORES IN NEBRASKA

Our Farmers' Union State Exchange is operating eight branch stores. The first of these was opened in March, 1926, and fifteen others were opened in that year. Two have been put in since last spring. You understand how these are organized. The local people take stock in the State Exchange, and the Exchange owns and operates the stores. Of course, the branch store business is quite incidental to the larger business of the Exchange in supplying independent co-operative associations and groups of Farmers’ Union members throughout the state.

Up to last March the branch stores were not very satisfactory to anybody, either the local people or the Exchange management. In March, the Exchange employed a chain store expert, a man formerly with the "A. & P." system, to put the branches on a satisfactory basis, and to extend the system. He has succeeded in making the branch stores satisfactory to the local people, but they are still financially unprofitable. That is why only two stores have been added to the system since the expert came. No others are contemplated.

One of these branch stores, one of the two started last summer, is here in Omaha. It differs from the others in that its patrons subscribe to no stock in the State Exchange. The reason for putting it in was to turn it over to the laboring people here whenever they organized an association to handle it. If the labor people of the state are going to do anything co-operatively they should do it for themselves, and not be spoon-fed.

Just now the Board of Directors of the Farmers’ Union State Exchange is considering a form of contract with independent co-operative stores throughout the state to turn this store over to the laboring people here whenever they organize an association to handle it. If the labor people of the state are going to do anything co-operatively they should do it for themselves, and not be spoon-fed.

We have just received the following letter:

FROM CRESTLINE, OHIO

The Crestline Co-operative has opened a second store in the downtown part of our village, which is operated entirely cash and carry. The first store retains the credit and delivery system. We opened about eight weeks ago, and have had good success so far.

On November 29 we had a stockholders' meeting, attended by over 200 members and friends. Roy Slakey was speaker of the evening and gave us a fine interesting talk. Of course, the branch store business is quite incidental to the larger business of the Exchange in supplying independent co-operative associations and groups of Farmers’ Union members throughout the state.

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I do believe we are going to be able to live through it. We don't get the support of the community we should have by far; yet we give better service, better goods, and, I honestly believe, better prices.

Yours, etc.,

H. H. PERKINS,
Secretary Consumers' Co-operative Society.

Yardley, Wash., December 21, 1921.

HAPPINESS IN WORKING TOGETHER

There is no happiness greater than that obtained from the association of kindred spirits, seeking toward a goal which, in itself, means the good of all mankind. I am happy to be associated with you.

MARY RAUL MILLIS,
Atlanta, Ga., Co-operative Society.

THE ONE-VOTE PRINCIPLE

To my mind, when the fundamental principle of one vote to one member is broken the whole foundation of Co-operation is broken.

Union Workers' Credit Union.

Boston, Mass.

BOOK REVIEW


It is based essentially upon the British Movement. The authors frankly take the ground that Co-operation need no longer be discussed as a scheme for helping the poor to save a little or as a scheme for reducing the cost of living, but that the Consumers' Co-operative Society is capable of supplanting in a large measure the capitalist Guild.

Six full chapters contain not only a vast amount of information, but present a philosophy to which the Movement itself has given rise. The first chapter describes the distributive store and the practical working of the society. The deficiencies of educational work is deplored. When societies progress enough to employ a full-time educational secretary they are found paying him less than one-half what they pay the store managers. They note the same disregard for the value of the intellectual teacher, compared with the employee who has to do with money and goods, that is found in capitalist business.

The chapters on federal institutions deals with nations such as the C. W. S., the Union and the Women's Guild.

J. P. W.
THE CO-OPERATIVE LEAGUE OF AMERICA
(Member of The International Co-operative Alliance)

Executive Office: 2 West 13th Street, New York

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MARCH, 1922

VITAL ISSUES

GOVERNMENT LOANS TO CO-OPERATIVES

The chief concern of Governments these days is to keep themselves alive. The people are growing restless under the profiteering which they feel government in some way protects. The discontent of the masses is not to be treated lightly. England deals with it by paying full unemployment benefits. France has unemployment benefits, but does most by providing employment; loans are made to co-operative societies in large amounts; and unemployment is much less than in the allied countries.

In German towns and cities the housing shortage is met by building houses. In the United States it is met by talk on the part of politicians and profiteering on the part of landlords and builders. German co-operative societies are granted loans by the government, the district and the municipality up to 60 or 80 per cent of the value of the property. These loans are made for twenty years without interest, provided that the property is occupied by the owners and not rented or sold for profit. The only people who can comply with these requirements are the Co-operators, so they are doing the building.
Street. The farmers, of course, can get something out of it; but when we think of what such a measure might do, it is pathetic to witness the poverty of service it renders the people. This Federal Loan Act should be amplified so as to provide credit to co-operative organizations.

Such loans to co-operative societies should be protected by supervision and guarantees that the societies are not run for profit. That means that they must be bona fide co-operatives. And just there is the difficulty. We have to explain and teach—patiently and with long-suffering—just what Co-operation means, and that it is possible for people to do things for themselves without the purpose of making profit out of somebody else. Legislators can be made to understand, if one but have the patience of a teacher.

Along with such provisions should go acts providing respectively for the organization of national co-operative banks, distributive societies, and building societies. Government, state and municipal loans to such organizations would give more relief than subsidies to enterprises that are first and last money-making schemes, the social value of which is secondary to profit.

PROFITS, SALES AND TAXES

In Europe the hard-up governments are attempting to tax the co-operative societies the same as they tax themselves. In this country we must prepare for the same thing. The words “profits” and “dividends” should be excluded from our co-operative language as far as possible. They are proving to be very expensive for the European Co-operators. We should say “surplus-savings” and “savings-returns” instead.

Now we speak also of sales. Sales will be taxed in the United States before many years have passed. The Government will soon be resorting to every expedient of taxation possible. “Sales” is a dangerous word. Co-operative societies buy goods for their members, but they do not sell to their members. The Co-operators put their money together in order to buy goods in wholesale at a larger quantity of goods than any one of them alone could buy. Sometimes they stop with just one purchase, like a house. Sometimes a group of people take only one package of anything, like sewing machines or coal or a car load of potatoes or groceries. They distribute among themselves what they have bought and the transaction is closed. If the package is not sold all the money goes back into the common fund. This is done in the following manner: Each member has a credit at the store in his share capital; he has already paid for the goods; but when he goes to the store and takes out a package of goods he puts back into the common fund enough money to pay for another package similar to the one he took out. He gains a little more in addition. The money he hands to the manager is his share of the next pool, to go towards buying more goods in common with the members of the other members. His society does not sell goods to him; it buys goods for him. The co-operative store is not a selling business; it is a buying and distributing business.

Confusion arises about this, because we Co-operators use the same terms as the traders do. We make our store look the same as theirs, and our clerks talk the same. We also introduce the complication of selling to the non-member. We do actually sell him, and we do actually make a profit from him. But for this reason our business with non-members should be kept separately and accounted for in our bookkeeping as something quite apart from our co-operative buying and distributing among our members.

We should not put down the word “sales” on the report excepting sales to non-members. “Goods distributed to members,” “goods distributed,” “paid in by members,” “paid in for goods,” “received for goods” or “turn-over account,” are all correct terms. “Turnover” is not so good. It would be wise to invent a word to meet this need such as, “distributions” or “quittings” in place of “sales.”

The United States Government, like the European governments, is steadily moving on toward bankruptcy. We complain of the burden of taxation, but in the United States issuing a statement to the effect that, “The terrible tragedy has deeply depressed all of us and left us wondering about the revolving fates,” not a word about the cause of the tragedy or a word suggesting its prevention comes from the officials who preside over the lives of the people under assumption that they are “best minds.” Investigation — o h, “thorough and radical investigations” have been made. More rigid inspection of buildings and punishment for offenders will be instituted upon. This means that the cost of fixing up the next matter with the building inspector will become a little more expensive. But not a word will be taken by the Washington politicians to prevent such occurrences by removing the cause.

There are theatres and other community buildings that were built for service by the people who use them
and not for profit. The President, his cabinet, the congress, and all the officials of Washington should make a pilgrimage to one of these shrines, that teach the religion of the coming day, and stand before it with bared heads bowed in awe and in reverence to do penance for their blindness and sloth.

CO-OPERATION’S DUTY TO TRADE UNIONISTS

There is much talk about the duty that the Co-operators owe to trade unionism. It is all very good. Co-operative societies should, and do, prefer to hire union labor. In fact, societies stipulate that their employees shall be compelled to belong to the union of their particular trade.

That is all right; but there is another side to the same question. The Co-operators with equal justice should remember that, where there is a co-operative store, the trade unionists should not buy at the private-profit store. If co-operative employees must join the union, then unionists must join the co-operative society. Let us play the game on the level.

The first National Congress of the Workingmen’s Co-operative Society of Spain has just been held at Madrid. The Spaniards are thinking about these matters, too. This congress agreed that co-operative societies should employ none but tradesmen, but they reserved the right to withdraw the advantages granted to their employees if their unions do not exact the same advantages from private employers.

This means that trade union labor shall not demand from the co-operative society what it cannot get from the private-profit making employer. This is just plain common sense. They also agreed that strikes shall not affect co-operative societies, but that all differences must be submitted to arbitration committees, whose decisions are binding.

This mutual arrangement will have the effect of insuring that the workers in the co-operatives shall enjoy as good conditions as are prevailing anywhere else, while at the same time it guarantees the co-operatives against demands which the general conditions of the industries make it impossible to meet.

ACCESSORY CO-OPERATION

Our American co-operative societies have been proven to stick to a standard line of business. There are a few exceptions. At the First Co-operative Congress in Springfield in 1818, the Danville, Illinois, society reported contracts with some ten different industries to give a discount to the members of the society of from ten to fifteen per cent. The arrangement included, the dentist, florist, undertaker, furniture dealer, laundry, and tailor.

But beyond this sort of accessory business we find that societies may undertake the rental of utensils which are so rarely needed that most families can not afford to own them.

Some of the British societies keep on hand nursing accessories which are rented to members at a very low price. These include such articles as bed pans, fountain syringes, invalids’ chairs, crutches, hot water bottles, ice bags, and thermometers. We have found a number of English societies that have on hand, for rental to members, telescopes, microscopes, and opera glasses.

This is a field of co-operation which our societies should take hold of. Members’ meetings should discuss the things the society may thus carry in the interest of unsupplied needs.

J. P. W.
CO-OPERATION

The British Co-operative Movement has a number of smaller co-operative societies in various parts of the country. The co-operative movement in Great Britain is the biggest thing in Manchester, the cradle of Co-operation. Here stands Holyoke House, the headquarters of the British Co-operative Union, like a rich baccus works in Manchester, the flours mills on the ship canal, the soap and confectionery factories at Crumpsall, the preserves works at Middleton, which we visited, all testify to the ability of the British Co-operators to do things on a big scale. Britain is dotted with the factories and warehouses of the C. W. S. which produce most everything from candy to automobiles, and new construction and remodeling is going on as far as the eye can see. A little criticism of this institution may yield to the fact that it is the most important and the most successful commercial enterprise in the world. The British Co-operative movement, which revolves the best hopes of the working millions of Great Britain.

We visited also the works of the Co-operative Printing Society, the C. W. S. printing house, and the offices of the Co-operative Wholesale Printing Company in Manchester. What was striking was the efficiency of the workers. As the two directors, who had gone about with us, drove away in the limousine owned by the society, it was most comforting to know that these men were in a position to enjoy the comfort of the rich by virtue of having given the best of their lives to their co-operative society.

We visited Letchworth village and Welwyn. These are building enterprises of large possibilities but not purely co-operative as are the building societies in Germany. England is backward in the field of real co-operative housing.

In order to see a smaller co-operative community we went to Desborough, a town of 4,000 population (about 1,000 families). Membership of the co-operative society is 2,200. About 900 of the members are employed in the co-operative industries. The society has stores; a bakery; milk distribution; coal distribution; a farm of 4,000 acres which produces vegetables, poultry, fruit, wood, eggs, butter and meat. It owns also an iron mine, employing 120 of its members. It has developed housing until practically every member lives in his own house. Its meeting hall is the common meeting room of the town. Desborough has also a correct factory of the Co-operative Wholesale Society and a producers’ shoe factory. The vast majority of people work and live in a co-operative society. In 1914 the society bought the neighboring village of Harrington-lands, houses, everything, including the church and living and the right to dictate the particular theology that should be preached. Private business in Desborough plays a small role.

Then we went to Kettering which has 30,000 population (7,000 families), and a co-operative society with 12,500 members for the large membership of this society is that some families have several members. The law in Great Britain permits a member to have not more than $1,000 (200 pounds) capital in a co-operative society. The members like to leave their dividends in the society; when a member’s dividends bring his capital up to $1,000, he has his wife join; and when she has $1,000 to her credit, then they begin to have the children join. Still this does not absorb all of the money at Kettering so they started a P. S. The law permits children or any one to deposit in this up to $100 (20 pounds). Some families have every member of the family bank. Some are made members the day they are born. This bank has 10,000 depositors. When they get to be thirteen years old they may join the society and put in $1,000. Thus the bank supplies the society with funds and the society members have a place to deposit their surplus in the names of their children. The bank pays 4 per cent interest; but many people draw their money out of the commercial savings bank which pays 5 per cent to put it in the co-operative bank.

This Kettering society does a yearly business of $55,000,000 and has paid 10 per cent dividend regularly for 50 years. Its share capital amounts to $2,000,000. It has $1,000,000 invested in the C. W. S. In 1901 the society paid $50,000 for a tract of land and built 180 houses. Since that it has continued to maintain a building department and paid $70 building workers. These men are recruited from the neighborhoods, remodeling and new construction among its many buildings. New members are joining at the rate of 1,000 a year. It owns a farm of 75 acres. It kills its own meat in its own slaughter house.

Its educational committee has some surplus of the society that the officers rejoice in the fact that the members have drawn out $500,000 in cash during the past year for the management of hard times and unemployment without jeopardizing the society. It shows that the members have put in money against a rainy day and when the rain comes the money is there to serve them.

I have cited these last two societies because they show what is going on in Great Britain—the steady encouragement of Co-operation upon the field of private business and the steady increase in co-operative activities in the lives of the people. Long Buckby and many other societies represent the major portion of the population of their communities. In some parts of Belgium they speak of the point of “co-operative saturation” as having been reached, but this point has not yet been reached in any part of Great Britain.

Leaving Kettering, we went to Manchester, “the cradle of Co-operation.” The British Co-operative Wholesale Society is the biggest thing in Manchester. As a matter of fact, it is the most important business in the British Empire. It is the greatest thing the Co-operative movement has produced. It is blocks of buildings in the Balloon St. district are at least imposing. The to-

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League in the United States might have such a home as this. Some day we shall. Education is worthy of it. Across the desolate waste, known as the Lancashire mill district, we motored in a C. W. S. automobile to Rochdale. The original Toad Lane store of the Pioneers is occupied by a bird merchant who sells canary birds and other captive creatures. He told me that the spirit of the pioneers was gone and had been supplanted by the "dividend hunters." However, the old society still thrives. It has 26,000 members and is the biggest business in Rochdale—$5,000,000 a year. Another society has 15,000. These two societies should be united in one; that would give a membership of 38,000, a larger number than Rochdale has families. The society should have the old Toad Lane building. If it does not, then the British Union or the Wholesale should. The bird dealer is a profanity of a sacred temple. The Co-operative Movement is divided between Catholic and non-Catholic associations and federations. This is true also of labor unions, though the labor union movement is divided on religious grounds and it is to be hoped that no such division becomes necessary. The place of the Catholic Co-operator in the United States is in the labor union movement. The Bishop's Program of Social Reconstruction specifically recommends co-operative societies. Just as Catholics join the labor unions, so too they join the existing co-operative organizations as well as the British Trade Union Congress, Rochdale societies. The Bishop's Program of Social Reconstruction specifically recommends co-operative societies. Just as Catholics join the labor unions, so too they join the existing co-operative organizations as well as the British Trade Union Congress, Rochdale societies. 

There is another reason which non-Catholics sometimes find hard to understand. This is the importance of religious motives in the labor movement. The economics of the Middle Ages are a case in point. The guild system was permeated with religion—not merely with religious observances, but with religious principles of buying and selling and working. Interest-taking was forbidden on grounds of religion. The idea of the "just price" was a religious teaching. And the "just price" was based on the further religious right of a workingman to a living wage. There were religious teachings about economic relations today. The Pastoral Letter of the American Hierarchy to Catholics in this country has a section on industrial relations. The Bishops' Program of Social Reconstruction is an attempt to apply principles and rules of justice and brotherly love to industrial life. It therefore becomes natural for Catholics to start their own co-operative organizations and federations, especially when they are urged on by other reasons.

Recognizing all this, it still is true that in the United States the only thing for Catholic Co-operators to do is to join whole-heartedly with the existing Co-operative Movement. The American Movement is not an adjunct of Socialism, nor are American co-operative societies' propaganda branches for the Socialist commonwealth. The Bishop's Program of Social Reconstruction specifically recommends co-operative societies. Just as Catholics join the labor unions, so too they join the existing co-operative organizations as well as the wholesale union movement.
Co-operator. He is of course subject to the vagaries of the times just as others, and some Catholics have an additional heritage of political and social persecution which sometimes makes co-operative action among them quite difficult. The Co-operative Movement stresses brotherhood and yet retains the strength of the individual as the means of obtaining justice and a sound economic life. Co-operative societies correspond more closely to Catholic principles than any other economic system. In joining the Co-operative Movement and in working for its success, a Catholic is working to help build up an economic system in which justice and charity will have a better chance to express themselves.

THE SITUATION IN RUSSIA

All reports that are available on the present condition of Co-operatives in Russia would indicate that the State has ceased to directly control or interfere with the affairs of the Co-operatives.

According to Mr. A. M. Lejava, a member of the Board of “Centrosoyus” at Moscow, “Under the new economic policy freedom has been restored to the Co-operatives, and they have been entrusted by the State with the exchange of commodities between town and country and between the various parts of Russia. The Government at the same time decided to invite their active participation in the foreign trade of the country. Every individual at present is free to become or not to become a member of a co-operative society. The conditions of membership, shareholding, etc., are fixed by the societies autonomously. The fact is, however, that practically all who were brought into the co-operatives under the compulsory decree now prefer to remain in the societies.”

The State Decree of April 7, 1921, authorized the Co-operatives to freely exchange goods, to buy up agricultural and manufactured products for purposes of exchange. In that decree the State expressly reserved the right to appoint its own representatives on the board of consumers’ societies, and such representatives to have rights equal to those of the members elected by the societies. Mr. Lejava states that: “In practice, however, the Government is not availing itself of this limited right. There are no Government nominees on the Board of Centrosoyus, the whole of which is freely elected.”

The industries and enterprises formerly controlled by the Co-operatives have been returned to them by the Government, which has also leased many enterprises formerly owned to the Co-operatives. The Government prefers to grant concessions or leases to the Co-operatives, rather than to private firms. Co-operatives are permitted the unrestricted use of their own funds, and of those granted them by the Government. State subsidies have been given to needy societies. The only restriction is that they are obliged to report the expenditure of the funds. Co-operatives are free to finance themselves through the sale of shares.

It is estimated that Centrosoyus distributed amongst the population during 1921 goods to the value of $150,960,000, at the present rate of exchange. The greatest amount of freedom is enjoyed by the “kustara,” or Russian peasant co-operative industries.

In short, the Government has abandoned its policy of national ownership and rigid control of the industries, and is now relying upon the voluntary efforts of consumers, through their co-operative societies, to conduct the industries and to carry on domestic and foreign exchange.

PRACTICAL PROBLEMS

ADVICE ON STORE MANAGEMENT

The Successful Manager

A good store manager must be able to do any part of the necessary store work. He should be agreeable to others and a good salesman. He must be honest, energetic, sincere and efficient. A knowledge of the business from the ground up is needed for best results. It is often found, however, that an earnest Co-operator possesses all other needed qualities soon acquires experience by hard work and study, under a competent, successful co-operative store manager which fits him for a position in charge of a store.

An efficient manager should do the following:

1. Systematize his work, and see that it is fairly divided among the employees, and that all are kept busy, but not rushed.

2. Buy sparingly and turn stock often. If he finds he has an overstock, he must lose no time in putting on special sales.

3. Know the quality of the goods, and hesitate when asked to recommend an article; but he should be honest in his replies.

4. Not do routine work during rush hours. He should be where the customers can see him.

5. Watch unceasingly for leaks. It is unwise to have too many clerks. Do not show favoritism. Do not eternally watch or show suspicion. It is better to be frank. Be sensible in giving instruction. Give concrete examples of what a clerk is expected to do.

Do not treat clerks as private business treats them. Give them responsibility. Put one in charge of fruit and vegetable department, one in complete charge of store-room, etc., and let them make this work effective. Insist on neatness. One slovenly clerk can wreck a store.

See that clerks utilize slack hours of the day by filling and straightening shelves, doing up loose sugar, tea, flour, etc., in packages, tidying up the stores, etc.

Pay wages fully as high as private stores pay. Do not exceed legal limitation on number of hours per week for women workers. One good, efficient woman in a co-operative store is an asset. Train her to be friendly to the women, and to attend the meetings of the Women’s Guild.

Do not hire a new clerk until you know his past record. There should be formed an employees’ association. Clerks should be urged to join the union. They should know the conditions and aims of the store, and be expected to understand the co-operative principles thoroughly. They should be required to read certain co-operative literature, and attend educational meetings of the society.
OVERSTOCKING

The following excellent advice on "overstocking" is from the Nebraska Union Farmer, of January 22:

Overstocking with goods has been one of the factors in causing many of our co-operative stores, and elevator companies engaged in merchandising, to be short of capital and unable to extend credit. Then one day a member of the Farmers Union told us of the financial difficulties of the farmers' co-operative store in the little village of a few score souls. A recent inventory showed a grocery stock amounting to $18,000!

This farmer was curious to know what size of stock a grocery store should carry. He asked about the capital city, he inquired of a Lincoln grocer who does a business of about $100,000 a year what his average inventory was. The grocer replied that he did not allow his stock to go above $8,000. Our friend was astonished to learn that their co-operative store was carrying a stock of groceries more than twice as large as a city grocery serving several times as many patrons.

A few days afterward we asked the manager of what perhaps the most prosperous Farmers' Union store in Nebraska what size of grocery stock they carried, and he replied it down to $5,000, and had everything they needed. Our friend could tell us that some of our stores hold their grocery stock down to $5,000.

Overstocking is not the only cause of capital shortage. Some of our associations did not have sufficient capital to begin with, or invested too much in buildings and equipment. Not a few have extended too much credit. But in many cases shortage of capital is due to loading up too heavily with goods.

THE FATE OF READERS OF "CO-OPERATION"

As representatives of the The League go about over the country there is one fact that they discover everywhere. The people who rise to the important positions in the Co-operative Movement are the readers of the magazine CO-OPERATION. When a person goes into a town and looks about, he finds that certain people regularly read this magazine. In the course of time if one visits the same town again he will find that the people who are guiding and furnishing the inspiration and sound leadership for the co-operative society are the readers of CO-OPERATION, and these same people are the ones who make the best material for directors and managers. We are calling attention to this because we have recently brought to our attention several instances in which the best and most successful store managers were found among men with this cultural co-operative background.

TRAINING MANAGERS

The Executive Board of the League insists that the League's System of Store Accounting be used in every co-operative store. We discover that it not only protects the members and the manager but it trains a Control Committee in store management. We have on record multiplying instances in which members of the Control Committee have been able to step in on a moment's notice and take the place of the manager when something happened to him. The latest testimony to the value of the Accounting System is from Tucumcari, Texas:

The Board decided to allow me to train a member of the Control Committee to take my place temporarily. The member on this committee since my arrival here last August, and the experience gained in that work has been so valuable to him that the rest is in a measure easy.


Mr. Warinner has become an enthusiastic advocate of the Accounting System. He saved the Tucumcari Society store with its aid, and now it provides a manager.

SEEDS FOR RUSSIA

A member of The League, Mrs. Mary Mardin, now in Russia for the purpose of distributing seeds in the farming districts that are suffering not only from a lack of food, but from the want of seeds to plant for the next harvest. Those of our readers who are in a position to help are urged to forward free seeds for distribution by Mrs. Mardin.

SEEDS and communications should be addressed to her at Sergei Victorowitch, Terskoy, Ryazan District, Russia; or to The League.

CREAMERY SETS STANDARDS

The Franklin Co-operative Creamery Association of Minneapolis has just issued a Year Book containing a remarkable financial report. Though the co-operative creamery began business late in March, 1921, their gross sales of milk, butter, cream and other dairy products for nine months amounted to $844,063. The monthly sales are now $116,000.

The net surplus-saving for the nine months of operation was $37,539. It should be remembered that hundreds of thousands of dollars in addition were saved to the consumers of Minneapolis, for the co-operative dairy is setting a severe pace for the private dealers, who have been forced to reduce the price of milk three cents a quart. A cent on every quart of milk has amounted, during the year, to over half a million dollars for the consumers of that city.

Since the co-operative began doing business, the quality of dairy products sold in Minneapolis has improved considerably. Here is the milk report of the Minneapolis Health Department:

Average bacteria Jan.-June, 1920, 56,674.
Average bacteria Jan.-June, 1921, 21,560
Average per cent butter fat Jan.-June, 1920, 3.58
Average per cent butter fat Jan.-June, 1921, 3.69

This means less water, more nourishment, and less dirt. The importance of good milk is simply indescribable. It means less sickness.

The building of the co-operative is completely paid for; small balances remain unpaid on the machinery and equipment. Seventy routes are now operated, as against eighteen when the dairy was opened for business. In spite of the general wage cuts in the private dairies in Minneapolis, no reduction has been made in the pay of the workers in the co-operative, and none is contemplated.

NEWS AND COMMENT

Enthusiastic and constant educational work is carried on by the members. This is not a producer's enterprise; the men are associates but for the service of all the citizens who choose to become members.

RE-ORGANIZATION OF UNITED CO-OPERATIVE SOCIETY

In the fall of 1919 a group of independent Finnish societies, stores, bakeries and consumers milk distributing societies in Eastern Massachusetts amalgamated into a central organization—The United Co-operative Society. Each society lost its identity and became a branch of the centralized plan. A few new branches were established. They pooled their capital and their management. All the buying of goods, the bookkeeping and the financial books went into the central office at Boston. It also employed the managers, bought and sold property and equipment as well as carried on the co-operative dairies and pool associations connected with all the societies.

After two years, however, in the spring of 1921, at the annual meeting the society voted to reorganize. The centralized plan of chain stores was given up and each society again became independent.

This change of program was not due to any financial difficulties of the organization. The amount of capital originally subscribed by the societies was $56,720. At the time of reorganization the capitalization was $84,256. Its assets were $242,275. Its liabilities were $163,018. So it can be seen clearly that reorganization was not necessitated because of inefficiency. The members simply voted to return to the former method of local autonomy and independent management because they felt that by so doing the members could and would more fully and democratically take their part in the society's affairs.

The separate societies agreed to buy goods together in the future until
Co-operation

a real New England Wholesale federation should be formed.

The method of distribution of the centralized capital was to return to each local society the amount of capital subscribed by the members of that locality, as their capital for their independent store. The new society issued certificates to its members in place of the original certificates of share capital subscribed to the United Co-operative Society. $1,800 subscribed as capital by members of those localities in which societies no longer exist still remains in the treasury undistributed.

Thus ends another chapter in the attempt to organize and operate co-operative chain stores.

In the United States this experiment of chain store co-operatives both fictitious and bona fide has now been given a pretty thorough trial. If any group could have succeeded with the centralization it would have been the Finnish Co-operative Societies, they had a competent manager and an honest organization. Except for political differences they are united and harmonious.

Adolph Wirkola, who was in charge of the technical administration of the United Co-operative Society, the accounting and bookkeeping, in commenting on the situation states that:

“As machinery for distribution of food supplies the chain stores plan, operating in a limited district, is much more efficient than the independent stores, if it is well organized, financed and supported.”

Convention of the Farmers' Union of Nebraska

Over 600 delegates met at Omaha on January 10th, 11th and 12th, 1922, at the Ninth Annual Convention of the Farmers' Union. The crowded sessions were filled with spirited discussions and sharp conflict of opinion at times. However, the general outcome was most satisfactory and carried with it a final feeling of goodwill and a pledge for further loyal co-operation in the future.

Most of the resolutions naturally had to do with the conduct of the Farmers' Union marketing associations. The election of officers was a feature of the program as Oshbourn was elected president. The important resolution were those authorizing the organization of a Farmers' Union loan company, a Farmers' Union fire insurance company, and additional Farmers' Union creameries.

Of particular interest to Co-operatives was the discussion centering around the year's operation of the Farmers' Union State Exchange at Omaha. Frank Meyers, its manager, reported that the State Exchange had been organized by the Union on November 28th, 1918. In 1919 it sold $400,000 worth of stock under the jurisdiction of the State Union Board. Mr. Meyers reported that the Exchange had been operated with the best interest of the Farmers' Union membership in mind. In 1918 and 1919 the Exchange had made money. Farmers' products were sold at peak prices and profits were skimmed off without difficulty. In 1920, however, when the slump began, the Exchange closed a year with a loss of $109,000. In December, 1921, the loss for that year was $182,053. Farmers were not buying; and, despite all efforts to reduce stock and overhead, the best salesmen could not, without loss, dispose of the large stock which the Exchange had on hand. The report showed that the present worth of the Exchange is $400,000. A vote was taken which placed the further administration of the financial difficulties in the hands of a committee composed of the boards of the State Exchange and the State Union, with power to act. The State Union occupies a building, the lease of which costs $3,000 a month.

The closing sessions expressed the feeling that if the members through-out the state gave their loyal patronage, the officers had full faith in the satisfactory outcome of the present crisis.

The Farmers' Union is carrying on for the farmers the same educational work as the Co-operative League, and is performing for the consumers in general. In Nebraska, as in some twenty other states, the Farmers' Union is the best hope of Co-operation among the rural population.

Some Illinois Reports

The past year was the most successful period in the history of the Bloomington Co-operative Society. Even though Bloomington was hit hard by the industrial depression, and though many promoters of the fake "Co-operative Society of America" tried to muddy the clear waters of Co-operation, the energetic Co-operatives made steady progress. A business of $161,000 was done during 1921, which is larger than ever before. It was decided by the membership to distribute 4 per cent savings-returns and a considerable sum remains to be placed in the reserve fund. The Bloomington Co-operative Society is affiliated with The League and with the Central States Co-operative Wholesale Society.

The Villa Grove Co-operative Society held its thirteenth quarterly meeting of stockholders January 18, 1921. There were 374 tickets given out at the door to men, women and children. Every one entering being given a ticket. Ninety memberships were represented at this meeting. Certain tickets draw prizes. The holders of the winning tickets drew prizes as follows: a coat, 25 lb. sugar, 25 lb. flour, quart bottle grape juice, ¼ gallon bottle of cider, 2 cans pork and beans, ½ lb. tin of tobacco and a pipe. The last four prizes were given by officers of the Society.

Officers were elected. Dr. J. H. Greene gave an interesting address on the control of industry by the workers. An orchestra furnished music. A program of vocal and instrumental music and selected reading was provided. After the meeting and entertainment a lunch was served consisting of baked ham, roast pork, roast beef, boiled ham, pickles, doughnuts, cakes and coffee.

The Workingman's Company of Cleveland

The Workingmen's Co-operative Company of Cleveland, Ohio, which operates six stores, has a fine record to point to for 1921. The sales for the year amounted to almost a quarter of a million dollars—to be exact, $234,620. Of this sum, the net surplus-savings came to $6,383, which was distributed to the membership in the form of savings-returns of ¾ per cent on purchases, and 3 per cent. interest on share capital.

The society has a good reserve fund. The membership of one thousand, consists of Czecho-Slovak workers. The educational side of Co-operation is not neglected. On January 29th a general meeting was held at which five hundred people were present. Lantern slides were shown, and there were talks on the Co-operative Movement.
THE PRODUCERS' AND CONSUMERS' BANK OF PHILADELPHIA

The Producers' and Consumers' Bank of Philadelphia opened its doors for business on the first of February, organized under a deed of trust.

It is called a "co-operative bank"; but it is anything but a co-operative bank. There is no such bank of true co-operative character. The bank, for all practical purposes, is a trust company.

It has never been used by a true co-operative society. The deed of trust has violated the fundamental principle of co-operation. It is a form of organization, such as the "Co-operative Society of America" and the "Engineers' Bank of Cleveland," that has never been used by a true co-operative organization.

For over a year, The Co-operative League has advised the trustees against the use of the deed of trust method, and has suggested safer forms of organization, such as the "Co-operative Society of America" and the "Engineers' Bank of Cleveland." The co-operative deed of trust is misleading, for a deed of trust violates fundamental co-operative principle.

It has generally been believed that the Cardinals and other dignitaries of the Catholic Church in Rome enjoyed salaries that put them beyond the danger line separating them from the poor. It is a fact that the Vatican officials have never been enabled to say that every member of the Vatican officials are co-operating.
CO-OPERATION

AMERICAN LABOR LEADER VISITS ITALIAN CO-OPERATIVES

I was powerfully impressed by the co-operatives in Italy. I came to Reggio Emilia and visited the head office of the Right Wing of the Socialist Party held at the city hall of the town. Reggio Emilia having a socialist politician as its mayor, the red flag was conspicuous on the outside of the building and on the platform in the assembly hall.

It is interesting to note that the conference that was signora Argentina Altobelli, the leader of the Socialist Agricultural Co-operatives in Italy. To one familiar with the backwardness of the Italian women, the fact of an old lady being the leader of nearly a million socialist peasant co-operators was very striking. Madame Altobelli is a remarkable personality. A woman probably in the sixties, of medium height, with a very vivid and sympathetic face. She followed the proceedings with keen interest and had definite opinions on all subjects that came before the congresses. She was against an immediate revolution in Italy, basing her opposition principally upon the fact that the socialist peasant co-operative organization had no more than over 800,000 members.

On the day after the conference Emanuele Modigliani, at that time chairman of the socialist delegation in the Italian Parliament, Gino Baldesi, one of the secretaries of the General Confederation of Labor and a few local comrades, took me to a socialist peasant co-operative in the neighborhood. I was told that there were quite a number of them, but that was only one of its kind that I had an opportunity to visit. There was a pleasant attached to that co-operative. A number of years ago they bought the estate from a nobleman for a small sum, and were left with about 300 acres of land. Each member of the co-operative is entitled to a certain amount of money. The manager's salary, rent, and one extra dollar amounting to about $2,000 must be deducted from the profits of the year. If we could sell $50,000 worth of stock we could show results with the money.

Leslie, Iowa.

A HARD QUESTION FOR DES MOINES

The Parker bunch of Chicago ("Co-operative Society of America") have sold in this city close to $50,000 worth of stock in a worthless institution. The story naturally occurs to us, if the people will put this amount of money in a thing that is bound to fail why will they not put their money in our society which has a record of four and a half years of successful operation in the interest of the people. Our board are honest men who have the co-operative movement at heart. We know that if we could sell $50,000 worth of stock we should show results with the money.

Des Moines, Iowa.

WILDOSE, NORTH DAKOTA

FARMERS' STORE

Since our store has been re-organized and run eight months it has sold $30,000 worth of goods, and our inventory shows a better than 20 per cent. profit. The manager's salary, rent, and one extra dollar amounting to about $2,000 must be deducted from the profits of the year. If we could sell $50,000 worth of stock we should show results with the money.

Wildrose, N. Dak.

“CO-OPERATION” A REAL BOON

Every new number of "Co-operation" is a real boon. I look at all the Co-operative periodicals now and find none which so interestingly relates the Co-operative Movement to other movements in the economic field as does "Co-operation." As the reason is simple so the information is definite.

JOHN COLLIER.

Mill Valley, California.
The Co-operative League of America

(Member of the International Co-operative Alliance)

Executive Office: 2 West 13th Street, New York

An educational organization for teaching the history, principles, methods and aims of the Co-operative Movement and for the promotion of Co-operation in the United States. Join the League and thus help promote the educational work of the Co-operative Movement. Individual Membership, $1.00 a year.

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VITAL ISSUES

HOW CO-OPERATION CAN WIN

Five million of the population of Great Britain possess eleven billion pounds of the capital of the country. This represents all of the national wealth, except about 640,000,000 pounds, possessed by the rest of the people, who number 38,000,000. The latter are the workers, the former are from the so-called upper and middle classes.

The annual income of the 5,000,000 capitalists is given as 850,000,000 pounds. If the total income were from investments it would mean a yield of 8 per cent annually. Enough of this income of the wealthy and middle classes is earned by their own labor to reduce the income from investments to 6 per cent. This result is arrived at by assuming that 2,000,000 of the 5,000,000 well-to-do are at work, and that their earnings amount to 100 pounds a year. If it were assumed that their earned income were 150 pounds, the income from investments would be 5 per cent. If they earn 200 pounds a year they would have 4 per cent income from property. These figures are from Money's "Riches and Poverty." The low salaries earned by people of the upper and middle classes is corroborated by Mr. E. O. Greening. It is a well-known fact that before the war only a minority of the joint stock companies in Britain paid dividends of 5 per cent or over. The average income from investments was around 4 per cent.

The year 1920 was a period of bad times, but during that year the 13,79 consumers' societies of the British Union did a business of 254,000,000 pounds, and used share and loan capital of 86,556,168 pounds. The net surplus, after paying interest on loans, salaries and all other expenses, was 25,450,000 pounds. This is a net return of 30 per cent on the capital invested. The return varies from 30 to 40 per cent. We have societies in the United States, and there are undoubtedly British societies which show 50 to 100 per cent returns on their invested capital. This means that having made his investment, the member of the cooperative society has only to patronize his society, where he buys at fully as good an advantage as in private business, and his capital earns this large return.

The Co-operative Movement thus has the power to do for labor six times more than what capitalist investment can do for the capitalist. Let us now turn to the 640,000,000 pounds of capital owned by the working class. If all the working people invested this co-operatively, on the same basis of return as their present investment of 786,000,000...
pounds, in five years every working class family would be in the same position of competence as the middle and upper classes. In other words, each of the working class families would have the same amount of wealth as each of the capitalist families.

This, of course, is wholly a theoretical calculation, for there are many intercurrent possibilities. And, moreover, it takes a long time to educate the rest of the working people as to what is their best interest. These figures are presented to show the possibilities of Co-operation from the simple investment standpoint.

In the United States all the money in the country passes through the hands of the workers three times a year; they earn it and spend it all every four months. It is the spending of this money with profit-making business that produces the capital that makes it possible for the non-workers to live without personal service. It is to gain this profit from the consumers that most of the business of the world is run. Should the consumers carry on their own business and keep the profit for themselves, they could accumulate the profit for expansion of industry which now goes to the capitalist.

All they need to do is to organize the co-operative slumeway which shunts off the greater current from the pockets of private traders into their own pockets. The consumer occupies the strategic position, and he can win when he organizes his spending power.

NOTHING FAILS LIKE SUCCESS

We publish this month some final information on some organizations that have been called "co-operative." This is necessary, because many people thought they were co-operative. And, because people have held this delusion, it is necessary to give information concerning them in a co-operative magazine.

Many thousands of people have subscribed to those things in good faith. The working people have lost some $18,000,000 by them in the past three years. These facts cannot be ignored. We have to publish them, as much as we dislike to use our space for this purpose.

It is not pleasant to harp upon this subject, but it must be done. The failure of these enterprises was inevitable, as we have already shown. Had they kept on and continued to take money from the people, such "success" would have inflicted continuous harm upon the Co-operative Movement, although the failure of each, one by one, has been a hard blow to the working people who trustingly invested their savings. Co-operation in the United States continues to succeed and to win its victories. The final failure of these false co-operatives is among the successes of real Co-operation.

BANKS LEND CREDIT

Lending the people's credit is what the banking system does with the people's money. The high financiers talk much of the risks of a banking business; they assert that the stockholders, the people who finance the bank, should get the profits. There is no doubt that they do get the profits, but is all of this talk about the stockholders financing the banks correct? At the present time in the banks of the United States for every $1.00 that the stockholders have invested in our banks the depositors have invested $15.00. The stockholders have invested in our 31,618 banks a total in round figures of $2,500,000,000; but the depositors have in these same banks $36,700,000,000.

Now, the money these banks do business on and out of which they make their profits is $15.00 of the people's money to every $1.00 of the stockholders' money, yet the stockholders are the fortunate ones who get the profits. The many lenders of this vast sum of money and the many borrowers of it make possible the vast business which pours a river of profits into the laps of the few stockholders. The depositors furnish the credit, the stockholders loan it, and take the profit for themselves.

The co-operative system of banking provides that the borrowers and the lenders are the chief factors concerned. The figures show that they are fifteen times more of a factor than the stockholders. The co-operative method is simple, but above all it is just. Precisely the same principle applies in banking as applies in any other business. It is possible for the people, who have credit to lend, to organize with the people who want to borrow it. They can cut out the middleman. The people can be their own bankers as well as they can be their own merchants. All that is required is the will to know how, and then to do it.

RELATIVES OF DIRECTORS

Co-operation can have no favorites. Every sound society sees to it that the members are safeguarded against personal favoritism or privilege in any form. Many societies provide in their by-laws that the society shall not purchase goods from a director, nor shall any director occupy a position in the society commanding a salary.

There are naturally circumstances under which exceptions must be made to this rule; but in general it is sound. The same person cannot well be employer and employee.

Employing members of the family of a director is discovered to have serious disadvantages. There have been many societies ruined because influential members of the board of directors insisted in putting their family and relatives on the pay roll. Some of these employee-relatives have been highly incompetent. In one society three incompetent clerks were members of the family of the president of the board. No society can survive this sort of administration. Some plain speaking in the board and then before the whole society is essential in such cases. It should be done in a friendly and kindly way, but it should be done.

Some societies are willing now to go so far as to put a section in their by-laws forbidding the employment of members of the families of directors. It may now and then prevent the employment of a desirable worker, but on the whole it would go a long way toward preventing a serious abuse.

Of course the remedy is to have the members of a society so well educated and so deeply interested that they will only elect directors who will be animated by the best good of the society. Directors who permit personal favoritism to influence them in making appointments of employees are not fit for the office and should be recalled as soon as possible. A director should have but one single standard of conduct —only the thing that is for the best good of the whole society.

A GROWING HOST

The 30,000,000 heads of families, who are organized in the Co-operative Movement in twenty-six countries, represent more than 120,000,000 people. This is a great and growing host. It brings to the suffering world the light of a new civilization. Those who give themselves to this Movement are building upon the foundations of eternity.

J. P. W.
The British Co-operative Movement began in Scotland. The Glasgow district is the cradle of Co-operation. For seventy-five years before the Rochdale Pioneers opened their store, co-operative societies had been developing in the land of oat cakes. If one will look at the sturdy faces of the Scotch Co-operators he will see determination written large. A people who are descended from ancestors who made a living out of the unfertile soil of Scotland, who survived its harsh climate, and who threw off the yoke of as relentless a class of nobles as ever starved their subjects, must win success. The Scots who were not made of sturdy stuff perished long ago. I realize that one of the most hopeful things about our American movement is that we have a lot of Scotch in it.

The first impressive thing that we saw in Scotland was the Scottish Co-operative Wholesale Society. It has the most imposing business buildings in the city of Glasgow. Glasgow strikes one as really more of a big British city. It not only has a great wholesale but big and thriving distribution societies. The showrooms of the wholesale are most attractive. The quality of the wares is good. Robert Stewart, President of the S. C. W. S. since 1908, accompanied us through the buildings and the factory at Shieldhall. Shieldhall is a section of Glasgow, on the Clyde, bought by the S. C. W. S. in 1887, where the wholesale has now about thirty different establishments, carry on indefinitely. Bakeries have been the beginnings of many societies for Co-operation; and accordingly it is natural that the two of the greatest bread bakeries in the world are owned by the people who consume the bread.

On Sunday we went to Paisley and found a society over sixty years old. It too has beautiful buildings, as well as enough stores to supply the town, a bakery, several dairies and a membership nearly as big as the total number of families in the city. It was a joyful experience to enter the central office building of this society, the largest office building in the city, and see etched in the glass of one of the office doors, the words, "Educational Committee." This committee carries on some educational function at least once a month. In Paisley, as in many others of the Scottish societies, children's singing and play classes are an essential and successful part of the educational work.

Flour mills, woolen mills, farms and other factories of great variety are to be found in many other parts of Scotland. The carting department of this organization has 200 horses and 75 automobile trucks. In 1910 it did 6 per cent of its own cartage; in 1921 it did 12 per cent. It is emancipating itself from express companies and railroads. Organized in 1868, its business has steadily increased, till now it amounts to $150,000,000 a year. This can be said of the S. C. W. C.: it is the great wholesaling business in Scotland; in addition to volume of trade, its products are of a high grade; its factories are clean; and though its directors do not average young in years, the Scottish wholesale is progressive and alert.

We went out to Calderwood, an estate and farm of 1,125 acres owned by the S. C. W. S., to a Saturday afternoon picnic. On the same day we attended the children's outing of the United Co-operative Baking Society, as guests of the president, Alexander Buchanan. The children train all winter in their choral societies for the annual big concert, and as a reward for their hard work, every summer they are given a party with contests, games and prizes. This society has two brass bands and gives much attention to recreations. These organizations all keep up educational work.

On Sunday we went to Paisley and found a society over sixty years old. It too has beautiful buildings, as well as enough stores to supply the town, a bakery, several dairies and a membership nearly as big as the total number of families in the city. It was a joyful experience to enter the central office building of this society, the largest office building in the city, and see etched in the glass of one of the office doors, the words, "Educational Committee." This committee carries on some educational function at least once a month. In Paisley, as in many others of the Scottish societies, children's singing and play classes are an essential and successful part of the educational work.

I have visited many baking societies but none which has the unique record of the United Co-operative Baking Society. Next to the Vienna Co-operative Bakery, this is probably the largest bakery in the world. It has 120 ovens with the most modern machinery. It celebrated its half century jubilee in 1919 and issued a handsome history. Briefly it is a federation of 212 Scottish co-operative societies with $2,500,000 share capital. It sells $8,000,000 worth of bread and cakes and makes an annual surplus-saving of $300,000. It devotes $7,000 a year to co-operative educational societies with $2,500,000 worth of goods in stock and has $1,500,000 reserves. It uses 30,000 tons of flour a year and puts out 800 tons of breads a week, oven baked. It has branches in Scotland and in Ireland. As I went through this huge establishment, I was impressed with the fact that Co-operation does best to begin with supplying the most simple and primitive needs, and bread is one of these; and from that point it may go on indefinitely. Bakeries have been the beginnings of many societies for the past two hundred years; they have been more universally successful than any other co-operative enterprise; they are especially adapted to Co-operation; and accordingly it is natural that two of the greatest bread bakeries in the world are owned by the people who consume the bread.

We visited also stores of several of the other Glasgow societies. The Kinning Park Society has 30,000 members and 76 stores. The St. George Society is nearly as large. Then Glasgow has the St. Rollox, the Progress, Cowlers, and London-Road societies.

It is a great satisfaction to look down a main business thoroughfare in Glasgow and see a big sign painted on the side of a building, "Join the co-operative society nearest your home." In America such an advantageous advertising space would be occupied by a cigarette sign.

The big society of Edinburgh is St. Cuthbert's Co-operative Association with some 60,000 members, with 100 different centers all the way, carrying on every sort of business. It dates back to 1859, and shows a steady growth.

Scotland is building a wonderfully substantial movement. The Scotch are slow to act and stubborn. But they are proving that Co-operation is the way out. The only thing that holds them back is respect for established privilege. The King and nobles are all beloved of the Scotch. Dear old William Maxwell, the former President of the Scotch Wholesale, was fond of teasing tourists "to our beloved Queen." The Scotch still "dearly love a laird."

Scotland does not produce enough food-stuff to feed the Scotch. For two months we had studied co-operative societies in ten countries in Europe. Every day, all day and well into the night, for six days a week that we had visited societies or their members. Such an experi-
CO-OPERATION

THE INTERCOLLEGIATE CO-OPERATIVE SOCIETY:

FIRST CHAPTER AT MARQUETTE UNIVERSITY

By ALBERT P. SCHIMBERG

President Marquette University Chapter Intercollegiate Co-operative Society

The youthful ardor of the college student has been enlisted for Co-operation. A group of earnest collegians have rallied to the banner of “All for Each, Each for All,” and have sent out a call to their fellow-students to join them in the movement which they believe is at once the most ideal and the most practical of all the movements dealing with our social-economic problems.

In Marquette University, Milwaukee, Wisconsin, in the great Middle West, the Valley of Democracy, Booth Tarkington calls it, there has been organized the first chapter of the Intercollegiate Co-operative Society. This chapter has sent out a statement of its purposes, together with an invitation to students in all American and Canadian universities and colleges to form chapters. It sent also suggestions, including a copy of its constitution, in the hope that its experience may be of assistance to other collegians.

Marquette University Chapter owes its inception to the resolution adopted at the Second National Convention of The Co-operative League, held at Cincinnati in November, 1920. Professor Joseph Reiner, author of the resolution, was made Chairman of the committee, and charged with carrying its provisions into effect. He proceeded to do, when, in the fall of 1921, he became a member of the faculty of Marquette University. He gathered a group of students interested in social study and explained to them the philosophy, the history, the methods and the potentialities of the Co-operative Movement. Soon afterwards the pioneer chapter of the Intercollegiate Co-operative Society was formed, and weekly meetings have been held.

After the chapter members had familiarized themselves somewhat more with the movement, they became enthusiastically eager to spread the gospel of Co-operation among their fellow-students in all parts of the United States and Canada. Nor is their ardor for Co-operation abated by the borders of their own land and the Dominion. They hope that soon their Latin-American brothers will be enlisted in collegiate Co-operation activity, and that eventually there will be a world-wide collegiate co-operative society, potent not only for the cause of Co-operation, but also, because the movement inculcates good will, a mighty force for peace on earth and friendliness among all peoples.

The resolution adopted by the Cincinnati Convention of The Co-operative League declared that “It is of great importance to the Co-operative Movement that students in our colleges and universities become acquainted with its history, principles and methods, and that they identify themselves with the Movement.”

Marquette University Chapter members believe that Co-operation deserves students’ allegiance, because, as they declare in their statement, it is “a practical ideal of the highest social and economic significance,” and “the most important element in the solution of our vexing social problems.” They are convinced that once acquainted with Co-operation, the earnest, social-minded students of all lands will gladly give the Movement practical interest no less than theoretical study while in college, and upon graduation will continue their active interest in genuine co-operative projects. They see particular need for this in America. In Europe Co-operation is widespread, and rests on firm foundations after successful years. But in the New World it is still in the making, and it deserves and desires what the college man can give it: leadership, youthful idealism and ardent to supplement the wise counsel of older men, eagerness to make the benefits of Co-operation available to many, practical knowledge with which to give assistance and point out the wheat of genuine Co-operation from the chaff of selfish schemes.

The pioneer collegiate chapter emphasizes the desirability of actual contact with the Co-operative Movement on the part of its members. It wants to carry out the provision of the Cincinnati resolution, which desired that college men “identify themselves with the Movement.” They want to keep close to the Movement. At their meetings they read not only excerpts from the magazine “Co-operation,” the organ of The Co-operative League, and other co-operative literature, but papers resulting from personal investigation of groceries, bakeries, cigar factories and other co-operative enterprises. In no better way could they get first-hand information and a clear insight into the practical methods of this ideal system.

A significant instance of the Marquette University Chapter’s emphasis on practicality and on keeping in close touch with the Movement, was the address before the chapter by the manager of a co-operative cigar factory. The chapter plans to invite other leading Co-operators to tell its members how they organized and how they are conducting their enterprises.

The students who established the first Intercollegiate Co-operative Chapter believe that its two-fold appeal, idealism and practicality, will find a hearty response in American and Canadian and later in other collegiate institutions. They believe Co-operation will help to build a better world for the peoples of the earth, and in rearing this noble structure they wish to see all college men have a part.
OUR MOVEMENT

A HOME FOR THE LEAGUE AT LAST!

The League is about to move into its own building! At last we have a home of our own. If the contractors do their duty, the work will be completed and the offices of The League will be transferred to our own premises on May first.

We have kept rather quiet about this. But, now, as we see the work nearing completion, we are so bubbling over with joy that we have to tell about it before we move. It is a reality. The building is a fact.

For eight years the executive offices of The League have been at 2 West 13th Street, New York, in the Educational Building. Four times during that period we have had to shift our offices from one part of the building to another in order to get more room. At present The League has offices on two different floors in that building. Its literature bureau and shipping department in another building four miles away and the literary editor in Connecticut. Now we shall unite our work under our own roof and no longer be at the mercy of landlords.

The new building is 167 West 12th Street, New York City. That is easy to remember. One and six make seven; the light of the sun moves toward the West; and the twelve apostles are known to all.

A HOME FOR THE LEAGUE AT LAST!

The League has been at 167 West 12th Street, New York City. That is easy to remember. One and six make seven; the light of the sun moves toward the West; and the twelve apostles are known to all.

When it was finally resolved that The League must have its own building, the Executive Board set about finding one. After much search, a modest four-story private house was found, and bought. The whole house is being remodeled, and the arches are being changed. On one side of our house is the Model School which is nearly co-operative in character; on the other side is a co-operative apartment house now in process of construction. The League is a shareholder of this building society, and it will become a member of The League. Across the street is St. Vincent's Hospital. Our house is a few steps from the 12th Street entrance of the 14th Street express station of the Seventh Avenue subway. It is located between Union Square and the Greenwich Village districts on a restricted street, quiet, and very accessible.

The British Union headquarters are Holyoak House, Manchester. Facing the Place Edwarde Anseele in Gent, Belgium, is "Ous Huis" (Our House) the headquarters quarters of Belgian inspiration. "Our House" in New York is the center of the Co-operative Movement of the United States. To this center will gravitate the information concerning our Movement, and from this center will radiate the information to make our Movement sound and clean.

We have a long way to go. We must work patiently and fundamentally. Building a structure that will endure is the task for Our House.

INCORPORATION OF THE CO-OPERATIVE LEAGUE

Ever since the organization of The Co-operative League it has endeavored to become incorporated. But no state in the Union had a cooperative law or a corporation law under which incorporation could be secured. This was because (1) The League is composed of societies and not of individuals; (2), it has no shares or capital; and, (3), it is an interstate organization, having members in every state, and directors distributed from the Atlantic to the Pacific. These are only a few of the peculiarities of The League which were not compatible with corporation laws. The law which was most nearly applicable was found in New York State. The Executive Board went to work on this law, and after three years of labor, succeeded in obtaining amendments which made incorporation possible.

The League is now incorporated. But in order to accomplish this it was necessary to make some concessions to the law.

First, The League has had to alter slightly its name. It will be called The Co-operative League, but the full legal name is The Co-operative League of the United States of America (Association Incorporated.) We shall not use all of this name. The first three words suffice.

Second, It has been necessary to modify slightly the constitution of The Co-operative League of America to adapt it to the corporation law. The final amending of the constitution will take place at the Third Congress of The League, to be held in the fall of this year.

In the meantime, the Board of Directors have approved it and voted that The League shall operate under the new name. Incorporation has been secured in order that the members of the League should be protected and not have to carry the hazard of individual responsibility.

THE CO-OPERATIVE LEAGUE'S SCHOOL

The Co-operative League will open its school with a course of ten lectures, at The League's House, 167 West 12th Street, New York City, May 2, 1922. The class will meet evenings at 8 o'clock.

May 2
3. "Social Uses of Co-operation in Belgium; Holland; Scandinavia; Switzerland; Co-operative Housing," Agnes D. Warbasse.

May 12
4. "Germany, the New Leader of Co-operation in Europe; the Credibility of Co-operative Banking; the Highly Developed Technical Efficiency; the Race Between Co-operation and Starvation in Austria; Vienna's the Largest Society in the World; the Various Expressions of Co-operation," J. P. Warbasse.

May 16
5. "Denmark, a Country 80 Per Cent Co-operative; the Movement in Finland; the Slow Awakening in France and Italy; the 30,000,000 Russian Co-operators Who Passed Through the Revolutionary Period; the Co-operatives and the Soviet; the Movement in India and the Far East; Agriculture," Agnes D. Warbasse.

May 19
6. "The United States, Land of Experiment and Opportunity; the Various Racial Groups; Farmers as Co-operators; Organized Labor and Co-operation; the Variety of Co-operative Activities in This Country; Federations and Wholesales" (with stereopticon views), Mabel W. Cheel.

May 23
7. "Practical Methods: Part 1, Organization and Administration; the Reconciliation of Democratic Control and Technical Efficiency; a Study in Co-operative Failures," Cedric Long; Part 2, "The Place of Education in the Development of the Society; the Co-operative vs. the Private Store as Regards Service; Relation to Employees and Patrons; Women in the Movement," Mabel W. Cheel.

May 26

May 31
9. "The Relation of Co-operative
CO-OPERATION

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lishing these two letters for the turnover made. We are only one year old and hope for improvement. On the 7th we open. Working morning and afternoon, May 7.

CO-OPERATION

The Co-operative League, 167 West 29th Street, New York, Sunday morning and afternoon, May 7.

CONFERENCE OF JEWISH SOCIETIES

The Federation of Jewish Co-operatives of America has proposed that The Co-operative League take over its functions. The League has agreed to establish a Jewish Department, with a Jewish Secretary. A conference to discuss this project will be held at the new building of The Co-operative League, 167 West 29th Street, New York, Sunday morning and afternoon, May 7.

All Jewish Co-operative societies are invited to send delegates to this conference to discuss ways and means of furthering the cause of co-operation, and for promoting co-operative education among the Jewish societies.

PRACTICAL ADVICE

The following letter received from a co-operative society, and our reply, speak for themselves. We are publishing these two letters for the benefit of other societies.

THE LETTER

I am submitting for your kind criticism a statement of this Association, which to my mind does not work out as well as ought for the turnover made. We are only one year old and hope for improvement. On the morning and afternoon, May 7.

CO-OPERATION

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GOOD EDUCATIONAL LETTER

The Educational Committee and the Efficiency Committee of the Utica, N. Y., Co-operative Society are composed of women. These two committees sent out a circular letter to the women of the society. This letter is a model which other societies might wisely follow:

THE REPLY

We have analyzed your report, and think in some respects it shows progress and safety, while in the matter of turnover it is not so good. We will assume that you are working on a 15 per cent. overhead. The rent should hereafter be figured separately from other fixed charges to be of real proportion to other items, but salaries are rather high for the amount of business done. They amount to about 5 per cent. We figure that they should be nearer 5 per cent. The only way to get around this is to increase your sales by getting new members, and obtaining more loyalty.

The turnover on the capital stock is not enough. You are doing a business of less than $8,500 a month on $30,000 capital, not counting the notes payable. You should aim to do $10,000 a month. See page 12 of "How to Start and Run a Co-operative Store," and go over these figures with the Board of Directors and manager.

We regret that you have not been able to get away from the credit system. The McCaskin system of keeping track of credits is good, but why give credit? If you could start the coupon system instead, issuing a book for $10 or more, even at a small discount, you would do much better in advance, and the members would simply have to bring their books or send them with the order until the amount is used up. The giving of credit to the extent of 75 per cent. is apt to ruin your society at any moment.

We heard this week of a Jewish society going under because almost everybody started a run on the store and the extent of the credit allowed. Begin now to educate against the credit system, and show people that it is to its mutual advantage to pay cash.

We recommend the use of the control system published by the League. This system is a guide and an Index of the business. It puts the full responsibility for every bit of goods on the manager, at retail value, and the checking up of his records by a central committee to his business methods to a number of people.

It is very important to insist upon careful accounting, and a belated report should be made to the members of the exact conditions. A semi-annual redressing is not enough, especially in trying days of depression. Anything may happen in six months, and the manager is quite capable of checking up the little leakages and exert every possible means to reduce expenses and save the pennies.

The Co-operative League of America.

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CO-OPERATION
NEWS AND COMMENT

PACIFIC CO-OPERATIVE LEAGUE IN RECEIVER'S HANDS

Three years ago The Co-operative League began a study of the Pacific Co-operative League. During this period The League has had a number of its representatives visit the Pacific coast to get first hand information. These representatives have included its president in 1919 and its financial secretary in 1921. During the past two years particularly, a large amount of correspondence, reports and telegrams have come to the office of the Pacific League and many Co-operators from the Pacific coast have brought information. The executive board of The League for a long time has been better informed concerning what was going on the Pacific coast than most members of the Pacific League. In fact the indifference of these members and the Western Labor Movement to the dangers of the situation could be explained only on the ground of ignorance.

It is the practice of The League, as far as it is possible, to critique the operation of the Co-operative League in the interest of our membership. In this way we hope that the Pacific League will continue to work with them. Even though it was evident that the Pacific League was pursuing a course that was bound to be disastrous, we still hoped that they could be induced to adopt sound co-operative principles. We had studied the methods of the Co-operative League and the results were not encouraging. The Co-operative League Association was using methods that were bound to bring failure. The members that the Pacific League was pursuing were not exactly the same methods. The facts were the same. We published the cold figures and warned both these organizations that they could not communicate with one another. They were isolated from the Co-operative Movement, and to this day many of them do not know what is actually happening. The system of espionage and suppression has been effective in keeping these people in quiet subjection. Conventions of the Pacific League were largely conventions of the employers of the organization. Had it been possible to let in among the membership and let the truth out, the Pacific League would have risen up long ago and cast out the dangers that were preying upon it, and organized a true Co-operative Movement.

Repeated "reorganizations" of the Co-operative League have been reported from time to time in this magazine. The "Pacific Wholesale" was never much more than a fiction, for advertising purposes. The "Co-operative Finance Company," the "Universal Co-operative Brotherhood," and the "Pacific Co-operative League Stores, Incorporated," have all been launched one after another. Each has a bad situation, but none have renounced them. The wildest tyros could not hit upon more utterly hopeless schemes for organizing co-operative societies. American Co-operation has some dark pages but none so written over with ignorance and shamelessness. The one thing they resented was the advice of experts whose business it is to know the technique of co-operative methods.

In the face of this repeated advice, The Pacific League supported the National Co-operative League. This was not the worst. Its officers united with the officers of the National in a campaign of false statements concerning the Co-operative Movement such as this country had never seen. We have already published in this magazine how the employees and officers of these two organizations came to the Second American Co-operative Congress at Cincinnati in 1920 and attempted to destroy The Co-operative League by methods which were as unscrupulous as they were unsuccessful. They stood on the floor of the convention and defended practices which no decent man would have countenanced.

The pitiful story can be read in the Transactions of the Second Congress and in this magazine during the past three years.

Still hoping that the Pacific League might be saved, the executive officers of The Co-operative League were instrumental in having resolutions of the Second Congress, which condemned it, not given publicity. When the credentials of the directors of the National were withdrawn by the Congress, exception was made of the President of the Pacific Co-operative League. He remained and attended every one of the nine sessions of the Congress. But every consideration failed to interest these officials in sound Co-operation.

It has been evident for two years that the Pacific League was absolutely in the grip of a small bureaucracy of ulcerous maxims. They may once have had interest in Co-operation but that interest has left them. If they ever had a knowledge of co-operative principles they have renounced them. The tyros could not hit upon more utterly hopeless schemes for organizing co-operative societies. American Co-operation has some dark pages but none so written over with ignorance and shamelessness. The one thing they resented was the advice of experts whose business it is to know the technique of co-operative methods.

In the spring of 1921, The Co-operative League worked out for the Pacific League a critical analysis of its defects and a plan of reorganization. It was never acted upon. The group of officials who controlled the organization had made it practically impossible for outside information or requests for information to reach the branches. The Central Office appoints the local store managers and these managers act as the agents for the San Francisco office. Communications sent from The Co-operative League to a branch of the Pacific League, no matter to whom addressed, were destroyed or sent to the San Francisco office. It was not only impossible for The Co-operative League to advise these people but the separate societies could not communicate with one another. They were isolated from the Co-operative Movement, and to this day many of them do not know what is actually happening. The system of espionage and suppression has been effective in keeping these people in quiet subjection. Conventions of the Pacific League were largely conventions of the employers of the organization. Had it been possible to let in among the membership and let the truth out, the Pacific League would have risen up long ago and cast out the dangers that were preying upon it, and organized a true Co-operative Movement.

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he treated the others as he did us. This store has made money all the time, and has a good trade now; but Ames has so used up the cash that there is but little to go on; and he has always had a "claim" against us in the home office.

Seligman, Arizona.

T. W. BECKWITH.

PRACTICES AT PHOENIX

The Phoenix Times, not because it was co-operative, but because it was not co-operative, makes a statement of a machine which collected $20 a head from would-be Co-operators, who were called upon to do nothing but to be pleasant while it kept them in darkness, and now and then slapped them a bit of taffy. In the branch to which I belong (Phoenix, Arizona), we never once were told anything about a convention till it was over, till we were told that Mr. So-and-So had attended from Phoenix; and he was the man who was running us. The last occasion we heard of the delegates was most of them managers of the different stores who owed their appointment to the San Francisco office. Such people do not criticize. We found that any attempt to exchange any information or ideas between branches was denounced furiously and prevented by every possible means.

Los Angeles, Cal.

THOMAS H. BELL.

ADVICE FROM SAN DIEGO

(Telegram)

Sheriff closed our stores February 17. Attachment by San Francisco wholesalers for thousands owed by Pacific League. Apparently must be leased to destroy all bona fide co-operatives refusing to turn over stores to corporation controlled by Ames. Tied and Dobbs. San Diego withdrew from League November 17. We do not lose Co-op'rs nor Pacific League one cent. Now suing Ames and League for accounting and return of several thousand dollars due us. Other Co-operatives being closed by League and big business. Workers will lose thousands. These facts must be exposed. Can you circularize coast unions, Co-operatives and newspapers warning against this outfit?

SAN DIEGO CO-OPERATIVE ASSN.

CHARLES J. EASON, Pres.

STANLEY McGUE, Sec.

METHODS EXPOSED

(Telegram)

California Corporation Commissioner revokes Pacific League Corporation permit to do business in California February 17. ten days before Ames asked receivership. Following demand of United States Trade Council, State Commissioner has ordered special investigation of Ames outfit. Carpenter tells how he experienced legal proceedings against Ames' crowd. These facts should be given publicity.

SAN DIEGO CO-OPERATIVE ASSOC.

March 24, 1922.

ONE CENT ON THE DOLLAR

"The National Co-operative Association" went into the receiver's hands last year and its Hoboken, Chicago and Seattle warehouses were sold out. It owed the Co-operative League for literature $44. The accounts have been settled and the League has just received a check for 44 cents. The working people who put in their money will get one cent on the dollar. The lawyers get $6,350.

A letter just received from the referee in bankruptcy of the district court of the United States states as follows: "In my entire experience as referee which covers a period of ten years, I do not recall a case where the funds were so badly dissipated as they were in this matter. It is a source of great regret that so small an amount could be recovered, as many poor persons were creditors of this bankrupt who could ill afford to lose the money. As I have observed the wreck of this company I am wondering whether there are any cooperative organizations that are properly handled and are a financial success."

Contrast the above facts with the following statements of E. O. F. Ames, president of the Pacific Coast Co-operative League and director of the National Co-operative Association, made on the floor of the Cincinnati Convention a few weeks before the National failed: "I can not understand the slightest grounds for the criticism which Dr. Warbasse is giving to the National Co-operative Association. I highly honor the men at its head and the splendid work they are doing"; and "If the National should fail it will be due to this criticism."

These are the sort of people who would say that they do not see the slightest grounds for the surgeon telling the patient that his leg is broken; and if he doesn't get up and go to work it is the surgeon's fault. They would criticize a man for giving the alarm when a house is on fire.

WARNING CONCERNING THE
"CO-OPERATIVE LEAGUE OF AMERICA" OF PENNSYLVANIA

The name of The Co-operative League is sometimes confused with that of an organization calling itself the "Co-operative League of America" which has been doing business in several states. It represents itself to be co-operative. It is not incorporated in any state, but it has its head office in Pittsburgh. It is a "deed of trust" organization. The ill-famed "Co-operative Society of America," before it went into receivership, recommended this organization very highly. We have already described the nature of the deed of trust. It is to provide trustees for incompetents, infants and imbeciles; and it places all control absolutely in the hands of the few organizing trustees. No honest business calling itself "co-operative" should be attempted under this law.

This "Co-operative League of America," of Pennsylvania, went into New York state last year but was forbidden to do business in that state. It then went into Ohio and the western states. It conducts a banking business called "co-operative," and makes loans to members for building purposes at 3 per cent per year. It recently attempted to open offices in Illinois, but the attorney general and the secretary of state prohibited its doing so. Attorney General Brundage of Illinois, in a letter to the secretary of state, says: "It appears that the said League is organized as a common law trust, and it has been repeatedly held by this department that such organization, when formed for business purposes, is against the public policy of this state. The sale of its loan and home purchasing contracts should not be permitted by your department."

This concern has recently made application to the Ontario government for the privilege of doing business in Canada.

Because The Co-operative League has often been confused with this non-co-operative business enterprise, we desire to warn our readers and all co-operators that we have nothing in common. It was organized after The League and is infringing upon The League's priority in using the name. It will not be permitted to do business in states which have an attorney general and secretary of state who are capable of protecting the citizens from such organizations.

LAST WORD ON "CO-OPERATIVE SOCIETY OF AMERICA"

Harrison Parker's "Co-operative Society of America" went into the hands of a receiver last fall. How much money the working people lost by this non-co-operative scheme is not definitely known, but some $11,550,000 was invested in it by innocent people who thought they were joining a co-operative society.

We advise Co-operators that this "deed of trust" concern has started business again with two new trustees. It claims that it has "reorganized"; but it is no more co-operative than it ever was. It will not be permitted to do business in states which have a co-operative law prohibiting such enterprises.

CO-OPERATION SUCCEEDS

The above horrible examples are external to the field of Co-operation. The Co-operative Movement in the United States is moving forward with steady progress. The substantial societies are joining The Co-operative League. Among the members of The League, failure is rare. Fundamental work is bringing success.
CO-OPERATION

THE NORTHERN STATES LEAGUE ORGANIZED

The following telegram has just been received by The League:

Our convention a great success. Sixteen societies represented, with a total membership of 16,000. Northern States Co-operative League organized with headquarters in Superior. Decided to hold next convention in September at Minneapolis. Accept our hearty thanks for your greetings to the Convention.

S. ALENNE, Sec'y.
Superior, Wisconsin.

Thus the steady and quiet work of building a Co-operative Movement in the United States goes on.

NEW YORK CO-OPS DO BUSINESS OF $1,600,000

The Co-operative Associations in New York City did a business of $1,600,000 in 1921, according to Louis Blachly, Director of the Co-operative Division of the State Department of Farms and Markets. This figure does not include the business done by the co-operative housing societies.

While some weak organizations went to the wall, the well-organized groups continued to grow and prosper. Two of the Co-operatives which paid no dividends in 1920 made 8 per cent returns to their members last year. The large Co-operatives, which have a membership of 1,800, showed a steady increase in the number of members and the amount of business done.

The largest Co-operative in New York is the Finnish Co-operative Trading Association. During 1921 its business was $269,000, including receipts of $135,000 from its bakery, $68,000 from a meat market, and $11,500 from a pool room. This society has a membership of 1,800, a gain of 300 for the year. A Co-operative restaurant is run by another association in the same building. This restaurant did a business of $70,000 last year. The members of the Finnish Trading Association also conduct several large apartment houses co-operatively.

A Co-operative bakery in Brooklyn has a membership of 2,000, and did a business of $175,000 for the year. The Workmen's Circle operates a bakery in the Bronx, the sales during 1921 amounting to $266,000. Six butcher shops are conducted by the People's Co-operative Society, a Jewish group. The business totaled $325,000 in 1921, most being furnished below current prices.

CO-OPERATIVE MOVEMENT IN THE UNITED STATES AMOUNTS TO $70,000

The New York Co-operative Housing Society, Inc., has a membership of 1,300, and did a business of $70,000 last year. The members are given 8 per cent returns on their purchase of shares. The society has a membership of 1,300, and did a business of $70,000 last year. The members are given 8 per cent returns on their purchase of shares.

SOCIETY DISTRIBUTES $12,000

Checks for more than $12,000 in the form of savings returns were paid out by the Soo (Michigan) Co-operative Mercantile Association in amounts from $1.25 to more than $360, at the tenth annual meeting of the association.

More than 500 stockholders and others interested attended the meeting. At the election of officers there were 341 votes cast. The society has 500 members. This is close to 100 per cent attendance.

The stockholders received five per cent, savings returns on the goods they purchased during the year and the non-stockholders received 2½ per cent. on the amounts of their purchases, the amount being paid to them either in merchandise or in credit toward the purchase of shares. The stockholders also receive checks for 6 per cent on their stock.

T. M. Ross, the president, told the stockholders the need of expansion of the organization, "Our bake shop is inadequate, we need larger quarters, he declared. He suggested building a new bakery on the rear of their main store property and using the space now occupied by the bakery to enlarge the grocery lines. The working capital of about $19,000 was turned over 15 times during the past year.

In 1921 the society did a business of $35,000. In 1920 the income was $365,000 on account of the higher prices existing at that time. As prices business in 1921 than the previous years, though the receipts fell. It is operated strictly on the Rochdale basis, members buying and selling goods, and distributing the proceeds.

At the close of the meeting refreshments were served and dancing was enjoyed for the remainder of the evening.

FIRE INSURANCE AT WOODRIDGE

It cost the farmers of Woodridge, New York, last year less than one cent per hundred dollars of insurance written on their property by the Co-operative Fire Insurance Co. of Sullivan and adjoining counties. Compare this cost with your fire insurance premium!

With $4,330,660 worth of fire insurance in force at the end of September, 1921, the expenses incurred amounted to only $225,000, which included $27,000 in losses and only $11,000 for administrative and operating expenses. Thirty-nine members received claims amounting from $5 to $4,850 for damages to their property from fire or lightning. Since the co-operative insurance company commenced business in 1913, fire and lightning losses of $114,721 have been paid to members.

By the end of 1921 the cooperative had $6,600,000 worth of fire insurance in effect. Members are charged prices based on the losses and operating expenses of the previous year. It is estimated that the saving to the Co-operatives during 1921 amounted to more than $70,000. There are now 1,000 policies in effect, and 1,015 members enrolled in the society.

Woodridge, New York, is the center for half a dozen prosperous Co-operatives, including two fire insurance companies, one auto insurance company, and a credit union.

CLEVELAND DISTRICT LEAGUE ORGANIZED

The seven co-operative enterprises in Cleveland, Ohio, have formed a District League in that city. The following outline of work to be undertaken by the League is suggested:

1. Meetings are to be kept in close touch with the state and national organizations.

2. Uniform propaganda for co-operative societies is to be published and distributed.

3. A more extensive city-wide educational program is to be planned and carried out by the League.

4. The buying power of the various societies may be concentrated, and a lower wholesale rate secured.

5. Promises of large returns on money invested can be minimized and the value of Co-operation emphasized.

The first immediate task undertaken was the sale of shares in the City Co-operative Dairy, capitalized at $100,000. The Cleveland District League will aid in organizing the new co-operative dairy, which is the outgrowth of the recent milk strike in the city. The District League recommended to the City Co-operative Dairy that no interest, or as low a rate as possible, be paid on stock money invested by the dairy.

Joseph C. Robb of the E. L. E. Co-operative National Bank was elected temporary Chairman, and Edith Gwinn, temporary Secretary.
HUCKNALL ENGLAND  INTERESTS THE CHILDREN

You will observe by the heading of our letter that this Society was established in 1864, and, although by no means the largest of societies, it is without doubt one of the most successful, and has had a wonderful career.

We celebrated our Jubilee in 1914, with a very big program, including a most successful dinner and a public meeting. The event was most impressive and unique in every respect. Concerts and a special exhibition of salable goods were held. All the day school children in the district served by the Society were right royally entertained, and a special Jubilee dividend was paid to our members at a rate of about 25 per cent in advance of our usual quarterly dividend.

Before our program was fully completed the great war broke out, and this before the whole of the Jubilee money was disposed of. These celebrations gave us a huge advertisement, and since then ours has been a continuous line of success. We may mention that when peace was celebrated we entertained all the day school children again on similar lines, the after dinner alone cost us about 450 pounds ($1,800), and with this we had another big advertisement.

We would like to particularly point out that we are one of the few Societies that had made farmer's business a success. We consider that we have got one of the "show farmers" of the Midlands.

J. G. HAWITT, Gen. Sec. and Manager Hucknall Torkard Industrial Provident Society, Ltd.

HOW BOSTON CO-OPERATIVE BANK HELPS MEMBERS

Here are a few samples of what we do in our Credit Union in Boston. One $50 loan was made for a member to buy groceries and household necessities in quantity at low prices, and pay back to Credit Union not less than $2 per week. A $75 loan was made to a member to buy winter clothing for himself and his brother. He had $2 per week and was made to enable a girl member to have her teeth attended to and pay cash. She pays back $2 per week. A $75 loan was made to a member whose wife had no job and he had the money to pay on the spot. He is paying back $2 each week. A $50 loan was made to a member whose wife was to have a baby. When the doctor arrived he had the money to pay the bill. He is paying back $2 each week. A $50 loan was made to a member who had a family with a boy and a girl, and we have now some 350 or more members, our turnover for 1921 being over a million pounds ($4,000,000).

H. H. HIRI, Manager.
Lake Erie Co-operative Association, Erie, Pa.

(Nine society is a member of The League, and it keeps the members loyal and informed on Co-operation by distributing the "Home Co-operator." REUTERS.)

ENCOURAGEMENT FOR MANAGERS

This is taken from a letter written to The League by the manager of the Amfield Plain Industrial Co-operative Society, Ltd., England:

I may say if I'm spared until March I commence my fifteenth year as manager. I commenced with a boy and myself and we have now some 350 or more employees, our turnover for 1921 being over a million pounds ($4,000,000).

Yours sincerely,

A. BROWN.

NOTICE

Persons having books on Co-operation are requested to donate them to The League.

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Co-operative League of America

(Member of The International Co-operative Alliance)

Executive Office: 2 West 13th Street, New York

An educational organization for teaching the history, principles, methods and aims of the Co-operative Movement and for the promotion of Co-operation in the United States. Join The League and thus help promote the educational work of the Co-operative Movement. Individual Membership, 1.00 a year.

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MAY, 1922

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VITAL ISSUES

THE COAL STRIKE

In 1919 the bituminous coal miners struck and the whole force of the United States Government was used against them. As to the states, in every state where miners were on strike the state government used its power to defeat them. Cosmopolitan views rode down, police clubbed them, leaders were put in jail, courts issued injunctions. The miners were protesting against reductions of wages. The public said that they were wrong and should have gone on working, content with their lot. If that attitude could have been held in 1919, it cannot be held by any in this present strike.

In this present situation the mine owners have openly broken their contract of March 30, 1920. They have refused to confer with the miners on a new wage scale. By repudiating their agreement they have defied the miners and the consumers, and have made the strike inevitable.

Now comes the interesting revelation. In 1919, when the government could find some shadow of an excuse to assume that the miners were in the wrong, it was openly against them and for the mine owners. But now, when the miners are absolutely in the right and the mine owners have violated every precept of decency, where does the U. S. Government stand? It goes as far as to administer a mild verbal expression of disapprobation to the mine owners, which costs nobody any money, and then maintains a strict hands-off policy. If the workers had been guilty of such flagrant dishonesty and breaking of contracts as the mine owners have, the United States Government would have treated them like cattle; and everybody knows it. But here is a case so flagrant that even the press, which is usually against the workers, is pretty generally on the workers' side. The government is not for the workers; it is against them.

Undoubtedly public opinion in this strike will be strong enough to compel the government to take notice, and we may expect "hearings," "investigations," and even demands of settlement imposed upon the mine owners.

This brings us to a fundamental fact which every working man should understand. Government has two main functions. The first is to keep itself alive—to perpetuate itself. The second function is to protect the privileges of the property-owning minority. The government will always be found favoring the interests of property when they come in conflict with human beings and human life. The government is the champion of property against labor; and
it can pretty generally be expected to play true to its obligations. The sooner the working people understand these simple facts the sooner they will proceed to solve this problem, and the less seriously will they take the antics of the gentry at Washington.

Now talk is turning to government ownership of the coal mines. There is delusion in this proposition. It may be better than the present system of ownership and exploitation by the coal barons (nothing could be worse); but it does not solve the problem. What the government owns, the people do not own. Let us make no mistakes about this. Under government ownership, coal would not be mined in the interest of the people, but in the interest of the government. The people and the government are two different things. They always have been; they always will be.

The mining and distribution of coal will not be upon a just and scientific basis until the consumers own the mines. And when the consumers own the mines coal will be mined and distributed for the service of the people who are the owners. The less the government has to do with it the better it will be for the people.

WE ARE ONTO GENOA

The conference of Versailles in 1919 assembled the victors of the War for Democracy. George, Wilson and Clemenceau had the greatest opportunity three men ever had to give the world peace, prosperity and happiness. They did just what this magazine advocated: Co-operators of all of the countries of the world should sit at the Versailles conference. That having been denied, we advocated a non-political world congress of representatives of the consumers. Finally such a cooperative congress was held at Basel in 1921. But it was too late to affect the "peace settlement"; the damage had been done.

Later came the "Arms Conference" of the victorious Powers, at Washington. Conditions in Europe were so bad that something had to be done to make a getting the nations together. War and the costs of the preparations for war had become so expensive that the bankruptcy of all the great militaristic nations was threatened. The Washington conference of diplomats and militarists did the best it could. But thoughtful people did not take it seriously. This gathering of warmakers could not be in the interest of peace. Any treaties that came out of it could have no power for peace. But this Washington conference did have one significant result: It made war cheaper by scraping some hundred and twenty floating relics of barbarous antiquity. Making war cheaper, however, does not prevent war; it makes war more possible. The Washington conference did not take any concern to scrap the poison gas outfits. Such an act would really have interfered with war.

The second thing it did was to create the "five-power treaty," which carried with it the right of five foreign nations to loot the Far East by agreement.

On the whole, war was brought nearer by the Washington conference.

When the generation of childlike and deluded victims of these three men has passed, this magazine will write them down as betrayers of the simple and confiding humanity that once trusted them with its life and honor.

Before we realized the depth of perversion to which these men would sink, this magazine advocated that Co-operators of all of the countries of the world should sit at the Versailles conference. That having been denied, we advocated a non-political world congress of representatives of the consumers. Finally such a cooperative congress was held at Basel in 1921. But it was too late to affect the "peace settlement"; the damage had been done.

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On the whole, war was brought nearer by the Washington conference.

The pathetic side of this whole business is that European Co-operators keep on taking these conferences seriously. Our esteemed contemporaries, The Co-operative News, was full of hope for Versailles; and with equal sincerity in Washington the hope of the great blessings that Versailles failed to deliver. Now it is discussing the international conference at Genoa with the same old British seriousness, as though the editor had not an Irish name!

Let Co-operators bear in mind that the same gentry will go to Genoa as went to the two other conferences. They will tolerate the representatives from Russia because they must. They may take action looking to the establishment of better trading relations with Russia and Germany for the sake of saving themselves; but their hands are absolutely tied against any action that will establish fundamental economic justice in the world. The old crew are scuttling the ship, and they will go down with it.

Co-operators may be invited to participate in these conferences. But when they call upon Co-operators it will be to wall them. We will find it become only to bid them "good-bye." A new light will be shining in the heavens.

Simple souls now cry, "On to Genoa." One of the largest co-operative societies in Engalnd was startled by working people who were constantly made sick by the food they were buying at the private groceries. Finally when a grocer was putting plaster of Paris in the flour and that an old lady nearly died from eating it, they thought the time had come to act. From the day they started their society, the people of that community have enjoyed better health.

The co-operative bakeries in Germany have a special apparatus for taking the impurities out of the flour. The private bakeries use this process at all. What becomes of the impurities? The co-operative bakeries cart it away by the truck load; the customers of the private bakeries eat it.

Mr. Alfred W. McCann has written an instructive book entitled, "Starving America." It is pretty hard reading for any American citizen who pays taxes and eats three meals a day. It either makes him mad or sick at the stomach to learn what is put over on him in this land of freedom. It makes him sick to read of the poison the grocer gets for the sake of his profits. One does not have to think very hard to realize that he takes his life in his hands every time he sits down at the table. Mr. McCann estimated that 3,000,000 people are made ill in this country every year with adulterated food. Surprising and unexpected sickness is always turning up. We are always hearing of the mysterious cases of "pomane poisoning," "died of acute indigestion," "intestinal colic," "boilism," "dysentery," "dyspepsia" and "chronic headache." Emerson knew it fifty years ago when he said: "It is only necessary to ask a few questions as to the progress of the articles of commerce in the field where they grow, to our houses, to become aware that we eat and drink and wear perjury and fraud in a hundred commodities."

It is the same today. In Money's book on "Riches and Poverty," he says: "Sham, shoddy and make-believe—these are erected in the form of houses, sewed up in the form of houses, packed in tins to mock children as food, made the sole occupation of millions of quite honest people."

Dr. Lewis B. Allyn asserts that between eight and fifteen per cent of the people of the world are dependent upon the food bought in the country store. The Co-operators of all the countries of the world should sit at the Versailles conference and declare war on this condition of things. The deaths of millions of people will be a check to this folly. Our esteemed contemporaries, the Co-operative News, does not realize that its claim to be "argued on the great blessings for the sake of saving ourselves" is delusion in this proposition. It may be better than the private ownership system, but it does not solve the problem. What the government owns, the people do not own. Let us make no mistakes about this. Under government ownership, coal would not be mined in the interest of the people, but in the interest of the government. The people and the government are two different things. They are always the same gentry will go to Genoa as went to the two other conferences. They will tolerate the representatives from Russia because they must. They may take action looking to the establishment of better trading relations with Russia and Germany for the sake of saving themselves; but their hands are absolutely tied against any action that will establish fundamental economic justice in the world. The old crew are scuttling the ship, and they will go down with it.

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the food sold is debased. Mr. Gaston G. Nettes, president of the Interna-
tional Co-operative Association, asserts that 40 per cent of the food entering New York should be thrown away.

It is humorously related that the investigation of ten articles in a grocery store conducted by the health authorities discovered poison in nine of them: the only one that did not contain poison was "Radium’s Rat Powder." Be this as it may, there is every reason to adulterate and de-

fraud so long as the motive in selling to the consumer is to make pro-

fits from him. Outside of the con-

science of the trader and the busi-

ness advantages in selling good foods, the only thing that stands between the consumer and slow starvation or slow poisoning is the law with its in-

spector, fines and prisons. This is not civilization. A state of society fit to be called civilization would not require these utterly unnecessary things.

That the whole of society, the con-

suming public, is at the mercy of pro-

fit-making businesses in the very sub-

stances of life, is an unspeakable tragedy. The great forces of society that are fighting to maintain these conditions are the agencies of dark-

ness; the light of a better day is in

the hands of those who are striving to institute the production and distribu-

tion of food for use.

THE EDUCATED SECRETARY

When the secretary of a co-oper-

ative society, immediately upon his election, proceeds to educate himself in Co-operation so that he may un-

derstand the subject better, the Move-

ment may take heart. On another page in this magazine is a letter from the secretary of a society in Rhode

Island in which he expresses this pur-

pose, "in order that I may render to

the society; but a savings-return dis-

cussion at the Carlsbad Congress of German Czecho-Slovak Co-operative Societies in August, 1921. Some dele-
gates were in favor of paying a

savings-return discussed at the

no.

superintendent is paid $2,000 a

year. There are seventy artisans,

and a library about twenty years ago the

society created a building de-

partment in order to give these men

work building houses. The society

retained a few to rent to members. These are rented for $2.50 a week net.

This building department has

been in operation ever since. The

Superintendent is paid $2,000 a

year. The League is going to

continue to serve them better—or

less we can convert them into Co-

operators." said the speaker. "They

joined because the societies could

serve them better than anybody else. They will go out if we do not

THE LEAGUE'S SCHOOL

In the April number of this maga-

zine was published the schedule of

the first course of lectures to be given

in the Co-operative League House, beginning May 2d. All of the ar-

rangements are completed. The open-

ing of the new building with this

course of lectures is another indica-
tion of the progress of co-operative

education in the United States.

Steadily, without haste, but without

ceasing, the fundamental work is be-

So much money on the job that it

had to go out of business. To save

it, the Kettering Consumers' Co-

operative Society "bought it out." The

society acquired its building de-
partment in order to give these men

employment. In 1901 it bought a

farm estate adjoining the town for

$50,000, and set its builders to

work building houses. The society

put up 180 houses and sold them to

its members at cost. It retained a

few to rent to members. These are

rented for $2.50 a week net.

This building department has

been in operation ever since. The

Superintendent is paid $2,000 a

year. There are seventy artisans,

representing 156 families. The build-

ings rented for $2.50 a week net.

once upon a time a little girl was
drawing a picture. Her mother asked

her what she was drawing. "God,"

replied the child. "But," said the

mother, "you can not make a picture

of God; nobody knows how God

looks." "Well," replied the child,

they will when I get this picture fin-

ished."

The people in this country may not

have seen Co-operation. They may

not know how it looks or how it should

look. But The League is going to

keep at its task of making a picture

and visualizing true Co-operation un-
til all shall know it when they see it.

I heard the question of paying a

savings-return discussed at the

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DOES HERE AND THERE

By J. P. W.

Savings-Return or No

The Co-operative League is supposed to be doing the job of The Co-operative League

in the United States is to make Co-

operation succeed. The first impor-
tant thing is that the people shall

know what Co-operation looks like

when they see it.

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drawing a picture. Her mother asked

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Steadily, without haste, but without

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bers, but they gained members. The

members know the co-operative goods are better, and therefore cheaper. Being guaranteed good goods, and knowing that they are connected with a great Movement for human betterment amounted to

more than a little dividend.

The Belgian Co-operators and the War

The Belgian Co-operators had some interesting experiences with the invaders of Belgium during the war. When the Germans came into Ghent the German General Staff looked around for the best building for their headquarters, and picked the Co-operative Festal Palace. It is a beautiful new building, opened in 1914, with two large auditoriums, restaurant and meeting halls. The General Staff had to move out of it. They organized their moving picture show in another building nearby. The German officers used to stroll down to the show every night, and the Co-operators always gave them some good, shocking propaganda.

There has been a lot of publicity
given to the deportation of Belgians,
but there is one side of the matter
that most people do not know about.
The deportees were largely people
who were being penalized for hav-

ing a social conscience. The Bel-
gian Co-operators, who were mostly Socialist Co-operators. The deportations were made largely

from that district that had 90 per cent Socialist votes. These people were the most dangerous to leave in Belgium. They were the people who were most capable of influencing the German soldiers not to fight. They were sent to Germany really for the purpose of getting them out of contact with the German soldiers. In Germany they suffered severely. For their refusal to work they were badly treated; and now they are still bitter against the Germans, while the Belgian farmers, who made money selling their produce at big prices to the German army, are prone to speak in more approving terms of their old enemy.

When the German army evacuated Belgium the Co-operative Society of Brussels celebrated by hanging out forty red flags on its big building and one Belgian flag. This made the patriotic Belgian 100 per cent centred, and they have not forgiven the Co-operators yet.

As a result of the movement of the war, Anselle, the “Father of Belgium,” got elected to Parliament. He knew that there was not much to be done in the political field, but he used his position very efficiently for co-operative propaganda. As he said to me: “I make speeches out of the window; that is, I talked to the people of Belgium instead of to the Parliament.”

Whatever the war did to Belgium, it ended with a bigger and stronger Co-operative Movement than had existed before.

Another effect of the war was on trade unionism. In 1914 the trades unions had 160,000 members; in 1921 the membership was 730,000. In 1914 the Catholic unions had 80,000 members; in 1921 they had 140,000 members.

War, if it does bring the exploiters of the people to the top, at least exposes the wiles of the exploiting system, and prompts the people to know that they must get together to protect themselves.

**No Credit**

The chairman of the board of directors of an English co-operative society said to me: “We will not give credit; we would sooner give the member the money outright than to give credit.” As a result of this policy the society has so much money in its treasury that when unemployment comes it is glad to have members draw out some of it. They spend it with the store, and so increase the turnover.

**A STORY IN COAL**

By CEDRIC LONG

Lehighton, Pennsylvania, is a small railroad town in the Lehigh Valley, between Wilkes-Barre and Allentown. The Lehighton Co-operative Association, a society 95 per cent railroad men, was hatched up with the ill-fated “National Co-operative Association” that went bankrupt in 1920. Early in 1921 the little association in Lehighton found itself stripped of the $11,000 capital with which it had started business; the stock in the store was worth only $2,600, the receivers for the Hoboken fiasco were suing them for the debts of the wholesale, and the majority of their members had lost confidence in the Co-op, and were trying to find a method of getting back some of the money they had invested. Co-operation in Lehighton looked like a 100 per cent lost cause.

But there were two assets that these 385 shareholders and the rest of the town had not figured on. The store had a live young manager who not only knew the grocery business but from several years of experience in the chain stores, but who likewise was a thorough Co-operator at heart. And the directors of the association, under the leadership of W. D. Hontz, Wm. Begal, Wm. Smoyer and the other officers, were men who would not acknowledge that a discouraged membership, the loss of their capital, and a lawsuit meant bankruptcy. Therefore, business went on as usual.

But “business as usual” did not satisfy such men very long. A bold step forward was necessary if Co-operation in Lehighton was to win back its lost prestige. And here begins the story in brief.

There are three or four coal dealers in this town. They all waxed fat off the coal business. Therefore the directors of the co-operative began to investigate, and they found that the coal consumers were being robbed.

The Lehigh Valley Coal Company and other large companies refused to sell them coal. The men knew the extra 200 pounds, to which the co-operative added, gave the customers about $4 on every ton of coal bought. The Co-operators signed personal notes to the bank and paid for the car. Having no place to put their coal, they went to a fellow townsman who owned a plot of land near a railroad siding, and bought the land for a promise of future payment. Then, with cement and sand and stone, and all the volunteer labor they could use (railroad men get long vacations and have much leisure time these days) they built four large, open bins near the siding. A portable elevator which would carry the coal from the car into the bins and from the bins into a truck, was procured. Just as much had been done, by a small note and easy payments.

Meanwhile the freight question came up. Lehighton is a Lehigh Valley town. Yet all the coal sold there was being brought in over the N. J. Central. The Co-operators went to the freight agent of the Lehigh Valley. “We’re workers on the L. V. R. K. We are buying coal and we want to bring it in over our own road. What can you do for us?” The agent gave them a low freight rate, and a few days later the same railroad company sent around a man who offered them coal scales at cost, to be paid for as soon as the money was available.

And so started the Co-operative coal business April, 1921. The private dealers had selling 2,000 pounds to the ton. The new dealers sold 2,200 pounds to the ton. The private dealers had been making more than $4 a ton profit. The Co-operators lowered the price between $2 and $3, gave the customers the extra 200 pounds, to which they were entitled, sold the highest quality coal instead of the mixture of slate, dirt and coal that others sold, and altogether saved the consumer about $4 on every ton of coal bought.

By the end of the year the Co-operative Association had sold 97 carloads (4,250 tons) of coal, they had paid for the elevator, owed nothing to the bank, owned their own land, their own bins, and had paid off one-third of the value of their new coal truck. The independent coal company up country had given up all thought of closing their colliery, and many of the other coal companies in the district had come around trying to sell coal to the Co-operators they once despised. Two men are employed regularly getting coal to the customers,
and the Co-operative Association is doing the largest coal business in town (more than 10 cars a week on the average). The Association has saved the people of Lehighton over $14,000 by reducing the price and giving the long ton.

So begins the story. But Co-operation never stops at one commodity. A few weeks ago these same Co-operators decided that milk at 14 cents was much too expensive for their town. They called a meeting and talked about starting in to distribute milk. Next day the private milk dealers, seeing the Co-operative coal truck rushing about town, decided to take the warning, and milk dropped to 12 cents.

A few weeks later the Co-operators decided that they wouldn't charge 15 cents for bread which cost them only 10 cents. They sold it at 11 cents. The baker threatened to deprive them of bread altogether; and he was the only baker delivering in Lehighton. But the Co-operators refused to heed the threat, kept the price at 11 cents, and when this baker stopped his delivery to them they imported bread from Allentown—and still sold it at 11 cents. Furthermore, they promise that if the old baker ever comes back, he will not be able to get into the store!

When the representative of The Co-operative League stopped at Lehighton, he found many of the directors and found them bent over the last board up against some fifty tons of ice. Last year the private ice dealers charged the store $300 for ice; this year the members hauled and stored their own ice, and the total expense was less than $70.

Meanwhile, the store is holding its own, despite hard times, and although unemployment has played havoc with its business, there is a slight saving each quarter. The surplus-saving from the first nine months of the coal business amounted to $4,347.26.

None of the banks in Lehighton is paying more than 3/4 or 4 per cent interest this last year, and the First National paid no interest whatever. The Lehighton Co-operative Association, meanwhile, paid 6 per cent. For, although their $11,000 original capital was all lost (except a scant $2,500), their membership was quite disgusted with the co-operative business, and such other liabilities as lawsuits, united opposition of other merchants and chain stores, etc., had reduced their workingmen’s organization to a laughing-stock about town, yet there still remained the solid foundation upon which true Co-operation is always built, and which make failure impossible; efficient and devoted management on the one hand, and determined, wise, self-sacrificing leadership on the part of the directors. Financial liabilities never interfere with the growth of a Co-operative organization which has these two assets.

**THE PURITY OF PATERSON**

Paterson, New Jersey, has 136,000 population. It is the home of one of the largest Co-operatives in the East. In the city which has been the battleground of many spectacular industrial struggles between the silk mill owners and the workers, where labor has been beaten time and again in the attempt to better its conditions at the point of production, a remarkable organization of consumers has been perfected, which has won much ground in its steady fight against the profit system. Two thousand consumers are members and owners of a Co-operative society that is supplying $250,000 worth of bread and $100,000 worth of meat yearly, to the consumers of Paterson and vicinity. The three auto trucks of the Purity Co-operative Society daily deliver bread to towns within a radius of many miles of Paterson, while two wagons make deliveries in the city. Hundreds of miles are daily covered by the vehicles of the society.

A visit to this co-operative society stuns one with the size of the under-bakery. The bakery of the Purity Co-operative Society is a large, up-to-date three-story plant, equipped with the latest machinery. The Co-operative is the next to the largest bakery in Paterson; its property and equipment are worth $150,000. The great double ovens daily bake 5,000 loaves of bread, and 24,000 rolls. Gigantic machines automatically weigh, sieve and mix 500 pounds of flour at a time. The ovens are located on the floor, the mixing machinery on the second floor, and the third floor is used as the storeroom for flour.

When a representative of The Co-operative League visited the plant there were thousands of bags of flour piled up in orderly fashion all over the huge storehouse. There were a dozen cars loaded with flour on hand, valued at $22,000. The co-operative bakery consumes a carload of flour every week. Flour is secured direct from the mill and the co-op gets the benefit of all discounts by paying cash.

The bakery distributes its product direct to consumers by means of house to house deliveries, and through stores and branch stores. A branch store is maintained, where bread and groceries are sold. The bulk of the trade, however, is through sales to retail stores, both private and co-operative, in Paterson and outlying towns. Profiteering by stores is prevented by the bakery, which fixes the selling price of bread. True to its name, the co-operative turns out the purest of products.

In addition to its model bakery, the Purity Co-operative Society operates the cleanest, and perhaps the largest butcher shop in town. The turnover of the butcher shop last year was $90,000, and it is doing business at the rate of $100,000. A glance at the shop reveals a scrupulously clean store, lined with spotlessSanitary chicken coops are built into the building, as the temporary abode of the many live chickens kept on hand to be slaughtered for the kosher trade.

The conditions of labor are important. Forty-two managers and bakers are employed at the union scale of wages. The weekly wage bill amounts to $1,600. The bakery is run in shifts, but no one works more than eight hours a day. Though bakers are usually sweat-shops, the co-operative bakery is sanitary and an ideal workshop. A shower bath is provided for the workers’ use at the end of their shift.

Since current prices are charged in most departments, a large surplus-saving is on hand at the end of each year. It is interesting to note what use has been made of this. When the society was organized in 1905, it sold goods at cost price, plus a slight overhead charge. Whatever remained was set aside for the growth of the enterprise. But the co-operative’s resources have grown until they are now worth $175,000, though it has only $8,000 subscribed in capital stock. During the war, the Federal Food Control Board compelled the co-operative bakery to sell at the prices charged by the profiteering bakers. This compelled the co-operative, in order to return the difference between cost and selling price to its consumers. Coupons were printed on the bread wrappers, and these coupons were redeemable at the end of the year.

The members of the society were not long content with this arrangement. They felt that the money saved through their co-operative enterprise should be used for the good, instead of being distributed back to the consumers as savings-refunds. Knowing of the social and educational activities carried on by the society, they decided to put the earnings of the society to work for the good of all the members. Accordingly they abolished the “divi-
CO-OPERATION

The New York State Association of Credit Unions was formed in 1921, in recognition of a need for a representative body which would act as a clearing house for the discussion of problems aggraved by the steady increase in the growth of credit unions in New York City. Its object is (1) to spread the doctrines of the credit union movement more generally among the public, (2) to furnish a forum for discussion of problems of mutual interest to its members, (3) to study proposed and to prepare needed legislation affecting the credit union movement, (4) to bring the organizations in the State of New York into closer relations with each other, (5) to foster measures looking to the organization of a central credit union, and (6) to do any and all things which may be of benefit to credit unions.

The union is beginning to function actively through the work of its appointed committees. The Legislative Committee will, at the next general meeting, submit a report on suggested amendments to the New York State Credit Union Law. The Publicity Committee, with a view to spreading the growth of credit unions, is canvassing various groups in New York City. The centralization of credit unions is considered feasible. If the results warrant it, there will be a systematic effort to follow up the correspondence by personal contacts. The Accounting Committee is compiling an accounting system and interest tables for which there is an urgent need.

ARRANGEMENT OF THE STORE

Make the entrance easy. Keep the windows clean and attractive, and display goods in an uncrowded manner. Change the display each week. Limit the display to six lines, three large and three small. A holder for price tags and smart descriptive signs. Do not dress too close to the window glass. If the window is high, fix a sign below it or on a bulletin board on which you can advertise daily any specials you may have. Fix a ringed curtain of bright material on a rod or five feet from the door of the window, if there is one. In the case of a high window a strong shelf might be fixed above the curtain rod for a display. Do not keep out the light from the store by high stacks of things in the window.

No set rules can be laid down for the arrangement of goods, but usually the goods that are wanted by the larger number of customers are placed on shelves near the front. Cereals should be on top shelves, soaps, etc., on bottom. Salt, sugar, etc., should be 15 feet above the floor. Canned goods and bottled goods may be on the middle shelves. Keep fruits, vegetables, soups and other canned goods together. Dairy goods should always be in a separate department. Fancy and staple articles may be near the front or on special tables near the front for display. Put slow movers on a special table in the center and change frequently. Systematic arrangement prevents confusion and untidiness. Aim to make the store the most attractive in town. Goods should be plainly priced. Sectional price tags are useful.

The shelving should be no more than 6 feet high to make it easy to reach goods. If possible have the shelves deep enough to take a whole case of goods. Fixtures should be simple, but good, serviceable and kept clean. The scales and cash register are best near the center of the store. Bulk goods should be kept under the shelves or counters near the scales. Some stores use racks in the center, made of several shelves, if crowded for space. House furnishings are kept they should be in one part by themselves.

The store room must be well organized. If possible make similar arrangements of goods as in the store itself. Do not leave broken cases around in store room. If you have any extra space use it for advertising purposes for cooperative mottoes, and do not waste a bit of space. Have a bulletin board in a conspicuous place for notices and news items. A table for literature and a few chairs are desirable.

PRACTICAL ADVICE

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SOUND ADVICE FROM THE CANADIAN UNION

I note that many isolated societies in your country have been failing during the last six months. Many years' experience of co-operative activities in this country has taught me that if societies do not associate for mutual counsel and profit by the experience of their predecessors, it is hopeless to expect satisfactory development. Our great trouble is in bringing home this fact to people responsible for the administration of co-operative societies. This remark applies not only to those outside the organized movement, but even to those inside. In some cases boards of directors persist in blundering on, but make a practice of approaching us when they are in trouble, when we are then expected to work miracles. Doubtless you have noticed that at the Congress of the Canadian societies last year the delegates were determined upon satisfactory business policies and that central supervision should be exercised. Now, the Union is ask-
ing for monthly reports which are being summarized and circulated the following month, with information, which may be contributed by any society, of general advantage. We are hoping that to become acquainted with weak spots as they arise. And, under unrepresented, thereon before losses accumulate.

My feeling is that one of the greatest stumbling blocks to cooperative solidarity is the non-cooperative manager who seeks to dominate his board and jealously influence being exercised by the Union upon his directors; and yet it is in such cases that independent advice, guidance, and information is most needed if the society is permanently to remain in the field.

In the early days in the Movement in Europe many serious mistakes were made, but Co-operators had the common sense to profit by their experience and endeavor to avoid them in the future. There would seem to be a serious deficiency of this policy in North America, but it is necessary on this continent to impress upon would-be Co-operators in the early days how little they know and how much they have to learn in applying the principles to which they are becoming attached.—George Keen, General Secretary The Co-operative Union of Canada.

**A BADLY ADVISED RAIL BROTHERHOOD**

The United Brotherhood of Maintenance of Way Employees and Railway Workers, with headquarters in Detroit, was put in the hands of a receiver by the Federal Court according to advice recently received. An order having been issued, the Brotherhood from withdrawing its bank deposits has been issued. The receiver has been ordered by the Court to take possession of all property of the Brotherhood and the Brotherhood is unable to carry on its operations.

The losses to this one union amount to something around $1,500,000, another “co-operative failure” was registered, and this is not the first. The whole organization suffers the humiliation of having its tangible assets attached by a court order.

We still continue of the opinion that, as there is an organization of experts such as The League provides, whose business it is to know about the technical of co-operative administration, their advice should be sought. But when in the interest of the workers we are compelled to force our advice upon an enterprise calling itself “co-operative,” that enterprise will do wisely to give most serious consideration to that advice.

The one and only voice that advised this Brotherhood of its mistakes was the Executive Board of The Cooperative League. It went so far as to have a representative of the Board secure an interview with the promoting officials of the Brotherhood at Chicago and again at Syracuse, N. Y., to explain to them that the venture, which they called “co-operative enterprise,” was not co-operative, to warn them of its defects and to show them how they might make it succeed. But since all of the labor, socialist and reform papers, and organizations were boosting their plan, they turned a deaf ear to The Co-operative League.

**CO-OPERATIVE BAKERIES FEED STRIKERS**

The co-operative bakeries of Massachusetts have made provisions for supplying bread free of charge to the striking textile workers of Pawtucket Valley, Rhode Island, to carry on their struggle against starvation as long as they last. Three months ago the absentee owners of the cotton mills of Rhode Island decreed a 54-hour week and a 20 per cent reduction in wages, on top of a previous reduction of 22½ per cent. There seems no alternative for the workers but to leave their looms as a protest against starvation wages.

At once the co-operative bakeries in Massachusetts got busy. Two thousand loaves of bread were donated by the Labor League Co-operative Bakery of New Bedford, Mass. Then the Conference of Massachusetts Co-operative Bakers swung into action. The conference was the Federation of seven prosperous co-operative bakeries, organized principally among the Jewish consumers of Massachusetts, though they are open for all consumers to join.

Provisions were made by the Conference for a contribution to the strikers of a steady supply of bread baked in the bakeries of the cooperative. The New Bedford Co-operative Bakery is supplying 2,000 loaves each week, the Brockton bakery 1,000, the Worcester bakery has 1,000 loaves, and will send more, the Providence bakeries sent 1,000 loaves, and the cooperative bakeries of Lynn, Haverhill and Lawrence are all giving their share. The New Bedford Co-operative Bakery is supplying 2,000 loaves each week, the Brockton bakery 1,000, the Worcester bakery has 1,000 loaves, and will send more, the Providence bakeries sent 1,000 loaves, and the cooperative bakeries of Lynn, Haverhill and Lawrence are all giving their share. The New Bedford Co-operative Bakery is supplying 2,000 loaves each week, the Brockton bakery 1,000, the Worcester.

From Paterson, N. J., came 500 bags (three tons) of flour, as a donation from the Purity Co-operative Bakery. This bakery has also supplied twelve cases of soda soon.

Besides the thousands of mill strikers in New England who are now being supplied bread free of charge by the co-operative bakeries of the workers, the Conference of Co-operative Bakeries of New England is also sending a carload of flour for famine relief in Russia.

A vigorous program of co-operative education is going forward. Educational meetings are held bi-monthly. Arrangements are being made for literature, speakers, and movies to be supplied by The League.

Newspapers in Massachusetts have given much publicity to the relief work of the co-operatives. Photographs of the many truck loads of bread sent to the strikers by the co-operatives have appeared in the metropolitan press. Through the relief work carried on by the co-operative bakeries, consumers are learning the value of cooperation, both as a commissary during strikes, and as a means of eliminating profit in the supply of the necessities of life.

**UTICA BAKERY GROWS**

The Utica Co-operative Society, of Utica, New York, made progress during the past year's campaign. It felt the pinch of hard times. The sales for 1921 were $105,597, or a decrease of $12,000 over the sales of the previous year. But retail prices fell at least 30 per cent during 1921, so that even though the value of sales fell off, the amount of business done was larger. There was a surplus-saving of $2,021 for the year’s operations, which was distributed to the 375 members as interest on shares. A reserve and educational fund were also put aside.

The most encouraging thing about the Utica Society is the way it is continuing the rapid growth of its bakery business. In January, 1921, its bakery sold 13,281
loaves of bread. The demand for Co-op Bread grew steadily, until in June they were selling 29,319 loaves. By the end of the year the monthly sales were 28,774 loaves. In all, 166,648 loaves of Co-op Bread were distributed in 1921.

The society owns $41,540 worth of real estate; owns machinery and fixtures valued at more than $7,000, and has $15,000 worth of goods in stock.

CO-OPERATIVES AND THE BUSINESS DEPRESSION

Reports coming in from all over the country indicate that co-operatives are weathering the financial storm that has brought bankruptcy for many private businesses. While general business bankruptcies, according to R. G. Dun & Co., increased 141 per cent during the first half of 1921, as compared with the same period of 1920, there does not seem to be any reason to believe that co-operatives are as hard hit as profit-making businesses.

Here are three bits of news reaching the office of The League the other day from three different sections of the country, showing how Co-operation is holding its own. From L. L. Herron, of the Farmers' Educational and Co-operative Union of Nebraska, comes this comment:

Our Farmers' Union stores are mostly pulling through all right, though many of them are burdened with debt. There have been only two or three outright failures in the whole state among the 125 stores. Some of the stores have gone right through the depression without losing a dollar, and are holding their own. The depression was therefore a great benefit to us as it taught us how to keep up the demand for service. It is planned to erect a new dairy building.

The Waukegan society is one of the best in Illinois. It is affiliated with The Co-operative League and with the Co-operative Central Exchange, of Superior, Wisconsin.

MOUNT OLIVE'S RECORD

Mount Olive, Illinois, also has a fine record. The report for the last six months of business of the Mt. Olive Co-operative Society is now at hand, showing gross sales during that period of $39,104, an increase of $6,080 over the previous half year. The average sales per month of this society amount to $6,517. Its surplus savings during the last six months totalled $1,808. A 3 per cent savings return was paid to members in addition to 5 per cent interest on capital; $850 remains as dividends. This society issues a lively bulletin to its members every month, and is doing good educational work.

BLOOMINGTON BUYS BUILDING

One year ago the Bloomington, Illinois, Co-operative Society moved into a building it had purchased. Making allowances for the gradual expansion of the business, it was believed that the space would be ample to accommodate the store for many years. Within a year, the business had increased 60 per cent, and it was imperative to find larger quarters.

The society has now bought the property next door for $38,000, and with the new establishment it will be one of the largest retail stores in town. The annual business of the society in 1921 was $161,000. The store handles groceries, fresh and cured meats, men's clothing and furnishings, shoes, kitchen utensils, and coal.

Since the society was organized, four years ago, it has returned to its members in savings-returns the entire amount of their investment, and 18 per cent in addition. The society has paid an average savings-return each year amounting to 28½ per cent of the invested capital, in addition to 4 per cent interest. The Rochdale principles are strictly adhered to.

The Bloomington Co-operative Society has the support of organized labor but like all consumers' co-operatives, it is open for all consumers to join. It has a membership of 500. Though thousands of dollars were lost in Bloomington by dupes who subscribed to fake co-operatives, this genuine co-operative society, affiliated with The Co-operative League, warned its members and saved their money. The society has carried on constant educational work to spread the message of Co-operation to all consumers.

GALESBURG NEVER PASSED A DIVIDEND

The Galesburg, Illinois, Society is one of the oldest co-operatives in Illinois, organized in 1883, and incorporated in 1911 under Illinois laws. It organized in Chicago, before Illinois had a law providing for co-operative societies, so it incorporated under the regular Corporation Act, and changed to the Co-operative Act as soon as it became a law. It had stores in Ke-wanee, Quincy, Chicago, and Staunton, Illinois, and local organizations from Florida to New York.

At a stockholders' meeting held some six or seven years ago, the national organization was dissolved and the Galesburg store retained the corporate name, Consumers Alliance National.

During the whole period the society has never passed a dividend, and it has lost very few members.

August 14, 1919, the Galesburg Society opened her second store, and on April 15, 1920 it opened their third store. Last year the Knox County Co-operative Society was formed for the purpose of selling fuel, but the stockholders felt that even though not competitive, there was no need of two distinct co-operatives in the city. An amalgamation was therefore formed, and the name of the combined organization was changed to The Galesburg Co-operative Society.

LECTURES ON REBUILDING THE WORLD

The Get-Together Club of the Community Church of New York has held a series of lectures on "Rebuilding the World" in which Co-operation played a large part. The lectures were held at the Community Church, Park Avenue and 34th Street, as follows:

January 10, "Meaning and Objects of Consumers' Co-operation," Cedric Long;
February 14, "European Co-operation as I Saw It," Agnes D. Warbasse;
March 14, "Snap-shots of Co-operation at Work in the United States," Illus. Lecture, Mabel W. Chiel;
April 11, "Co-operation as the Road towards Real Internationalism," Jas. P. Warbasse;
May 9, "How to apply Co-operative Effort to Community Church Activities," Cedric Long.
NEW PLANT FOR FRANKLIN CREAMERY

The Franklin Co-operative Creamery Association, of Minneapolis, has outgrown its present quarters in less than one year. When the association began business March 25, 1921, no one thought that they would need a larger plant for a long time. But the success of the co-operative creamery far exceeded the expectations of the Co-operators. Whereas the output of the plant amounted to eighteen wagon-loads in the beginning, it now takes seventy-five. Wagon-loads, trucks, loaded to capacity, to supply the customers. The capacity of the plant is twice as large as it was last year, but is not sufficient to meet the growing demand. It now has 22,000 customers and shareholders.

A new plant is about to be erected on the North Side of the city. The new building will be 132 by 145, and will be two stories high. It will be twice the size of the present crowded quarters. The construction work will be carried on by the Union Construction Company, organized by the building trades of Minneapolis.

OKLAHOMA FARMERS SAVE

Co-operation is the great help in times of adversity. Hard times on the farm have brought the farmers to realize the importance of an organization to promote Co-operation than all the talking in the country. Farmers who used to “get along well enough” by themselves are now anxious to co-operate with their neighbors. The farmers of Oklahoma have found that Co-operation pays. They saved $30,000 last year on purchasing a million pounds of binding twine through the Farmers’ Exchange. Several societies have voted to devote all their surplus-savings to Russian relief, instead of distributing them as savings-returns.

A NINETY-YEAR-OLD CO-OPERATIVE

The Lockhurst Lane Co-operative Society of Coventry, England, was founded in 1832, and claims to be the oldest co-operative now in existence. The society came into existence with nine members, who finally invested five pounds each by paying in from two to six pence weekly. Membership was to be limited to forty persons and profits were to be divided equally, irrespective of the amount of each member’s patronage. The annual trade for 1882 amounted to $5,500.

For many years it ran on principles different from the Rochdale societies, which came into existence much later. As it was expected by the secretary of the society, the society “was as much like a co-operative society of the present day as chalk is like cheese.” In 1865 it was decided to change the policy to conform with Rochdale Co-operation, and it has been conducted as a Rochdale co-operative since.

Little progress was shown until the society completely changed its tactics and adopted the Rochdale principles. Since then it has experienced a remarkable growth. By 1900 it had a membership of 670, a capital of $70,000, and an annual trade of $82,500, on which there was a return to members of about $11,500.

Within ten years more progress was shown. By 1910 there were 1,524 members, $136,000 in capital, an annual trade of $215,000, on which there was a saving for members of $40,500. In 1920 the society had membership of 4,116, $220,000 in capital, its trade for the year amounted to $850,000, and returns were made to members of $65,000 for the year.

The society owns six grocery shops, a coal wharf, its own stables for its vehicles, a shoe shop, clothing shop, three dry goods shops, a vegetable store, a farm, and a bakery. In 1920 the bakery turned out a quarter of a million 4-pound loaves of bread, or a million pounds of bread. The land and buildings of the society are valued at $865,000. The society maintains a bank for its members and has cottages for rent.

For ninety years this co-operative has been serving the consumers, and each decade finds its membership larger, its resources stronger, and its business activities increased, while private business in contrary is shrinking in volume every year.

THE FUTURE OF IRELAND

George Russell, the intellectual leader of the Irish Co-operative Movement, has recently made this significant statement: “I should prefer the stability of national life to be maintained by the existence of such balancing forces in society rather than by the artificial methods of senates and venerable ancients to offset the vehement radicals elected to move democratic assemblies. No government in the world has hitherto trusted the people it governs. I am sufficiently an anarchist to have a dread of governing economic communities, much as I long for a fountain of lovable or desirable life. I hope to see in Ireland, some thousands of self-governing economic communities, multiplying in fact, leaving but little for central government to do for them.”

INSURANCE IN GREAT BRITAIN

The Co-operative Insurance Society of Great Britain, the joint Insurance Department of the English and Scottish C. W. S. is steadily crowding out the private insurance companies. In 1921 the C. I. S. took in 19 per cent more in premiums than in the previous year. The total assets of the business amounted to $112,000,000. Almost every conceivable variety of insurance is written by the society. The industrial life department alone issues 10,000 policies every week.

THE steady growth of the co-operative insurance business has alarmed the profiteering insurance companies. Agents of the latter companies go out of their way in slandering the Co-operative Insurance Society. Anonymous leaflets have been discovered, which misrepresent and belittle the C. I. S. But “every knock is a boost,” and more and more of the insurance business of Great Britain is being swallowed up by the C. I. S.

FRENCH DRINK WINE

The French Co-operative Whole- sale Society (M. D. G.) has 200 tank railroad cars for bringing wine from the vineyards into their wine vaults in Paris. Last year they spent 32,000,000 francs on wine, and consigned 5,000,000 gallons.

BERKS, PENN., SAVES MONEY

Twenty-two thousand dollars were the savings gained by Berks County, Pa. Co-operators during the year 1921. This includes 12 enterprises. The Bag of Corn Meal has grown some, as reports show.

The new year adds another enterprise to the list, the Workers’ Credit Union of Berks County. It started with $70.00 capital, and in the first six weeks it had 2,065 deposits. It had out loans amounting to $860, used to pay off loan sharks, save an increase in price of land to a member by prompt payment on it, buy 50 barrels of flour for a co-operative bakery at a substantial saving, etc.

In spite of the industrial depression, progress was made during the year, to be examined for other regions to follow. Reading, Pa. FRED M. MERKEL.
CORRESPONDENCE

JACKSON, TENN., PROSPERS

We have a co-operative society here that I feel very proud of. March, 1922, was the end of our second year's business. Our first year's business was $115,000, and our second year was $114,500. (With the fall in prices during that time, this represents a gain in business done.) We find a great deal of good information in the magazine CO-OPERATION.

The society has sent out checks representing a savings-return of 2 per cent on purchases from July 1, 1921 to December 31, 1921, and have paid 3 per cent on capital stock of the Society. We are paying to the shareholders about $1,000 in savings-returns and interest. Our prospects are bright for the future if we only remain loyal to the cause. It will only be a short time until our lodge room will pay over half of our rent bill, and of course that will be that much more to go into our surplus-savings. The only reason our business is not twice or three times as large as it is, is because the producers and consumers are not loyal to their own interests. They are other individuals that they prefer giving their money to, rather than keeping it themselves.

Now for the sake of those that toll, let us all get together, stay together, and pull together for the cause of Co-operation, for it is the quickest and surest way for us to reap the full benefits of our labor.

Jackson, Tenn.

E. S. MANLEY, President,
Madison Co-operative Society.

THE EDUCATED SECRETARY OF THE NEWPORT SOCIETY

Having been elected Secretary of the United States Committee of the International and desiring a better knowledge of the Movement than I now possess, in order that I may render to my fellow Co-operators a more efficient service, I am taking this opportunity to ask of the Co-operative League such assistance as you may be able to furnish me along the lines of educational literature and suggestions for the bettering of Co-operation in this city.

We are considering the issuing of a bi-monthly leaflet to all of our members, which should be in the nature of an educational course. Any suggestions you may have will be most welcome.

Newport, R. I.

WALTER C. CAMPBELL,
Co-operative Secretary.

March 14th, 1922.

HELP A FRIEND

Make real Co-operators by getting subscriptions to this magazine. People who understand Co-operation are the hope of the world.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF AUGUST 24, 1912

Of CO-OPERATION, published monthly at New York, N. Y., for April 1, 1922.

State of New York, ss.

Before me, a duly commissioned notary public in and for the State and county aforesaid, personally appeared J. N. Perkins, who, having been duly sworn, deposes and says that he is the owner of the Circulation Department of the Co-operative League of America, and that the subscription lists of the said magazine, the copies of which he said to be the owner, are all kept on hand at the place of publication, being a true statement of the ownership, management, and circulation of the specified publications.

I, J. N. Perkins, designated as Business Manager of the Co-operative League of America,

James F. Dowell, President,
A. P. Egner, Vice-President,
Waldemar Niemela, Treasurer,
New York City.

No other individual or corporation has authority to sell subscriptions to this magazine. People who subscribe to this magazine should subscribe to no other.

WALTER C. CAMPBELL,
Co-operative Secretary.

March 21, 1922.

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Issued monthly, in bundles, $1 per hundred.

Published by The co-operative League
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VITAL ISSUES
WHEN WILL THE REVOLUTION COME?

Some people who call themselves "radicals" are working for the revolution. But they can save themselves the trouble, the capitalists are doing it for them. And it is coming as surely as this country is ruled by the power of finance. The danger is that the working people will have no adequate economic system ready to take its place when the present system goes to smash.

If the people really want things changed, there is a way to change things. It is by patiently going to work and educating themselves to understand economics and collective action, and how to carry on the affairs of the world in a different way.

The trouble with the labor movement in the United States is that it really approves of the present profit-making economic system. It believes in the doctrine of master and servant. Yet it proceeds to be a bad servant by asking always for more wages. More wages means higher prices, and higher prices demand more wages. This means periods of high prices and high wages, and periods of low prices and low wages. The increase of wages is given after prices go up; while wages start down before prices go down. So the wages get away from Labor as fast as they are made. Between times, enough unemployment is thrown in to keep Labor docile. When prices are low Labor has not enough money to buy much of anything. When wages are high the workers put some money in the bank, and it is borrowed by the capitalists to speculate with and make prices high.

Labor needs to get a new view of things. It needs to get a vision of something beyond wages. It needs to stand for something beyond wages. It needs to take a stand for a reorganization of the whole economic system upon a different basis, and then deliberately go at the job and reorganize it.

When the workers get education in the fundamentals of economics and the significant events in history, they will then be found starting labor banks, credit unions, co-operative societies, housing societies, workers' schools, and people's houses. And out of the training that they will get in running these things will come the new men and women who can carry on in industries for the people.

This is a long program. It means a long pull and a long look ahead. But it is the winning program. The old system is strongly rooted in industry, in the government, in the homes, in the schools, and in the very minds of the people. It will not be destroyed by men; it will destroy itself. Then should come co-operative reconstruction.
THE FARMERS’ UNION TEACHES LABOR

There are in the United States two national co-operative educational organizations, which are sound and well-established, and which have a history of accomplishments. These two organizations are the Co-operative Association of the Farmers’ Educational and Co-operative Union.

All sorts of fanciful co-operative organizations have set themselves up from time to time for national recognition, half having all passed into limbo—or into a receiver’s hands—and the field is left at last exclusively to two true co-operative organizations. This responsibility which rests upon them is very great.

The Farmers’ Union dates back to 1892. It has members in thirty states. It is a special organization devoted to the social industry of agricultural workers; but since that industry exists in every state, the Farmers’ Union should be found in every state. The important fact concerning the Union is that it is not a producers’ organization, aiming exclusively at getting higher prices or larger compensation for its members; but it devotes attention to educating the people on the nature of co-operation as consumers as well as producers. It teaches them how to unite their bargaining power, not only in marketing the products of their labor, but also in purchasing their personal, farm and household supplies. This fact connects the Farmers’ Union with the great Co-operative Movement of the world. It is growing. It goes on while other farmers’ organizations appear and disappear. It represents a sound application of fundamental principles.

Other crafts of workers in the United States could learn a lesson from this organization. The great trade unions, which are giving attention exclusively to getting better pay and better conditions for their members, at the same time be carrying on education to teach these same members how to protect the purchasing power of their pay after they get it. Every trade union organization should be carrying on co-operative education.

Fake co-operative schemes have met with a cold reception whenever they have approached the Farmers’ Union or Co-operative League societies; but they have had little trouble in selling their gold bricks to trade unions—to the tune of fifteen or twenty million dollars in the last three years. The trade unions need to take a page from the Farmers’ Union book and learn Co-operation. When every trade union has a committee on Co-operation and gives real attention to this subject, trade unionism will place itself upon a much stronger basis than that upon which it now rests.

THE FEDERAL RESERVE BANK

About one-third of all the banking business of the United States is in New York State, and the New York Federal Reserve Bank conducts about one-third of the business of the entire Federal Reserve System. The report of the New York Federal Reserve Bank is, therefore, a pretty fair index to the entire country. It has been generally assumed that the federal banking system would eliminate the profiteers of the old banking systems, but as a matter of fact, it has not. The report for the year 1921 for the New York District shows that the net profit earned on the capital was 97 per cent. This may seem to be a good profit; but in 1920 the profit was 215 per cent.

It is instructive to observe that the “profit on capital, surplus and deposit” was 3.4 per cent. Modern banking claims that the profits are made on the money stockholders, but not on the money of depositors. The earnings for the year were $85,000,000; and the current expenses for earning this amount were $7,000,000, in this matter of overhead that co-operative banking is able to show a great economy. This is an added reason why the banking business of the European co-operative is forging steadily ahead. It not only gives the surplus savings to the patrons instead of to the investors, but it is conducted more economically.

The striking fact about the Federal Reserve Bank is that it makes huge profits out of the depositors’ money and gives the profits to investors. This is neither fair nor good business. It is not fair, because it is the method that creates a privileged non-serving class; it is not good business, because it is the method that is upsetting the world, and if it goes on the whole structure of modern civilization is threatened.

CO-OPERATIVE SOCIETIES SHOULD INCORPORATE

We have frequently emphasized the importance of incorporating co-operative societies. Some members are inclined to view the matter of incorporation as legalistic red-tape. They are mistaken. Incorporation of a co-operative society organized for business purposes protects each and every member against the possibility of being individually liable for the full amount of the debts of the association.

A recent case in California (Webster vs. San Joaquin Fruit and Vegetable Growers’ Protective Association, an unincorporated marketing association), illustrates the law on this subject. A suit was brought by a creditor of the association against the company and against the individual members of the association. The creditor recovered an individual judgment against certain of the members. They appealed on the ground that they were not personally liable for the debts of the co-operative association. The case went to the California Court of Appeals, which affirmed the judgment of the lower court, stating the law as follows:

A co-operative store that deals honestly in honest goods will always find it difficult to compete with the “cheap store.” A community that merely runs a “cheap store” is injuring the Co-operative Movement.

The important fact to get into the minds of the members is that the purpose of Co-operation is to distribute good goods, to give honest weight at fair prices.

The private store that sells inferior goods and takes advantage of the customer in the little matters wherever it has a chance, may be able to undersell the co-operative store, but the customer in the end will pay more. We must get the people to understand this. The purpose of the co-operative store is not low price, but the best value for the money.
CO-OPERATION

CO-OPERATIVE PRODUCTS' FACTORIES IN ENGLAND

By J. P. W.

Producers' profit-sharing workshops, often called "co-operative productive societies," were started long before the philanthropers' movement was established. Robert Owen and the old school of Co-operators of the early part of the last century were devoted to the theory that the workers as producers should completely get control of the shops. At the present time there are 105 of these productive societies in England. In 1918 there were 109. The important factor is the number of employees. In 1913 the workers numbered 10,500; in 1920 there were 11,500.

How nearly these shops are controlled by the workers may be seen from the fact that in 1913 the total number of shareholders of the societies was 35,000, and in 1920 it was 48,000. In other words, there are more than three times as many shareholders as workers. The workers have not been able to finance these undertakings, and consequently the membership is outside of the shops. This majority of shareholders who are not workers in the industry do not attend the meetings, the managers have every party and possibility of the government. They put their money either for investment or philantrophy. I will cite two of the best examples in England.

The Desborough shoe factory is one of the best of these shops. This case also the workers own only about one-third of the stock. Most of the employees are girls. As is the case in all industries, they are there only until they can get married or find a better job; but this fact prevents them from developing a permanent interest in the shop. On the other hand, marriage or a better job does not interfere with the consumers' relation to his society, except to improve it. This Kittering clothing factory is an old society of producers. I asked the manager what he saw ahead for it, what was to be its ultimate destiny? He frankly replied that it would probably end by being taken over by the Co-operative Wholesale Society.

Another of the best examples of a productive society is the Kittering clothing works. In this case also the workers own only about one-third of the stock. Many of the workers are young boys with the peculiar pallor that one constantly sees in other profit-making shoe factories. I was deeply impressed by this effort of the workers to get control of their factory by way of the producers' approach. The wages earned by these workers are on the whole slightly better than in capitalist shoe factories; but the struggle is a desperate one. I could not help recalling the spacious, airy, clean and beautiful shoe factory of the Swiss consumers' societies in Basel, or the big, airy factory of the Danish Wholesale at Copenhagen or the great shoe works of the English wholesale at Leicester. These three are consumers' factories. In comparison with them the efforts of producers seem like very precarious undertakings. As a plant the Desborough shoe factory compares very unfavorably with the corset factory of the C. W. S. in the same town.

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THE NORTHERN STATES CO-OPERATIVE LEAGUE

By SEVERI ALANNE

A brief report of the organization of the Northern States League has been published in the April issue of this magazine. The new district league is organized under the constitution of The Co-operative League. The convention was held in the Co-operative Central Exchange Building, on March 18. Fourteen co-operative societies sent 24 delegates to this convention.

Among the fourteen societies represented there was one central (wholesale) organization—the Co-operative Central Exchange of Superior, Wis.—and two co-operative (consumers') creameries; the rest were distributive societies (co-operative stores). The aggregate membership of these 14 societies exceeded 10,000, and the total sales of these societies during the year 1921 was more than $1,500,000. The following is a complete list of the societies represented at this convention:


Co-operative Central Exchange, Superior, Wis.; delegates, John Nummivuori, Severi Alanne, Matt Tenhunen, K. Lindenwall and H. V. Nurmi.

Franklin Co-operative Creamery
Association, Minneapolis, Minn.; delegate, Mrs. Edw. Solem.
Union Consumers' Co-operative Society, Duluth, Minn.; delegates, P. F. DeMore, John Crew and H. L. Morin.
Workers' and Farmers' Co-operative Company, Two Harbors, Minn.; delegate, Aug. Omveldt.
Glenwood City Equity Company, Glenwood City, Wis.; delegates, Wm. Rutzen and David Zillisdorf.
Spooner Co-operative Association, Spooner, Wis.; delegate, Wm. D. Campaigne.
Producers' Co-operative Association, Ashland, Wis.; delegate, C. L. Rydmark.
Central Co-operative Creamery Association, Superior, Wis.; delegates, Harry Bourquin and Arvid Nelson.
Farmers' Co-operative Company, Wright, Minn.; delegate, Victor Lahti.
Farmers' Co-operative Company, Cromwell, Minn.; delegate, Sam Saahman.
Wentworth Farmers' Co-operative Association, Wentworth, Wis.; delegates, Frank Berggren and Anton Christensen.
Brantwood Supply Company, Brantwood, Wis.; delegate, A. E. Lindros.
Pilsen Co-operative Association, Moquah, Wis.; delegates, John Melisko and M. J. Bizub.
Nine of the societies represented are in Wisconsin, while six are in Minnesota. Several societies from the state of Michigan had been invited to send delegates to the convention, but only one—the Crystal Falls Co-operative Society—had sent delegates. By a misunderstanding, however, these delegates had arrived in Superior for the 17th, on which day the co-operative managers' conference was held, and on account of arrangements they had made at home, had to return on the night of the 17th, and thus were unable to take part in the deliberations of the convention. But, as the Co-operative Central Exchange comprises also societies from Michigan, it can be said that Michigan, too, was represented at the convention.
Delegate Edw. Murray, of Milwaukee, was elected chairman; Delegate P. F. DeMore, of Duluth, vice-chairman; and Delegate S. Alanne, of Superior, secretary of the convention. John Scholtes, secretary of the Union Consumers' Society of Duluth, Minn., acted as assistant secretary for the meeting.
The secretary read a communication from The Co-operative League, conveying the wishes of the national organization to the convention. There was also a communication from J. H. Walker, secretary of the Bureau of Co-operative Societies of the American Federation of Labor, as well as a telegram of greeting from the Marquette University Chapter, Intercollegiate Co-operative Society of Milwaukee, Wis.
While waiting for the report of the credentials committee, an opportunity was given to one delegate from each society to say a few words about the history and activities of their respective societies. This was done also with a view of giving the delegates an opportunity to get acquainted with each other.
The committee on permanent organization took up the model constitution for district leagues as drafted at the second national convention of the Co-operative League, held in Cincinnati, Ohio, in November, 1920. This constitution was adopted by the convention with the slight changes necessary. It was agreed that each affiliated society pay 15 cents per member dues annually, so that the annual dues of a society, etc., would be $30 a year. The report of the Conventions Committee was then received and printed.
Other subjects discussed by the convention were:
The best methods for spreading co-operative literature and knowledge of the Co-operative Movement within the district.
A uniform system of accounting among the co-operative stores in the district. Delegate H. V. Nurm, of the auditing department of the Co-operative Central Exchange, read a paper on this subject.
Samples of literature published by The Co-operative League were distributed.
The following were elected district secretaries of the newly-created league: S. Alanne, of Superior, Wis.; Mrs. Edw. Solem, of Minneapolis, Minn.; Harry J. Toal, of Milwaukee, Wis.; John Nummiinveri, of Superior, Wis.; P. F. DeMore and John Scholtes, of Duluth, Minn. H. V. Nurm, of Virginia, Minn. The following were elected as alternates: C. L. Rydmark, of Ashland, Wis.; Wm. Rutzen, of Glenwood City, Wis.; Wm. D. Campaigne, of Spooner, Wis.; and M. J. Bizub, of Moquah, Wis.
The convention decided that the next convention of the league be held in Minneapolis, Minn., in September, in the new hall of the Franklin Co-operative Creamery Association.
Mr. Clark H. Gets, representing the Federated Press, acted as toastmaster at the banquet which had been arranged by a committee on arrangements, elected jointly by the Union Consumers' Co-operative Society of Duluth and the Co-operative Central Exchange. Besides the "eats," the delegates and visitors were treated with some orchestra selections furnished by the workers' orchestra of Superior, violin and vocal solos, dancing by children, etc. The banqueters were photographed and one of these photographs will be on exhibition in the offices of The Co-operative League.
After a session lasting practically all day and broken only by short recesses for lunch as well as the three-hour banquet, the first convention of the Northern States Co-operative League adjourned at about midnight on the 18th of March, which day will go into history as one of the milestones in the American Co-operative Movement.

ELIMINATION OF WASTE IN THE RESTAURANT

By MARY ARNOLD
Manager, "Our Co-operative Cafeteria," New York City
Abstract of Lecture at The Co-operative League School

There are three kinds of waste which we should consider:
1. Products, time, and, most important of all, the workers' spiritual force.
These first two may be thought of in terms of money waste. When it comes to simple buying, it is pretty easy to determine whether you are getting a thing for 10, 12 or 15 cents, or whether you are paying more than you should for products. Buying is so largely an individual problem that we will not discuss it in detail. In a cafeteria it is important to buy the exact article you want. The demand is the important factor, and it is here that the most waste is apt to occur, because it is not so obvious as in the cost of products.

One of our jobs is to know exactly what people want. It is necessary to study the custom. Before opening a place we make up our minds what class we are going to hit for. We find that men and women like entirely different things; young and old women and young and old men like different things. If we are going to buy successfully without waste we must know exactly what our group wants. Young women between 15 and 25 like a lot of sugar in their desserts, but every year the desire for sugar grows less intense, so that for people of 50 you would cut your sugar in half. College boys are different in their tastes from young women, and prefer volume to quality.
Waste is not a question of what is left over, for there should be no leftovers if the quality is right. It is a question of making the article hit the demand.

It is essential to know the intensity of demand. In establishing a restaurant you must know the number of people to be fed, the number compared with the acreage, and the number of other similar places. Also the character of demand. What kind of articles, the sex, age, etc. Your facts should be so collected and well calculated that your turnover will be immediate and the maximum number of people served.

In a cafeteria these careful studies determine the difference between profit and loss. In the first place, we find that one of our biggest problems is the exact measurement of the thing that is to be sold at a given price. In the beginning we discovered the first month that we were $80 short according to our books. By carefully shaving away so slightly the portions of meat, less sugar in desserts, etc., we found when the second report was read that we were $120 to the good.

Nothing should ever come back to the kitchen from the plates in large quantities. If the same thing comes in on two plates it is the manager’s duty to do every job in the place: wash the dishes, clean the coffee urn, serve the food, etc., timing herself on each particular job until the exact knowledge is attained. For instance, of the length of time needed to cut the bread and the number of slices to the loaf, etc., may be taken as a test. This must be done without speeding up or soldiering.

Cost accounting in labor is one of our biggest concerns. Schedules should show that the workers are using the time to the best advantage.

The third factor in waste is the technique of the job first. How to do it in the best way. Then the thing to remember is that it is the job in which they are primarily interested. We all have to be taught the technique of the job. How to do it in the best way. Then the result that should be asked of us. There is room for endless self-expression in a cafeteria if every opportunity is given to bring it out.

Co-operators have to face such problems is the exact measurement of the thing that is to be sold at a given price. In the beginning we discovered the first month that we were $80 short according to our books. By carefully shaving away so slightly the portions of meat, less sugar in desserts, etc., we found when the second report was read that we were $120 to the good.

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THE CO-OPERATIVE LEAGUE

DEDICATION OF THE LEAGUE HOUSE

On Saturday, May 13, 1922, the opening of The Co-operative League House in New York City was celebrated. Friends of Co-operation crowded the building. Some came from out of town from New York State, from Pennsylvania, New Jersey and Connecticut. Letters and telegrams of greeting and good wishes were read from members of the Board of Directors and other workers in the field from all parts of the United States. Music was furnished by an orchestra under the direction of a member of The League.

Addresses were made by Albert Sonnichsen, Emerson P. Harris, Peter Hamilton, Andrew P. Bover and Agnes D. Warbasse. J. P. Warbasse presided. Many prominent workers in the Cooperative Movement and well-known leaders in the field of labor education were present. Refreshments were served. A general spirit of happiness and exhilaration, inspired by the progress of The League and the evidences of its steady development, prevailed.

All of the speeches and the conversations of the guests rang with enthusiasm for The Co-operative League House. It was realized that after seven years of solid, patient work and growth, The League was entitled to a home of its own. The offices in which the Executive Board now do their work are comfortable, beautiful and commodious. Thus step by step, year by year, The League advances.

One of the speakers expressed his gratification that the Co-operative Movement in the United States was growing not fast, but slowly. It must grow slowly, because a sound Co-operative Movement can grow no faster than it can educate and train people to guide it. It is the steady work of The League that is building the foundation upon which a great co-operative structure may be reared.

PUSH THE MODEL LAW

The model state co-operative law drafted by the committee on legislation of The League, has met with a gratifying response. Influential people in Wisconsin, Ohio, Illinois, New York, and other states, are bringing the model law to the attention of legislators. Mr. J. P. Warbasse, secretary of the educational committee of the Roseland Co-operative Association of Chicago, informs us that the Roseland Society has seen the state representative of its district about the co-operative law. This is the right spirit, and other societies should follow this example.

In fighting some of the most dangerous fakes during the past few years, The League has learned to its cost that there is not a single state with laws which are adequate to deal with the clever fakers. The model co-operative law drafted by The League is especially designed to cope with this situation. Copies of the law will be sent on request.

Get behind the model law in your state, and have it enacted, for the protection of the public and of co-operative societies.

TABLE OF GROCERY BUSINESS PROFITS

A very valuable report of a survey made of the retail grocery stores in New York City has been issued by the New York State Department of Farms and Markets. The report contains tables giving the percentages of gross profit on various commodities, and other useful information. An especially valuable study is made of the operating expenses and profits of "cash-and-carry" stores, as compared to "credit-and-delivery" stores. The report is written in popular style, and the points are made clear by means of graphic illustration.

The board of directors of each society should study this report carefully. Copies may be had on application to Herschel Jones, Director of the Department of Farms and Markets, 90 West Broadway, New York City.

ADVICE TO STORE MANAGERS

Buying

It is absolutely necessary to keep the stock down and to turn it over as many times a year as possible. A loose-leaf book or The League's order blanks should be used. Some managers like the card system, and keep an index near the cash register, and each sale is entered at the time on the correct card. These cards show stock on hand when inventory was last taken, new stock added, and stock sold. This plan gives a perpetual inventory. It entails much work when many lines are carried, and can rarely be carried out in co-operative grocery store, if there is lack of help.

In buying a new line of goods the price and terms should be favorable. Take no chances; buy in small quantities when the price is not higher than in large quantities. There is much time saved by ordering by mail. You order when you need what you need in the amount you will consume in seeing salesmen. It is wise to go to market frequently and to keep in touch with wholesale prices through a trade journal. Avoid buying on commission or on consignment. Get a carbon copy of every order you give a salesman, and keep a copy of orders sent by mail. You can get order blanks and envelopes from all wholesalers. Discount your bills. Pay as soon as invoices come in; this makes less bookkeeping. Enter on the check the date of the bill and check pays. If the turnover is not large it will be found hard to buy in the right quantities and at right wholesale prices. Case lots from the jobber is not a good plan. Twenty-five case lots from the wholesaler direct is much better when the business is big enough. Haul your goods if possible. This saves a great deal. Judge what people want by what they have bought before. In opening a store be conservative. Do not put in a large line of specialties. Visit neighboring stores to find out the special needs of the vicinity. Be courteous to salesmen, but let them know that you are too busy to give them more time than necessary. It is wise to compare prices before giving your order. Tell them you will mail your order later, and then find out how much others are quoting. Be not afraid to say "no" to a salesman. Remember, you are spending other people's money at every time you give an order. Spend it with the same care you would your own. The directors should always be consulted before any unusual order is given.

Fruit and Vegetable Department

The manager must pay particular attention to the purchase of fruits,
CO-OPERATION ENDORSED BY LABOR FEDERATIONS

At the Pennsylvania Federation of Labor Convention at Scranton the address of fraternal greetings in behalf of The Co-operative League, by Andrew P. Bowen, was enthusiastically received. Mr. Bowen, who, in addition to being vice-president of The League, was elected third vice-president of the Pennsylvania Federation of Labor, was instructed "to go the limit" in carrying on educational work among the co-operatives in Pennsylvania. The Labor Federation will pay his expenses. Mr. Bowen reports that he had never experienced so gratifying a reception in advocating Co-operation before the federation convention as he had this year. As an evidence of the need for co-operative education, it was reported at the convention that the disastrous experience of the Wholesale, which cost organized labor in Pennsylvania $213,000, would never have occurred if the warnings issued by The Co-operative League had been heeded. The Federation of Labor also took a very favorable attitude towards Co-operation. Mr. W. F. Seigenthaler, a loyal Co-operator, at a great personal sacrifice, attended the convention at Memphis and delivered the greetings of The League. The convention adopted a resolution endorsing and approving the work of The Co-operative League, and instructing the officers of the Federation to take up the study of Consumers' Co-operation and to further its development as they can. Mr. Seigenthaler reports that an amusing incident occurred in the committee on resolutions. The only person in the committee familiar with Rochdale Co-operation was a woman school teacher. Men who had been in the labor movement many years had never heard of Rochdale Co-operation, and heard of it for the first time from the lips of a woman.

Meat Department

The manager should see to it that a competent meat cutter is put in charge of the meat department. All the expenses and sales should be kept separate from the rest of the accounts. Some stores in country towns buy native stock and employ a meat cutter by the day according to the need. There is a saving in making lard and sausage meat at the store. See that the ice box is kept clean.
are inspected monthly by a firm of public accountants, and a certified statement has been issued semi-annually, consisting of the balance sheet and six months’ income account. Such statements in the future will be issued every three months.

The society has over 750 members. Its restaurants are at 52 East 25th Street, 54 Irving Place, and 22 Thames Street.

THE GREENWICH VILLAGE LAUNDRY

The Greenwich Village Co-operative Laundry in New York City continues to make progress.

Several times in the last six months it has had to put in more washing machines and enlarge its force. The laundry is owned by the Greenwich Village Co-operative Society, which is composed mostly of artists, writers, and other professional people.

This is a laundry in which no de-structive chemicals and no bleaches are used. Clothes are washed with the same personal care as at home, regardless of the expense. The prices are no higher than other hand laundries; but, unlike the so-called “hand laundries,” that are really just receiving stations for big steam laundries, this one actually does hand work. This laundry aims to wash the clothes of its members better and more safely than they can be washed elsewhere.

Strenuous opposition from private laundrymen in the vicinity has been aroused by the success of the co-operative laundry. The profit-making laundries have resorted to every trick possible to destroy this competitor. Its delivery boys were induced to lose packages. When this failed, the boys themselves disappeared, several of them in succession.

Packages were stolen, acid was maliciously thrown on clothes after they were washed. By this means holes were burned in the wash. Employees have been offered higher wages and other inducements to get them away from the laundry. Still the business is three or four times larger than it was six months ago.

The laundry began in a small way and expanded gradually. It now has three power washers, a mangle, a dry room and employs nine persons, with every indication of continuous growth.

ROSELAND CO-OPERATORS SAVE 110 PER CENT

The Roseland Co-operative Association, of Chicago, affiliated with The Co-operative League, makes a savings-return to its members and non-members equal to about 90 per cent of the invested capital. It has a grocery and meat market, a branch store, a restaurant, club rooms, and a library.

During the same period hundreds of thousands of dollars were being lost by a gigantic Chicago fake “co-operative.”

The Roseland Society had a turnover of $195,650 in 1921, a decrease of $12,000 as compared with the previous year. In view of the steady decline of prices during the year, these figures represent a gain in the volume of business. The net surplus-saving amounted to $6,332.76. The society paid $359.50 in interest on capital and loans, and paid savings-returns amounting to $5,024. As the subscribed capital stock of the society is only $5,720, the savings-returns represent a return of about 90 per cent of the invested capital. In addition to these savings, the sum of $485.70 was retained for reserves, after paying all expenses, interest and returns.

The net surplus-saving of $6,332.76 is what profit-making business would call profits. On an investment of $5,720 this represents a return (or “profit”) of 110 per cent. That is about twenty times more return on investment than the average capitalist gets. We insist that if the people will but organize and conduct true co-operative enterprises, they can beat the capitalist at his own game.

BALTIMORE SOCIETY HELPS MINERS

In spite of the fact that it has not yet been in a position to make savings for its members, the Organized Labor Co-operative Society of Baltimore, Md., has rendered a great service. During the past few months, the sum of $15,000 was dispensed through the co-operative store for the relief of miners of West Virginia and Western Maryland. Every dollar spent in the co-operative society for food for the strikers bought more goods than could be gotten through private firms. Six carloads of flour, bacon and other staples have so far been supplied through the co-op.

This society has a membership of miners and workers. It has an active women’s guild, which is developing plans for a co-operative camp to be conducted this summer at the Patapsco forest reserve. At a small cost, camping facilities will be provided for the families of the co-operators.

The store operated by this society is showing a steadily growing business. Overhead costs have been materially reduced. The Rochdale plan is followed, and the society does not hesitate to seek the assistance of the League, with which it is affiliated.

CO-OPERATION IN SHANGHAI

A co-operative society has just been organized at the Fuh-Tan University, in Shanghai, China. The name of the society is The Ping Ming Co-operative Association. We are assured that this is the first co-operative to be organized in China. This pioneer group is in touch with The League, and is profiting by American education and experience.

CONCERNING MAINTENANCE OF WAY BROTHERHOOD

In the May number of CO-OPERATION we were in error in the matter published under the caption, “A Badly Advised Railroad Brotherhood.” The United Brotherhood of Maintenance of Way Employees and Railway Shop Laborers is not and never has been in the hands of a receiver by order of any court. The only order restraining the Brotherhood from withdrawing its bank deposits was one issued in the state of Ohio. We are advised by the Grand President of the Brotherhood that, though the organization has suffered financial loss through the wild and frenzied orgie of spending indulged in by former officers in industrial enterprises, the total loss to date, as disclosed by the certified audit, will not approach one-sixth of the amount mentioned in our May article.

It is most gratifying to learn that the losses suffered by this Brotherhood are not so great as had been supposed. But what is more gratifying is the fact that this organization now has as officers men who are truly interested in real co-operation, and who can be relied upon to protect the members against the wild schemes into which labor bodies now seem so prone to enter.

CENTRAL COMMITTEE OF THE I. C. A. MEETS

The Central Committee of the International Alliance met at Milan, Italy, April 10 and 11. It received the report of the special investiga-tion, which had just returned from Russia. The report showed that the distributive societies had been given their full freedom, and are no longer dominated by the government; in fact, they have a larger degree of freedom than have the societies in many other countries. The Central Committee will be held in Hamburg in the spring of 1923.
MARGARINE IN DENMARK

We drove in an automobile from Ringsted to Haslev, in Denmark, last summer. Along the road we stopped at a co-operative store, in the remote country. In front of the store stood a wagon which had stopped to deliver margarine. Here in the rich dairy country of Denmark, that makes the best butter in the world, the co-operative store was selling margarine to the farmers. Why is it? Because the farmers get such good prices for the but- ter. The people who can buy margarine so cheaply have not the heart to eat butter. Strange as it may seem, the Danish co-operative wholesale has no creamery or butter factory, but it has a margarine factory. This is one of the strange results of economic determinism which directly affects the Co-operative Movement.

J. P. W.

EVEY MEMBER PRESENT AT ANNUAL MEETING AT PINE BLUFF

The Pine Bluff Co-operative Association, Arkansas, runs a general store. At the last meeting of the stockholders a savings-return, to the amount of $2,800, was distributed back to the stockholders. The Association paid to all stockholders the surplus-savings column to be distributed later as the stockholders see fit.

The conference brought them together. They are now in close communication with each other. They have taken lessons in store management, in proper sanitation, in types of machinery required. They passed on their experience to a new co-operative bakery opened last summer in Springfield, now the largest co-operative bakery in the state. Small savings in bakery materials were effected by a sort of collective contract. A plan for the future is the purchase of flour through one office, in lots of five and ten cars. With a more stable market this may yet come.

Another matter of collective buying among the bakers is the purchase of coal in large quantity for the shareholders. I am now writing to a Pennsylvania mine for information on a purchase of 100 cars of coal for distribution in our eight cities. Springfield sold coal to its shareholders last winter at a saving of $1 per ton, and used eight cars, starting late in the year. I have left for the end, and purposely, the educational work of the conference. In the past this part of co-operative work has been much neglected; we are just beginning to realize the need of more publicity, more training in the need and aspirations of the members, the need of co-operative education. We have now under consideration the use of your four-page Associated magazine, the fourth page to be printed in Yiddish. Through the conference we were able to arrange a number of meetings in all of our cities. With the Associated Magazine we expect to reach every shareholder in the state. In addition, we are planning to translate into Yiddish some of the leaflets you have sent up, and use them in this way. We get something novel into our meetings by the use of motion picture reels or slides on phases of the Co-operative Movement.

MEYER GOLDBERG,

Conference of Massachusetts Co-operative Bakers.

WORD FROM THE FIELD OF ACTION

The “Conference of Massachusetts Co-operative Bakers” is a league which began with a conference and which continues to hold conferences.

It was formed more than a year ago, and now meets bi-monthly, each time in a different location. At the conference last fall in Boston, six bakers in Massachusetts, each going its separate path, in management, in buying, in educational methods (or lack of educational methods), met. The conference brought them together. They are now in close communication with each other. They have taken lessons in store management, in proper sanitation, in types of machinery required. They passed on their experience to a new co-operative bakery opened last summer in Springfield, now the largest co-operative bakery in the state. Small savings in bakery materials were effected by a sort of collective contract. A plan for the future is the purchase of flour through one office, in lots of five and ten cars. With a more stable market this may yet come.

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MEYER GOLDBERG,

Conference of Massachusetts Co-operative Bakers.

HILLMAN NOW ON RIGHT TRACK

Your letter of recent date was read at our last stockholders’ meeting, and they decided to join The League. We have had lots of experience with the Co-operative Movement in Seattle of recent years. We were part of the old Consumers’ Co-operative, organized by Messrs. Ames, Clarke and Land. We organized a few months ago after the failure of the consumers. Finally, we have got the right path.

In a small locality with seven competitors, we held our overhead down to the lowest figure. Our stockholders are visited upon you as a director will think twice before taking the leap into the turbulent sea of Co-operation. Pandora’s box, with all its troubles, was a pike compared to what trying to operate a co-operative store in Pine Bluff has demonstrated. As an illustration: One of the members of the board hired his duties as a director with a high heart that dared fate to come out and do its worst. The snow is now beginning to show in his hair. The box of trouble opened when we unlocked the co-operative store. You who read this and contemplate a voyage of Co-operation will do well to consider many things. First, is this: generally speaking, all men are liars by the clock; they’ll become all “het” up about an idea, ready to go through fire for it; then in a few days they have forgotten it. Remember that the sting has never been taken out of human nature. All the meanness and cussedness that ever possessed a group will come out when you begin your co-operative store. The crop of sleepless nights and tales of calumny that are visited upon you as a director will be countless.

And now again I will say that if you contemplate suicide, forget it, and try operating a co-operative store, and you’ll find life just one sweet nightmare after another; and then you’ll get mad and want to live in order to see each one of the knuck- ers of your cherished dream die a hard death.

But the lane ends, and opening before us here, in Pine Bluff, we believe is the turning point. Out of desperation and despair; out of all the mean things that can be said about the store, it still stands, after two years of operation, as a monument to organized labor. It is still in its infancy, but with literally every one of the two hundred and fifty stockholders present at the meeting never before were they so impressed with the magnitude and soundness of the business.

The Union Labor Bulletin.

W. S. BUSICK.

CO-OPERATION
NEW YORK MILLS SMALL BUT STRONG

We are glad to be able to say that the business done by our store during 1921 was most satisfactory. Gross sales were over $45,000, and our net surplus savings over $4,200. We paid interest of 4 per cent to non-members on cash and 2 per cent to non-members on house delivery sales. Also 8 per cent on employees’ salaries. There are about 125 shareholders, who thus far have given the store loyal support.

W. S. BAKER, Secretary.


The practice adopted by this association has come from the rebate of members who insist on house delivery service. Members who receive house delivery service should pay for it.

THE NEW BEDFORD BAKERY

This bakery is in existence over three years, and doing a business of over $50,000 per annum, primarily a Jewish business, as all the shareholders are Jews. We have bought a lot and are planning to build a modern bakery the coming summer. We would like very much to interest the American public in public baking, so that when we build our bakery we could put in an oven for American bread also. In addition, if we refer to the American bakers who have been working hard to bring the project to the point where it now is. In this way we are making numerous savings to the Co-op, thus keeping the share capital as intact as we can.

O. J. ARNESS.

Cleveland, Ohio.

FROM THE LEAGUE’S EUROPEAN CORRESPONDENT

CO-OPERATIVES THE ONE HOPE IN EUROPE

My most serious interest in the Co-operative Movement has developed since I have been in England, Ireland, France, Germany, Austria, Hungary and Italy, studying the social, economic, and political situations in these countries, first as an independent student and later as a correspondent. Certain things stand out glaringly in all these countries, first the collapse of the social democratic idea and idea. I have not been in Russia, but living here in Venice, where some of the refugees go through daily, and reading Karl Radeck’s own very frank confessions in the “Red Flag,” talking with Russians in the immigration houses in London, and comparing the evidence with the bolshevik experiment in Hungary, it all tells one story of the utter hopelessness of the social democratic, Marxist, bolshevik idea.

The tragedy of the socialist failure in Austria, Hungary, Russia, and Italy, is that the masses of the lower left with nothing to take its place. A very large number of the idealists who were actually or nominally in the socialist cannot find among them who have even a degree of intellectual honesty realize that they have been following a tale, a tale of which to what can they look? The result is an appalling cynicism, I cannot but feel that we are entering the “Twilight of the Gods.”

I don’t see any rifts in the present reaction. Instead it is deepening everywhere. So that out of all the hate and blindness there seems to be very little to which one can cling. But what little there is in immaterial that seems to stand up under the test is invariably the free, spontaneous, decentralized movement, and anything human needs. So in Bavaria the co-operatives have come blithely through everything, and are stronger than ever. In Ireland, where I spent two weeks last August, the co-operatives were the only associations able to keep their heads above the political storm—although the English attacks on the crematoria, waged for God knows what reason, brought them even into the maelstrom. Still it was inherent in their quality that they managed to keep out as long as they did. In Venice I spent six weeks during and after the metal workers’ fight last autumn, it was a joy to go to San Vittorio and see there a real example of actual communism, the result of twenty years’ co-operative activity.

DOROTHY THOMPSON.

Switzerland.
THE CO-OPERATIVE LEAGUE
(Member of the International Co-operative Alliance)
167 West 12th Street, New York

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THE THIRD CO-OPERATIVE CONGRESS
The Third Congress of The Co-operative League will be held in Chicago October 26, 27 and 28, 1922. The First Congress was in Springfield, Ill., in 1918; the second was in Cincinnati, Ohio, in 1920. This Third Congress will differ from the others in that it will be a representative congress of the newly constituted League. The other congresses accepted delegates from all true co-operative societies. At this Third Congress only delegates from societies which are members of The Co-operative League will have the right to vote. The call to the Congress is printed on another page of this magazine.

The time has come when the national union of co-operative societies must take its place as the authoritative body in the United States. The test of a true co-operative society should be its membership in The League. There must be some means to distinguish true societies from the false. The former should be members of The League; the latter cannot be.

The League is the only organization in the United States which is a member of the International Co-operative Alliance. It is recognized by the Alliance as the union of consumers' societies of this country. It is through The League only that societies in the United States can become a part of the great world movement. The League is now taking the position which the similar national unions in the other countries take. Its congresses hereafter will be congresses of its constituent societies. All true co-operative consumers' societies in the United States are eligible to membership in The League. For over six years now they have been receiving the invitation to join it. If they remain longer outside of the national family of societies they may suffer the suspicion that they are not eligible to membership.

The Third Congress should be an occasion of great importance to the Movement in this country. It should be of historic significance, for it is another step forward in the development of an organization of the people which, before many more years have passed, will become the hope of a disordered society.

THE DIFFERENCE BETWEEN CO-OPERATION AND "BUSINESS"

While politicians and business men are running the world into a hole, there remains one method that can save it. That is the method of production and distribution for use instead of for profit. And that can be attained by the application in the
economic life of the three fundamental principles of Co-operation. Some day our professors of economics will wake up to the significance of these principles.

The first is: One member, one vote. It means that human beings will be foremost among the fundholders in each share of stock votes. That means that money rules. The god of dollars sits on the throne of economic life of the three fundholders.

The second principle is: Surplus-savings (or "profits"). The difference between net cost and selling price, shall be used for the common good. It shall be used for the common good between net cost and selling price, or at least that much of it, so that no matter how large the surplus-savings (or "profits") may be, invested capital has no claim upon them excepting to receive its fixed interest rate. What remains, after paying the interest rate, is used as described above under the second principle. This again limits the rewards which capital receives to the simple wages of capital. In Co-operation capital is paid as a servant, in profit-business it is a master. In Co-operation each share of stock votes. In profit-business the stockholders own the company. The co-operative society in not giving it to stockholders in proportion to their stock holdings, but to patrons in proportion to their patronage, thus has no profit.

The member of the co-operative society puts in some original capital to buy a supply of goods. He goes to the store and gets goods for which he has already invested. In order that the society may have capital to replenish the supply, every time he takes goods away he deposits with the society money enough to purchase that amount of goods again, and in addition he deposits enough more to make up a sum equal to the prevalent retail price. These deposits accumulate in the treasury. Goods are replenished. At the end of the quarter the deposits are returned to the members less the amount necessary to pay for the goods the member has taken and for the overhead costs. It is a mutual banking, joint buying and distributing business, but not a profit business. There are savings, but not profits. Profits are made only where sales are made to non-members. For convenience, the lingo of profit business is used and sales are spoken of. Properly speaking, the co-operative society makes purchases for its members who contribute to the community. The co-operative society participates in the purchasing, but the society does not sell to its members. It distributes to and for them.

The third principle is: If interest on capital is paid, it shall be predetermined and fixed at the minimum current interest rate. This means that no matter how large the surplus-savings (or "profits") may be, invested capital has no claim upon them excepting to receive its fixed interest rate. What remains, after paying the interest rate, is used as described above under the second principle. This again limits the rewards which capital receives to the simple wages of capital. In Co-operation capital is paid as a servant; in profit-business capital rules, and gets all.

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The course of time, when competition with profit-business shall be no longer a pressing problem, the last of these methods will be abolished and the second will be reduced to a vanishing point. Today interest must be paid because the consumer can get interest on his capital in the profit-making bank. Co-operation should follow the example of this. When profit-making is no longer the dominant business system, the costs of goods will be lower and the need to pay a current retail market price will no longer exist. In other words, prices to the consumer will be cost prices, plus a small amount for social purposes and administration.

It is important to keep these three principles before the people. They must be adopted sooner or later. The more people who know about them the sooner the world can be gotten out of the hole into which the profit-system of business is rushing it.

DESPITE MISTAKES

Abraham Lincoln said, "God must have loved the common people. He made so many of them." Their power to survive and perpetuate themselves has been very great. What they have suffered and come through is graphically described in the series of books, "The History of a Proletarian Family." Still here they are, these common people, struggling along to find a way up and out toward the light.

Now we see them attempting to solve their problems by means of Co-operation. There seems to be something about this Movement that fits it to the common people. Despite every sort of obstacle and every sort of mistake, it goes on succeeding and moving toward the light. There seems to be some sort of natural protection always saving it, always casting about it a spell of life.

As one studies the histories of the British societies that date back more than half a century, he finds the horrible trials through which they have suffered. The co-operative society in many an English town succeeded after many others had failed. The incompetent manager, the dishonest treasurer, the indifferent and disloyal member, the ignorant and stupid directors and the scheming, profit-business men of the town, all made success difficult. But often after repeated failures, after being knocked down and battered and bruised, Co-operation has gotten up and made good. There is no business mistake in the whole catalog of human errors that co-operative societies have not seized upon and cherished as though it were a virtue. They have fumbled along to find a way up and out toward the light.

The manager who is faithful to the ideals of Co-operation must be long-suffering and patient. But in the end his reward should be the satisfaction of seeing a successful society. And no single individual can contribute more to that success than he.
CO-OPERATION

THIRD CO-OPERATIVE CONGRESS

The Co-operative League calls upon its constituent societies to send delegates to the Third Co-operative Congress, to be held at

CHICAGO, ILLINOIS,
OCTOBER 26, 27 and 28, 1922

This Congress is of the utmost importance. Every society which is a member of The League should make an effort to be represented. Only delegates of constituent societies may vote.

All consumers' societies — distributive stores, banks, wholesales, restaurants, laundries, bakeries, housing, recreational, and educational societies, etc., which are members of The Co-operative League, are entitled to one voting delegate, and an additional voting delegate for every 500 members above the first 500 or a majority fraction thereof. Delegates and alternates should be elected at the earliest possible membership or board meeting. Societies are urged to send as many other non-voting delegates as possible.

All co-operative societies in the United States which are not members of The League are entitled to be represented by fraternal delegates, provided that they comply with the following requirements:

(1) One vote for each member; no proxy voting. (2) If capital is paid interest it shall be not more than legal current rate. (3) If there is surplus-saving ("profit") it shall be reserved for expansion, used for the general social good, employed for the common benefit of the members, or paid back as cash savings-returns ("dividends") in proportion to patronage or service. (4) Democratic control.

In addition to the above: Producers' copartnership societies and agricultural marketing and service societies, which comply with the above requirements, are invited to send fraternal delegates.

Trade unions, educational societies, and other organizations, not co-operative in form, but favorably interested in the promotion of the Co-operative Movement, are invited to send fraternal delegates.

The courtesy of discussion may be extended to Fraternal Delegates.

Members of co-operative societies, trade unionists and individuals who are interested in the promotion of the Co-operative Movement are invited to attend the Congress.

Among the subjects which will be presented and discussed are the following: District Wholesales; Model Co-operative Laws; Accounting; Banking; How to Meet Chain Store Competition; How to Avoid Credit Trading; How to Promote Education; Co-operation and the Labor Movement; the Problem of Income Tax; Store Managers' Societies; etc., which are members of The Co-operative League, are entitled to make proposals. (5) Representatives of constituent societies may vote.

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The place of meeting will be published in the magazine CO-OPERATION, and the information will be sent to Delegates upon the receipt of their names and addresses.

THE CO-OPERATIVE LEAGUE,

THE BOARD OF DIRECTORS.

J. P. Warbasse, President.
John F. McNamee, Secretary.
a furniture factory, a clothing factory and 9 farms of a total of 3,000 acres. It distributes over 50,000 tons of coal a year among its members, in which service it uses its own three-lined schooner, motor barges and railroad coal cars.

The society has 2,500 employees. It owns 215 horses, 1,200 vanes, 7 touring cars, 9 milk trucks, 113 milk wagons, 336 milk cows, 236 bullocks, 850 sheep, 1,200 head of poultry and 264 pigs. Its daily milk output is 4,000 gallons and it uses 1,000 sacks of flour weekly. Its beautiful "holiday house" in the country is in constant use. It makes an appropriation of $15,000 a year for the use of its Educational Committee, which conducts classes, lectures and many other educational activities. The society's library contains over 12,000 volumes. The members borrow 2,500 books weekly. A monthly magazine is published. Five district branches of the Women's Guild hold weekly meetings.

What this Society has done for the people of Plymouth is beyond calculation. Since it was started, it has distributed to its members $115,000,000 worth of goods, in which they have been guaranteed freedom from adulteration and every form of cheating. In doing this it has made a surplus for these people of $17,000,000. Plymouth has many poor families that have been put on a self-supporting and self-respecting basis through this society. Its educational influence has permeated every home in the city.

But above all, its important service has been in training simple people to administer industry. This is the contribution made by co-operative societies which will have a profound significance in the reorganization of the world.

THE CO-OPERATIVE MOVEMENT IN MILWAUKEE

By DANIEL W. HOAN
Mayor of Milwaukee

The first co-operative venture to succeed here was a savings bank. In 1912 twenty-five Co-operators, of whom I had the honor of being one, signed an application for a charter from the State of Wisconsin. The feature of our charter is that each member has one vote, the law requires the sale of no stock, and all of the profits of the enterprise go in interest and dividends to those who deposit their funds in the bank.

The charter being granted, a little room was rented in the downtown district on the second floor of an old structure which looked more like the office of a country doctor than of a bank. Nevertheless, the workers managed to place their savings in this bank. To keep down expenses, the President, Mr. Charles Whitnall, donated his services to the institution for several years. The money taken in was securely invested, principally in interest-bearing certificates of deposit, and as the surplus was invested in municipal bonds. In this way the entire savings of the institution were used to encourage municipal enterprise and home building. The deposits of this little institution have grown with each year until today they are $800,000. With this growing activity, a splendid new location was rented on the first floor of one of the principal streets in the city. The bank bears the title, "Commonwealth Mutual Savings Bank." It has never charged to exceed 5 per cent on any of the loans which it has made to help struggling workers, nor has it ever charged more than a nominal fee for making the loan. In spite of this, the bank has been able to pay to its depositors during the greater part of its existence a larger rate of interest than any other savings bank in the city. It is now regularly paying 3½ per cent, which is ½ per cent higher than other banks are paying to depositors; and during the last year we have been able to declare an extra dividend to these users of the bank.

We are very proud of this enterprise in Milwaukee and its increasing usefulness. We trust in the near future that the Board of Directors will add a checking account feature and otherwise enlarge its activities.

The next co-operative venture to succeed was the Milwaukee Consumers' Co-operative Association. Out of the experience of the Women's Auxiliary of the Railway Brotherhoods in securing orders and selling carloads of canned goods to the railroad men, the sentiment was created for a real co-operative enterprise to take care of this work.

In the fall of 1920 the interested workers met and applied for a charter. I had the good fortune to be elected to the board of directors at the first meeting. When the sum of $16,000 had been paid in in February, 1921, we purchased our first store. The business and membership increased until now there are 164 members. This business was started at once and at the expiration of the first year over 300,000 cigars were manufactured and sold. These cigars are made by union workers, drawn on a scale of wages. While this enterprise was launched during the financial depression, it is on a growing and sound financial basis.

In February, 1921, during the general lockout of tailors, forty or more of the strikers decided to invest their savings in a tailoring enterprise. This enterprise was started and conducted during the worst of the depression; nevertheless, through the efforts of its members, the enterprise is 100 per cent intact; its membership has increased, and its business is growing.

Last, but not least, there has been launched in Milwaukee one of the most interesting Co-operatives of the United States, namely: home building for working men.

During the war I had the pleasure of naming a commission of five Co-operative members of the community, to answer two questions.

First—Is there a housing shortage in the City of Milwaukee?
Second—If so, what, if anything, shall be done by the municipality?

The Commission reported that there was a serious housing problem and that a special co-operative law should be adopted by the legislature to permit the incorporation of the Co-operative Housing Company. This was done and the enterprise launched. The company is a Rochdale co-operative in every feature except two.

First—Like some English co-operatives, the city and county can subscribe to the capital stock.

Second—Instead of having one vote for each stockholder, votes are allowed in proportion to the number of shares. This departure was necessitated, since at that time it was not believed that the $250,000 required could be secured without it.

An appeal to the business men to purchase the stock was necessary. Twenty-five houses will be under roof in two weeks.

The land was platted with a view to the establishment of summer camps for the children of their members. The company arranged for a drive to supply the necessary funds to build at least one house a day during the present summer and fall. We have sufficient information from the cost sheet already worked out to state that these homes will be turned over to the occupants for from $1,000 to $1,500 less than they could be secured under the old plan.

This is possible:

First—Because of the donation of many services.

Second—The elimination of real estate men, contractors and other useless extravagance.

Third—In the purchase of the material for the houses at wholesale.

The union scale and hours of employment have prevailed throughout. There has been a remarkable demonstration of the efficiency of the members.

The occupant of a home does not obtain a deed. He subscribes for common stock equivalent to the value of the cost of his home and lot, which will be in Par. He will thus get a 6-room house. They will pay down 10 per cent of the cost of their stock, which money will be used to retire or pay off that much of the preferred stock. On the unimproved lots the unimproved part they will pay interest.

All other expenses, like taxes, water, repairs, etc., will be paid to the co-operative company in monthly installments. While figures are not yet available, I predict that the rentals ordinarily paid by workmen for similar houses will not only pay all the expenses of the housing concern, but will pay for the stock. The payments will cover both fire and life insurance so that in the event of disaster the members of the family are protected.

While the co-operative does not secure a deed, he is given a contract which is much more than a lease. It will guarantee to him permanent tenure to himself and heirs while he obeys the rules of the co-operative company.

Another advantage of this method of home owning for the workers is that in case of severe illness or necessity of leaving the city, the company agrees to purchase back the occupant's paid-up stock at the par value.

VACATIONS FOR CO-OPERATORS

In the dog days of summer one's thoughts naturally turn to the subject of vacations. While only a handful of co-operatives in this country have considered establishing vacation camps for their members, it is a common practice abroad to provide such facilities.

For example, the Union Des Co-operateurs de Paris, the Federation of all co-operatives in Paris, has established seven vacation colonies, with the exclusive use of its members and the members of societies affiliated with the National Federation of Consumers' Co-operative Societies. Four of these summer camps are on the seacoast and one is in the mountains.

In England, the Co-operative Union has arranged a holiday tour for adult co-operators. The party will visit some of the most beautiful touring centers of Scotland. For the junior co-operators, summer schools will be conducted at vacation camps owned by the Royal Arsenal Co-operative Society of Woolwich and the Nelson Co-operative Society.

Second—Instead of having one vote for each stockholder, votes are allowed in proportion to the number of shares. This departure was necessitated: since at that time it was not believed that the $250,000 required could be secured without it.

As rapidly as the occupants of the homes pay for their common stock the preferred stockholders will be paid off and the occupants will become the sole managers of the enterprise. Its popularity is assured by the fact that there are already more than 900 applicants for the seventy-five or more houses, finances for which are assured.

We have no hesitation in saying that the co-operative offers the best solution of the housing problem which has yet been devised. Even the socialists of Europe have abandoned their position for municipal houses in favor of the co-operative idea.

In closing, let me say again that Co-operation has taken a firm hold in the City of Milwaukee.
CO-OPERATIVE INSURANCE IN NEW YORK

By BORIS FOGELSON
Secretary, Co-operative Fire Insurance Company of Woodridge, New York

Three-quarters of a billion dollars' worth of fire insurance is in force among the co-operative fire insurance companies in New York State, according to the advance report for 1922 issued by the Insurance Department of the State of New York. A study of the official figures reveals the fact that co-operative insurance is more widespread than the general public imagines.

In the State of New York alone there are 166 co-operative fire insurance companies of various kinds, including advance payment, and county and town assessment companies. The combined fire insurance in force among all these companies at the end of 1921 was $7,982,386,522, a gain for the year of $41,673,848 in the amount of insurance written. The fire losses in New York covered by co-operative insurance during 1921 amounted to $1,087,945.

The 31 advance premium companies furnished insurance at a cost of $5.60 per $1,000; the 68 county assessment companies at a cost of $3.70 per $1,000; and the 67 town assessment companies at a cost of $2.70 per $1,000, an average cost of $4.00 per $1,000 of insurance. The total income of all the New York co-operative insurance companies in 1921 was $23,202,352.35. The assets of these companies in excess of liabilities during 1921 amounted to $1,370,610.

The foregoing figures apply only to the state of New York. The figures for farmers' mutual fire insurance all over the country are even more surprising and encouraging. The first farmers' mutual fire insurance company came into existence in the year 1860. By 1869 there were only about fifty companies in existence. The year 1916, however, saw 1,950 such companies in existence. The Department of Agriculture is authority for the statement that on January 1, 1915, there were 1,947 farmers' mutual fire insurance companies, carrying $5,264,119,000 of insurance. At the end of 1918 there were 2,000 companies with $6,400,000,000 of fire insurance in force.

At the present time there is an average of between six and one-half and seven billions of fire insurance written by farmers' mutual insurance companies. These co-operative associations in 1916 carried about 42.5 per cent of all insurable farm property in the United States. At the present time about half the insurable farm property is protected by the farmers' co-operative insurance companies.

The New York co-operative insurance societies are federated through the New York State Central Organization of Co-operative Fire Insurance. This organization has been in existence for forty years. It has for its objects the fostering and protection of the interests and general welfare of the co-operative fire insurance companies, by enabling them to secure greater conformity in their business. It also endeavors to secure legislation for the protection of legitimate co-operative insurance societies.

The April number of CO-OPERATION was in error in stating that the cost of every hundred dollars' worth of insurance written by the Co-operative Fire Insurance Company of Woodridge, N. Y., was less than 1 per cent. The correct figures are much higher—$9.06 per $1,000. The cost varies from $2.60 to $18.00 per $1,000, depending upon the number of rooms in the buildings insured. This error in calculation was caused by failure to notice two important little decimals.

Because of the limitations placed upon co-operative insurance companies by the law of New York, no more than $7,000 in insurance may be written against one risk by a single company. It was therefore found necessary by the Co-operators of Woodridge to organize a subsidiary fire insurance company, to write additional insurance on the property of the members. The demand for insurance has been so great that a third company is now in process of organization at Woodridge.

The total insurance in force in both of the co-operative fire insurance companies now operating at Woodridge was $7,251,510 on April 1. This amount covers 2,064 policies.

SPURIOUS CO-OPERATION IN SCRANTON

Press reports indicate that one Ignatius Stapinski is to be tried in Scranton for selling stock in a “co-operative” association, under the charge of “obtaining money under false pretenses.” Stapinski’s defense is that purchasers of the stock take a chance the same as in any co-operative venture.

The interesting fact is that this man sold over $13,000 worth of stock in a scheme that was in no sense co-operative. It could not have succeeded had it ever been started. Still, working people may be sold stock by dishonest men who pretend to operate a co-operative store, and do not keep a child waiting in order to wait upon an older person.

If goods are not satisfactory, willing to exchange same, or refund the money. In the case of goods that cannot be exchanged always state when the goods are bought. Telephone orders should be received by a person with a pleasant, courteous manner. This is highly important. Telephone orders should be received up to closing hour or delivery. Customers should understand that late orders cannot be delivered until afternoon or next day. If membership is widely scattered the districts should be zoned, and regular hours kept for delivery in each district. Watch the cost of delivery. It is often too high for the amount of business done.

A store policy should be outlined to the members of the store. The members should be trained, however, not to expect “specials.” Customers will understand that a “trick of the trade” whereby private stores make up on other prices for what they lose on “specials” should be shown. Emphasize the fact that the co-operative store gives the actual, honest weight. When competitors do not do so, attention may be called to that fact. Also, attention may be called to sizes of packages and cans of competitors which often deceive the public.

Polite, courteous salesmen mean much for success. Learn the names of the customers, and greet them by name cheerfully. Be especially kind and careful in serving children. Never palm off poor stuff on a child. Let it be known that mothers may safely send their children to the co-operative store, and do not keep a child waiting in order to wait upon an older person.

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“Good service and best quality of goods” should be your motto. Do not cut prices, but do not let your people think the store stands for high prices. Occasional “specials” are good to interest non-members so that you have an opportunity to get acquainted, and make more members for the store. The members should be trained, however, not to expect “specials.” The "tricks of the trade" whereby private stores make up on other prices for what they lose on “specials” should be shown. Emphasize the fact that the co-operative store gives the actual, honest weight. When competitors do not do so, attention may be called to that fact. Also, attention may be called to sizes of packages and cans of competitors which often deceive the public.

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should members or directors be allowed behind the counter, unless the manager signifies his need on rush days. A strict rule should be made against eating and sampling goods, and the manager and directors must not set a bad example in this respect. Employees should be taken into the confidence of the manager in many things. A weekly employees' meeting should be held to discuss ways of bettering the store, to learn better methods of making sales, to discuss store problems, to settle grievances, and to study Co-operation in order to talk intelligently to members and customers.

Selling

Do not lose any time in pushing goods over the counter. Give people what they want, but increase sales by good display and store advertising. Put posters on window and send out weekly bulletins containing more or less the co-operative education. Use “The Home Co-operator” and insert a price bulletin. Sell at same price as your competitors, but give better service and quicker service must be made for an extensive course to be given. Arrangements will be made for an extensive course to be given early in the fall.

SUBSCRIPTION CONTEST

The League offers a prize of a copy of “The Consumers' Co-operative Movement,” by Sidney and Beatrice Webb, to the person who will send in the most subscriptions to CO-OPERATION during the period July 1 to October 1. The contest is open to all. Sample copies of the magazine and subscription blanks will be sent on request to those desiring to enter the contest.

CO-OPERATION is the only monthly magazine published in this country devoted to the Consumers' Co-operative Movement. It has no rivals, and it should not be a difficult matter to interest labor and farmer groups in the only magazine which serves their interests as consumers. Co-operative stores, as well as individuals, are eligible to enter the contest.

CO-OPERATIVE COURSE

On June 2 the course of ten lectures of the Cooperative Movement, given by members of The League staff, came to an end. This has been a highly successful course. While the average attendance was only 36 persons (previous classes have been much larger) the students made up for the lack of numbers by their earnestness and intelligent interest. The discussions following the lectures were evidence of keen and unflagging attention by the students.

The course covered a discussion of the philosophy, aims and ideals of Co-operation, the history and extent of the Movement abroad and in the United States, the consideration of practical problems of co-operatives, and many other aspects of Co-operation. Stereopticon pictures were used in connection with some of the lectures.

After the last lecture of the course, on the Ethics of Co-operation, was given at the co-operative cafeteria. All the other lectures were given at the new League House. During the next few weeks the students will visit some of the co-operative societies in New York to study Co-operation in practice. There is much demand that an additional course be given. Arrangements will be made for an extensive course to be given early in the fall.

THE MISTAKES OF CORONA

It seems cruel to stick a pin through a society that has failed, and hold it up for public examination, as one would with a new species of beetle. One feels almost sacrilegious in criticizing an effort that called forth loyalty, devotion, and that entailed sacrifice. Feeling that the court would, by some miracle, know all these facts, the so-called League House, on June 15, passed a judgment against the Corona Co-operative Society for $6,500, the money. Of course the store had the bill had not been paid because the store insisted on deducting for bad goods delivered, brought a suit for over $1,400. This was the end. Other creditors swarmed in. The inevitable result was that the creditor got a court.

It is fatal one, and we would call particular attention to it. A creditor whose bill had not been paid because the store insisted on deducting for bad goods delivered, brought a suit for $1,400. This was the end. Other creditors swarmed in. The inevitable result was that the creditor got a judgment against the store by default, and while the members were peacefully resting upon their moral right not to pay for damaged goods, the creditor swooped down upon the store, CO-OPERATION and, with the aid of a Marshall, carried off the cash register and hundreds of dollars worth of goods. That was the end. Other creditors swarmed into the store, and the business was closed down. Readers of CO-OPERATION have had their attention called to Mistakes No. 1 and 2. We would now particularly emphasize the importance of never permitting a judgment to be taken against your societies by default.

Mistake No. 1 consisted in tying up with the Community Wholesale Furnishing Corporation, a spurious co-operative.

Mistake No. 2 consisted in permitting the manager appointed by the co-operative fakers to keep his job. Here tons of goods were sold, and there were several serious leaks. A new manager was hired after all the damage had been done.

Mistake No. 3 was the old, familiar blunder of starting with insufficient capital. While the society was capitalized at $10,000, only about $1,400 was ever collected. As a consequence, it was impossible to open an attractive store, or to buy groceries in large enough lots to get good prices.

Mistake No. 4 was the final and the fatal one, and we would call particular attention to it. A creditor whose bill had not been paid because the store insisted on deducting for bad goods delivered, brought a suit for over $1,400. This was the end. Other creditors swarmed in. The inevitable result was that the creditor got a judgment against the store by default, and while the members were peacefully resting upon their moral right not to pay for damaged goods, the creditor swooped down upon the store, CO-OPERATION and, with the aid of a Marshall, carried off the cash register and hundreds of dollars worth of goods. That was the end. Other creditors swarmed into the store, and the business was closed down. Readers of CO-OPERATION have had their attention called to Mistakes No. 1 and 2. We would now particularly emphasize the importance of never permitting a judgment to be taken against your societies by default. If your creditors are rightfully entitled to payment for their goods, pay them some more. If they are not, interpose a defense in court.
CO-OPERATION

NEWS AND COMMENT

CO-OPERATIVE MILK AND HEALTH

Since the organization of the Franklin Co-operative Creamery Association by the citizens of Minneapolis there has been a marked decrease in the rate of infant mortality and decrease from typhoid fever, due to the improvement in the quality of milk sold by the "Co-op." Commenting on the remarkable improvement in the quality of the milk, Dr. Harrington, Commissioner of Public Welfare of Minneapolis, reported:

"One of the happy results of the bettered milk supply is that the rate of typhoid fever deaths, 76 per 100,000 population in 1921, is the lowest recorded in Minneapolis, and one of the lowest in the United States. It represents three deaths for the year 1921. Another pleasing result noted was a lowering of the infant mortality rate from 65 in 1920 to 55 per thousand births in 1921. Still another result is that more milk is being sold."

This improvement can be traced directly to the fact that the Franklin Co-operative Creamery is now the largest milk distributor in Minneapolis; $300,000 worth of dairy products are now being supplied monthly by the Co-operative, at a lower cost, and for a better product, than have ever been supplied by dairy companies organized for profit. This consumers' co-operative is saving the lives of many babes and adults, by eliminating the contaminated milk formerly supplied by private dealers. Co-operation and health go hand in hand.

A NON-CO-OPERATIVE DEFEATED

Co-operators will be gratified to know that the "Co-operative League of America," a non-co-operative organization of Pittsburgh, which has been making an effort to secure legal sanction to operate in Iowa and in the Province of Ontario, Canada, has suffered a double defeat. In Iowa the State Executive Council, for the second time within three months, refused it permission to operate in that state. The matter was referred to the Attorney General of the state for his attention.

In Ontario, Canada, the "league" attempted to secure special permission to operate in that province, by means of a private bill introduced in the legislature. The Co-operative League advised the Co-operative Union of Canada of the real nature of this organization. The Canadian Union, realizing the menace to genuine co-operatives, campaigned against the bill, and called the attention of members of the legislature to the fact that the Pittsburgh organization was not under the Canadian law entitled to use the name "Co-operative." The Minister of Agriculture opposed the bill. He said: "I am in favor of anything that will encourage saving and thrift, but there are certain dangerous features in this proposal. The use of the word 'co-operative' should be very carefully safeguarded." The bill was killed in committee early in June.

The Pittsburgh "Co-operative League" is a declaration of trust society in which the members have no control. It is not co-operative and is guilty of gross misrepresentation in claiming that it is.

THE STUFF THAT SUCCESS IS MADE OF

The Goodhue County, Minn., Society has a big department store at Red Wing and stores in four other towns. An authoritative report on the League gives information concerning some of the officers and principal members of the society. A cooperative society with vision, loyalty and intelligence is bound to prosper, if they have the right sort of co-operative education. They are the stuff that co-operative success is made of.

L. W. Hempfling: President of the company, and without question one of the best Co-op's in the state. He preaches and practices the "best Co-operators in the state. He preaches and practices the vision, loyalty and intelligence when looking the blackest. One of the best men.

Joe Reinbold: One of the first members, a fireman. Always has advanced his personal funds when needed in his firemen's union, but there are certain dangerous features in this proposal. The use of the word 'co-operative' should be very carefully safeguarded. The bill was killed in committee early in June.

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THE RUSH RUN SOCIETY A 100 PER CENT INVESTMENT

The Rush Run Co-operative Society of Rayland, Ohio, gave a demonstration of the Social Solidarity Movement. They have been able to pay 5 per cent interest on capital and a savings-return of 4 per cent, amounting to $1,138. A small sum was also assigned to the reserve fund. Inasmuch as the society is only $927, the return to members in the year 1921 was considerably in excess of 100 per cent of the capital invested. This society is affiliated with The Co-operative League.
pended so rapidly that it is now necessary to open four branch depots. A co-operative bakery and flour mill are also being opened. The society employs 800 workers. Despite the bitter political fights going on in this new republic, the co-operatives are strictly non-political; members of all parties sink their differences and unite in supporting the co-operatives. The Czech parliament in January passed a law granting credit to the co-operative agricultural societies, the societies of artisans, and labor societies. The societies of consumers received no loans.

ROUMANIA

The number of co-operative societies in Roumania has quadrupled since 1919. In 1919 there were 360 societies in agricultural communities, for the joint purpose of sale and distribution. One hundred and sixty of these societies had a membership of 18,087, and a paid up capital of 2,174,460 Lei ($425,000 in normal currency). By March, 1921, the number of societies had grown to 1,428, the membership was 79,660, and paid up capital 10,655,634 Lei ($2,131,000 normal currency). These societies have a two-fold function: they dispose of the agricultural products raised by their members, and they supply the members with staples, agricultural machinery, manufactured goods, etc. Members in the majority of the country dispose of their timber through the sales societies, and receive in return the cereals and other products of the co-operative. The co-operatives in the agricultural section of the country. Not only is the domestic trade carried on through the co-operatives, but arrangements are being made for organizing the importation of a considerable quantity of agricultural machinery and implements, manufactured goods, etc., through the co-operatives.

DENMARK

The Danish Co-operative Bank continued to grow during 1921. Two private banks were bought out by the co-operative during last year, and control was secured in three others. The central building in Copenhagen is now 46 branches, which in turn have 45 sub-sections. During 1921 the turnover of the bank increased from 10,606,000,000 crowns to 11,560,000,000 crowns; the net profit during the year amounted to 2,309,870 crowns. Of this amount, a million crowns were placed in the reserve, which now amounts to 18,000,000 crowns.

INTERNATIONAL CO-OPERATIVE SUMMER SCHOOL

Brussels has been selected as the city where the Second International Co-operative Summer School will hold its sessions. The school opens July 22d and ends August 5th. It was organized under the auspices of the British Co-operative Union, the Belgian Co-operative Union, the People's House of Belgium, the Labor College and the International Co-operative Alliance. Well known co-operative teachers will lecture in English, French and German on co-operative and allied topics. Lectures will be held in the mornings, the afternoons being devoted to visits to co-operative establishments.

DEMOCRATIC CONTROL AND STRIKES

A recent Monthly Circular of the Labor Research Department (of which G. D. Cole is Honorary Secretary) has just come to us from London. In it is the strike of the 200 employees of the Bishop Auckland Co-operative Society, from which we quote:

"When the National Union of Distributive Workers called out their members, a new staff was engaged to take the place of the strikers. Both sides appealed to the members of the Co-operative Society, the Union claiming that it is fighting for the right of collective bargaining and against the employment of blackleg labor. The directors took a ballot of the members and secured a majority of four to one in favor of their policy. Later, at a special members' meeting, which was called by requisition, a resolution demand a renewal of negotiations and complete reinstatement of the employees was carried by 405 votes to 2. The half-yearly meeting of the society, which was held subsequently, was conducted amid considerable uproar. The committee's report was rejected, and the committee finally left the platform. The Chairman of the British Trade Union Committee took charge of the meeting, and a resolution of the committee was passed calling on the committee to cease the strike or resign. Does that read like an open shop fight conducted by American capitalists? Can you see the sharehold- ers of a British Corporation unseating Judge Gary from the platform at a stockholders' meeting, putting the Chairman of the Amalgamated Labor Organizations of the Steel Industry in his place, and calling by a vote of 250 to 1 for the discharge of all scab labor in the steel towns of Pennsylvania, and the installment of union help—and calling for Mr. Gary's resignation if he doesn't comply? Co-operation is a workers' movement, and not the cruel, death-dealing standards of capitalism. It is the two-fold function of the society was to serve the interests of humanity prevail within it.

CANADIAN CO-OPERATIVES-progress

The co-operative societies in Canada, faced with the same economic depression that prevails in the United States, are still continuing to serve the consumers. Here are some promising examples of Co-operation in Canada.

The British Canadian Co-operative Society of Cape Breton, in existence sixteen years, had a turnover during the last half year of $622,674. The net surplus saving during that period was $73,351. As the share capital amounts to $134,564, this surplus represents a 54.5 per cent return to the members on the capital invested. Of this 6 per cent per annum. These savings were returned to the members in the form of a cash dividend at the rate of 11 per cent on purchases. The society has a membership of 2,286. There are five branches connected with the society which supply the membership with groceries, meats, men's wear, dry goods and clothing. This society is to be congratulated on the creditable showing it has made.

The Guelph Co-operative Association during the past half year had sales of $123,995. Though this represented a loss in trade, due to hard times, the society disposed of a net surplus-saving of $3,173, which was distributed to the members as a 3 per cent savings return. This was equal to a return of 50 per cent on the capital investment.

The Industrial co-operative Society of Valleyfield, which has been in existence since 1919, and the oldest society to be affiliated with the Canadian Union, paid a five per cent savings-return to members.

I. C. A. REPORT ON RUSSIA

The special committee appointed by the International Co-operative Alliance to investigate the condition of the co-operatives in Russia completed its mission and submitted a preliminary report to the Central Committee of the I. C. A. The committee consisted of the following members: Thomas Allen, A. W. Golightly, J. Hawkins, Joseph English and Henry J. May, of Great Britain; Victor Serwy, of Belgium, and Ernest Poison of France. The delegation spent a strenuous month visiting co-operative societies in Russia. Their report states that the Co-operative Movement in Russia occupies a unique position in influence, power and the extent of its operations; and that the evidences they saw convinced them that a complete internal transformation of the Movement is being accomplished in the direction of uniformity in principle with the Movements of other countries.

They recommended that the economic resources of Russia make it imperative and mutually advantageous that economic relations with other countries be established, preferably through an International Co-operative Wholesale Society and an International Co-operative Bank.
WORD FROM THE FIELD OF ACTION

KALAMAZOO HAS ABLE MANAGEMENT

You will be glad to know the Kalamazoo Society is making some progress, and that we are hopeful of the future and the result. Dr. Warbasse will remember coming out here and giving us a talk at a meeting that at the time he was here we were having considerable difficulty both financial and personal. I am sure you will be glad to learn that the fullest harmony now prevails and has prevailed for more than two years, and that we are sliding along apparently coming out of our difficulties.

We are doing a retail grocery and bakery business combined, of approximately one hundred thousand dollars a year, and are taking in something more than we are paying out, but the margins that prevail in Kalamazoo make it very difficult to show substantial earnings. However, the membership as now constituted is not expecting “dividends” nor unusual profits, and all are harmoniously co-operative with their trade at least, and we are confident we will succeed in establishing a co-operative unit that will develop into the largest one in Baldwin County. The society is also in a position many advantages. Shares of $100 were issued to members of the Co-operative only, and elsewhere.

New building was easily formed and has many advantages. Shares of $100 were issued to members of the Co-operative only, interest at 7 per cent can be redeemed in ten years. The store has now moved into its new quarters, a two-story red brick building. The store supplies general merchandise, dry goods, hardware, groceries, feed, fertilizer, smoked and dried meats, and baked goods. During the past year feed and fertilizer comprised one-third of the business done. In the new quarters space has also been provided for a bank and a bakery. Enough money has already been promised to have this bank develop into the largest in Baldwin County. The society is also in a position

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F. J. A. BOEKELOO, President

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THE STORY OF CO-OPERATION

J. A. BOEKELOO, President

Kalamazoo Co-operative Union, Kalamazoo, Mich.

Our society is composed of 137 families and did a business in 1921 of $66,359.36. We did not make a great deal of money. However, we were able to pay 6 per cent on capital and 7 per cent on loan capital, and had a small surplus. The first three months of 1922 we made a trade gain of 11 per cent. The result looks very good to us.

WILLIAM SHAKESPEARE, JR.

Manager the Kalamazoo Co-operative Union.

(The report of this society for the first three months of the year shows that they are doing a business at the rate of $120,000 a year. During that time their bakery baked and sold $6,410 leaves of bread.)

PROGRESS AT FAIRHOPE, ALA.

Prices were high in Fairhope, and became more so during the war. The workers finally got together and decided to start a store. They leased a shack for a few dollars in February, 1921, and three months later were doing so well even at under the cutting down prices in general, that they were able to rent a store for $55 a month. The membership up to date is only 90, with a patronage of 75 per cent who are almost entirely farmers. The membership fee for an active member was a small nucleus of Co-operators in Fairhope who had had experience in Mobile and elsewhere.

Then the society decided to move to a better location, but there were no stores to be had, and the idea of building was conceived. A loan association to finance the new building was easily formed and has many advantages. Shares of $100 were issued to members of the Co-operative only; interest at 7 per cent can be redeemed in ten years. The store has now moved into its new quarters, a two-story red brick building. The store supplies general merchandise, dry goods, hardware, groceries, feed, fertilizer, smocked and dried meats, and baked goods. During the past year feed and fertilizer comprised one-third of the business done. In the new quarters space has also been provided for a bank and a bakery. Enough money has already been promised to have this bank develop into the largest in Baldwin County. The society is also in a position

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(Member of The International Co-operative Alliance)
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The Trade and Technical Organ of British Cooperation.

VITAL ISSUES
EFFICIENCY, NOT CLASS
A circular issued by the Communist Party of America to the railroad
workers urges a general strike. The idea is that the workers shall throw
off their chains and take possession of business and run it for the workers.
The idealism expressed by communists, syndicalists and others who
would suddenly change the economic system is admirable. Their agitation
is most useful. Their protests against the rottenness of present conditions
are of incalculable value. But they neglect one fundamental fact.
Things are most apt to be done, not by the people whom they want to do them,
but by the people who know how. Most probably when the present
disorganized world recovers from its insanity and settles down to business,
the people who will be found running things will not be from any particular
class. They will not be the capitalists, as now, nor the communists, as
dreamed of. They will be the efficient. The people who know how to do things
good will be the ones doing the jobs. And these efficient people will
come from all classes.

When the capitalists start an industry they appoint at the head a manager who runs the job in the interest of the stockholders, who is
able to make profits out of the people who work and the people who con-
sume. That is the test. The communists and similar political reformers
would ask of the manager first that he be loyal to his class or party.
That is the test. Neither of these represent the substantial principle.
Not class, but efficiency, should be the test. Does he understand the industry, has he the ability to pro-
duce in the interest of all the consumers and the workers? This must be
the question.

We are learning this lesson every day. The co-operative societies that
are succeeding show at least one pecu-

ularity: They have efficient manage-
ment. The development of efficient
managers is the keynote of success.
In this, Co-operation differs from all
other movements that are striving
for a better world. It does not stop
with theorizing; it learns how to do
the business that the capitalist is do-
ging. And it has to have efficient ex-
cutives and do the business better
than the capitalist, or it cannot suc-
cceed.

The virtue of the Co-operative
Movement is that it is not a class or
party movement. Its success depends
upon capacity to serve the people in
each specific job.

As the consumers are everybody,
efficiency in their interest rests upon
a democratic foundation.
TRADE UNIONS BURN MONEY

There is a serious matter for the trade unions to think about. Every one of the big and pretentious humbugs in the field of co-operative quackery in the United States that has taken the money of the working people in the past two years has had the backing of labor leaders. With the credentials which trade unionism has given to their "organizers" they have gone out over the country and taken millions of dollars from men and women who could ill afford to lose it.

Fortunately, in the working ranks of labor are men in every state in the Union who can and do give labor sound advice. But there have also been leaders who insisted on doing the wrong thing. It would have been infinitely better had the leaders advised the workers to put their money in a pile, pour kerosene on it, and burn it up. They could have lost at least that it would not damage the Co-operative Movement and it would be lost no quicker.

Trade unionism is guilty of inexcusable looseness in its relation to this whole matter. Not only is there looseness of thinking, but of action also. And it will continue until the right remedy is applied. Every union should have a committee on Co-operation. The job of that committee should be to educate itself so that it knows what Co-operation is, what it looks like. They should learn how, when, and where to see it. After they have found out about the facts, the history and accomplishments of Co-operation, then they should find out how it works. They should get a command of the right ways and the wrong ways of organizing and running co-operative enterprises. They should learn about the contacts, fancies and frauds. Presently they should become experts and every co-operative proposition that comes within the field of that union should have to be analyzed in the laboratory of the committee on Co-operation.

THE LLANO COLONY

We publish in this number a short article on the Llano Colony, of Leesville (or New Llano), Louisiana. This article is important because it is written by a man who has invested most of his savings in the colony.

It is also important that certain labor leaders and their publications are endorsing this enterprise.

For several years we have been collecting information on this colony. Members of The League have visited it and sent in their reports. We have much information from members of the colony. This article which we are publishing is the mildest and least condemnatory in our possession. Most reports are very bitter.

Readers must realize that the people who have put their money into this enterprise naturally want it to succeed. They want to protect their investment. Notwithstanding this fact, a surprising number of people have been willing to make a frank statement to The League concerning the colony in order, as they say, to prevent others from being taken in as they have been.

The Llano Colony in Louisiana is neither co-operative nor democratic, and it misrepresents in pretending that it is. People who put in their money are given the privilege of doing the wrong thing and working hard for a poor living. The investment is a very expensive one. Reports show that the management is automatic, domineering and unjust. The literature and statements are highly exaggerated.

Well-meaning people are deluded by a notion that such a colony can become the beginning of a co-operative commonwealth. There is no ghost of a chance of success. Such an experiment, if it does not ultimately fail, can only become a capitalistic business. The literature and statements are highly exaggerated.

SIR PHILIP LLOYD GRAESEN,
British Representative, stated that he considered this article particularly unfortunate and likely to do the greatest possible damage to the various organized classes. He thought that cooperation did not need special encouragement and that such encouragement might be dangerous. The article was rejected by six votes to four.

So Sir Philip and the other higher intellects of the Genoa Conference think that Co-operation is apt to sow discord between the various classes. They think that encouraging Co-operation is dangerous. These are the "best minds," that are now in control of the affairs of the world. These are the sort of minds that hurled twenty million people at one another's throats and for four years watered the soil of Europe with blood and maimed it with corpses.
The only organized class, among whom Co-operation will sow discord, is that class that makes its profits by the exploitation of the people and whose profit making is the greatest cause of the world's discords today, and humanity's greatest burden.

As to the encouragement of Co-operation being dangerous, it is. It is dangerous to those interests that have to have conferences at Versailles, Washington, Genoa and The Hague. It is so dangerous that the type of diplomats and politicians who sit at these conferences will lose their jobs and their power when the people have learned a little better how to protect themselves by Co-operation. When Co-operation comes in, war, strife and diplomats go out.

**THE FEDERAL RESERVE BANK**

In the June number of this magazine, in an article on The Federal Reserve Bank, we implied that the large profits of these banks went to the investors rather than to the patrons. This is not correct. Neither of these gets the huge profits. All profits above 6 per cent go theoretically to the U.S. government.

In order to get accurate information on this subject we wrote to a banker, formerly connected with the system, who knew. He replied: "As a matter of fact I think the United States Treasury has not received any of the profits so far. The directors have been too busy squandering this money, in a sense, in extravagant buildings and, in some cases, extravagant salaries, all, of course, permitted by the Federal Reserve Board.'"

If the U.S. Treasury does not get the 97 to 215 per cent profits, somebody does. It goes somewhere. It is too good to be at large alone.

**WHAT WE OWE THE POOR**

It is related that at the annual banquet of the Arizona Bankers' Association, after everybody had eaten all that he could, and all of the speeches had been made and toasts offered, there was a general lull in the proceedings and an especially sleek and picturesque looking banqueter arose and spoke as follows:

"Mr. Chairman, we have enjoyed a lovely repast and our minds have been carried among higher things on this occasion. We have been made aware of the blessings and fortunes which a kind Providence has visited upon us. It seems to me that it would be fitting on this occasion to give some thought to those unfortunates whom fate has provided we must always have with us. I ask: Can we not do something for the poor?"

A death-like silence fell upon the scene. Then arose the man of action. "I move, Mr. Chairman, that we give the poor," he said, "three cheers!" This was carried with a will, and the banquet closed.

And why not give three cheers for the poor? Society owes them much. Had it not been for the poor men of Rochdale we should have waited till some other place developed enough poverty to create a hunger to find a way out. Will it ever be that the rich who will want to change the present system and demand something better? No; they are satisfied.

Every good economic system creates an antitoxin of its own. Poverty, in the presence of riches, creates discontent, and discontent is the natural remedy that cures the social disease. When the masses of people become poor enough, and can see their poverty contrasted with the wealth of the few, they will find a way out. When the gaunt form of poverty has visited yet a few more millions of our people; when the dividends fail to come in and those who now live without work join the ranks of the poor; when the cry of the hungry swamps across the land like the hot breath of the sorocco—then the people will find a way to live in peace and justice. Through the gates of poverty the world will march to freedom.
LLANO COLONY EXPOSED
By A RECENT COLONIST

The Llano Colony is run at present by a few fanatics who got control of it almost since it was established here some four and one-half years ago. They are here from California because of failure. There were too many air castles. Here we have the same trouble; a few extremists who only consider the psychological side of the question and give no thought to the materialistic side of the same question.

Their papers are published for consumption and the truth is very much exaggerated. The only reason they are published is to have an income from installment memberships from which the colony is supported. The colony is far from self-supporting. They really do not want to be; they feel that the outside world should support us, to build the first city in the future communist co-operative commonwealth. And they have been collecting thousands and thousands of dollars, and have been wasting millions of working hours of the members who, coming here after large welfare, cannot readily go away, but must submit to their bureaucratic control and dictatorship. As to democratic control, there is no sign of it. Nor is the manager required to make any report! I do not believe there is another place in the world that has a manager who has this power, Mr. Thurnage's ousting was discussed, and the present manager gave the flimsiest reason for the transfer of that particular piece of land to the manager's name. He has it yet.

Criticism is absolutely not allowed. Unless a man falls in line everything he says is branded "destructive."

I consider the colony not as a cooperative, but a communist experiment under the pretense of being a co-operative. By the very nature of it, it becomes a rule of bureaucrats, whose undemocratic rule becomes repressive to every one with respect for personal liberty, who wants to have rights and say in an enterprise where his labor power is expended. For this reason, there are many more people who have left the colony after a short stay than those who stay here. Among those who stay are many who would go away if they had the money to do so.

The colony life here is a comfort to those who stay here. Among those who stay are many who would go away if they had the money to do so. The colony life here is a comfort to those who stay here. Among those who stay are many who would go away if they had the money to do so.

MAYNARD, A TOWN IN NEW ENGLAND
By C. L.

The story of Co-operation in Maynard, Mass., has been written many times, and does not need re-writing. But occasionally a correspondent or a visitor inquires of The Co-operative League as to whether the Finnish people of the Bay State are continuing their fine work. The League returns an emphatic affirmative to such questioners. A few figures from one of these co-operative towns give added emphasis to our assertion.

Maynard has a population of only 7,000; yet it supports four co-operative societies (too many, of course, but let that point drop for the present). The International Co-operative League, made up of Polish, Russian and Lithuanian, has about 100 members and does a grocery and bakery business of $1,000 a week. The First National Co-operative Association, of about the same number of members, handles groceries, meats, milk, general merchandise, etc., also sells furniture, operates a large bakery, restaurant and milk business.

So we find in the little town of Maynard four grocery stores, three bakeries, two butcher shops, a flourishing restaurant, and the sale of hardware, furniture and dry goods, all under cooperative auspices. Co-operation here employs fifty men and women to handle an annual business of almost $400,000. Three of the societies own their own spacious quarters and one owns real property which it is not yet using, two tenement houses, and other property.

A glance at one or two of these co-operative activities is interesting. In the restaurant 150 people eat regularly, paying $6 a week for such good, substantial meals as are written about by novelists or described by food experts, but which are never found in any commercial restaurant or hotel. The United Society had a surplus of $1,400 in the last four months, from the operation of this restaurant. The manager of such an institution run under private control would expect to lose twice that amount on such meals at such a price.

The same society delivers 1,000 quarts of milk each day, at 9 cents a quart. They pay the farmers 7 cents, and the 2 cents difference pays for bottling and delivery. They do not save any money for the society on this department of the busi-
ness, but they save a great deal for the residents of Maynard; every other milk dealer in town has had to come down to 10 cents. In fact, the Dairymen’s Association in that district a year ago tried to put the co-operative milk dealers out of business by bringing in their own milk and selling it below 9 cents, but they retired within a few weeks with a deficit of $4,000 and a healthy respect for the efficient methods of the Co-operators they were trying to overthrow.

A couple of blocks away are the large buildings of the Riverside Co-operative Association. Many of the men who organized this society in 1878 are now dead and their children are carrying on the work. These Co-operators may not be doing such a large and successful business as their younger Finnish friends, but they are the people who link us up directly with the days of actual pioneering in America.

THE CO-OPERATIVE LAUNDRY OF LYNN

Co-operative soapsuds, ironing boards and clotheslines have not been developed in this country as they should be. But we have our pioneers, and successful laundries are being operated in the right or ten cities and towns of the United States.

Lynn, Massachusetts, is one of these cities. Last August, after months of organizing and educating, the little group of pioneers rented a basement, installed some machinery, and sent out a wagon after business.

The customary mistakes were made. The members insisted on going into business with only $3,300, whereas they should have had at least $50,000. They did not have time to do all the educational work necessary, and as a result they have been getting the greater part of their education since August, and at the expense of more than $2,000 of the shareholders’ money. The price of shares was too low ($5). Some of the 6 per cent savings-returns to members at the end of 1921 is an indication of robust health such as very many of our younger societies might wish well end.

There should be more Co-operation between all these Co-operators; that goes without saying. There is no room for two milk companies and three bakeries in such a small community. Nevertheless, such centers as Maynard, Fitchburg and one or two other places in Massachusetts are deserving of more attention from Co-operators outside New England. There should be more pilgrimages eastward. No footweary travelers to the famous shrines of bygone centuries ever found greater inspiration than is available at the present day to the co-operative enthusiasts who care to take a dip into one of these pools to renew once more their faith in the possibilities of the Consumers’ Co-operative Movement.

a doubtful investment as manager of a laundry, they got rid of him and installed a skilled man from the Laundry Workers’ Union, who cut down most of the excess overhead expenses. And, when, during the first month of operation, the employees had a disagreement with the shoemaker manager and all went out on strike, the directors held emergency meetings, met with the employees, and finally, after the loss of two days out of the busiest part of the week, effected an agreement satisfactory to everyone.

From August until well along into January, the Citizens’ Co-operative Union Laundry lost money. Since that time they have been doing a little better than break even. Delivery expenses will be cut still lower; and the directors are trying their best to get rid of all unnecessary expenditures. And when, during the busiest part of the week, the directors held out on strike, the directors held emergency meetings, met with the employees, and finally, after the loss of two days out of the busiest part of the week, effected an agreement satisfactory to everyone.

Excellent administrative and educational work is being done by J. G. Campbell, Mrs. Agnes Andrews and a few other far-sighted and uniring Co-operators. Without them the laundry would have died in earliest infancy, to the delight of all the other laundry owners in town. Last spring a meeting was held under the joint auspices of the Citizens’ Co-operative Laundry and the Workingmen’s Co-operative Bakery (Jewish) at which a secretary of The Co-operative League spoke. Other educational meetings have been held at intervals of about a month, and in the future more of these joint meetings of the bakery members and the laundry members promise additional strength to both societies and the rapid spread of co-operative understanding throughout the city of Lynn.

THE UNEMPLOYED

I never saw a sadder thing, Beneath God’s vaulted blue, Than that grim line of starved men Who had no task to do.

They came before the frozen stars Had faded from the sky, And all day long the waiting line Stood shaking in the street.

They did not ask for lordly things, For temples or for lands, They only asked for right to use The glory of their hands, And all day long the waiting line Stood shaking in the street, And, oh, their willing, idle hands, And, oh, their aching feet!

I never saw a sadder thing Than that worn host of ragged men Who waited there for life.

They did not ask for alms of gold, Nor things of lordly worth; Nor things of lordly worth; Nor they would take good money. When the shoemaker whom they had asked for right to share The labor of the earth.
FROM THE LEAGUE HEADQUARTERS

THE THIRD CO-OPERATIVE CONGRESS

The arrangements for the Third Co-operative Congress, to be held in Chicago in October, the call to which was published in the June number of this magazine, are progressing. The Board of Directors of The League, through the Executive Board, have appointed certain committees to deal with special subjects. There are about twenty-five of these subjects, and twenty-five committees to handle them. The members of each committee are the people believed to be most competent to deal with the subject. The chairman will collect information and formulate a report. A copy of this will be sent to each member of the committee for his criticism, amendments and additions. The reports will then be sent back to the chairman of the committees, who will put them into shape for presentation to the Congress.

This plan provides that the matter which will come before the Congress will have been carefully collected, will be properly digested, and represent deliberate thought. The Co-operative Movement in the United States is being promoted by thoughtful study, by work and by education. It cannot be done by talk.

The local committee of arrangements will shortly have selected the meeting place of the Congress. It will be announced in due time.

ADVICE TO STORE MANAGERS

Leakage

The manager should watch constantly for leaks. Little leaks reduce profit and are dangerous because they are not easily noticed.

A few are suggested:
1. Throwing away waste paper, bottles, barrels and boxes. They should be sold.
2. Forgetting to save old price tags, twine, bags and paper.

Finance, Accounting, Auditing

If the manager makes out checks they should be countersigned. All checks should be made out in ink. Insist on the directors installing a good bookkeeping system, and a stock control, which is your safe-guard. The manager should know (1) his percentage expense; (2) gross surplus-saving ("profit"); (3) net surplus-saving (earnings); (4) what principal lines produce surplus-saving (profit). Surplus-saving cannot be figured until every expense has been paid. The percentage figures must be figured on the selling price. The expense percentage is found by multiplying the total expense by 100 and dividing by the gross receipts. There should be a difference between the expense and gross surplus-saving per cent of at least 20 per cent. To find the net surplus-saving, subtract the total expense from the gross surplus-savings. If the inventory shows an increase over the previous year's stock, add this to the gross and net surplus-saving. If a decrease, subtract. This gives you the year's surplus. Do not estimate anything. You must know that every figure is correct.

The special convention resolves that the Jewish co-operatives be affiliated with The Co-operative League, and be under its juris-diction. Taking in consideration the fact that the Jewish co-operatives have certain particular interests it be therefore resolved to have a special Jewish department in The League which should devote itself to everything concerning the Jewish Co-operative Movement. It shall be named "The Jewish Co-operative Federation—affiliated with The Co-operative League."

The Jewish Federation appointed an executive committee of nine members, who are to make recommendations for the conduct of Jewish educational work by The Co-operative League, and be under its jurisdiction. With the approval of The League, elected Aaron Stolinsky to act as Jewish secretary. Mr. Stolinsky will carry on special educational work for Jewish co-operative societies, under the supervision of The Co-operative League.

All Jewish co-operative societies are urged to participate in the activities of their federation, which is now a part of the national Co-operative Movement.

STUDY COURSE

Trade unions, colleges and study groups are advised to send for the League's Syllabus of a Course of Study on Co-operation. Now is the time to build a foundation.
CO-OPERATION

NEWS AND COMMENT

CLEVELAND CO-OPERATIVE DAIRY OPENED

On the morning of June 28th, eight wagons of the City Co-operative Dairy started out to deliver milk. This marked the opening of the co-operative dairy which is the answer of the consumers and workers of Cleveland to the arrogant milk dealers who locked out their employees last fall. The dairy was organized with the assistance of prominent Co-operators and labor officials of Cleveland. The Franklin Co-operative Creamery Association of Minneapolis gave much practical advice.

Twelve hundred consumers, fifteen labor unions and three co-operative societies subscribed about $30,000 to the capital stock of the dairy. Months were taken to organize the business on a sound basis. The dairy is controlled by consumers, who are mostly unionists. No member has more than one vote. Dairy products will be sold at current prices, and surplus-savings will be rebated to consumers.

Though operations of the dairy began during the last days of June, the "Opening Day" was celebrated on July 9th. Many members and sympathizers turned out to see the dairy "with its working clothes on." An entertainment committee showed visitors around, explaining the use of the different machines. Milk was served to visitors.

The sound technique of Co-operation is followed consistently by this new dairy co-operative. An educational committee and a women's guild have been organized to develop the co-operative spirit of the society.

PACIFIC CO-OPERATORS WIN VICTORY

The Co-operators of San Diego, Cal., came off victorious in one of the final stages of their struggle against the usual Pacific Co-operative League and Pacific Co-operative Stores, Inc., which went into bankruptcy some months ago. A complete victory now seems assured.

The San Diego Co-operators have brought legal action for the control of the three stores they had financed. The case is being fought by the receiver of the P. C. L., who contends that the San Diego stores are the property of the bankrupt company and should be sold to satisfy the debts of the creditors. The local Co-operators have put up a plucky fight and have so far won all the legal skirmishes for possession of their property.

The latest victory was the favorable report of the Special Master in Chancery who recommended to the U. S. Circuit Court that the three stores be delivered up to the local Co-operators. The report states that the P. C. L. sold the three San Diego stores without the knowledge and consent of their rightful owner, the San Diego Co-operative Association, and recommends that the local co-operative association, which furnished the capital for the stores, should have possession of them. If the San Diego Co-operators are upheld in this decision, thousands of dollars contributed by the workers, and three stores, will be rescued from the P. C. L. and a precedent will be established whereby other stores may be rescued from the Pacific League entanglements.

CO-OPERATIVE PICNIC AT BLOOMINGTON

The Co-operators of Bloomington, Ill., have demonstrated that they have team-work in play as well as in business matters. They arranged a co-operative picnic for Saturday afternoon in July that was the talk of the town. Nearly 2,000 people attended. Large delegations of Co-operators and unionists came from nearby towns to share in the fun. The picnic was held in Miller Park, in Bloomington.

During the afternoon all sorts of sports were indulged in. The girls had a potato race and foot race, the boys ran races, had a shoe and oxford scramble, and the grown-up women folks had a needle-making contest. Not to be outdone, the men staged a clothes-hanging contest.

After the fun, a basket lunch was served. The ice cream and lemonade were shared. In addition to the fun, the occasion was made a profitable one, through speeches by Mrs. Halas and Victor Olander.

RAILROAD BROTHERHOOD ENDorses CO-OPERATION

The Brotherhood of Locomotive Firemen and Enginemen, at their Twenty-ninth Convention, held recently, endorsed the Consumers' Co-operative Movement. The Rochdale plan was particularly commended by the Convention, which instructed John F. McNamee, the editor of the official journal of the Brotherhood, to furnish detailed information and copies of model by-laws to the members of the Convention, which would assist them in establishing co-operative stores. Mr. McNamee, who is the secretary of The League, was praised for the valuable assistance he had rendered the Co-operative Movement during the past year. It was recommended that the Brotherhood's State Legislative Boards be instructed to use every effort towards the enactment of such legislation as will further the co-operative cause and prohibit the activities of impostors and scheme promoters.

LEWISTON ASSOCIATION Doubles ITS BUSINESS

The Lewiston Co-operative Association, of Lewiston, Idaho, is in a better condition and more stable than ever before. The store sells groceries, feed, paints, varnishes, roofing material, hardware, clothing, etc. Within a year the sales increased from $3,500 a month to about $6,000 a month. The report for the past year shows a net surplus-saving on sales of almost 4 per cent. A 2 per cent savings-return to members and a 1 per cent return to non-members were distributed.

The Lewiston Co-operative made the mistake early in its history of affiliating with the Pacific Co-operative League. They realized their mistake in time to break off their connections before becoming involved in the swindle of the P. C. L. The society, knowing the value of educational work, has organized a Women's Guild. It issues a monthly bulletin to the members. The Lewiston Co-operative Association is affiliated with The Co-operative League.

SEATTLE GRANGE WAREHOUSE TAKES OVER FOOD PRODUCTS ASSOCIATION

The Grange Warehouse, the co-operative wholesale of Seattle, has taken over the Co-operative Food Products Association. The stores were organized by the unions of Seattle during the big strike five years ago. It had a paid up capital of $50,000 and was doing a business of more than $150,000 a year at one time. The depression incident to unemployment and the discouragement caused by the failure of the false co-operatives which took much of the workers' money during the past two years prompted the Food Products to turn over its business to the Grange.

CO-OPERATIVE PLAY GIVEN

The Cleveland District Co-operative League recently gave a successful entertainment, in which a three-act play, "The Spirit of Co-operation," delighted the audience. About 850 Co-operators turned out to see the play and hear the songs and talks on Co-operation. Addresses were delivered by Roy Shanks, John F. McNamee, Albert Coyle, H. W. Bone and O. J. Arness. Music and vaudeville acts completed the program. This successful entertainment of the Cleveland District League should inspire other groups to arrange such
programs during the summer months—preferably out of doors.

**THE BRITISH CONGRESS**

Brighton, England, during the first week of June, was the scene of the 54th annual congress of the Co-operative Union, the national educational federation of British co-operative societies. The sixteen hundred delegates present represented a membership of 4,526,475 Co-operators. Precincts were shattered by the appointment of a woman to preside over the congress. The new President, Margaret Llewelyn Davies, delivered a noteworthy inaugural address, emphasizing the fundamental character of the Co-operative Movement.

"We are working for no patchwork modifications, for no ‘reconciliation of capital and labor,’ for no ‘influence of a better spirit’ better into old industrial forms," she said. "We are laying the foundations of a new industrial civilization. The rallying cry for the whole labor world is the replacement of capitalism by an industrial democracy producing for use. It is such a non-capitalist society that Co-operators are actually creating. Our program transfers the power of capitalism into the hands of the people organized democratically as consumers; makes capital the servant of labor; allows for a partnership with the workers; abolishes profit, socializes rent, and will ultimately get rid of the present wage system. It opens the great portals of international trade in such a way that all nations may use it through it fraternally together. It gives real power to our political democracy by the creation of an economic democracy."

The congress went on record in favor of the establishment of an independent co-operative daily newspaper, in order to combat the persistent campaign of misrepresentation to which co-operatives had been subjected during the past year. The political policies of the Movement were discussed, and demands were made upon the government to cease discriminating against co-operative enterprises. The establishment of a co-operative college, the attitude of co-operative societies towards their employees, and other important issues were debated.

It was announced at the congress that the Co-operators of Great Britain had subscribed £21,416,675 to the capital stock of their enterprises, that the land and buildings owned by their societies were valued at over £28,000,000, while the goods on hand in their establishments were worth £25,000,000. The sales in these societies in 1920 amounted to £18,000,000, on which a surplus-saving of £18,000,000 was created for distribution among the members in proportion to their purchases.

One of the most inspiring moments in the congress was the international meeting, which was addressed by German, French, Belgian, Swedish, Finnish, Russian, and Indian delegates. The foreign delegates reported on the condition of their co-operative societies and pledged themselves to work towards the international solidarity of all co-operative societies.

**$3,000,000 IN STRIKE AID**

The Co-operative Union of England has just issued a report on the assistance rendered by the co-operative societies of Great Britain during the coal strike last year. "Societies have no cause to regret their action at the time of the dispute," says the report. "But for their assistance and generous support, the sufferings of the miners would have been greater, and the value of the service rendered by societies to the Miners' Unions will not soon be forgotten by the organized workers. The extent of this service was indeed remarkable. Together, the amount of money loans granted to miners' organizations and of credit given to members of the various miners' organizations reached no less a sum than £605,719. A large portion of this amount has since been repaid to the societies, and repayment of the remaining portion is proceeding satisfactorily."

This sum does not include the outright donations of meals and relief work made by many co-operative societies. One society provided a meal daily for 350 children of the strikers all during the strike. Many others permitted the miners to use their halls free of charge, and supplied bread and other goods at cost price. In addition, thousands of pounds were contributed outright to the strike funds by co-operative societies.

In this fashion, the workers by uniting as consumers, were able to secure substantial assistance from the co-operative enterprises they had built up themselves.

**THE BRITISH EDUCATIONAL UNION**

The Co-operative Union, the educational federation of British co-operative societies, now comprises practically all co-operatives in the territory covered by the Union. At the end of 1921 there were 1,384 societies affiliated with the Union. There remain outside the Union the affiliations of affiliated societies to the Union. The subscriptions of affiliated societies to the Union amounted to £175,000 for the year. This money was disbursed for educational work. Congresses held, courses arranged, lecturers toured, and other educational work performed. The affiliated societies contributed $17,000 to the Russian Relief Fund and substantial contributions were made for the relief of the striking miners.

The Co-operative League in the United States is organized along the lines of the British Co-operative Union. It is the only national federation of the Movement in this country. It aims to unite as large a proportion of the co-operatives as does the British Co-operative Union. Its opportunities for service depend upon the success of the local co-operatives.

**THE GREAT RUSSIAN FAIR**

The famous Nijni-Novgorod Fair is opened on August 1, after being closed for several years. It will be held under the auspices of the Russian government, especially the Central Union of Consumers' Societies ("Centrosoyus").

The Nijni-Novgorod Fair is the greatest in the world. It was originally held in Kazan, the Tatar capital, but was transferred in the sixteenth century to Makariyev, and thence, in consequence of a fire, to Nijni-Novgorod, on the Volga. This is the center of an extensive system of inland navigation which connects it with all parts of Russia. At times as many as 400,000 people have gathered for the forty days during the fair.

The volume and variety of merchandise dealt in at the fair are very great: Textiles, furs, skins, horse and camel hair, precious stones, metal goods, agricultural tools, utensils of all kinds, Persian carpets, etc.

The fair is the great meeting place for interchange of commodities between the East and West. The co-operative organizations, from the inception of the Co-operative Movement, have taken an active part in the fair.

In 1896 there was a conference of delegates of co-operative organizations at Nijni-Novgorod, and it was at that conference that it was decided to unite those organizations into the All-Russian Central Union of Consumers' Societies "Centrosoyus," which commenced its activities in 1898 with only 18 affiliated co-operative societies, and it now embraces practically the whole population of Russia.

Before the war Centrosoyus actively participated in the fair. It had its own warehouses, office and hotel for accommodating representatives of consumers of all other types of co-operatives, and brought to the fair all kinds of goods and raw materials
of home production, as well as certain produce from abroad.

No tariffs, import duties, or hindrances of any kind are placed upon the import of goods, nor on the export of purchases made at the fair.

**CO-OPERATIVES FEED STARVING AUSTRIA**

Thoughtful students of social conditions in Austria are agreed that the Co-operative Movement is the only social organization now existing in that sorely beset land. The Co-operative Society in Vienna alone conducts 144 distributive stores, which supply the wants of half the people of that city. During the year 1920-1921, the membership of the society rose from 140,541 to 162,543, while the turnover increased tremendously, due not only to the decline in the value of the Austrian crown, but also to the increase in business. The savings bank deposits of the society increased enormously. The society owns 172 houses, which are rented to members.

While the government and private business in Austria are bankrupt, morally and economically, the Co-operative Movement is every day growing in power.

**AUSTRALIAN MOVEMENT GROWS**

The first census of the co-operatives of Australia discloses the existence of more than one hundred Koedale co-operatives, which have an aggregate annual turnover of 4,500,000 pounds. Nine of these societies do an annual business in excess of 200,000 pounds. The Co-operative Society of Adelaide, South Australia, has a membership of 162,000. The total number of co-operators in Australia is in excess of 200,000.

New South Wales has its co-operative wholesale that had a turnover last year of 425,000 pounds. The Co-operative Society of Adelaide, South Australia, has a membership of 162,000. The total number of co-operators in Australia is in excess of 200,000.

**FISHING IN UKRAINE**

From "Istvost," we learn that the People's Commissariat of Supplies has granted a lease of the fishing rights in the Black Sea to the All-Ukrainian Central Co-operative Union. These rights extend to the estuaries of all Ukrainian rivers running into the Black Sea and allow the opening of fishing-curing factories and of all enterprises directly or indirectly connected with the fishing industry. The All-Ukrainian Central Co-operative Union may sub-lease the fishing-rights, preferably to Red Army men, and, with the consent of the Commissariat of Supplies in each case, at reduced rents, when the original rent paid by the Union will be reduced accordingly.

**SCOTCH HELP RUSSIA**

On April 17th the Scottish Co-operative Wholesale Society (S. C. W. S.) despatched via Riga £1,000 worth of commodities, as agreed at the last quarterly meeting. The consignment included drapery goods to the value of £275 and the following foodstuffs:

- 250 bags of flour;
- 166 bags haricot beans;
- 115 bags rice;
- 22 cwts. of fat;
- 360 dozen quarter-pound tins of cocoa.

The goods are being sent through the Friends' Relief Committee.

**ARE WE BREEDING BRASS MONKEYS?**

I want to write you a few lines in appreciation of your good work. I am a subscriber to CO-OPERATION and several foreign co-operative papers, but there is no paper that I delight in reading as that of CO-OPERATION. It is so plain and offers such sensible advice, and I have often thought that if Co-operators would only take the advice of this little magazine, what a great forward movement we could make. But talking to them seems like talking to a brass monkey.

**AN INTERNATIONAL SPIRIT OF FELLOWSHIP**

To the Co-operative League,

Dear Comrades:

For your friendly good wishes to our Co-operative Congress in Eisenach, we wish to thank you sincerely. We regret exceedingly that it is not possible for you to participate in this occasion.

The German Consumers' Co-operative Movement, because of the depreciation in the value of the currency, has at the present time great difficulties to overcome. We hope, however, that with good fortune, we will be in a position to accomplish all that our high ideals demand, and in the knowledge that this ideal is the same as that towards which the co-operatives of all lands are striving, we commend CO-OPERATION to you as the best weapon in the campaign for which was raised in union labor circles in the midst of a laundry workers strike, has been very successful. And finally the co-operators of San Bernardino are taking control of a local bank, helped by the Cleveland Engineers Bank and acting on the advice of Dr. McCaleb.

It is hardly necessary to tell you that the movement is a gymnastic workout for the working-class one. San Bernardino is fortunate from our standpoint in being the location of big railroad shops, and having a fine class of citizens. Arrangements have now progressed so far that it is practically certain that a big campaign will be started very soon in Los Angeles in regard to the co-operative bank. The San Bernardino bank capital will be raised from $100,000 to $250,000, and of the latter amount, it is expected that with the aid of the Cleveland Engineers Bank, $300,000 will be the share of Los Angeles. Union Labor has definitely endorsed the proposition.

The bank will be made a state-wide one, under the California laws which permit a bank to have branches; and I anticipate a big development. It will be in Southern California first, but propaganda is being pushed as far as San Francisco already.

**SALT STE. MARIE ENLARGES BUILDING**

Our business is still growing, and of course when we once get you and I thought that it is practically certain that a big campaign was started very soon in Los Angeles in regard to the co-operative bank. The San Bernardino bank capital will be raised from $100,000 to $250,000, and of the latter amount, it is expected that with the aid of the Cleveland Engineers Bank, $300,000 will be the share of Los Angeles. Union Labor has definitely endorsed the proposition.

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**BACK TO EDUCATION**

We have many, many problems in the Co-operative movement, but every one which we undertake to straightforward out leads us back to the same one general problem—the lack of education. This cannot be emphasized too strongly.

Seattle, Wash.

A. S. Goss,
Manager, Associated Grange Warehouse Co.

**VILLA GROVE EXPANDING**

I wish to congratulate the League on its new home and commend CO-OPERATION for its instructive and constructive articles. Our society is gradually expanding, having added the ice business this spring, and we are now working on a large deal for another line to add to the grocers, meats, coal and ice.

Villa Grove, Ill.

George L. Kennedy, President.

Villa Grove Co-operative Society.

**S. A. BERNARDINO TAKES OVER A BANK**

The big thing on the Pacific Coast just now is the co-operative banking proposition started in San Bernardino, but soon coming to Los Angeles.

The San Bernardino Movement is one of the healthiest I have seen for a long time. They have a fine store in the main street, right in the business section, and two small ones. They have a fine meat market, a large dry goods store, a large building, a large supply of money, and a large membership. San Bernardino is fortunate from our standpoint in being the location of big railroad shops, and having a fine class of citizens.
"DR. WILLIAM KING AND THE CO-OPERATIVE MOVEMENT"

This book, published by the Co-operative Union, contains an opening chapter by T. W. Mercer on the life and teaching of Dr. William King, who has been called a "pioneer in the Co-operative Movement". The following sentence should be given a place in the reorganization of society upon the principles of co-operation. He was an educator and an idealist. He emphasized the importance of co-operative education not only for members but for their children. Still this pioneer teacher was attacked and reviled by those who misunderstood him. In 1830 he discontinued the publication of the "Co-operator", but into its pages he had written the best thought that had ever been given to the subject. If he had never written anything else, the following sentence would give a place of distinction: "Co-operation is a voluntary act, and all the power in the world can not make it compulsory; nor is it desirable that it should depend upon any power but its own."

"KONSUM-GENOSSENSCHAFTEN"

This book, by Professor Robert Willbrandt, is a study in "genossenschaftskultur" published in Stuttgart, 1922, by the Staatliche Druckerei. It gives an idea of the philosophy and methods of co-operation and analyses its possibilities as a social agency. Professor Willbrandt works upon co-operation as a Movement capable of playing a large part in the reorganization of society upon a basis of credit. It is a completed social and economic system. It is encouraging to find quotations from the American magazine CO-OPERATION cited to elucidate the philosophy which is growing out of this great Movement.

NEW BOOKS

"The Inaugural Address," by M. Llewelyn Davies at the Fifty-Fourth British Congress, brings out the The Co-operative Union in its excellent picture of Miss Davies. The only criticism of this excellent address is that of the tendency to segregate the work of women from that of men in the Co-operative Movement. It is a fine document by a fine woman.

"Co-operation and the Social Conscience," by Norman Angell, is an address given at the Brighton Congress. It deals with the social conscience but not with co-operation. As such it is a thoughtful and suggestive treatise, as is the case with all of the writings of Mr. Angell. It is most useful in calling attention to the loose thinking, or the lack of thinking, which characterizes the minds of [illegible] [illegible] "Harding's 'leaders of thought' in these days."

"Educational Policy," by A. V. Alexander, shows how the war destroys education. While the British Movement was cutting down on educational standards and appropriations, it was foolishly voting hundreds of millions of dollars for making war on Russia. Yet, so long as the people are led by a thing like the British Government, they must expect war and the suppression of education that goes with it; at least when the money is needed to promote the interests of profit business and privilege. What is the government for, if not for that?

"Mutual Aid in Education," by S. Fairbrother, is a thoughtful contribution to this subject. This address reminds us that the pioneers in the Co-operative Movement did not have much education. But they wanted it and he desired to make it available. They did not ask the state to do so. They organized the Movement. The early societies not only carried on co-operative education, but conducted classes in rhetoric, literature, science, history and art. This educational work has continued. It has great possibilities, for the people in their voluntary societies, founded upon the principles of mutual aid, can educate themselves better than the state can.

"The Financial Position of the Co-operative Movement in New Form of Administration in the Retail Trade," by George Riddle, is another of the valuable addresses of the Co-operative Societies, 1921. The business statistics of the British societies are given. These show that the Movement is financially strong. The menaces to the Co-operative Movement are the combined trade associations and the prices that they charge. Those who destroy the Co-operative Movement destroy its possibilities of profit. To meet this, the Co-operative Movement has developed a supply of capital, efficiency and attention to every thing that makes for the well-being of its members, and perfect co-operation among all its organizations and units. Mr. Riddle advises "a capital redemption fund" in every society, and also a reserve fund to obviate the necessity of borrowing money, which should save interest charges, make lower prices possible, and guarantee the stability of the society.

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Co-operative Central Exchange
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We supply goods to Co-operative Societies ONLY
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We are organized to enable Co-operative Societies to do collectively what they cannot do individually.

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THE HOME CO-OPERATOR
A four-page magazine for use in co-operative societies.
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VITAL ISSUES
HOW TO RUN COAL
The coal in the United States is not mined for use; it is mined to make profits. There is a superstition without the slightest basis of fact, that coal is mined to be burned. As a result, the coal business is disorganized and frightfully inefficient. Here is a public need, and underlying the whole enterprise, from the mine to the stove, is the one question: How much can be gotten out of the consumer? The best statistics show that during the four years of the war one billion dollars in profits were taken in this commodity from the people in the United States.

There are essentially four plans by which the coal business can be run.
The first is the present method for profit. This method absolutely laughs in our faces every time we call ourselves a civilized people.
The second method is by the political plan. This is also called government ownership and control. It is offered in many forms. The plan of the United Mine Workers called "nationalization" gives the majority control to the government, which makes it a political plan. Government ownership and control mean politics. What the government owns and controls the people do not own and control. The people should not be confused with the government; they are two entirely different things.
The third plan is the control of the mines by the workers. This is the syndicalist, industrial unionist, or profit-sharing producers' plan. It is not a radical plan because it will not work. And if it should work, it would in the end turn out to be the same as the present capitalistic scheme.

There are all sorts of combinations of these four plans. If one would really sit down and think seriously about the matter he would have to come to the conclusion that, if coal is to be mined and distributed for use, it must be run by the people who use it—the consumers. And the problem will not be solved until the consumers do just this thing.
The consumers, both commercial and domestic, should form local consumers' associations. These should be upon the simple Rochdale basis. In cities, the organizations should be by wards or districts, in the country by counties. The local associations should be federated into state associations, and the forty-eight state associations should be federated into a national organization.

The distribution of coal by the local associations should be begun by making contracts with local distributing agencies on a percentage of cost basis. Thus the local coal dealer...
would be employed to deliver coal. If satisfactory arrangements of this sort could not be made, capital would be raised by the Rochdale method to establish a coal yard of their own. Coal would be distributed at the current retail price. Half of the surplus-savings could be returned in cash to reduce the immediate cost to the consumer and half could be returned in coal bonds. The funds represented by the coal bonds would accumulate for the purpose of buying mines.

The basis of this plan is that the consumers would ultimately run the coal industry. And they are the only people who want coal run for use. This plan would begin by taking the retailers’ profit. Then would come the profit of the string of middlemen and finally the mine owner’s profit. This plan provides for erecting a sluice-way which turns the golden stream of profits from the pockets of dealers, traders, gamblers, and monopolists into the pockets of the consumers. When once started out among the consumers, its natural tendency is to work toward the ownership of the mines as capital accumulates. There is no limit to its possibilities. It is the practical and sensible way to run coal.

WORKERS UNITE AT THEIR PERIL

Judge Rogers of Philadelphia issued on August 1st an injunction against the Amalgamated Clothing Workers of America restraining them from organizing non-union strikebreakers. The judge stated in court that he intended to break up the organization because it creates strife in factories where the employees are discontented. “It should be driven out of all existence as a menace to the nation,” the New York Times, August 2nd, reports the judge exclaiming.

One of the reactions following the war is the movement to destroy trade unions and deny working people the right to unite for their mutual protection. We shall see that it will go on, from bad to worse. The destruction of the trade unions has only just begun. Everybody is to be permitted to organize but the workers. They are dangerous.

Back before the civil war, when Kansas was controlled by slave-owners, the legislature of that state passed a law providing imprisonment for not less than two years for any one who denied, by spoken or written word, “the right of persons to hold slaves in this territory.” The criminals then were very much lack of moral courage enough to break the law. It matters little whether the economic interests that control a state derive their power from ownership of the bodies of human beings or of the resources by which human beings keep their bodies alive, privilege will be found enacting laws that compel the people to be docile dupes or criminals—one or the other.

One hundred years ago, labor in England was in a state of bestial slavery. The law forbade workers to unite, that is the extent of the crime. The British government sent thousands of men to prison and to the penal colonies for attempting to organize trade unions to better the conditions of the working people. Australia and New Zealand were founded by such criminals. When enough people had broken the law it was repealed, and trade unions became legalized. That is the natural course of events—progress by negation. If everybody obeyed every foolish law there would soon be a new race of sheep.

Another phase of the same type of slavery has been apprehended civilization by the throat and hurled it one hundred years back through the spaces of time. On July 22, at Charleston, West Virginia, three coal miners were sentenced to six months each in prison for violating an injunction by Federal Judge McClintic. The charge against them, made by the Loup Creek Coal Company, was that they were trying to organize the non-union miners. Organizing a union was the crime.

The owners of coal mines may organize to their hearts’ content, and they may charge the public any price they wish for the coal that old Mother Nature put into the ground a hundred million years before there was a man on the face of the earth. But the men who go down into the dark caverns of the earth, and in the face of death, bring out this precious commodity, are dictated by order of a United States judge from uniting as brothers to help one another protect themselves from some of the richest and most ruthless exploiters in the world. Now the government takes away from these poor miners this right which they secured a hundred years ago, and which no civilization since that day has denied them.

We should be concerned for the miners, their wives and children; but we should be concerned more for the rest of us. We should be concerned for the fact that a society that can take such a step is moving into a position in which it is in danger of breeding law-breakers. Such restraints of the economic interests that control a state, will make a lawbreaker inevitable, because of fear by which the work is done by the working people. That is the extremity to which the rulers will drive the working people in this year 1922. They are creating a situation in which the working people are apt to develop sympathy for the criminal and disrespect for the law.

This tendency is one of the many very obvious evidences of the decay of the present economic system. It behooves us to be busy building a better system to take its place, and to learn how to carry on our own affairs in a free society without the aid of governments.

“HONORS” THREAT UPON US

An examination of the attitude of the British government toward the Co-operative Movement since 1914 shows some striking facts. The Co-operative Movement during the war was the one agency that stabilized prices and prevented profit business from being absolute and undisputed master of the situation. As soon as it was revealed that the Co-operators stood between the people and the profiteers and prevented the latter from enjoying the full benefits of their war, the British government became openly hostile to the Co-operators. It is natural for us on this side of the ocean to see the interest taken by our British co-operative friends in the “honors” of knighthood which that same government now is wont to bestow.

The other day Mr. Clynes, the leader of the Labor Party, in the course of debate on “honors,” in the House of Commons, bewailed the fact that the Co-operators never had received the same state recognition that was given to others.

It would seem that the Co-operators actually own the chains that would bind them to the degrading institution which the Co-operative Movement would supplant. This is really the great British mystery. We have owned for the British Co-operators. They have made the greatest contribution to the cause of social justice of any people in the world. We look to them as our teachers. This royalty is not big enough to hold both. So long as the government is controlled by the profit system of business, it must be hostile to Co-operation. And when the profit system of business ceases to dominate the economic life of the British people there will be no “royal honors.” But what is more important, when the co-operative societies become the dominant economic force, there will be no further need for a British government.

THE NEED OF BEAUTY

Co-operators should create beauty wherever they can. The people
need beauty and have been deprived of it all too long. Unaesthetic, dirty, inharmonious surroundings are degrading. The places of beauty have been debarred by the modern industrial center is commonly a scene without art. Show and cheapness are its aim. Beauty is introduced when it pays dividends.

It is most encouraging to see the co-operative societies of Europe taking the lead in making their factories and places of business attractive. The Belgians set an example when the Society of Ghent employed the great Flemish artist van Beersbroeck on full time, established him in a studio on their premises and instructed him to create works of art, statuary and mural paintings for the enjoyment of the people.

The splendid and airy factories of the German Wholesale are models of beauty in industrial plants. The flower boxes in the window's of the Scottish Wholesale's factories at Shildhall give joy to all of the workers. Spacious grounds and tennis courts about the C. W. S. biscuit factory at Crumpsall lighten the toil of the workers. The beautiful surroundings of the Swiss Union give satisfaction and encouragement to all Co-operators.

It is a striking fact that when the people—what have been called "the dull and stupid mass"—take things in their own hands, they display a satisfaction in having the beautiful things of which they had previously been deprived.

We need in our American movement to see the expression of the aesthetic. The co-operative building can have flower-boxes at the window. It can be at least clean and neat. And the co-operative hall can be made artistic. Beauty is one of the things that leads people onward and upward. It is in response to a natural desire which Co-operation can fulfill.

THE COAL MINE

When the miners in England went on strike last year, they were called out of every mine in Great Britain except the Chilbottle mine, owned by the Co-operative Wholesale Society. During the crisis, the miners in the Chilbottle mine have had steady work with union conditions and union wages. Now, while the other coal mines at essential ly at work or are unemployed, we learn that the Chilbottle coal mine has given its workers two weeks' vacation with pay. Here is a coal mine owned by the co-consumers of England which is successfully operated, and in which the conflict between mine owners and workers does not exist. It should be enough to set people thinking.

THREE REASONS

There are three reasons for almost everything. If a man wants to do something bad he can scare up three reasons to justify it. And all good deeds have at least three good reasons behind them. A man walking along the road was hailed by a neighbor standing at his gate. The neighbor asked him to come over very close; and when he got very close, he asked him if he would not come in and have a "wee drop." "No, thank you, I must decline," said the first Scot. And in response to the second, he proceeded: "For three reasons. First, I am on my way to attend a meeting of the Board at the Kirk. Second, I am a member of the Sons of Temperance. And third, I have just had a drink."

There are three reasons why every body should be a Co-operator. First, it brings people together in brotherhood irrespective of creed. Second, it gives them membership in the greatest voluntary fraternity in the world that aims toward justice, harmony, and the improvement of the lot of mankind. Third, it promotes plenty by enlarging the access to all of the good things of life.

J. P. W.
The educational building of the Society is one of the most beautiful buildings in Bolton. The fire-proof library has 30,000 volumes. It has a reading room with desks for 130 readers. It receives 140 papers and magazines and lends out 2,500 books a week.

The Educational Department conducts evening classes and lectures, organizes picnics and excursions, maintaining scholarships, carries on a men's guild and a women's guild, has a choral society, and spends an annual appropriation of $15,000.

The Society started its building department in 1868. The plan was to enable members to acquire their own homes. It lends money to members at 4 per cent interest in amounts up to 90 per cent of the value of the property. The interest rate was at first 6½ per cent. This was lowered to 5 per cent, and later to 4 per cent. The loans are to be paid back at the rate of two cents a month for every $5.00 borrowed, thus giving the borrower twenty years to pay off the loan. This long term has not been necessary, as in nineteen cases out of twenty, the loan has been paid off in a quarter of that time.

The system adopted by the Society has many advantages. Up to 1909, 5,680 members of the Society had borrowed money for acquiring homes and of these, 5,182 had paid off their mortgages, the total advances amounting to $7,000,000. The Society began by purchasing cottages. Then vacant land was bought and houses built by the Society.

**CO-OPERATION IN STAFFORD SPRINGS**

By C. L.

Stafford Springs is a little Connecticut town of textile workers, mostly Italian. The Workmen's Co-operative Union was organized by the local members of the Amalgamated Textile Workers in July, 1920.

At the beginning the customary mistakes were made. An excessive price was paid for store, stock and fixtures; a poor manager was installed; the co-operative rapidly lost money.

But these shrewd textile workers did not make the common mistake of muddling along for two or three years under poor management, until three-fourths of their capital had been lost. Within four months they realized their mistakes, discharged the manager, affiliated with The Co-operative League, put in the League control system and placed in charge of the store one Carl Campe, a textile operator, who had been a careful and successful worker for the union. The store was cleaned up, the new accounting system put into practice, and two other valiant fighters for the union were taken on as clerks in the co-operative.

Today they are taking in nearly $1,000 a week. Two trucks are busy constantly covering the country within a five-mile radius of the little town. Of the 135 members more than 100 are Italian. They are still $300 short of the original $4,000 capital invested, but are rapidly making up for initial losses. Two per cent savings returns are now being paid back regularly each quarter to purchasing members. But because these stalwart fighters for the co-operative commonwealth do not believe in giving capital any reward whatever, no interest is given on the members' original investment.

The little store in Stafford Springs is a model of cleanliness and neatness. Thanks to the control system, any director can tell you at a glance precisely how the business stands. But more important than either is the quality of the leadership. The officers and directors are experienced warriors in behalf of the textile workers of the district, fighters who have outgrown the habits of mere revolutionary soap-box oratory, and are now down on the ground hard at work setting one of the cornerstones of the Co-operative Commonwealth. After talking for a few moments with these men, it is easy to understand the neatness of the store and the precision in the keeping of records. Their dogged realism of ideas and clean-cut efficiency of method naturally belong together.

**THE ECONOMICS OF THE “MANAGE X”**

A True Story of French Life

By G. GABARDO

Translated from “L’Action Co-opératif”

In the smoking room of a café, where one afternoon in May I was rambling on discussing Co-operation, I noticed a familiar face of one whose name I could not remember. When I finished talking I started to go out of the room to enjoy a bit of sunshine when a man slapped me on the shoulder.

“You do not remember me?” I hesitated a minute. But the box of memory opening, I replied, “Surely, X.”

We had been brought up together in the same village on the banks of the Seine, and we had been good comrades in school. “Are you a Co-operator, or do you ever expect to become one,” I asked him.

“No, I have simply dropped in to see you. I saw your name on the bill-board.”

I thanked him, and said, “I am happy to see you, but I would be much happier if you would join the co-operative.”

“We will see later,” he said, “Will you give me the pleasure of drinking a cup of coffee with me at my home? I live but a few steps from here.”

At his home I found a neat but poor interior. We talked with his wife who was a hard worker. She was a candy-worker who earned about a franc and a half a day, in spite of the fact that she had five children at home. She was a basket-maker who earned about a franc and a half a day, in spite of the fact that she had five children at home. She was a basket-maker who earned about a franc and a half a day, in spite of the fact that she had five children at home. She was a basket-maker who earned about a franc and a half a day, in spite of the fact that she had five children at home. She was a basket-maker who earned about a franc and a half a day, in spite of the fact that she had five children at home.
they would like to join but they had little money.

"We have to buy on credit at the grocery and at the bakery. With five children and a father and mother to feed, we can never get enough ahead to save. I have always been the parasite of the poor."

It was just at this time that on my return to Paris I had put the proposition up to our Central Committee to put aside some funds to loan to families who might use them to wrench themselves from the credit merchants. The funds were voted.

My friend owed fifty francs to merchants. This sum seemed enormous to him who only earned with his wife about five francs a day; but now he could borrow from the Central Co-operative organization. He paid off his debts in three months. A year after he was able to buy a share in the co-operative organization. He paid off his deposits within a few months.

"Capitalist," I called him, the first time I met him face to face.

"Yes," he replied, "I have come to repay what I owe. "Two years ago when I first met you, I had never saved a sou. My husband and I were in debt to the Central Committee. We knew the advantages of Co-operation but what can we do? The co-operative does not give credit."

This is a real story, not a fairy tale. The fairy Co-operation brought still further joys to this little household. I learned from my friend that they wisely allowed their savings to accumulate in their co-operative. This important reserve meant all to them for a possible "rainy day."

Several years passed. One day I felt like having a look at my friend's account. His deposits were more than 300 francs.

"Capitalist," I said. "You cannot believe how this reserve fund has added to our happiness. Before I joined the co-operative I lived and worked from day to day with the continual fear of having to lose my job, of getting sick. I said to myself, what may become of my wife and children. My life was truly poisoned with fear. Not only have I the comfort of my savings but I can enjoy daily many other things. And then my wife! She has many good qualities, but she used to have, I must confess, one little fault. When she bought on credit, she did not count the cost. Now when she must pay cash, she gives much attention to the cost of things, and this is all good for our household. And then, the savings that we have put aside have given her an ambitious feeling. She wants to economize and one day she says she even hopes that we shall own a home. When we do we will call it 'The Villa Co-operative.'"

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**SUBSCRIPTION CONTEST**

The League offers a prize of a copy of "The Consumers' Co-operative Movement," by Sidney and Beatrice Webb, to the person who will send in the most subscriptions to Co-opera-

Local Arrangements—John Ashcroft (Cleveland, III.), Chairman, J. Donnheim, Mrs. Anna K. Hubbard, Peter Kramer, M. E. Shaver, A. V. Vesely, Mrs. Dora Nordboe, H. G. Schmidt.

ADVICE TO STORE MANAGERS

Inventory Taking

A semi-annual audit is not sufficient. It should be at least quarterly, and with a new manager, once a month.

Inventory taking is very important. Do not estimate anything. Never figure on prices of a previous date, but at the present mark-up, loss or leaf sheets, which can be bound later. A calculated report to the members each week should be required to furnish the manager, turned over to the Control Committee, who check them up with the invoices and enter the week's summary on separate loose leaf sheets provided for that purpose.

The control of stock can only be ascertained by using record sheets daily for all goods returned, sold, shorted, destroyed; and The League's "Control System" is recommended for this purpose. It is necessary to keep careful records and have them signed by various officers. The manager, turned over to the Control Committee, who check them up with the invoices and enter the work alone. Several of the directors can do it quicker and in pairs on a holiday when the store is closed. If bins are known to contain a certain amount of bulk goods when full, the amount at inventory taking may be arrived at by measurement. (See The League's special sheets for taking inventory at selling price). Wholesalers furnish close inventory, which are used for taking inventory at wholesale prices.

Control of Stock

Remember, a cash register does not control the business in the least. It simply keeps a record of the money received and is a safer repository during the day than a drawer under the counter. Each night the cash should be deposited in the bank, and the cash register totaled by the cashier or secretary in the presence of the manager, before setting it again. The control of stock can only be ascertained by using record sheets daily for all goods returned, sold, shorted, destroyed; and The League's "Control System" is recommended for this purpose.

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ceived a double entry system is absolutely essential. The League has several systems to suggest.

The manager ordinarily should not be required to keep books. It is not his job, but in many stores he is often the only one capable of doing so. When this is the case, a monthly audit by a committee of three should be demanded by the membership. Once a year an expert accountant should be required to audit the books also. Most managers are honest, but the directors should control them nevertheless; and the honest manager will prefer to be checked up regularly. Once a month the directors may ask for a statement from the warehouse to be sure no bills have been mislaid or kept back. This is sometimes done, waiting for a more prosperous time to present the bills, but it is dangerous and misleading.

In keeping a manager’s accounts, if a shortage is discovered and the manager cannot explain, it is better for him to resign or be dismissed. If this is done from month to month until the difference becomes large. Never try to cover operating expenses or losses by using capital. Compare average operating expenses constantly with sales. If the operating expense is 10 per cent then you must add 10 per cent plus the surplus-saving (profit) per cent to the wholesale price.

Credit

A man who owns his own business can decide to whom he gives credit, but in a co-operative store it is his member. Where credit is extended, therefore the better policy is STRICTLY CASH, even though you lose some customers thereby. In no case should the co-operative store extend credit to non-members, and only in cases of great need, should credit be allowed up to one-half of the amount of share capital paid in by a member. Where credit is extended, therefore the better policy is STRICTLY CASH, even though you lose some customers thereby. In no case should the co-operative store extend credit to non-members, and only in cases of great need, should credit be allowed up to one-half of the amount of share capital paid in by a member. Credit is extended to members, on the usual principle of sharing the profits, with the men the owners.

Material for Posters

M. E. Shaver sends in the following suggestions for store posters:

1. “The Co-operative ideal is production and distribution for USE in place of PROFIT.”

2. “The Co-operative Movement is the only democratic movement with economic power.”

3. “Join the Co-operatives and save the unearned profit.”

4. “Why work so hard and give part of your pay to others in the form of earned profit? Join the co-operative and save it.”

5. “The Co-operative Movement is of the people, by the people and for the people, while private business is of the capitalist, by the capitalist and for the capitalist.”

6. “Join the Union of Consumers, and free yourselves from the profit system and the profit seekers that go with it.”

In the center of the busy section of the city of Glasgow, one is suddenly confronted by the following words painted in large letters on the side of a building:

“Co-operation helps you and your store. Join the store nearest your door.”

Convention Ohio District Co-operative League

The second annual convention of the Ohio District Co-operative League was held at Columbus on June 24, 1922. There was an appraisal of Co-operation, its present status, and its possibilities. Each delegate spoke and acted with understanding. Cold business problems were met and dealt with, while at the same time the ideals and faith in the Movement were revealed in every action. The spirit of the meeting was that, “Co-operation is right and must go forward.” Delegates counselled to build substantially. It was pointed out that the British were three years getting their buying agency established. It was shown that the ground should be carefully broken and fertilized with co-operative education before the sprouts of business enterprise could be expected to survive.

Labor delegates representing trade unions were unanimous in their opinion that Co-operation was a part of the labor movement, that it had come to stay, and was the intelligent method of fighting the injustices imposed upon the laboring masses. They maintained that the trades union movement, by its very nature, was a defensive organization and at the present time was being forced to retreat and retreat, while Co-operation showed the way to a forward movement.

President Thos. J. Donnelly opened the convention with an address, dealing with the need for Cooperation. Vice-president, G. W. Savage stated that the policy of the Ohio movement was for Co-operation and that as soon as their strike was settled they would be in a position to lend more aid to the Movement. Secretary-treasurer John F. McNamara reported that letters and bulletins had been sent to all trade unions and co-operatives, soliciting support to the Ohio district, he reported funds in the treasury.
Gentlemen: I am pleased to greet you as delegates and visitors to the Second Annual Convention of the Ohio District Co-operative League. We are meeting in Columbus this year to review the progress made by the Co-operative League in the state and to discuss the problems confronting the Co-operative Movement. May our convention be a success from both a business and fraternal standpoint.

The Co-operative Movement and the labor movement should go hand in hand. Labor organizes upon the economic side into the trade union for the purpose of collective bargaining as to production on the part of the employer. The Co-operative Movement is an effort to bring about collective action first as to consumption and later as to production. Every union man should be a Co-operator and every Co-operator should endeavor to build up his union.

There are two processes by which the worker is victimized. One—when the worker takes a job he submits to work for the price and under the conditions agreed upon by his employer. The wage that he receives determines his standard of living. The last half century has meant some remarkable progress for the workers as a result of his collective bargaining. Nevertheless, the employer still controls the job and says whether the worker shall work or not work, and by the virtue of such control, determines the kind of a living the worker shall have, the kind of a roof that shall be over his head, and the kind of clothes he shall wear; yes, even, the kind of an education, if any, that the children of the worker shall have. Thus the worker is economically dependent upon the owner of the job.

In this process he has neither voice nor vote, he is without representation whatever upon the industrial boards that control industry and the jobs therein. His only hope of self preservation, in this respect, is through the recognition gained by his trade union. The worker is victimized in just the proportion that he is dependent. If his union is strong and he is well organized he gains more concessions than if he is poorly organized; he is forced to work for as small a wage as possible, and that wage must represent a profit to his employer or he does not work.

Now the other process. Wages are just what they will buy, no more, no less. After the struggle of the trade union for more wages, sometimes bitter and fierce, the worker finds that the increase in income does not compare favorably with the increase in the cost of the things that he must buy to live. And, in this phase he has neither voice nor vote, he must pay the price that is asked. He is taxed without representation. Our forefathers declared against this, and gave birth to our nation. It remains for the worker to demand and maintain his rights, and by the virtue of such control, determine the kind of a living the worker shall have, the kind of a roof that shall be over his head, and the kind of clothes he shall wear; yes, even, the kind of an education, if any, that the children of the worker shall have. Thus the worker is economically dependent upon the owner of the job.

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Mrs. Solem of Minneapolis has spoken. The year-book is under consideration. WAUKEGAN OPENS NEW DAIRY

The Co-operative Trading Company, of Waukegan, Illinois, has opened up a new dairy plant, in response to the growing demand of its dairy business. It took five months to complete the new home of the cooperative dairy, which is patronized by one-fourth of the people of Waukegan. This co-operative has a membership of nearly 700 consumers. Savings refunds of 8 per cent have been paid on milk and cream purchases, though the prices charged by the co-operative are approximately 25 cents lower than they are in Chicago.

In addition to the thriving milk business, this society also supplies its patrons with groceries and meats. The number of customers according to the latest report last year, was in excess of $150,000 a year.

The Co-operative Trading Company is operated on the Rochdale plan. It makes liberal allotments to the educational fund, distributes the Associated Magazine and is affiliated with The League.

MT. OLIVE SOCIETY

The mine strike has had no apparent effect upon the Mt. Olive Cooperative Society, of Mt. Olive, Illinois, even though this society is situated in the coal-mining district and has a membership of miners. The last semi-annual report shows that savings of $925 were made on the sales of $37,000. The surplus-savings were distributed as a 2 per cent return on purchases, and 8 per cent was paid to members as share capital.

The savings made by this society, even in the present critical times, amounted to 11 per cent of the share and loan capital invested. This does not take into account the savings made by members who received trading stamps, which are redeemable at 2 per cent cash, or about 2½ per cent in trade. The Mt. Olive Society has a membership of 300. There has been no loss in membership in spite of the strike.

FAKE "CO-OPERATIVES" IN LOS ANGELES

The working people of Los Angeles have been swindled by a scheme for organizing "co-operative industries," according to William Steineck, deputy commissioner in charge of the Bureau of Labor Statistics of California. The State Bureau has discovered that twenty-five firms in Los Angeles participate in these schemes to defraud the wage earners. One of the cases now being prosecuted is against the United Cafeteria. The charge against this concern, which recently started activities as a "co-operative cafeteria operated by employees," is that the heads of the concern sold 169 Johnnies for 30 cents each, whereas only between $300 and $500 each, and employed only sixty of the job purchasers.

FARMERS BUY TOGETHER

The number of farms in the United States reporting co-operative purchasing of farm supplies through farmers' organizations was 329,449, or 5.1 per cent of all farms. In six states, co-operative purchasing of farm supplies was reported by over 20,000 farms, as follows: Iowa, 32,550; Kansas, 32,321; Minnesota, 29,611; Nebraska, 27,385; Wisconsin, 21,792, and Ohio, 21,250. Important items purchased co-operatively were fertilizer, feed, binder twine, spraying materials, coal crates, boxes, etc.

BRITISH PROGRESS

The progress of the Co-operative Movement during 1921 was reported to the Brighton congress by the Statistical Department of the Co-operative Union. The report is a summary of the position reached by the Co-operative Movement at the end of 1921. On that date it is estimated that there were 4,526,475 members of co-operative societies in the United Kingdom or 21,220 more than there were at the end of 1920. Thus, despite unemployment and bad trade, the membership of co-operative societies continued to grow throughout the past year, and there are more Co-operators today than ever before. At the end of 1921, these Co-operatives possessed share capital amounting to £74,190,375, while the reserve funds of their societies amounted to £5,238,080. They owned land and buildings valued at over £28,000,000, and trade stocks worth more than £25,000,000. Upwards of 130,000 persons were employed by the retail societies, and these persons received wages in 1921 amounting in the aggregate to £21,000,000. The sales of retail co-operative societies in 1921, amounted to £219,000,000, and on this trade a surplus-saving of nearly £18,000,000 was realized. Of this surplus-saving nearly £18,000,000 was spent on education, £136,000 was devoted to charitable purposes. Figures speak of strength, stability, thrift and foresight, and demonstrate what can be done by co-operative industry.

CHEAP COAL

The approach to the solution of the coal problem is being made by the Co-operative Society. Already a number of societies in this country are distributing coal to their members. Some have developed the largest coal business in their respective towns. In Europe this is becoming the general practice. One result is that the price of coal is reduced. Take for example the Progress Society in Scotland, which created a disturbance a short time ago by selling coal at 6d. a bushel. It now sells coal at nearly as low a price and then makes for their members a savings return which brings the cost even lower.

HEALTH PROTECTION IN MADRID

Since 1904, the workers of Madrid, Spain, have maintained a health department in the co-operative society (La Mutualidad Obrera). This provides complete medical service for eight dollars a year for each member. There are seven clinic-hospitals in different parts of the city, each equipped with about ten beds, an up-to-date operating room, a dental clinic, consultation rooms, an immaculate tiled kitchen, and a garden for convalescents. Each has a staff of physicians, surgeons and nurses. The drug store connected with each hospital furnishes medicines free of charge to the members. The Johnnies are distributed to non-members at the current price. The co-operative society supplies the hospitals with provisions. Each member pays 5 cents a month to the society. For this, besides the benefits of membership, he receives free medical service, major operations, consultation and advice at any time.
SOCIETIES SHOULD FEDERATE

You will perhaps have noted in a recent issue of our magazine that both the provincial farmer's organizations in Canada conducting chain stores made very heavy local losses last year. In both cases there is a strong inside agitation for decentralization and as to which this union has been consulted and do not wish to become involved in any domestic disputes, although anxious to be of service if decentralization is decided upon.

Our localized societies, however, established in Ontario, have been going through a serious crisis, and now have gone under. In nearly every case, however, it is due to lack of funds for educational, propaganda and advisory purposes. We have hundreds of institutions throughout the continent, of all kinds, which are not only in need of assistance in the solution of their problems until they have run themselves into what may be called an economic cul-de-sac.

We are now trying to get monthly reports of operations and it is the intention to consult local directors and managers, even though federated with the union, go blending on in a spirit of isolation and obstinate self-confidence, and do not ask for assistance in the solution of their problems until they have run themselves into what may be called an economic cul-de-sac.

EDUCATION GIVES HELP

It seems to me that every locality when conditions are not ripe for carrying on a distributive business, we may be found sufficient advocates of Co-operation to form a social and educational club, which would sooner or later change from the abstract to the concrete. Such local circles might maintain a library, a reading and meeting room, and conduct meetings, discussions, lectures, socials, entertainments, etc., to further the propagation of Rochdale principles.

The Glynn System (non-co-operative scheme) has taken about as much of the work from the Co-operative League, they got no more than their own. J. G. ROTH, President of the Co-operative Union of Canada.

LEAGUE HELPS AUSTRALIA


To The Co-operative League,

167 West 12th St., New York.

We have been very busy to you for sending the copy of the "Model Co-operative State Law", which represents a very great work indeed. When it becomes enacted it will be, in my opinion, one of the most complete and adequate co-operative laws, embodying the best experience of the Co-operative Movement throughout the world.

From the study on "Co-operative Housing," which you kindly sent me at the same time, I recognize that your representatives have taken full advantage of the opportunities of study and observation which their journey in Europe afforded them. This will assuage to some extent the regrets which I expressed in my last letter for not having had a better opportunity of meeting them at Basle.

D. Y. PAQUET,
General Secretary.

THIRD CO-OPERATIVE CONGRESS

Place: — Auditorium of Lexington Hotel, Michigan Boulevard and 22nd Street, Chicago, Illinois.

Date: — October 26th, 27th and 28th, 1922.

Time of Opening: — 10 A. M., Thursday, October 26th.

TREATIES, and your publications give good ideas and directions for our efforts.

D. A. W. LACHLAN.

FROM THE INTERNATIONAL LABOR OFFICE

Societe des Nations
League of Nations
Bureau International du Travail
International Labour Office
Geneva, Switzerland.

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THE CO-OPERATIVE LEAGUE HELPS AUSTRALIA.
VITAL ISSUES

THE RAILROADS FOR THE CONSUMERS

No one is so blind as not to see that the present method of running railroads in the United States does not work and can not last much longer. Railroads should be run to carry passengers and commodities safely and expeditiously from one point to another. At present they are run for an utterly different purpose—to pay dividends to stockholders and high salaries to high officials. As this system is breaking down and going to pieces the people are being led to look to the government to help them. The demand for government ownership of the railroads is daily growing stronger. Politicians, reformers, political economists, labor leaders and the owners of railroad stocks are urging government ownership of the railroads. It is approaching. Government control and then government ownership is the natural sequence.

But while the people are plunging toward this solution of the problem, it behooves them to turn their eyes toward Washington, and ask seriously if the particular aggregation of citizens who dominate the situation there are the people into whose hands they should like to see the railroads pass.

If the problem is not solved until the railroads are run in the interest of the travelers and shippers, then why should not the travelers and shippers proceed now to get control of the railroads? Why the devious and round-about way of government ownership with the idea that the government represents the people? It does not; it never did; and the plan of organization of the government purposely provides that it shall not represent the people. Alexander Hamilton and his associates saw to it that it should not.

But the people who need railroad control should organize. They should apply the same power to the government that they would to secure government ownership; but instead of government ownership they should have as their purpose ownership by themselves. If they can do one thing, they can do the other.

A Railroad Commission should be created. It should consist of an equal number of representatives of (1) the owners, (2) the workers, and (3) the public. This commission should be composed of an even number of appointed members who should elect an outside person as chairman and odd member of the commission. This chairman should be from neither of the first two groups but should represent the public.

The Co-operative movement is the natural solution. It does not deny the need for good government control and ownership, but it does not believe in the government as the answer to the problem. It believes in the voluntary association, produced and distribute for their own use the things they need.

Published by The Co-operative League, 167 West Twelfth Street, New York City.

The Canadian Co-operator

The organ of the Canadian Co-operative Movement, owned by and controlled under the auspices of The Co-operative Union of Canada.

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167 West 12th St., New York City.
This commission should be a preliminary body. It should be created by Congress and authorized and empowered temporarily to control and operate the railroads for service. It should be regarded as an emergency body to meet the railroad crisis.

Transportation and shipping rates should be at a price sufficiently above cost to provide interest on true indebtedness, reserve for plant repairs, gradual amortization of indebtedness, and a surplus-saving.

At the end of a period of operation under the Railroad Commission, the people should elect a Board of Directors to take the place of the Commission. The last function of the commission before retiring should be transferring the railroads to a new ownership basis and turning them over to the directors of the new owners. The new owners should be the people of the United States, incorporated into an organization which may have a different name if public sentiment and business expediency demand it.

The users of the railroads should proceed to develop the capital to pay off the old debt to the present security holders on the basis of a just valuation. A duplicate of each railroad ticket and of each bill of lading would constitute a certificate indicating payment for services.

The citizens, precisely as they do politically, would vote upon matters pertaining to railroad control. The old Congress (the present security holders) would constitute a certifying board, the new railroaders, the factory worker live on the brink of starvation. Their employment is always doubtful; and getting a living wage out of their employer is a constant struggle. The people in this country who have abundance, and who enjoy all the protection of the law and the prestige of position are the gamblers—people who buy the products of labor at the lowest possible price for the purpose of selling at the highest price. The laws, the courts and the machinery of government are all shaped up to protect and promote gambling—commonly called business.

In this decay of industry the farmer suffers along with the rest. He performs useful service. That is the cause of his plight. W. C. Lansdon, of the Farmers’ Union, in the educational lectures which he has been delivering before farmers groups in Nebraska, has brought out some startling facts to show what has happened to the farmer in the United States. He said: "They say I am a pessimist. But the man who sees a house on fire and turns in the alarm is not a pessimist. He is only taking a common sense precaution to stop damage and destruction. The fact is that agriculture was never in such desperate straits."

From the Nebraska Union Farm, we learn that Mr. Lansdon has pointed out that when Nebraska was admitted to the Union the farmers in the state owned his land, and it was not mortgaged. Now 40 per cent of the farms of the state are operated by tenants, and the farms are mortgaged for $300,000,000. The same condition exists in every state in the Union. In the United States as a whole, about 40 per cent of the farms are operated by tenants, and these farms are covered with mortgages aggregating seven billion dollars. The last census showed an increase in this mortgage indebtedness of 150 per cent.

In addition to the mortgages on their farms, the farmers of this country have about three billions of other debts, making an indebtedness of ten billions in all. This means that the farmers, who owned their farms sixty years ago, have now lost title to 40 per cent of their land and have "gone in the hole" ten billion dollars. That is what their toll has earned for them.

Into whose hands has this great wealth now worked with some- body else’s machine so will the farmer soon be tilling somebody else’s farm. The decay of an economic system is associated always with the decay of the worker. The important thing for the farmer to learn is that he can not save the situation by waxing patriotic, "backing up Uncle Sam," raising soldiers for the next war, electing "good men" to office, or by doing anything for the nation that compromises with the present profit system and the government that is controlled by it. It is all a losing game; the man who hears too means to go into gambling.

But something can be done. Besides producing food, the farmer is in the strategic position to perform the great social service. He can realize that the profit-system is going to pieces—is coming to an end—because it does not work. And having seen this, he can turn his face toward the future and occupy himself in building a new economic system based on the motive of service instead of profits. When he does this he will lead the world. And here and there are encouraging evidences that he is catching the vision.

"POTATOES DON’T GROW BY THE POT"

There is an old adage to this effect: When potatoes are to cook a pot of potatoes you have to go out and get them.

Karl Marx and his disciples have taught that the capitalist system would go to smash of its own inherent inefficiency. They were right. It is going to pieces. European capitalists know it, but the Americans have not yet found it out. Then Marx and his followers have always said that the workers would step in and take charge of things and run them. And that is where they were wrong.

Some people have had the idea that as soon as things go to pot everything is then ready for the workers to start the brew boiling, and the new regime is here. Well, I have an idea that if the capitalist system in the United States should go to smash, and we should have a revolution, the workers would have to get a long way ahead of the workers they are facing and in the direction they are going.
charge, and we should have capitalism again.

Potatoes do not grow by the pot. If the workers in the United States are ever going to play a large part in running the affairs of this country, they will have to go out and learn how. If they are going to boil potatoes they will have to go out and gather them. Merely being by the pot when the fire blazes up and the water begins to boil is not enough.

If the working people are going to run the affairs of any country they must not only get experience and training in management, administration and what is called "business," but they must develop people who can organize large affairs and who have capacity and ability for social statesmanship. Things are now being administered—after a fashion—but they are being done. Potatoes are being made and trains run; and it is all under capitalist administration. When the workers have learned to do it better, they will naturally find themselves doing it; and the Marxists will be wrong, for nothing need go to smash.

But the workers will have to hurry up with their training, or there will be trouble before they are ready.

JOB CURSED THE DAY HE WAS BORN

The most discouraging fact about Co-operation in the United States is that big business is not worried about it. In Europe the profiteers have been cursing Co-operation for forty years; here they pay little attention to us. We will never get anywhere until profiteering business gets excited and starts to blackguard us. Then we will go forward.

Once upon a time an old clergyman who had labored faithfully in one church for forty years was given a vacation, and a fund was raised to pay for a trip to Europe with his good wife. They set sail. A great storm arose. The wind blew and the billows rolled. The ship was tossed and beaten by the waves. With trepidation the pious man sought the captain and said, "Do you think there is any danger of our being lost, captain?" The captain replied, "Do you see those sailors forward there? Listen; hear 'em swear? Well, when they stop swearing and begin to pray, there is danger; but so long as they keep on cursing you are safe."

All through the stormy night the two pious souls were awake. Now and then the parson's wife would say, "Father dear, do you think the vessel is sinking?" And the old gentleman would open the cabin door and eagerly listen to the voices forward. Then he would softly close the door and with a sigh of relief exclaim, "Thank God, they are still cursing!"

That is what we need. We need to get the Co-operative Movement into such shape that we can open the store door and listen to the voices of the tradesmen up the street and exclaim, like the good parson, "Thank God, they are cursing at last."

J. P. W.

THE CONGRESS

All persons interested in the promotion of the Co-operative Movement in the United States are invited to attend the Third Co-operative Congress at Chicago, October 26, 27 and 28. Societies which are members of The Co-operative League will send delegates. Other organizations have been invited to send fraternal delegates.

The keynote of this Congress will be: How to unite all of the Co-operative Movement in this country into a solid body for united action and protection. This is a task well worth undertaking for it means not only the advancement of Co-operation but the protection of the working people as well.

It is often asked why the government of the United States does not encourage co-operative banking to help the poor farmers as have the governments of Germany, Denmark and India. There is some history on this subject which is illuminating.

At the First American Co-operative Congress in Springfield, Illinois, in 1819, Charles O. Boring reported the experience of a committee on Co-operation in attempting to get a hearing before Congress in 1911. "Why did we not succeed? Simply because the trusts were there in force; they had moved upon the House and the Senate, and they prevailed."

Some illuminating information is to be found in two old documents reposing among the musty archives in Washington. They are "Compilations on Agricultural Credit Banks," Government Printing Office, Washington, 1912; and a Majority Report, sixty-third Senate, Document No. 261, Part I.

In 1921, Joel Henry Greene published in "The Freeman" (March 16th) the gist of the incidents relating to the government's motions on behalf of co-operative banking as revealed by these documents. It is interesting history.

David Lubin gave the best years of his life to promoting co-operative organization among the farmers. He labored in the United States until he became disheartened and then went to Europe and established his headquarters in Rome. For many years David Lubin tried earnestly to get the truth about the necessity for co-operative rural credit before the American people and their Congress. He accurately predicted our present unfortunate situation if such rural credit was denied. When Mr. Lubin's repeated appeals could be shelved no longer, President Taft sent his American Commission, appointed through the governors of the States to Europe to study the problem. In his letter accompanying the findings of this commission addressed to the governors of the States Mr. Taft said:

A study of these reports and the recommendations of Ambassador Herrick which I am sending you, convinces me of the adaptability to American conditions of the co-operative rural credit-plan set forth in the organization of the Raiffeisen banks in Germany... We must establish a credit system of, for and by the farmers of the United States. It would be better, otherwise, not to consider the matter at all... Their establishment is generally a matter for State legislation and encouragement, their organization and management are wonderfully simple, and the experience of the European countries shows that their success is practically inevitable where the environment is congenial to their growth and where proper laws are passed for their conduct.

Then the American Bankers' Association immediately got busy and sent their own commission to Europe, in advance of Mr. Taft's, to head off the adoption of any scheme of cooperative rural credit. The bankers met Ambassador Herrick and Mr. Lubin in Paris in a conference which lasted nearly a week. Their discussions made interesting reading last month. The bankers wanted "mortgage credit-banks" to be set up by bankers. Mr. Lubin strenuously opposed this demand and called attention to the fact that "the movement in the early eighties for mortgage-banks by bankers, led to disastrous results." He quoted from Mr. Edward F. Adams' "Sound Currency" that "banks were largely speculative and methods deceptive and at times fraudulent." The bankers had depended on assistance from Ambassador Herrick, and Mr. Lubin in particular, who had been president of the American Bankers' Association, also Governor of Ohio, and was himself possessed of large banking-interests. "Governor Herrick," he contended attentively to both sides of the question.
On being asked for his opinion, he said he preferred to defer it for his Report to the Administration, which he was about to draw up; nevertheless, he unhesitatingly expressed himself strongly in favor of the proposed investigation by the Select Committee in the European countries.

Conservative bankers have been knocking Mr. Herrick ever since for not playing the game on that occasion in true banker's style. In spite of the great number of able, interested financiers who accompanied Mr. Taft's commission in order to hammer it, only six of the sixty-one commissioners made a minority-report against the Raiffeisen system of rural credit. The grounds for their opposition are evident when their occupation, such as banker, cotton-manufacturer, lawyer-farmer, etc., are known. A great newspaper "drive" was promptly ordered by the bankers, assisted by Friends of Trade and similar financial interests, and the report of the commission was smothered and its effect killed. Mr. Taft, after all, whenever he had a chance gave the farmers a slap so that there should be no question as to his attitude.

That was the end of the U. S. government's interest in co-operative banking. It will probably be revived again when the farmers' plight becomes so desperate that they are not producing "enough material to keep the wheels of speculation running full speed." Then something will have to be done. Some loud-voiced pompous politician will thunder forth his demands that "measures must be taken to revive our declining husbandry." This will happen when the area of untilled land has still more increased and the rural population has still more decreased and the peasant farmers have become hungry and ugly. Then we shall get legislation authorizing co-operative banking. When things get bad enough, good results will arrive.

A STORY IN SOAP

The Associated Grange Warehouse is the Co-operative Wholesale of the State of Washington. It supplies many small grange stores. Until recently it had been buying soap from a concern in Portland, Oregon, and was doing a pretty big trade in soap—about sixty cases a week.

The orders kept increasing, and the private stores began to see a menace in this growing Co-operative Movement. Some of them complained to the soap manufacturers in Portland; and suddenly, without warning, the orders of the co-operative Grange Warehouse were cancelled. The manager took a hasty trip to Portland and thought he had adjusted the matter, when again the orders were cancelled. This time he called on the president of the private soap factory, who informed him that the Buyers' Association of Portland had threatened to stop all purchases if the soap company continued to do business with the Co-operative Wholesale. The Grange Warehouse found itself effectively boycotted; it could not buy soap.

Years ago the C. W. S. of England was forced to manufacture their own soap through the "Sunlight" company. Now we find that we have in our economic life a similar condition. In America, the same condition has arisen.

The capital of the Grange Wholesale was very limited. They could not buy or build a factory, but they could engage a chemist to analyze the soaps on the market and produce a better soap. This they did. They then found a small soap manufacturer in Seattle and offered all kinds of inducements to get back the trade. Mr. Goss, the co-operative manager answered, "No, indeed, we like our own soap better and can sell it cheaper than yours."

The next thing that happened was this: A few of the co-operative stores had managers who were not entirely converted to the co-operative principle, and when the Portland salesman came around offering the old soap at 75 cents a case less, they naturally bought the "Gleaner White," and offered it to the Co-operators.

Again the educators had to go the round houses and beseech them to remain loyal, to buy their own soap even if the other was given away. At last they saw the point. They still see it, and refuse to buy anything but the "Gleaner White" brand, and the unfaithful managers now have on their hands dozens of cases of "scab" soap which they cannot even give away.

THE CO-OPERATIVE MOVEMENT IN AUSTRIA

By EMMY FREUNDLICH

Member of the Central Committee of the International Co-operative Alliance, Member of the Austrian Parliament.

In a country, where we have every day a changing value of exchange, the progress of an economic organization meets with serious obstacles. It is not possible, for example, to keep count of expenses. The value of income and changes every day. Nobody, who has real money in his hands, can imagine the difficulty of having money that is bad. In Austria, we find that we have in our economic life a changing and all is every day altered in value. Every month all that we need for living is counted out by a state department, and when the capital comes into our treasury, the kronen would have only the half of their value. We must ask that our membership spend all the money at their co-operative stores, because all that we have is growing higher in price and all the necessary money cannot come from our membership. That our capital is of small value, is not the fault of our Movement. That came out of the bad circumstances in which our estate is put by the peace treaty. Why, we ask, must the Co-operative Movement spend its power and lose its money for this reason? It is necessary that we shall be able to buy from our membership, because without our distribution the consumers in Austria have not enough to eat.

What we have is not money, it is only paper. We can not buy from other countries. Now one pound of bread costs 5,670 kronen and a pound...
of beef costs 15,000 kronen. A meal in the restaurant of our wholesale costs 5,000 kronen. It is inconceivable that the men who made the "peace treaty" know what misery they have brought upon the world. In a short time we shall have a new collapse and another revolution and thousands of people will lose their lives, if the situation is not changed.

There are many other difficulties behind the evolution of our Movement. We have worked with all our forces and there has also been the last year good results. The figures in our report are very high, and a foreign reader will find that the Austrian Co-operatives may seem rich, but nobody must forget that all the figures are only Austrian kronen.

All the co-operative societies that are members of our entral Union have had good results. But we have not so many societies as we had before, because we have united more and more small societies to big ones. We have only 97 co-operative societies in our union and 52 societies which are productive societies and societies for house building and credit. Their evolution is shown by the following figures:

<table>
<thead>
<tr>
<th>Year</th>
<th>Co-operative Societies</th>
<th>Reserve Funds</th>
<th>Number of Local Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1914</td>
<td>96</td>
<td>6,722,356</td>
<td>1,379,698</td>
</tr>
<tr>
<td>1920</td>
<td>103</td>
<td>8,468,573</td>
<td>1,821,130,750</td>
</tr>
<tr>
<td>1921</td>
<td>97</td>
<td>10,388,278,304</td>
<td>36,727,433</td>
</tr>
</tbody>
</table>

The number of members has increased 14 per cent and the number of stores 20 per cent during the year. All the figures are higher than before, but all that we note in Austrian kronen does not represent the true picture of our evolution. We do also with our members. All that are doing, we have noted the figures also in gold kronen. This shows a better picture of the situation. But all that can never show the correct picture, because all is changing from day to day.

It can be seen by these figures how our economic situation works against our co-ops. The figures are fighting. All that are doing, we have new members also in gold kronen. This shows a better picture of the situation. But all that can never show the correct picture, because all is changing from day to day.

The Third Congress of The League will be held in the auditorium of the Lexington Hotel, Michigan Boulevard at 22nd Street, Chicago, October 26th, 27th and 28th. Arrangements have been made with the hotel for special arrangements and the rates, which will enable delegates to live at the hotel where the Congress takes place.

The special rates for delegates are as follows:
- Two in room, without bath, $1.50 per day each.
- Two in room, with bath, $2.50 per day each.
- One in room, without bath, 2.00 and $2.50 per day.

We understand that Mr. Janson is now on his way from Chita, Siberia.
The following call has been sent out for its convention:

**CALL TO THE SECOND CONVENTION OF THE NORTHERN STATES-CO-OPERATIVE LEAGUE.**

All co-operative societies affiliated with the Northern States' Co-operative League are notified that the second convention of the League will be held in the new building of the Franklin Co-operative Creamery Association, 2108 Washington Avenue, N., Minneapolis, Minn., on the 22nd and 23rd days of October.

Each constituent society shall be entitled to be represented by at least one delegate and shall be entitled to send one additional delegate for each 300 members above the first 300 or major fraction thereof.

The invitation to send delegates to the convention has been extended to the Wisconsin, Michigan and Illinois States Federations of Labor, and to all so-called 'the Trades' and Labor Assemblies of St. Paul and Minneapolis. The Minnesota State Federation of Labor has already applied for membership in the League and will send delegates.

There is every indication that the convention will be well attended and that business of great importance for the Co-operative Movement in the United States will be transacted.

Dr. Warbasse, President of the Co-operative League (the national organization) will be present.

Already eleven societies, with an aggregate membership of over 10,000, have applied for membership in the League and several more societies are expected to join it before the convention, and send delegates.

All delegates should be in Minneapolis early enough to present their credentials at 9 o'clock in the morning on Sunday, October 22, as the convention will be formally opened at 10 o'clock.

**THE LEAGUE ENDORSED BY LABOR.**

The following resolution, presented by David Hanly of the Trades and Labor Council of Nashville, Tennessee, was adopted at the Twenty-Sixth Annual Convention of the Tennessee Federation of Labor, endorsing the work of the Co-operative League:

"Whereas, We realize that organizing our capital and purchasing power as consumers through the Co-operative Movement, as we have organized our earning power, is the only means whereby labor can ever hope to break that vicious circle whereby capital absorbs every material advantage gained by labor by advancing the cost of living as fast as our earning power increases; and

"Whereas, We realize one of the greatest needs of the workers today in their conflict with economic injustice is education in the Co-operative Movement; and

"Whereas, There has been formed an organization known as the Co-operative League of America for that purpose, whose object is to promote the cause of Co-operation whereby mutual aid shall be developed among men in place of antagonism, to spread the knowledge of the history, principles and methods through co-operative education of the masses, to encourage the formation of co-operative enterprises along lines proven by years of experience in this country and abroad, and to further and develop the union of all true co-operative societies for the purpose of district, national and international federation; and

"Whereas, After careful investigation we find that The Co-operative League of America is endeavoring to fulfill these objects in every possible way and without ulterior motives of any kind, has no connection with or interest in any commercial enterprise, co-operative or otherwise, is conducted solely for the purpose of teaching the principles and practices of Rochdale Co-operation; and

"Whereas, We believe that an organization with this character and for this purpose fills a real need in this country and will be instrumental in saving many thousands of dollars of the working people's money annually by teaching the true principles and sound practices to managers, officers and members of societies and the workers in general, the lack of which has been with the resulting loss of, unfold thousands of dollars of labor's hard-earned money; therefore, be it

Resolved, That the Tennessee Federation of Labor does hereby recognize and approve of the work of The Co-operative League of America, which is endeavoring to bring about co-operative unity, information and education in this country, and further recommends that all groups of workers contemplating the organization of co-operative enterprises are investing their money in any enterprise, purportedly to be co-operative in form, to consult with the officers of The Co-operative League of America before doing so; and be it further

Resolved, That the offers of the Tennessee State Federation of Labor be hereby instructed to take up the study of consumers' Co-operation and lend their aid and assistance in furthering its development wherever and whenever possible to do so."

**AMERICAN LABOR PARTY'S ENDORSEMENT.**

The joint convention for independent political action by labor, which took place in New York City, July 16th, and which resulted in the formation of the American Labor Party, passed a resolution giving its hearty endorsement to the Co-operative Movement. The resolution is as follows:

"Whereas, The workers of America have created powerful trade unions to protect their interests as producers, and

"Whereas, The real wages are determined by purchasing power which vitally affects the interests of the workers in their capacity as consumers, and

"Whereas, speculators, middlemen, and all handlers who render no useful service, tend to depress the purchasing power of wages by exploiting the workers at the point of consumption, and

Resolved, That this convention gives its hearty endorsement to the Co-operative Movement and urges our members and supporters to affiliate with this important arm of the Labor Movement."

**FRANKLIN CREAMERY GROWS.**

The sales of dairy products to the thirty thousand members and patrons of the Franklin Co-operative Creamery Association of Minneapolis, during the period January 16th, 1922, amounted to $1,041,274. Although the co-operative creamery has cut the price of milk down to almost $1 a gallon, untold thousands of dollars of hard-earned money were saved by the consumers, most of which will be returned to them.

The co-operative creamery now produces more than 300,000 gallons of cream daily, and 300,000 gallons of butter, representing all classes and creeds. It serves twenty-five thousand families which are not members of the association. The plant of the creamery is taxed to the limit to supply the needs of the co-operative patrons. Eighty-five wagons and trucks are employed, as against eighteen used during the first month's business, in March, 1921. A huge plant is now in process of construction, with a capacity that will double that of the present plant. As soon as the building is ready, the co-operative creamery will be able to supply all sections of Minneapolis.

The success of the Franklin Co-operative Creamery is in large measure due to its systematic educational work. A monthly magazine, "The Minneapolis Co-operator," is published by the association, and a large number of circulars and books are distributed every month. Recently, the Labor Day parade in Minneapolis had an

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impressive co-operative section, consisting of members and employees of the co-operative. Edward Solem, the manager of the association, delivered an address on Co-operation, at a recent meeting. The Franklin Creamery strictly adheres to the Rochdale Plan, and is affiliated with the Co-operative League.

CO-OPERATIVES CO-OPERATE WITH CLEVELAND DAIRY

The City Co-operative Dairy of Cleveland, Ohio, continues to expand. It now has 66 members. At a recent meeting, one of the speakers was Edward Solem of the Franklin Co-operative Dairy of Minneapolis. The manager's report to the members showed that Mr. Solem had brought with him $6,000 from the Franklin Creamery as a loan to the Cleveland organization. This demonstrates the splendid spirit of the Minneapolis society as well as its sound financial condition.

It will be interesting to recall that when the Cleveland workers decided to organize a co-operative dairy they wired The League. The League wired Mr. Arness, of the Franklin Dairy to go to Cleveland and help them organize. The Franklin Dairy spared both their manager, Mr. Solem, and Mr. Arness to go to Cleveland and help in that city. Mr. Arness is working hard to make the dairy a success.

It is a noteworthy sign of progress that the co-operative Movement has had made some bad mistakes—poor management, over-buying, credit. It had a deficit of $3,000 in 1919. The business of 1920 and 1921 increased the indebtedness $5,500. At the beginning of 1920 it owed the local bank about $3,500 and wholesale houses $2,500. Then they decided to do it right. Good management was established. The members were made loyal. Buying was improved so that the turnover in the grocery stock was fourteen times during 1921. The policy of small stock of quickly salable goods was adopted. A strictly cash business was established. Now the society has all its debts paid, has no accounts receivable, and has a surplus of $2,500 in the bank. This shows that the way to save a failing society is to adopt sound methods.

TAYLOR SPRINGS MINERS' CO-OPERATION GROWS BECAUSE OF STRIKE

The co-operative society at Taylor Springs, Illinois, reports a remarkable increase in membership, due to the miners' strike. Taylor Springs is a typical little mining town, with a population consisting of Slavs, Italians, Irish and other foreign nationalities. The town has a very poor start. A bad manager, credit, business, lack of educational and social activities brought the society to a standstill. It seemed that it would be impossible to get another member to join, or to get the shareholders to patronize their store.

A new, live manager was secured who rectified the mistakes of the old manager. An effort was made to do something in an educational way by having a speaker of The League address a meeting. This meeting was poorly attended, and no apparent progress was made.

Then came the coal strike and practical everything. The Taylor Springs Co-operative was out of employment. One would expect that the society would be hard hit by this condition. Instead, the membership took an immediate jump. Members of the society are to be seen about everywhere. The co-operative had a strike result in 60 new members joining the society. Apparently, the striking miners had time on their hands to do some thinking, and the result was a stream of applications for membership, each applicant subscribing $25.00 for share capital. So many applications were received that it became necessary to apply to the Secretary of State for permission to increase the capital stock of the society.

FIFTY PER CENT SAVINGS AT ROSEDALE

On the outskirts of Reading, Pennsylvania, there is a little co-operative society known as the Rosedale Cooperative Association that has been rendering a great service to its membership. With a capital stock of only $2,725, the co-operative store was able to do a business of $13,529 during the months of April, May and June, 1922, on which savings returns of over $2,500 were made for members. This society has a surplus of $6,000, and carries a stock valued at $10,000.

The report of this society asks the question "Why is this co-operative store a success while so many fail?" and answers its question as follows: "Because the stockholders are real co-operatives. Cooperation is the next step in human endeavor, in civilization. It is not necessarily a means to greater financial gains, though that naturally follows. It is and must be the basis of all social exchange between man and man."

THE FARMERS UNION

It is interesting to learn from President Barrett of that organization that the Farmers' Union is handling more live stock than any other concern in the country. At Salina, Kansas, is the finest office building between Kansas City and Denver. It is the building of the Kansas Farmers' Union Fire Insurance Company. The yearly turnover of the Farmers' Union, including that of the insurance and banking departments, is over a billion dollars.

GERMAN CONSUMERS TAKE OVER GOVERNMENT WORKS

A rather unique combination of interests has been created in the clothing industry in the formation of the Saxon Clothing Works. This enterprise is started with a capital of 10,000,000 marks. Of this, 8,000,000 marks has been
put in by the Wholesale of the German Consumers Societies. The tailors' union has put in 1,000,000 marks, and the state bank of Saxony 1,000,000 marks. This enterprise was taken over by the state clothing factory which used to supply clothing, uniforms and shoes for the Saxon department of the army. It is one well and well equipped. A lease for thirty years has been taken on the buildings; the tools, machinery and administrative apparatus have been bought outright. The minister of finance, one of the instances of the organized consumers taking over the factories of a political government.

BACKWARD BRITISH STEP

The Co-operators of Germany are moving forward to take hands on government as many functions as they can master. A sad contrast to this is the opposite tendency in Great Britain. It is a discouraging spectacle for Co-operators to see English societies praying the political government to take over the enterprises already in the consumers' hands. With much regret Co-operators should witness, for example, the directors of the society of Colne, England, making an effort to induce the town authorities to take over their department of medical supplies. "We believe this one move is more to the interest of the public than to our own," say these gentlemen to the town council than to their committee, and we are making an effort to get the council to accept our stock, and to apply a scheme for the loan of these very useful articles to the public." The "Producer," which is an influential British co-operative magazine, approves of this course. It says: "It is much better to take these things into our own hands than to let private enterprise take them out of the market." A Co-operative should be a part of the community, not a competitor of it. A Co-operative has an obligation to take the place of the old society. Co-operation is not a reform movement; it is a radical reorganization of society.

THE FRENCH DISTRUST GOVERNMENT

At the last Congress of the French Federation of Distributive Societies, resolutions were passed calling for the establishment, wherever possible, of co-operative societies for the supply of gas, electricity, water, etc. This indicates that the French Co-operators are getting away from the idea of the socialists that the political government must be called upon to do these things.

THE CO-OPERATIVE THEATER OF BERLIN

Berlin has a co-operative theater organization, the Technical bühne, with a membership of 2,000-3,000. This artistic group, supported and controlled by the theater-goers themselves, has been meeting with so much success that they find their theater accommodating an audience of 2,500 inadequate to meet their requirements. Accordingly, they have acquired another of the large theaters of Berlin, and are remodeling it for performances in the fall. In order to seat the large audiences at special performances, it has been necessary to engage the famous Berlin and Theater, which holds 5,000 people.

 Barely twenty years ago, this co-operative organization started with a membership of less than 300. The object of the group was to give a hearing to plays that were considered too "radical" for the conventional stage. They had no theater in the beginning, but rented any show house they could find for the weekly performances they gave. Some of the most preeminent theatrical directors, artists and actors threw themselves into the endeavor to give Co-operative theaters the best plays. The People's Theater grew, until nightly performances were given. It was not long before the theater ran afoul of the censors, who before the revolution was on the lookout for "unpatriotic" plays. In spite of the attempt at suppression, the People's Theater grew until it could afford to build its own playhouse, one of the finest in Berlin. And now it has outgrown this house, and is forced to acquire a second theater.

Two-thirds of the theater is reserved for members who have season tickets, and one-third of the seats may be bought by the general public. Subscribing members receive tickets at lower rates than the general public. An unusual feature of this People's Theater is that the Co-operators elect the Board of Directors from their own membership, and see to it that they have some of the best dramatic critics and play producers in Berlin. The technical committees on repertory, etc., are appointed by the directors who carefully select the best experts. In this manner, a quarter of a million theater-goers of Berlin finance and control their own artistic theater, in the administration of which they have some of the best artists in Europe.

FRENCH CO-OPERATIVE BANK OPENED

The marked financial growth of the French co-operative consumers' societies during the past few years has resulted in the creation of an independent co-operative bank with members among the consumers' co-operatives. Previous to that time, the bank was conducted by a department of the French Co-operative Wholesale Society. The growth of the business made it necessary to create an independent organization, which, however, is controlled by the various local co-operative societies. Not only will the new bank take care of the funds of the wholesale society, and of the local consumer's co-operatives, but it will also give financial assistance to needy co-operatives.

When the bank was first opened as a part of the C. W. S., thirty-two local societies had organized 139 subsidiary deposit funds in which 1,807,000 francs were accumulated for deposit in the central bank. At the end of 1921, the number of subsidiary funds of the local societies had grown to 385, and the capital to 16,287,000 francs. When the co-operative wholesale society was organized in 1910, there were 27,000 accounts in the Co-operative Bank, including the Wholesale's deposits, retail society deposits, and individual banking accounts. Deposits of 61,194,000 francs were on hand. The turnover of the bank during the financial year 1921 amounted to over one billion francs.

The independent co-operative bank was created in May, 1922, shares being owned by the wholesale and retail societies. The capital of the bank is to be used for granting credits to the wholesale society and retail co-operatives affiliated with the national federation, for discounting bills drawn by co-
operatives, and for granting loans on securities and advances on credit cards. The by-laws of the new bank provide for the payment of 6 per cent interest on paid-up capital. The remainder of the profits are divided into two parts. One will go into a reserve fund. The other will be distributed among the member societies in proportion to the interest they have had on credits provided by the bank; in other words, to the borrowers or consumers of the funds.

CONGRESS OF CANADIAN CO-OPERATIVE UNION

The Co-operative Union of Canada held its annual congress at Woodstock, Ontario, September 19 and 20. At the close of the Canadian Co-operative Congress, the annual Conference of the Ontario Societies took place.

Co-operative societies, labor unions and interested individuals were represented at the Canadian congress. The Co-operative Union of Canada corresponds to The Co-operative League of the U. S. A.

NEW BOOK ON CO-OPERATION

The American edition of Professor Charles Gide's book, "Consumers' Co-operative Societies" will be off the press October 20. This valuable book has hitherto been available only in the original French, and in a British edition. The American edition was prepared by Cedric Long, with all figures brought up to 1922. American examples are cited throughout the book contains a chapter on the Co-operative Movement in the United States.

The author, Charles Gide, is Professor of Political Economy in the Faculty of Laws, University of Paris, and is one of the most prominent figures in the French Co-operative Movement.

The American edition is published by Alfred A. Knopf, New York, contains 304 pages, and sells for $3.00. It may be obtained from the publisher or through The Co-operative League.

AN ENGLISH SURVEY

A thoughtful and observing British journalist of the "Daily News" staff, Mr. George A. Greenwood, has written a book entitled "England To-day." He says the communist movement has little to offer but the letting off of steam. The revolution, he says, is not yet in sight. He regards the Co-operative Movement as the most hopeful creation of the working people. Their leaders, he says, "are quiet, peaceful, able, though in many cases self-educated, are engrossed in laying the foundations—and laying them soundly—of a Co-operative Commonwealth. Voluntary Co-operation in England is going down to the economic foundation, and on the basis of its extension during the past five years it will, in 1931, include the head of every household in the country." The Millgate Monthly quotes the author as saying, "Because of all these things the sensible Englishman will decline to drink the cup of despair."

CONGRESS OF GERMAN UNION

The 19th Congress of the Central Federation of German Distributive Co-operative Societies (Zentral-Verband deutscher Konsumvereine) and the 28th General Meeting of its Wholesale Society (Grosskaufsgesellschaft deutscher Konsumvereine) were held at Eisenach from 19 to 22 June.

The annual report for the year 1922 shows the development of the Central Federation and the Wholesale Society from the year 1903, when the Central Federation was founded, to December 31, 1921. The number of societies affiliated to the Federation during that period from 666, with 573,085 members, to 2,834,043 members. Their turnover rose from 12,708,668 marks or 22 marks per member to 75,151,449 marks or 286 marks per member. During the same period the staff employed by the societies increased more than five-fold, from 6,440 to 37,545.

The growth of the Wholesale Society was shown by the increase of the number of workers employed from 197 to 3,139. The number of societies affiliated to the Wholesale Society increased from 306 to 1,026. The value of their transactions with the Wholesale increased from 24,456,889 marks to 2,406,982,699 marks. The average patronage per society increased from 86,706 marks to 228,835.

Of the total value of transactions for 1921, 284,772,773 marks, or 228,835 marks per society, represents the value of the society's own production. The Publishing Society of German Distributive Co-operative Societies, which employed 8 persons in 1909, employed 665 on 1 January, 1922, and has become one of the largest publishing businesses in Germany. It has 677 affiliated societies and its turnover has risen from 186,309 marks in 1909 to 41,955,899 marks in 1921.

The congress was strongly in favor of preserving the independence of the Co-operative Movement and drawing only upon the resources of the organized consumer. It refused to approve any resort to accepting financial assistance from the state or municipalities. All that the congress was willing to ask from the state was the repeal of old laws and the enactment of new laws that would give the Co-operators only an equal chance with other employers in the regulation of wages and working conditions. On the other hand it drew attention to trade unions to which both to the goodwill, of which evidence had been so frequently given by the cooperative societies, and to the compulsion upon them to compete with private undertakings, and therefore requested them to refrain under present economic conditions from demands involving too heavy sacrifices, and to try to obtain for workers in all undertakings the benefits in regard to health and safety conditions, holidays, pensions, etc., already enjoyed by the employees of co-operative undertakings.

BELGIAN CONGRESS

In the Belgian Annual Convention held at Liege, three questions of importance were discussed. These were of much interest to the Movement. The congress recommended the establishment of branches in the country for the sale of special products necessary for the farmer.

It considered the desirability of a statement of an intensive program of propaganda and education among the women.

The most exciting question was that in which was debated the question of centralization versus decentralization—whether a single national co-operative society with branches was desirable or whether the present system of federation with independent local societies should be maintained. The congress decided to appoint a commission which should discuss this question thoroughly and make a later report.
VILLA GROVE OWES MUCH TO ASSOCIATED MAGAZINE

We find the Associated Magazine service of value to our school for the reason that the general information contained in it relating to the doings of other societies puts "pep" in our membership and makes them ambitious to do as well as other co-operators. We could not say just how long we have had to wait for results but we have had a great enough growth since January 1921, when we started to use this service. In regard to our plan of handling this service, we feel that there are about 600 families in this town. We get 600 copies and make house to house delivery by carrier, which saves four-fifths of the cost of postage, and also saves the labor of addressing copies. What copies are left are mailed to farmers near here, except about 25 copies which are mailed to local publications and other societies.

Speaking for myself, I am strong for the Associated Magazine. J. W. SNIDER, Secretary.

Villa Grove Co-operative Society.

Villa Grove, Ill.

LIVINGSTON WANTS EDUCATION

The railway strike has been hard on us, but we have played safe and will weather the storm. We have demonstrated itself and that is we must do strenuous and practical work if we are to make any kind of progress.

Will you please send me full particulars concerning the Associated Magazine you issue? What have you got in educational moving pictures?

JAMES D. GRAHAM, Pres., Yellowstone Co-operative Association.

Livingston, Mont.

ROCKFORD GAINING

Our society has voted to affiliate with The Co-operative League and take our place among the co-operatives of the United States. So I am enclosing your application and request for membership, and also copy of our by-laws. We cannot say that we are as yet established beyond any doubt, as we have to fight very hard for any ground we can gain. However, we are hopeful that we will ultimately come out on top.

We have a Ladies' Auxiliary which was organized eighteen months ago, which is doing splendid work, and we are making an effort to have a delegate at the congress in Chicago in October.

R. H. YOUNGBERG, Sec'y.

Rockford, Ill.

LETTERS

A SOCIETY THAT QUIT

Your letter at hand as to our closing.

There are many obstacles in getting the people to co-operate, especially when times are so tight; our greatest was that we were unable to get our members to co-operate with the store as they should.

Some were able to pay cash and refused to do so because other merchants told them untruths about our store and they never investigated anything they heard—just talked it to everybody instead of coming to us to find out.

We had a few loyal members that did all they could to help the store, but not enough.

Our Board of Directors decided, after looking through the matter, that it was better to close and give the money to stockholders. We started four years ago with thirteen hundred dollars, have already paid out sixteen hundred in dividends, and will have near on to two thousand dollars when I get through selling out, so we are not in a bad fix, after all, though we lost about eight hundred dollars last year.

CAYCE CO-OPERATIVE STORE.

There is a reason for every failure. Why did this society quit business?

Here is a pathetic case. A society started four years ago with $1,000 and is now selling out for $4,000, all for lack of education.

CHINESE GIVE THANKS FOR BLESSINGS

Many thanks for your early reply and kindness in sending us so many copies of pamphlets and a list of books, some of which we already have, and the others we are going to order from you. Now we send herewith a money order for $1.00 in gold to you for the subscription for CO-OPERATION.

Being so much grateful for your good advice, which it seems to us may be surely regarded as a guiding force like that of the North star, we are going to adopt that principle as advised. But we are far to inform you that our society is in a youth stage and that we are now but applying ourselves to the close of the work of propaganda, and the practical field yet.

Hoping to get golden counsels and helps from you very soon, we are,

The Ping Ming Co-operative Association.

Kiang-Wan, Shanghai, China.

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The Ping Ming Co-operative Association.

Kiang-Wan, Shanghai, China.

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VITAL ISSUES

"TRUST BUSTING"
AN EXPLODED CURE-ALL

How many of us remember the rejoicing that went up from the camp of the "progressives" and "liberals" in 1911 when the United States Supreme Court sternly ordered the Standard Oil Company to dissolve? The Supreme Court, after profound deliberation, decided that the Standard Oil was a monopoly in restraint of trade. It decreed that this industrial octopus should sever its various tentacles and set them each up in business for themselves. This decree of the Supreme Court was hailed as the panacea that would save the country from the perils of monopoly. The public was told that an energetic Department of Justice would sweep them out of court dissolved into harmless fragments. "Right-thinking people" exulted. The millennium seemed to be at hand.

And now let the historian record the facts which have followed in the wake of the famous decision of the Supreme Court. The Standard Oil Company dissolved itself into almost two thousand little fragments, the Standard Oil Company of New Jersey, not only paid over more than a quarter of a billion dollars in cash dividends since 1911, but it was able to pile up undistributed profits of $592,021,632, "earned" on a capital stock of $160,000,000. The treasury of the company became so swollen that it was decided in October, 1922, to declare a 300 per cent stock dividend to the shareholders. This followed a stock dividend of 250 per cent to the shareholders of the S. O. Company of Indiana; a 500 per cent stock dividend of the Waters Piece Company, a 900 per cent stock dividend of the Continental, both Standard Oil subsidiaries; a 400 per cent stock dividend of the S. O. Company of New York, and various other paltry dividends of three or four hundred per cent to the stockholders of other Standard Oil companies.

The United States is more in the grip of this gigantic monopoly than products continued to rise. And now, eleven years since the famous dissolution, it is announced that the "Standard Oil Group" has paid over one billion dollars, $1,016,703,594, to its lucky stockholders in cash dividends, since the potent decree of the Supreme Court was issued.

This colossal figure does not by any means represent all the toll extracted from the public by the dissolved company. For one of these struggling little fragments, the Standard Oil Company of New Jersey, not only paid over more than a quarter of a billion dollars in cash dividends since 1911, but it was able to pile up undistributed profits of $592,021,632, "earned" on a capital stock of $160,000,000. The treasury of the company became so swollen that it was decided in October, 1922, to declare a 300 per cent stock dividend to the shareholders. This followed a stock dividend of 250 per cent to the shareholders of the S. O. Company of Indiana; a 500 per cent stock dividend of the Waters Piece Company, a 900 per cent stock dividend of the Continental, both Standard Oil subsidiaries; a 400 per cent stock dividend of the S. O. Company of New York, and various other paltry dividends of three or four hundred per cent to the stockholders of other Standard Oil companies.

The United States is more in the grip of this gigantic monopoly than
ever before. Not a single one of the hosts of those who once advocated “trust busting” is on hand to observe the phenomenal prosperity enjoyed by this “dissolved” business. Trust busting has turned out to be a boomerang that apparently had no other effect than hitting the public in the neck.

May we urge upon the valiant reformers who once advocated the use of the “big stick” against monopolies, that ownership and control by the consumers of those industries essential to the welfare of the consumers is a surer hope of freeing the people from the evils of monopoly?

H. R.

CAN CO-OPERATION DEFEAT MONOPOLIES?

At the last British Co-operative Congress, Mr. G. Riddle submitted an important paper, in which he examined “The Financial Position of the Co-operative Movement in Relation to New Forms of Administration in Retail Trade.” In this paper Mr. Riddle proved that the Co-operative Movement in Great Britain is stronger today than it was before the war. He threw new light on the way in which business is being monopolized by capitalist trade companies. Not only is the business of retail shop-keeping passing rapidly into the hands of a few chain store companies but great productive and transport undertakings are also owned and controlled by a few big trusts and combines.

Can the Co-operative Movement meet and defeat organized capitalism? To this question Mr. Riddle answers, “Yes; Co-operation can overcome the powers opposed to it if its members are wise enough to adopt a sound financial policy.” He proposes that every society shall increase its reserves, and so create a great fund of collectively-owned capital upon which no impost will be payable, and which could be used to develop co-operative manufacture and agriculture, and thus enable Co-operators to produce all they need themselves, and so become wholly independent of the whole capitalist world. Already some European co-operatives are recognizing these facts. They are preparing for the time when government currency has come into being, and they must produce everything for themselves.

BE A CORPORATION

A plain, ordinary, two-legged man pays tax on his total income. Out of that income he has to feed, clothe and house himself and keep himself balanced and fit. After he has paid his expenses and tax he usually has nothing left. That is; there is no profit. But the corporation does not pay income tax. It earns all the income it can. Then it feeds, clothes and houses itself, pays all kinds of salaries to its officials, puts away a good, big sum for depreciation, repairs, etc., and if there is anything left, that remainder is taxed by the government. In the case of a man, the income is taxed. In the case of a corporation, the income is taxed minus all possible expenses is taxed.

Basil M. Manley has called attention to this fact and suggested that each citizen should incorporate himself! At least one thing is evident: we have a government for corporations rather than for human beings.

Just here is where Co-operators can take advantage of a system that was never intended for them. The more of our capital we have in the co-operative society and the more of the business of life we carry on through the society the more capital do we keep out of the class which is taxable as individual income. For example, the savings-returns from the co-operative society are not taxable as income. But dividends from any other corporation are taxable. Pass this word along even to the rich and advise them also to put their money in the co-operatives!

ON HAVING FUN

Life is a serious business. Nobody ever gets out of it alive. We should have as much fun as we can while we are at it.

An ancient notion has it that work is the main business of life. It is no such thing. Men work in order to get the means to purchase happiness. Twice happy is he who finds joy in his work; three times as happy as he who lives while at play. These souls are rare. But all work should be of this nature; and some day, when the world becomes civilized, it will be.

In the meantime, while work is drudgery, we can have some fun outside of working hours. The English C. W. S. has a stodgy old motto: “Work and wait.” That is about the same as saying, “Work and go to sleep.” It makes a negative use of the leisure time. The spirit of the Co-operative Movement would be better expressed in saying, “Work and enjoy.” The work should win something. It should guarantee something. The old work-and-pray business does not satisfy.

The Trade Union Movement takes care of the man at work. The Co-operative Movement shows him how to spend his earnings, and in doing that it also shows him that man does not work. It fails, it is going to fail. The Co-operatives in the mining districts of Great Britain are at it. They have as much fun as we can while we are at it.

Our co-operative societies should be devoting thought to joyful, healthful use of leisure time.

REPUBLICANS AND DEMOCRATS

“Dishonest, incompetent to govern, without vision at home or abroad, without any domestic program whatsoever, and without men of any moral or political stature—this sums up Democrats as well as Republicans. The only question of importance is how much longer the American people are going to be stupid enough sheep to stand it.”

This is not the utterance of a socialist, it is not. It is not an extract from an anarchist’s essay. It is a quotation from a leading editorial article in “The Nation,” a substantial old weekly publication founded in 1865 and for fifty-seven years occupied in trying to patch up and make workable the present economic system. Now, like everybody else, the editors are waking up to the fact that the profit motive as the purpose of the industrial life of a people does not work. It fails, it is going to pieces. And men who are occupied in trying to make it work, and who can not see that it is an unsound system, are either deficient morally or intellectually.

An economic system based on service rather than profit will some day take the place of the thing we now have. It is waiting to be born. Then men will wonder why the people of the nineteenth century were so cile and tolerant of conditions that were both unreasonable and degrad
CHAIRMAN’S ADDRESS
By J. P. WARBASSE
At the Opening of the Third Congress of the Co-operative League, at Chicago, Illinois, October 26, 1922

Delegates, Fellow Co-operators and Friends:

We are assembled here at this Third Co-operative Congress in a time of stress. An economic system, which has existed since the feudal period, is breaking down. On every hand are the signs of its decay. A war which was to end war and promote democracy has promoted war and demoted democracy. The old rulers of the world, the diplomats, financiers and politicians, seem sterile of constructive ideas and ideals. Our own country was once the land of liberty and the haven of refuge of the oppressed of the world. It has now fallen in the grip of forces with such hunger for profits that they would even destroy the very right of workmen to unite with their fellow workers to better their lot. The farmers of the United States once owned their farms. Today the land is slipping from their hands and leaving them bereft and deeply in debt to the bankers. No country—not the Roman Empire nor the Kingdom of France, nor the Empire of Russia—ever moved more surely to its economic doom than these United States.

The suffering people of the world turn their faces in vain toward their seats of government, the mad rush forward changes goes on; while we assemble here for a little while to lay some stones in the foundation of a new and better civilization.

I tell you, my friends and fellow workers, this assembling here means more for the solution of the world’s distressing problems—offers more for the cause of human liberty and justice and peace—than do all the assemblages of embazoned rulers that ever sat in the marble halls of Versailles, Washington, Genoa, or The Hague; and I call upon posterity to bear witness to the assertion.

No country of the world, however, has ever entered upon the road of great progress in Co-operation until its scattered co-operative elements were united into a sound national organization. The great forward impulse of the country has never come until its societies federated to create a central union for mutual protection and education. This Congress is in response to an awakening understanding of this need on the part of the more successful and socially conscious societies of the United States. These naturally are the societies which best understand the importance of co-operative education.

One thing we know: for nearly a century people in this country have been attempting to create co-operative societies. The hunger for Co-operation is strong. Success has crowned much of this earnest effort. But on the other hand, failure has often been the lot of many. In no country in the world, perhaps, have so many well meant attempts, backed by enthusiasm and high ideals, gone down. A study of these attempts shows that society after society has failed to succeed because of exactly the same mistakes, unconscious of the fate of the others. This condition continues today. All over the United States, honest and earnest groups of people are attempting to conduct co-operative societies by methods which spell failure. In their isolation they are destined to suffer alone the same fate that has visited countless others, chiefly because they have not placed their common problems in a co-operative pool with the other societies of the country.

Two great needs confront the Movement in the United States: the need of unity and the need of education.

In all parts of the country are societies, affiliated with The Co-operative League, which have stoutly weathered the storm of economic depression and are valiantly moving on toward greater success. Among them are the Roseland and the Bohemian Societies of Chicago; Sault Ste. Marie, Michigan; the Franklin of Minneapolis, Waukegan, Bloomington, Villa Grove, and Staunton of Virginia; Maynard and Fitchburg of Massachusetts; the Keystone of Reading, the Penn Central of District No. 2, and Sunbury, of Pennsylvania; the Irish Trading of Brooklyn; Our Cafeteria and the Utica Society of New York; the Central Exchange of Superior, and its affiliated societies; the Bohemian societies of Davenport, Ohio; the Milwaukee housing and distributive societies; and a host of others which constitute the vanguard of co-operative progress. This Congress is a moment when these members of The League were threatened with failure. Sound co-operative methods—education coupled with efficiency—spell success.

The Co-operative Movement in the United States has come to a critical point. The interest in Co-operation is everywhere aroused. The working people from one end of the country to the other feel the need of forming co-operative societies. Shall they grope blindly? Shall they duplicate the errors which others have made? Shall they, with self confidence, follow leaders with fanciful notions that can lead only to disaster? Shall they fall victims to the cupidity of self-seekingoperators who offer great allurements? Or shall they have within easy reach the instructions and guidance that make for success? These are the pressing questions.

The failure of a co-operative society is unnecessary. The methods and the technique for organization and administration have all been compiled and standardized. Three-fourths of a century of the product of experience, is all available. The great task is to get this information to the places where it is needed. The need is for people who are trained, with knowledge and experience, to guide this Movement.

The Co-operative League has collected the standardized information and made it available. It brought to societies and aplicd its standardized information spells success. How to bring together these forces and set them working for humanity is the challenge of the day. I take this occasion to offer a program of action.

Already there exists a splendid array of men and women, who are trained and experienced in Co-operation. These should be taken out of their limited fields where they are acting as store managers, organizers, buyers, auditors and directors, and made district advisers.

The country should be divided into districts and in each of these districts today are men who are capable of serving as district advisers. They are already trained and tried. Men who have been district advisers are experienced Co-operators. They are able to instruct store managers in these matters, and to discuss before societies and boards of directors the general problems of administration.

Such men should be established in each district, with salary and traveling expenses adequate to his needs. Part or all of his expenses may be paid by the local societies receiving his services, but it should be guaranteed by the central organization, either district or national.

For the training of new workers, educational courses should be provided. After six months of preliminary study of history, economics, business methods, and the principles of Co-operation, students should go to the centers in which are societies where practical training can be given. There they should be under the local district adviser. A number of societies in different parts of the country expressed their willingness to take such student apprentices. Out of these would come the trained experts to carry on the
administrative and educational work of the Co-operative Movement.

The cost of carrying out such a program would be a very small fraction of the money that it would save to the people of this country from their exploitation of foreign markets, and the very beginning. We shall learn before this Congress is over that the people of America are daily pouring a steady stream of money into hopeless or inefficient enterprises supposed to be co-operative. A small fraction of this money that is forever lost would save the rest.

If this program could be put in operation it would produce fundamental and lasting good. The people are ready, the need is great; all that is wanting is the money to secure these substantial results. This is one of the major problems that confronts this Congress—how to unite our forces, to secure the financial support and unified power to bring about fundamental co-operative education.

Here is a program which would constitute the best investment the people of this country could make at the present time.

In this, the land of business, where the laws and customs are dedicated to the interest of profit-getting, our task is to build a different kind of business. We must have people who are willing to think, and work and consecrate themselves to this task. Our co-operative enterprises can succeed only as we develop workers with understanding of its fundamental principles and methods. Education will give us understanding; education will help us to success. A Co-operative Movement can develop soundly only as it educates leaders, teachers, and executives to carry on its affairs. Only by education can we guarantee the success of our enterprises.

Now some thirty countries of the world have national co-operative bodies into which the single societies are united; and these thirty national organizations are grouped into the International Alliance, with a total of 38,000,000 members.

The Co-operative Movement is the one great international force, operating in the economic field and in the lives of the people, which is making for human brotherhood and for the emancipation of mankind from the thraldom of privilege. We, in this Congress are the builders of the better society of the future. I believe that we shall succeed.

"HOW ONE VOTE ONE MEMBER" BEGAN

By H. RAPPAPORT

It is generally believed among Cooperators that the Rochdale Pioneers were responsible for two revolutionary innovations which ensure democracy in a co-operative society: viz., each member being entitled and limited to one vote; and the requirement that all votes shall be cast in person, rather than by proxy. As a matter of fact, the founders of the Rochdale society do not deserve credit for any radical departure from old established forms of corporate government, in adopting these two vital principles. Without desiring to detract from any of the glory of our co-operative "founding fathers," (to adopt a Hardingism), it should be stated that the foregoing democratic provisions are a part of the basic law of corporations, and had their origin in antiquity.

Hundreds of years before powerful profit-making corporations came into existence, it was the universal practice among all classes to permit each member to have only one vote, and to count that vote only if cast in person. These two democratic features which have been regarded as a revolutionary development of the co-operative, were in fact laid down for all corporations, municipal or private, by the common law, which is the rule of the law of Great Britain and the United States.

The leading American case involving the question of the democratic control of a corporation, is Taylor vs. Griswold (11 N. J. Law, 222, 27 Am. Dec 33). Space prevents us from quoting more than a part of the brilliant opinion by Hornblower, C. J.:

"The first inquiry, then, is, whether, upon general and common law principles, the members of any corporation have a right, as a matter of course, to be represented and to vote by proxy? This question must be answered in the negative. It is clear that the charter is silent, and no by-laws have yet been passed regulating the mode of election and voting upon other questions that may arise in pursuing the ordinary and appropriate business of the corporation, the corporators, when lawfully assembled, must be governed by the rule and privileges that prevail in all primary assemblies."

A man with one share is as much a member as a man with fifty.

The decision in the case of Taylor vs. Griswold clearly held that the powers of a vote for every share, and of voting by proxy, are conferable only by legislature and are not common law powers. Even as far back as the days of Henry IV, legal processes were adopted for the purpose of perpetuating and extending the basic law of corporations gave each member of a corporation only one vote, which must be cast in person. (See 11 Hen. IV, pl. 64.) The first instance of proxy voting was in the case of the peers of England, who were permitted to delegate to other peers the right to vote for them in their absence from the House of Lords. Even this exception to the general rule did not exist until it was sanctioned by the king by special license.

In the beginning, even such large profit-making corporations as the East India Company were governed according to the basic common law rules. Later, when these corporations accumulated huge profits from their exploitation of foreign markets, large fractions of stock came to be owned by a few individuals, who naturally desired to control the corporations themselves. Various expedients were resorted to by wealthy stockholders, such as fictitious transfers of stock, to retain control who thereby acquired votes which were cast in accordance with the wishes of the real owners of the stock.

Corporations began to provide in their by-laws for one vote for every share, and for proxy voting. At first, the courts refused to uphold these provisions in by-laws, as being contrary to the basic law of the land. Especially did the courts frown upon such by-laws in the case of utility and other public service corporations.

With the continued growth of large profit-making associations, corporation laws were enacted legalizing the undemocratic practices generally in vogue in private corporations today, which permit men instead of men to control, by providing for a vote for every share, and for voting by proxy. The attitude of the courts became more sympathetic to the view of the moneyed interests in corporations, and in the beginning of the nineteenth century, decisions were rendered upholding the right of corporations to provide in the by-laws for the election of proxy. The basic common-law rule of corporations still requires each member to have one vote in person, and only where specific authority to the contrary exists can the old democratic form be cast aside.

It is not only gratifying to Co-operators to know that the democratic features of democratic control are sanctioned by the common law, but it is of practical value as well. Groups which desire to organize co-operative societies will find in many states co-operative laws on the statute books, enacting the old corporation law rules for the democratic government of corporations. Where co-operative laws do not exist, co-operative corporations are governed by the common corporation statutes. Unless these statutes clearly and specifically require each share to have one vote, and unless they permit proxy voting, without giving corporations discretion in these matters, the basic common law rules hold, and the corporation may be governed by the democratic principles of "One vote for every member;" and "No proxy voting."
SEEN HERE AND THERE
CO-OPERATION AND TRADES UNIONS IN AUSTRALIA
By F. J. DUNLEAVY

The struggle for the organization and integration of the co-operative consumers' societies in Australia is but the ebb and flow of the economic tide and co-operative thought and education in all countries.

In an effort to obtain reliable information on co-operative societies in that country, I wrote to over 100 co-operative consumers' and producers' societies, sending them a questionnaire. Of the co-operative consumers' societies that replied, more than three of them made the claim that they were full Rochdale plan co-operative societies, and none of those expended the two and a half per cent of their profits for educational co-operative propaganda which is the recognized minimum. There was not a single co-operative journal of any country on their list or in the Public Library, The School of Arts, or the Mitchell Library.

Of the other small co-operative consumers' societies reporting, 14 in all, they had a total membership of 18,569, a capital of 45,927 pounds, reserves of 9,214 pounds, and turnover of 288,547 pounds.

The Australian co-operative consumers' societies give little attention to ideals, but talk much of dividends and bonus payments amounting to from five to fifteen per cent. The trades unions are actually opposed to co-operative societies. The one that did claim to spend this amount did so in advertising its wares!

There is a credit bank, but the ebb and flow of the economic tide and co-operative thought and education in all countries is but the ebb and flow of the economic tide and co-operative thought and education in all countries. The one that did claim to spend this amount did so in advertising its wares!

The only co-operative consumers' society still operating was organized in 1864 in Adelaide. The New South Wales Co-operative Wholesale Society has a membership of 26 societies. The capital is 31,781 pounds; reserve of 4,560 pounds of this capital paid up. Shareholders number 1,569. The dividend rate is 5 per cent. Total amount loaned to 1921 was 42,189 pounds; reserve fund 218 pounds; net profit for half year, 23 pounds.

The oldest co-operative consumers' society still operating was organized in 1875. It has a membership of 14,000, a capital of 84,000 pounds, reserve of 4,560 pounds, and a turnover of 425,000 pounds.

In the State of South Australia, there was a small eight-page co-operative newspaper called "The Wheat-shaft" run by a small co-operative consumers' society. This was the only co-operative consumers' newspaper in the whole of Australia, except "The Farm," run by the South Australian Farmers' Union. Furthermore, of the co-operative societies in New South Wales, a city with nearly a million population, there was not a single co-operative journal of any country on their list or in the Public Library, The School of Arts, or the Mitchell Library.

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Highly artistic colored posters, consis the posters issued by the Union. Toons, are issued by the thousands every year. An especially interesting containing striking co-operative car membership by these societies amounts to 94,000. Though the turnover of most private firms decreased during the period of 1920-1921, that of the co-operative wholesale increased from 18,000,000 to 21,000,000 crowns (about $5,000,000 normal). The wholesale operates a tobacco factory, a coffee roasting establishment, and a butter factory. The latter turned out in 1921, 2,500,000 pounds of butter. A bank is maintained by the Union, in which there were 3,000,000 crowns on deposit in 1921. The depositors include 9,698 individuals and 420 associations. In January, 1922, a co-operative life insurance company was started, to deal in fire, marine, burglary, and liability insurance.

The local co-operatives affiliated with the N. K. L. are prospering. The society of Warsaw has a membership of 11,236 persons, it has its own bakery and 24 branch stores, and employs 74 persons. A novel venture of the Union was the opening, this early year, of a 500 acre farm in the Government. This is the first consumers' co-operative societies in Austria and is engaged in carrying on poultry breeding and egg production, for the benefit of consumers' stores. Educational work is by no means neglected by the Polish Union. Three co-operative periodicals are issued, and many thousands of pamphlets are distributed. An especially interesting phase of the Polish educational work is the posters issued by the Union. Highly artistic colored posters, containing striking co-operative cartoons, are issued by the thousands every year.

The Union of Polish Consumers' Societies reports the continued growth of Consumers' Co-operation during 1921. The membership of consumers' co-operative societies at the end of 1921 was 948,500, a slight increase over the previous year. The number of co-operative societies was 1049. In order to promote efficient operation, many co-operative societies in Austria are amalgamating. The society of Warsaw has a membership of 11,236 persons, it has its own bakery and 24 branch stores, and employs 74 persons. A novel venture of the Union was the opening, this early year, of a 500 acre farm in the Government. This is the first consumers' co-opera- tive societies in Austria and is engaged in carrying on poultry breeding and egg production, for the benefit of consumers' stores. Educational work is by no means neglected by the Polish Union. Three co-operative periodicals are issued, and many thousands of pamphlets are distributed. An especially interesting phase of the Polish educational work is the posters issued by the Union. Highly artistic colored posters, containing striking co-operative cartoons, are issued by the thousands every year.

The American survey of the co-operative movement in Japan, made by the Department of Agriculture and Commerce, reports that the exchange of powers with its members is not an act of commerce, but is a sale in the eyes of the law, but a redesign or reassignment of the members' rights amongst themselves; that it does not come under the ruling of those laws which are applicable to commerce.

CO-OPERATION IN NORWAY

The Union of Norwegian Distributive Societies (Norges Kooperative Landsforening, or as it is commonly called, the N. K. L.) reports that the consumers' co-operative societies of Norway have grown remarkably. The N. K. L., an educational and wholesale union, started in 1907. It had 23 societies affiliated with it. By 1921 it had 404 societies, its membership comprised by these societies amounts to 94,000. Though the turnover of most private firms decreased during the period of 1920-1921, that of the co-operative wholesale increased from 18,000,000 to 21,000,000 crowns (about $5,000,000 normal). The wholesale operates a tobacco factory, a coffee roasting establishment, and a butter factory. The latter turned out in 1921, 2,500,000 pounds of butter. A bank is maintained by the Union, in which there were 3,000,000 crowns on deposit in 1921. The depositors include 9,698 individuals and 420 associations. In January, 1922, a co-operative life insurance company was started, to deal in fire, marine, burglary, and liability insurance.

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CO-OPERATION IN JAPAN

According to an investigation made by the Japanese Department of Agriculture and Commerce, the year 1921 was a year in which the Japanese Movement was most credit societies, and that it embraces all forms of co-operation. The most significant fact is that the government is playing a large part in the Movement.

The court at Gelsenkirchen, Germany, has handed down a decision which states that the exchange of commerce by the co-operative store with its members is not an act of commerce, is not a sale in the eyes of the law, but a redesign or reassignment of the members' rights amongst themselves; that it does not come under the ruling of those laws which are applicable to commerce.

GERMAN SHARE CAPITAL

The co-operatives in Germany and Austria have reached a point where they fix the amount of share capital that each member must put in. The share capital of each member must be equal to one weeks wage of the better paid class of workman. As wages increase the amount of share capital must increase. Unless the societies did this they would soon run out of capital to carry on business because of the steady decline of the purchasing power of money.

PRODUCTION IN CZECHO-SLOVAKIA

The Wholesale in Czecho-Slovakia has recently established factories for the production of coffee, malt and flour on Ostrava, Pilzen and Brunn.

FASCISTI DESTROY CO-OPERA- TIVES

The Fascists in Italy represent the young men who want to see the old dying profit system of privilege kept alive. They actually believe that by fighting the things that are going to take its place when it is gone they can prevent its death. This is the mistake always made by the mob when it sees the thing it likes slipping away to be replaced by something else. For this reason the Fascist are now destroying the co-operatives. At Parma they have re-
Russia, great attention is being paid to a dying system. The present economic system is going to pieces. But the beneficiaries of that system are not willing to recognize the fact. They are resentful and opposed to any organized movement that would build a substitute for the old decaying system.

The Co-operative Movement is necessary because the old profit motive does not work well; it does not give good results—therefore Co-operation thrives. As the defects of the profit system are seen more and more, the people who want that system to die grow frantic. They try to destroy trade unions; they put so-called radicals in jail; they do many other foolish things which of course hasten rather than retard the on moving current of events. We may see this sort of thing grow in the United States. The American Legion and the Ku Klux are destined to play an important role in giving voice and kick to a dying system.

RUSSIAN CO-OPERATIVE TRADE POLICY

A definite and uniform plan of action is essential for the co-operatives in every country. The Russians are uniting to that end. At the numerous congresses of provincial co-operative unions now taking place in different parts of Russia, great attention is being paid to the question of the trade policy of the co-operatives, and a series of resolutions on this subject adopted at the Co-operative Congress of the Government of Nijni-Novgorod indicate the aspirations of the co-operative activities throughout Russia. These resolutions recommend the following policy:

1) To develop quick sales and returns by concentrating on large-scale operations and diminishing the variety of goods offered for sale;
2) To dispose immediately of all goods not answering the needs of the local population;
3) To buy at the centres of production and in central markets, thus avoiding dealings with middlemen;
4) To undersell the market wherever and whenever possible;
5) To draw up a joint plan of supply with the provincial workers' co-operative union;
6) To establish a grain reserve to be used in exchange for manufactured articles needed by the agricultural population.

The conditions in America are very different from those in Europe but we should be working toward definite and well thought out plans of action.

PROGRESS IN SWEDEN

Swedish co-operative societies flourished last year as they have never done before. In the same period Swedish profit business, commerce and industry suffered heavy losses or at the best showed small profits. The New York Journal of Commerce says: "Whether the co-operatives succeeded in spite of the worldwide depression or because of it is hard to say, but the fact remains that the dismal year of 1921 was for them a banner year."

Sweden at present has about 1,600 co-operative stores, besides many varieties of other ventures, such as co-operative dwelling and building associations, purchasing societies, co-operative dairies and farmers' societies.

Last year's report of the Swedish Union shows that a net surplus of about $250,000 has been made by these societies, while the cash on hand has increased from $1,250,000 to $1,850,000.

Deposits with different branches of co-operative unions, which conduct limited saving bank activities, increased to the equivalent of $8,350,000, representing small savings of co-operative society members.

The Central Union has started its own producing plants in several places. The report states that members of the co-operative societies are enabled to purchase practically all necessities at the lowest prices obtainable, as well as sell their products on most favorable terms through their own joint organizations. The greatest number of co-operative enterprises, the report shows, are to be found in the big industrial centers, where the bulk of membership is drawn from the ranks of workmen and their families.

THE GERMAN FISH INDUSTRY

The German people are much in need of nourishing foods which can be brought within their very limited purchasing power. No organization has tried so much to help the people in this direction as the co-operative societies. Recently they have gone into the fishing industry to take from the sea an abundant and highly nourishing food which can be had free for the taking. The sea yields 100,000,000 tons of fish annually for the nourishment of mankind without the necessity of any planting, tending or cultivation. To take advantage of this field the German Co-operative Wholesale Society has gone into the fish industry.

A receiving depot has been established at Geestemude, the fishing port, where the fish are brought in. The fresh fish are transported to Altona where the society has established a fish packing and shipping plant. In the course of the year a curing and packing factory will be built at Geestemude. At Altona a big fish industry building has been constructed and put in order for a growing enterprise. Other large buildings have been purchased for storehouses which have a capacity for several hundred tons of salted fish. At present over 100 employees are engaged by the society in this industry.

WINNER OF CONTEST

Mr. Alanne is educational director of the Central Exchange, Superior, Wis., and an ardent and enthusiastic Co-operator.

NEW SUBSCRIPTION CONTEST

The League will again offer a prize of a copy of any book listed among the publications of The League or bibliography, to the person who will send in the most subscriptions to CO-OPERATION during the period November 1st to February 1st. The contest is open to all. Sample copies of the magazine and subscription blanks will be sent on request to those desiring to enter the contest.

CASH REGISTER FOR SALE

Co-operative societies are given an opportunity to buy a cash register which was formerly the property of the Schenectady Co-operative Society, which has been forced to liquidate. It is a National Cash Register, a new electric model, class 1700. We are assured that it is of first-class condition. The original cost was $475. The machine was used only a short time, and, we are informed, is well worth at least $300. It is offered for sale to co-operative societies for $250. Those desiring further information should write to the person offering the machine for sale — Campbell MacMillan, 150 Brandywine Ave., Schenectady, New York.

HAVE THE WORKERS LEARNED THE LESSON?

"The growing realization by the workers of America of the value and importance of the Co-operative Movement has during the last two years especially been commercialized for the advantage of a dozen different centralized machines. These organizations preached the doctrine that all that the workers had to do was to entrust their money to the bank and run Co-operation for them. The money lost in them amounts to many millions, but, in my opinion, the workers will afford it if only they have learned the lesson."

THOMAS H. BELL.
NEWS AND COMMENT

110 PER CENT SAVINGS

The Co-operative Association, at Dillonaile, Ohio, reports a savings of $27,856 on its turnover of $329,714 last year. This amounts to a saving of 8 per cent when figured on the turnover, and 110 per cent on the capital stock, which amounts to $25,000. Savings of 6 per cent were returned to members on the basis of their purchases, The “dividend” amounted to $18,829, while $11,029 was set aside in the reserve fund.

This Association is composed largely of Bohemians. It has a membership of 370, and conducts seven branches in addition to the central store at Dillonaile. Organized in 1908, it has saved thousands of dollars to the consumers of Ohio, and is increasing in usefulness. This society is affiliated with The Co-operative League.

A RAILROAD SHOPMEN'S CO-OPEERATIVE

In Erwin, Tennessee, The Consumers' Co-operative League, which is composed very largely of railroad shopmen, is rendering a great service to the members shopmen and to the general public as well. Although hard hit by the strike, the society is sound and prosperous. From July, 1919, to July, 1922, it supplied $176,950 worth of goods to its members as a 6¼ per cent rebate on purchases, in addition to 8 per cent interest on capital stock. The co-operative has $4,608 in the bank, and total assets of $14,902. These figures tell the story of the prosperity of this young society.

A FLOURISHING FARMERS' STORE

The Farmers' Co-operative Store of Princeton, Missouri, is a lusty, two-year-old. Starting business in 1920, its sales the first year amounted to $102,257. The second year's sales increased to $129,929. The store supplied its membership with 4,731 sacks of flour, 2 carloads of potatoes, 5 carloads of salt, and 14 carloads of flour and feed.

The savings-returns for the year amounted to $4,001, or the equivalent of 40 per cent of the capital stock. The savings were distributed among members as a 6¼ per cent rebate on purchases, in addition to 8 per cent interest on capital stock. The co-operative has $4,001 in the bank, and total assets of $14,902. These figures tell the story of the prosperity of this young society.

LEAGUE HELPS CHICAGO

The Co-operative Cigar Makers, Inc., of Chicago, a producers' enterprise, organized by the Cigar Makers' Union, reports that it was "saved just at the last minute when the great trade slump hit the nation," through the help of The Co-operative League. In 1919 a general strike of the cigar makers was launched in Chicago. The issue was bitterly fought. Scores of strikers were jailed for terms of from 30 days to 6 months, and were heavily fined, for picketing. To combat the effects of the workers' own brand of cigars, and they now supply co-operatives with their own brand of cigars. Just at this time, the workers' factory was launched, the financial depression began. Trade was hard to get. The concern appealed to The Co-operative League for a list of all the co-operatives of the country, and by means of the list, a mail order business was built up which enabled the workers' enterprise to pull through the depression. The society is a fraternal member of The League.

CO-OPERATIVE MILK PUREST IN CLEVELAND

A Department of Health inspection of all the dairies in Cleveland, Ohio, a few weeks ago revealed the fact that the City Co-operative Dairy supplies the purest product in the city. The co-operative was given a rating of 94, while the dairy business, which spread for purity and cleanliness. The customers of the co-operative are delighted with the quality of the milk, butter and cottage cheese.

The dairy is now on a safe ground. When the co-operative opened for business a few months ago, they were met with the bitter opposition of the large private dairies, which spread malicious reports that the co-operative was bankrupt. Farmers were approached by the private dealers and were threatened with the withdrawal of their trade, if they would supply milk to the co-operative. A real peril to the existence of the society was the lack of capital with which to finance their plans. Then came the encouraging news that the Brotherhood Bank would finance the plant. In addition thousands of dollars were raised among unions and consumers for the purpose of putting out more wagons to supply the co-operative dairy products. Now the enterprise is beginning to show a profit, which will be returned to consumers as patronage rebates.

A very striking method of stimulating interest in the dairy was employed a few weeks ago. A Wiener Roast was held at the plant, and an appeal was made for consumers to "appeal for purity and cleanliness. The customers of the co-operative are delighted with the quality of the milk, butter and cottage cheese.

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LETTERS

LLANO COLONY

The following are excerpts from a letter received from George T. Pickett, Manager of the Llano Colony, in answer to an article on the colony written by "A Recent Colonist" in the August issue of CO-OPERATION. The letter unfortunately is too lengthy to be published in full, as it is about 4,000 words long. In the interest of fairness, we are publishing the salient parts of Mr. Pickett's letter.

"I have read in the August CO-OPERATION an article by 'A Recent Colonist' condemning the Colony and its management, and I also your editorial comment on it. I am mildly surprised that you have taken this action without full information. I ask you to print this letter in CO-OPERATION.

"This Colony is not now fully self-supporting, if we use that expression in the sense that it is able at this time to keep up promptly its payments on the land it has under option; to buy at once necessary equipment for its agricultural and industrial development; to bring its land at once to full productive capacity; and to meet from its own earnings all expenses necessarily incurred during this period of initial purchase, improvement and development. If we were able to stop buying land and restrict our membership to a small number, we could be at once fully self-supporting. We realize the precedents of sales of capital stock (or membership fees) should ordinarly be applied to initial costs only as purchasing land, clearing and fencing it, and initial stocking and equipment, and we are striving, striving, and striving hard, to reach that goal. We certainly do not want the outside world to support us, but we do want friends of Co-operation to help us as purchasing land, clearing and fencing it, and initial stocking and equipment, and we are striving, striving, and striving hard, to reach that goal. We certainly do not want the outside world to support us, but we do want friends of Co-operation to help us as purchasing land, clearing and fencing it, and initial stocking and equipment, and we are striving, striving, and striving hard, to reach that goal.

"The Colony is as socialistic as any small-scale enterprise can be. It has at least a large measure of communism. It is certainly co-operative in the fullest sense of the word. We are striving for the proper balance between the ideal and the real; between the theoretical and the practical; between industrial democracy and industrial efficiency. Experience in our general teacher, results are our test.

"There are many more leading to the Co-operative Commonwealth. Among these are the radical political parties and the movement of the consumer-consumers, co-operatives and co-operative colonies. Travelers on any of these roads are faced with the necessity of bringing the investor accepting unearned profits as his share of our assets for every dollar they invest in the community. It is not communism but a wicked exploitation of a sound moral principle if people living a community life absorb the savings of people outside and use them to satisfy their needs.

"I hope that even now, instead of dealing business than ever when conditions become normal once more.

"General Secretary.

"Llano Co-operative Colony.

As a contrast to the generalities of Mr. Pickett we would call the attention of our readers to the following excerpts from a letter written to Mr. Pickett by General Keen, General Secretary of the Co-operative Union of Canada. We are willing to rest the case here.

"The Co-operative Union of Canada.

CO-OPS "CARRY-ON" IN NEW MEXICO

"What looks good to me is the indomitable spirit of Co-operatives who are willing here to carry on under all difficulties till we put it over. We are what you would call "American." Will not Co-operators show to the world the magnitude of our difficulties. We wouldn't know what to do if we didn't have a good stiff fight on our hands."

N. S. BELL,
Tucumcari Co-operative Society.
Tucumcari, N. M.

FARMING MINERS' STORE

"Your Call to the Third Co-operative Congress was read before the board of directors. I am proud to say that all were in favor of the Congress and hope it will be a success, but owing to the prolonged coal strike, we have lost quite a few. However, we are expecting to pull through and expect a greater business this year.

Yours for co-operation,
N. THOMPSON, Secretary,
Farming Miners Co-operative Store.
Farming, Ill.

PINE BLUFF RAILROAD CO-OP

"We are indeed sorry that we were unable to take advantage of this opportunity to write you at once, but we are sure that you have received information that would be beneficial to your Co-operative organization.

"We are offering you a report of last year's business. The merchandise sales for last year were $191,126, on which the gross profits were $13,450. The net profits after taxes were $17,651, the net profits were $4,136. We paid a purchaser's dividend of 3 per cent on the first year's profits.

"I hope that even now, instead of dealing business than ever when conditions become normal once more.

"General Secretary.

"The Co-operative Union of Canada.

INTERNATIONAL GREETINGS

"Your paper always gives me a new impetus because I see in it an ever-increasing
faith in the final victory of Co-operation. We have been as yet in very difficult circumstances, because of the low valuations and the bad economic position which is the consequence thereof. I am fully satisfied with the results of our application for membership in The League.

KENTUCKY LOYALTY

"We have been in business two years. We have had a hard pull to get through. Have limited funds, but the movement in Paducah, Ky., is making on, with money to our credit in the bank above all indebtedness. We will not be able to pay our stockholders anything this year. If we can pull through this crisis, we will be on top."

"We have now about 150 loyal members. Originally we had 300. One-half stock."

"So far I am proud to say we are holding our own by curtailing in every way. This trial has proved to me the necessity of the need of a national association. I am fully satisfied after receiving your reply to this letter, you will send us your application for membership in The League."

JOE F. RANDALL, President.

McCracken County Co-operative Ass'n.

Paducah, Ky.

PENNSYLVANIA IS HOPESFUL

"I am optimistic concerning the future of Co-operation and feel that this coming convention will do much to further its interests. The movement has been pretty well carried."

T. D. STILES, Pres.,

Penn Central Co-operative Association.

Creason, Pa.

FROM THE MAINES WOODS

"While I was in Maine this summer, I came across a most interesting and successful co-operative store in Greenville. It is a little town of about 1,500 people, is at the foot of Moosehead Lake, and for the past eight or ten years they have had a successful Co-operative Movement there. They do a weekly business of from $500 to $1,000, have a most able manager, Jack Hanson, and pay about 6 per cent per annum on purchases to the members."

C. Vrooman, a clergyman of wide and varied experience, who is now in Greenville, is really the leading spirit in the enterprise."

Baltimore, Md.

EDITH H. HOOKER.
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**VITAL ISSUES**

**THE CHICAGO CONGRESS**

The three congresses which The Co-operative League has held have each been milestones marking progress in this country. The Springfield congress, in 1918, brought together people who were interested in the promotion of Co-operation. The Cincinnati congress, in 1920, was a congress of delegates from the most progressive co-operative societies. The Chicago congress, in 1922, was a congress of delegates of societies which have united to form The Co-operative League. From this time on the numbers of societies that compose The League should steadily increase until it embraces all true co-operative consumers' societies in the United States.

This union of societies has been growing steadily now for six years. The Co-operative Movement in the United States is going forward quietly and without ostentation. The educational foundation which is being built is the best guarantee of success. The brag and bluster that is introduced from time to time by inexperienced and untaught enthusiasts, inflicts its harm, and then passes away. The steady plodding on of the educational work, the training of experts, and the assembling of accurate information, are making their constant impression.

The future was never so bright. Results that have the character of permanence are now being secured. All of this rests upon the fact that we are developing in this country an increasing number of people who understand the principles and nature of Co-operation.

A few years ago there were very few people in the United States who could be said to understand Co-operation. Today this number has multiplied until well-informed Co-operators can be found in every part of the country. The defect of the Movement heretofore has been that it has been promoted by people who were enthusiasts, but not informed Co-operators. The hope of the Movement is that people who are learned in Co-operation, are multiplying.

The third congress brought out this fact. We may rejoice and be exceedingly confident that education is bringing results.

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**WAGES BEFORE DIVIDENDS**

One difference between a profit-making corporation and a co-operative corporation is that the former is concerned with dividends. Wages will be cut when the prevalent rate does not give the stock-holders a dividend. This can be seen as an argument used before wage boards every day when corporations are about to cut wages. If the earnings are so great that a surplus of profits is produced, that is covered up by increasing capitalization and issuing more stock. There
are many ways to have no profits left to increase the wages of labor. But the co-operative starts out with the purpose to pay its employees at least the standard rate of union wages. Upon this basis, after dealing justly with labor, if there are any net surplus-savings the patrons may have them. But not the stockholders who can have only the legal interest on their capital, and they can not have that until labor has been paid. The Co-operative Society puts wages before dividends. The profit capital is invested in labor only for the purpose of making out of it as much dividend as possible for the stockholders.

LIFE INSURANCE SAVES LIFE

Few people realize the huge resources that are being built up out of the profits of the life insurance companies. What is made of these resources is to induce banks to act as agents to get more insurance. It is customary for insurance companies to deposit from $25,000 to $50,000 a year per $1,000 in excess of its value for the purpose of making out of it as much dividend as possible for the stockholders. And this is the fund used to buy insurance in a company. One use that is made of these resources is to induce banks to deposit from $25,000 to $50,000 with a bank under condition that the bank will get them a certain amount of new insurance business. Many of our readers may have wondered why the president or cashier of a bank went out of his way to suggest to them in a private and friendly way to buy insurance in a company that he knew from inside information was making an extra profit, especially good in life insurance.” The banker does it because he is getting the use of $5,000 for 3 per cent interest and a return on it of 20 per cent. The profit is $5,000; and a banker can afford to give a good deal of advice for that.

Life insurance companies are charged off from $24.00 to $46.00 or more a year premiums on $1,000 insurance that costs from $9.60 to $15.00 a year to carry. They take the huge resources that develop and buy new business. Premium payers are putting up from $8.00 to $20.00 a year per $1,000 in excess of its value to induce more people to come in and be profiteered upon.

These facts would never be known by the public except for the co-operative insurance societies. They are growing up all over the country, but especially among the farmers of the middle west. A young man who is about to take out $1,000 insurance, on which the premium is $31.00, will be told by the “legal reserve” agent that the company will pay him a dividend of $20 cents after the third year, 90 cents after the fourth year, etc. But he could get this same amount of insurance with a co-operative company for $24.00 a year. That is the cost of the insurance. If it is dividends he wants, the co-operative company could charge him the $31.00 a year and then pay him an annual dividend of $21.40. Or the young man can take another $9.60 of it and buy another $1,000 worth of insurance and still have $11.80 left over. Or he can take another $31.00 and save $2.20 a year. In other words, the co-operative insurance companies are making it possible for a man to buy $3,000 worth of insurance and have $220 a year and still have the same amount of money for which the old line companies would give him $1,000 worth of insurance and 80 cents dividend.

A co-operative insurance company is run without expensive offices, high salaried officials, big commission to agents, and the creation of great reserves. It is simply insurance in the interest of the people. It makes it cheap and uncomplicated. Unfortunately it gets no advertising. It is not boomed by the press, by bankers, and an army of agents. It must make itself known. That makes it cheaper and more popular. That is the story of the whole Co-operative Movement. It goes on growing slowly and steadily. The wise, the thoughtful, socially minded come in; the gullible and those who are easily led by pretense and loud noise stay out. Slowly and surely the advantages of the co-operative method will make their way to the public.

NEW LIGHT AHEAD

The future of the profit system is now far advanced. But the completion of the decay will take many years more. History is long. The life of the individual is short. Still the past ten years has brought a great change. Less than ten years ago the German mark was worth almost as any currency in the world. In 1913, when the German mark was worth about twenty-five cents, if any economist had said that the mark of that great country in less than ten years would be of so little value that seventy-five could be bought for a cent, he would have been laughed at. A greater depreciation has taken place with the money of Russia which was one of the allied nations. Let not the people of the “favored nations” vaunt themselves; their governments are infected with the same disease. The purchasing power of money throughout the whole world is depressed.

The weakness of the economic system, which caused the war and which is responsible for the great changes now going on, rests in the fact that its purpose is creating privilege. The quest for profits to secure capital, which may be invested, to provide income, is the vicious circle. Increasing taxes and an increasing number of people who do not work, but who must be supported by labor, will presently make the burden unbearable.

After more governments have collapsed and more discontent has arisen, something radical will have to be done. The State will step in and perform this function of regulating profits. This will diminish the disorder arising from profit-taking; but it will not cure it.

Just as in the first century, when the Roman Empire was disturbed by business failures, strikes and panics, things will work out; or a while by the abolishing of all interest on capital for a period of three years. It was the brutal and corrupt Emperor Tiberius who took this action in the year 33 in the interest of perpetuating the power of the privileged class.

While expedients such as these might prevent the collapse of the present system, it is doubtful if the leaders of big business and finance will be capable of concerted action to that end. It is also doubtful if they would take such action in time to be effective. The natural tendency has always been to enjoy profit-getting to the full and to cherish a blind sense of the strength of their own position until the causes of its downfall are too far advanced for repairs.

The modern investor, seeking an outlet for the enormous capital which labor has created, has produced imperialism which is both ruthless and insane in its hunger for returns.

The prostration of central Europe, and the progressive involvement of England, France, Japan and the United States in imperialistic rivalry, shows that any country and any financiers made their investments at their own risk; now the governments have become their tools. Wars, shipping subsidies, protective tariffs and a multitude of privileges are now expected of governments by the great investing combines.

As the people view the holocaust of these attacks upon the resources of the public, they must realize that if this continues there is nothing but darkness and chaos ahead.

But some see a brighter future. Through the muck they discern a light shining, held aloft by the wise. That light shows 30,000,000 people working in the co-operative societies eliminating the profit motive from the affairs of man. This points the way; this furnishes the means; this is the saving remedy. It remains to be seen whether the suffering people of the world will follow, or are they to blindly on with the old profit-making procession into still darker valleys.
THE THIRD CO-OPERATIVE CONGRESS

The Third National Congress of The Co-operative League at Chicago, Ill., October 26, 27 and 28, brought together delegates of constituent societies, from sixteen different states, and thirty fraternal delegates, besides a large number of individuals interested in Co-operation, and representatives from labor bodies. The program of the congress was so complete that interest could hardly last for a moment. One thoughtful report after another was made on each of the different phases of Co-operation. Not only was valuable information exchanged by co-operative managers and experts, but the congress voted for action on many important questions.

Dr. J. P. Warbasse called the congress to order Thursday, October 26, at 10 a.m. After the appointment of committees, Agnes Nestor, representing the Chicago District League, and Alice Henry, on behalf of the Women's Trade Union League, greeted the congress. Greetings were received from the International Co-operative Alliance, from foreign co-operative bodies all over the world (one coming from New Zealand), from American societies which could not have representatives present, and from individuals. A letter from Eugene V. Debs expressing his warmest approval of the work of The League evoked great applause.

The president delivered the keynote address of the congress in the afternoon session of the first day's program. S. Alanne, Educational Director of the Co-operative Central Exchange of Superior, Wisconsin, then reported for the Committee on Co-operative Education. Many concrete proposals for furthering education in co-operative principles were adopted. The Committee on Co-operative Legislation submitted for approval the Model State Co-operative Law, drafted by the committee. The congress unanimously approved the model law, and recommended that the procedure outlined by the Committee on Legislation, for promoting the model law, be followed.

In the evening session, with Mr. L. S. Herron presenting, W. C. Lansdon, National Organizer of the Farmers' Co-operative and Educational Union of America, told the fascinating story of the development of producers' and consumers' Co-operation among the farmers of the country. The farmers are now marketing five billion dollars' worth of the products of their own organizations, eliminating the "men in No-Man's Land"—the mid-dlemen. In addition to co-operative marketing, the farmers are supplying themselves with far in excess of $100,000,000 worth of farm machinery, clothing and other necessities.

Annie S. Bromley, who had represented the League at the Congress of Women's Guilds in England early this year, reported on the Women's Guilds in America.

The Friday morning session of the congress was presided over by Warren S. Stone, of the Brotherhood of Locomotive Engineers. Mr. Stone made the significant announcement that within ninety days a co-operative bank would be established for the first time in New York City. "We are going down among the powers that be, and we are going to play the game with them," said Mr. Stone. He further advocated the control of credit by workers and farmers, through the organization of co-operative banks, which would enable the people to finance and ultimately control the basic industries of the country.

Walter F. McCaleb, former manager of the Brotherhood Co-operative Bank and an authority on co-operative banking, presented a report on the progress made towards the organization of labor banks since the last co-operative congress. The locomotive engineers had secured a national banking charter, and had opened their bank November, 1920, with resources of $650,000. Within two years the resources grew to $10,000,000. This bank, it was reported, pays a higher interest rate to depositors than any other of the banks of Cleveland. It limits the profit of shareholders to 10 per cent, the balance being returned to depositors. "We have had great joy," said Dr. McCaleb, "and many employers who were fighting for the open shop, when they came to us begging for credit, that when they came back and made peace with their men, they could not afford credit, and not before. And some of us were glad to see that some of these employers had to close up their doors." The Brotherhood Bank has secured control of a bank in Hammond, Indiana, and has also aided in the organization of half a dozen other banks. Inquiries have been received from labor bodies in almost every state in the union, which are prepared to start co-operative banks within a short time.

The report of the Committee on Co-operative Banking was supplemented by Miss D. Coombs, a member of the committee, who reported on the Development of Credit Unions. The need for distinguishing between labor banks and credit unions was emphasized. It was reported that there are now eighty-six credit unions in New York, which in 1921 had total resources amounting to $4,445,297, making loans of $3,904,583 during the year. In Massachusetts, where at the end of 1921 there were eighty-two credit unions in operation, the total resources amounted to $4,047,172 and the total loans to members to over $8,003,765.

Other sessions of the second day of the congress were occupied with reports on technical phases of Co-operation. Experts delivered instructive talks on various kinds of co-operative enterprises—stores, restaurants, housing, dairies, etc. Mary E. Arnold, manager of "Our Co-operative Cafeteria," reported that this cafeteria, with a membership of 1,000, mostly women, is conducting three branches in New York City, one in the heart of the financial district, with a turnover of $300,000 a year. Ed. Salem, manager of the Franklin Co-operative Creamery of Minneapolis, told the thrilling story of how the locked-out milk drivers of Minneapolis had helped to organize a co-operative dairy now owned and controlled by 6,000 consumers. Within a year and a half, their dairy had grown to a business supplying $1,500,000 worth of dairy products annually. The price of milk was cut from 15 to 10 cents a quart, and the quality of milk considerably lowered.

The surplus-savings of the co-operative dairy are given back as savings-returns to the members. Two plants, worth $700,000, are already owned by this co-operative. The committee's report showed that other cities have organized dairies owned and managed by consumers. Illinois has a model co-operative dairy, and Cleveland, Ohio, recently saw the opening of a dairy which was organized through the American Federation of Cooperative Enterprises and the Franklin Creamery.

John H. Walker, President of the Illinois Federation of Labor, presented the report on the relationship between the Labor and Co-operative Movements. The report advocated that every central labor body have a co-operative adviser. Recommendations were made for the appointment of a member of The Co-operative League to the Committee on Co-operation of the American Federation of Labor.

The report of the Committee on Co-operative Housing was presented by its chairman, Mayor Daniel W. Hoan, of Milwaukee, Wis. The information on the co-operative housing society of Milwaukee aroused great interest. This is the first large-scale attempt in an American municipality to meet the housing crisis on a strictly co-operative basis. Twenty-eight acres of land were purchased, on which ninety homes were built. Nine hun-
dred applications were received from prospective co-operative tenants for the first homes to be built. It is hoped to have a thousand homes built within a short time. The enterprise was financed by loans obtained from the city, the county, and individuals. Tenant members buy stock in the association, equivalent to the value of the property they are to occupy. They obtain a perpetual lease but do not have title to the property. The rent paid is used to defray the actual costs and to retire the preferred stock now held by those who furnished the capital for the housing society.

Otto Endres, President of the Utica Co-operative Society, presented the report of the Committee on Store Management Problems. Ernest Alm, Manager of the Roseland Co-operative Society, of Chicago, reported for the Committee on How to Meet Competition. Dr. G. L. Kennedy, President of the Villa Grove Society, presented the report on Co-operative Distribution. Reports were also received from T. D. Stiles on Credit Trading, from Louis B. Blachley on Co-operative Laundries, and from J. N. Nunniviuul on Co-operative Wholesaling, these gentlemen being the chairmen of their respective committees.

The Saturday morning session was addressed by the chairmen of the League. A full discussion was held on the relation of District Leagues to the Co-operative League, and on the functions to be performed by The League, stimulated by the report of Leslie E. Woodcock, President of the New York City Co-operative Federation. It was the consensus of opinion among the delegates that the support given by the constituent members of The League should be increased.

The congress elected by acclamation the following as Directors of Co-operative Congress: R. A. McGowan, Jos. Schlossberg, Emerson P. Harris, and Warren S. Stone. Alternate Directors elected were the following: F. B. Farnham, A. H. Maurer, Mary E. Arnold, W. H. Closser, Thomas Bell, Frederic C. Howe, L. J. Salch, A. W. Warinner, Ed. Solem, and Leslie Woodcock.

The congress passed resolutions demanding the release of political prisoners, advocating that preference be given by co-operatives to union label goods, creating a committee to raise $50,000 among unionists and farmers for the promotion of Co-operation, recommending the creation of co-operative schools throughout the country, appointing a joint committee to work in harmony with the Workers' Educational Bureau, and recommending to state federations of labor the appointment of authorized co-operative advisers whose qualifications are passed upon by The Co-operative League.

A significant step was the decision of the congress to bring about a working agreement between The Co-operative League, the All-American Cooperative Commission, and the Bureau on Co-operation of the American Federation of Labor.

Following the executive session of The League, the report on Co-operative Taxation was made by the chairman of the committee, H. Rappaport. The organization of co-operative study groups was reported upon for the committee on Interregional Co-operative Society by Rev. Joseph Reiner.

Andrew P. Bower, chairman of the Committee on Spurious Co-operatives, reported on the tragic effects of these organizations which have preyed upon the people. His report showed how most of them have now been driven out of existence since the second co-operative congress. The report estimated that at least $15,000,000 have been lost to workers during the past three years through the operations of fake co-operatives, which were in reality nothing but wild-cat-stock-sellling schemes. A resolution was passed condemning the "Co-operative" Society of America, with headquarters in Chicago, as a menace to the genuine co-operatives of the country.

A keen observer of conventions summed up the Co-operative Congress in these words: "Here was a group who are buckling down to do the things the world needed to have done; simple deeds—baking loaves of bread, distributing milk, serving pure food from behind the counter, building homes for the workers, supplying credit on easy terms to needy workers and farmers—yet behind the doing was the biggest idealism any of us are capable of. In this age when all of us are groping for the way out, most of us take it out in talking. But you couldn't sit in that congress of The Co-operative League and not realize that the daily lives of these men and women were the translation into action here and now of their highest ideals."

REPORT FROM NEBRASKA

One of the best reports of the Chicago congress was found in the "Nebraska Farmers' Union." The congress was reported by its editor, L. S. Herron. The report says that: "Co-operation in all its phases was covered under the program. The League is the federation of consumers' co-operative societies, hence the program was concerned mainly with consumers' co-operatives. This league, with 15,000 members, has had a most successful season, with 90 per cent. of the farmers' co-operatives in Nebraska having been developed into sound and well-managed organizations." The congress decided that a report and a word that could be copied and used exclusively to designate true co-operative societies. More than a hundred symbols and words were submitted. Some came from

R. A. McGowan, Jos. Schlossberg, Emerson P. Harris, and Warren S. Stone.
The pine tree is the ancient symbol of endurance, fecundity, and immortality. Those are the qualities that we see in Co-operation. In the old Egyptian, Persian and Indian mythology, the pine tree and its symbol, the pine cone are found typifying life and the perpetuation of life. The hardy pine symbolizes the enduring quality of Co-operation. More than one pine is used to represent the mutual co-operation necessary. The trunks of the pine trees are continued into the roots which form a circle. The circle is another ancient symbol of eternal life. It typifies that which has no end. The circle in this picture represents also the world, the all-embracing cosmos, of which Co-operation is a part and which depends for its existence upon Co-operation.

The colors of the two pines and the circle are dark green; this is the color of chlorophyll which is the life principle in nature. The background within the circle is golden yellow, typifying the sun, the giver of light and life.

When the word and symbol are reproduced together in colors the word CLUSA should be in red.

In the course of time the display of this seal will come to distinguish bona fide co-operative consumers' societies. The purpose of the seal has been to make it possible for true societies to be easily identified in a country whose identification is sorely needed. “Clusa” products should become the standard of purity and excellence.

The colors of the two pines and the circle are dark green; this is the color of chlorophyll which is the life principle in nature. The background within the circle is golden yellow, typifying the sun, the giver of light and life.
help bind us together. As we become better and better acquainted we are going to conduct joint buying, then we are going to run wholesales; we must get together any way that we can at first. Beginning as a small fellowship, we must plan to work out great things.

Service by the National Office

Now, how about the national office of The League itself? How can it help us?

I would have its work divided into two departments, one of which would promote co-operative education, provide lecturers, publish pamphlets and literature, and interpret to us continually the spiritual side of co-operation. The other department I would call the Service Department, and it is to this that we workers in District Leagues would turn for help and advice. Large legal questions of all kinds, income tax problems, index numbers, and operating costs for all kinds of business would be worked out in that department.

There should not be a large staff though, if such can be avoided. As a minimum, I should say the national Service Department should have someone who has had legal training, someone who has had experience in co-operative business management, and then in addition a first-class accountant, whose job would not be merely to check figures, but to tell us when we were running too low reserves, when our money is badly invested, how to make better and simpler reports to our members, etc.

These experts would be available to us at all times. They would come to our District on request to give whatever advice we wanted at the time. The accountant ought to make regular trips to visit and advise directly with our local auditors, and then ought to make independent reports directly to us as to the character of auditing service we are getting. Books keep local things, and we need an accountant who is an expert in interpreting those technical things from a co-operative point of view and who can bring the co-operative experience of the whole country to bear upon local problems.

Let's Pay for It

The report of The Co-operative League for the last two years shows:
1. Nearly $40,000 spent;
2. Less than $600 due paid by Co-operative Societies.

Think of it! A little over $300 a year from societies representing more than half a million Co-operators!

The simple fact is that we cannot be a "league" of co-operative societies until we pay the bills of our organization. It is a wonderful thing that individuals of broad vision and human understanding should contribute their time and their money for a great social movement. They are the salt of the earth. But my plea is for a League of Societies that will "accomplish by mutual aid"; a really autonomous union of self-respecting organizations which will justify and require the devotion that has been given so generously.

How Pay for It?

We will have to pay dues. I would suggest a choice of two kinds of dues:
1. Twenty-five cents per member (ten for the national League, fifteen for the District League), or
2. One-tenth of one per cent of the gross turnover of business (two-fifths to the national League, three-fifths to the District League).

There are different ways of raising this money—from the treasury, from socials, dances or from special contributions of members.

Two Questions

I would like to suggest these two questions for answer:
1. Would a business service given by successful co-operatives, on accounting, legal and business management problems, be a desirable means of helping new societies get started or old ones to get over difficult places?
2. Would you be willing to pay for such service rendered?

Will you write your answer to The Co-operative League?

Abstract of report delivered to The Co-operative Congress:

This is not an expert's paper on bakeries. It is not by a bakery manager nor even by member of a co-operative bakery. Therefore the discussion is not bound in its scope and in its value. The chairman of the committee on bakeries failed to make his report and this is a substitute; a brief summary of information gathered from seven or eight bakeries in the East in the Spring of 1922.

Status of Co-operative Bakeries

There are probably no more than seventy-five co-operative bakeries in the United States at the present time. Fifteen of these are Jewish, three or four Italian, ten or fifteen Finnish or Swedish, the rest American or mixed. Twenty or three of the bakeries have a membership of more than 2,000—most of them are much smaller; membership ranging from 60 to 600. The greater number of co-operative bakeries are in the East—Massachusetts, New York, New Jersey. In many respects the bread requirements of the Jewish people differ from those of the American, those of the Italian from those of the Swedish; and therefore the problems vary somewhat.

Organization

The problem of organization is a co-operative problem rather than a bakery problem, and therefore requires no extensive discussion here.

However, competition in the bakery business is now about as sharp, the methods as unscrupulous as in the grocery or restaurant business. Experienced Co-operators, talking glibly about the huge profits in bread and other food stuffs are not the people to start any kind of co-operative business.

No new bakery should be planned until a careful survey of the competition and its character has been made: of the bread needs of the community, of the possible number of supporters for a bakery, the number of competitors already in the field, their way of doing business, their prices, their advertising methods, their weakness, their profits (if such figures can by any hook or crook be obtained). Co-operators must adopt modern practices: the survey is one of them; it must be made by competent people and the recommendations scrupulously followed. Are workingmen or Co-operators ready for such painstaking preparation as this?

Manager

A preliminary search should also be made for a man competent to manage a co-operative bakery, and for a suitable site for a building or old building which may be rented. The manager of a bakery must be a Co-operator.

I do not think it essential that the manager be an experienced baker acquainted with all the technique of mixing and baking bread. He can get a good master baker to take charge of all that work. The manager will have all he can do if he adequately handles the problems of buying, selling, organization of delivery, with a general supervision of the workers and working conditions and discipline.

Capital

The question of capital necessary for beginning operations varies. Generally, managers require a minimum of $5,000. Money must also be reserved for contingencies, for almost all bakeries operate at a loss for from six months to three years.

Directors

The directors should be the most affable and most talkative men in the society; the kind who always get themselves elected to office in every organization from the Men's Mileage Class to the local Association for the repeal of the 18th Amendment; but the best men available.

Labor Problem

No co-operative association about to go into baking of bread should
fall to establish from the very beginning friendly relations with the local bakers’ unions. An early consultation with union officials may forestall some very serious misunderstandings later.

**Starting the Business**

A few societies have been able to rent not only the building, but ovens and mixer and mixers as well. This makes it possible to begin with small capitalization, but high rentals eat up any possible profits. Rental for building alone usually seems to run from 1½-3 per cent to 3 per cent of month’s sales; 3 per cent is too high.

**Distribution**

Wrapping and Handling.

Most of the bakeries in the larger cities, especially those that bake for American trade, find they have to wrap their bread. The large corporations do it and force others to follow suit.

I find most managers are satisfied to get from the bread baker a mere statement of amount of flour used each day, and from that figure a deduction as to how many loaves there must be. Loaves actually baked should be weighed by any control system were in effect with perpetual inventory, of course the manager would have to keep these figures.

**Selling**

I find some bakers are selling loaves retail at wholesale prices to purchasers who come to buy directly from the bakery,—a practice unfair to some of the members. Wholesale prices should apply to sales all the way from 15 per cent to 25 per cent below retail depending on the local market. Most managers report that they make no profit whatever from wholesale sales. In bakers like that at Lynn, Mass., where 95 per cent of the sales are retail, this makes little difference, but few managers can boast of such a high percent of retail business.

**Delivery**

Profits on retail delivery are usually zero or worse. The most successful bakeries are those that don’t have to or refuse to meet this kind of competition. One manager reports that only one per cent of his profits are from delivery sales, another 3 per cent, a third 2 per cent, another a loss.

Delivery expenses are a vexing question. A few bakers evade the difficulty by hiring their delivery men for them. The Jewish bakers in Lynn and in Lawrence, Mass., both do this, selling the bread to this delivery man at wholesale prices, letting him assume all responsibility for garage rents, upkeep and bad debts. These two bakers get off with a two per cent delivery expense. The Finnish bakery in Brooklyn pays a straight commission to drivers, and delivery overhead comes to 26 per cent.

Maynard and Fitchburg, Mass., pay straight wages; the former has a 22 per cent overhead. Utica pays wages plus commission to small Jewish bakery in Massachusetts finds its two trucks running 30 and 39 per cent respectively for overhead; they pay straight wages.

**Records**

Book accounts with bread customers should be absolutely tabooed.

There are a few final figures which have interest, although they are gathered from too small a number of bakers to have any significance. At Maynard in 1920, 45 per cent of total manufacturing cost went to materials, 20½ per cent to labor, 1½ per cent to overhead. Lynn pays 20 per cent to labor, while Lawrence pays 45½ per cent.

**Education and Publicity**

Bread wrappers are used widely for publicity and education. Utica distributes to its customers co-operative window cards which they place in the window when they want the baker to stop; this advertises co-operative bread widely. In Sault Ste. Marie they are being pushed to the wall by the five co-operative stores, but they have to sell co-operative bread just the same because of the demand.

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**THE SUPERIOR FINNS**

About around Superior, Wisconsin, are settlements of Finns. Their intellectual headquarters were once at Hancock, northern Michigan, but the copper and lumber barons becoming interested in the service the Finns performed for the exploited workers of that region, destroyed their headquarters, and threw the leaders into prison. The Calumet massacre was one of the incidents of that period.

Then seven years ago the Finns moved their educational headquarters to Superior, Wisconsin. Let us see what they have done for Superior and what their influence in the community has been.

First they bought a brick building on a prominent street corner for $20,000 where they established their printing plant. This building had previously been a center of social demand; it had contained a saloon and a drinking hall. Now one sees there their daily paper "Tyomies," with a circulation of 12,000. The printing establishment also turns out booklets, pamphlets, and magazines. There is a bookbinding establishment connected with the printing house. The building also houses the Workers' Mutual Savings Bank, which now has deposits of over $100,000. There is also a book store which is the only place in the city where up-to-date and enlightened books about economics and sociology are to be found. Everywhere in this building are seen the signs of culture and education. This is what the Finns did with a pest spot in Superior.

Five years ago they had so many co-operative societies scattered all through the surrounding country that these united to form the Co-operative Central Exchange at Superior. This is a wholesale consisting of about sixty societies. They bought a building of the Odd Fellows for $22,000. The wholesale now owns this building, worth $30,000, machinery and equipment worth $15,000, goods in hand worth $10,000, and a steadily growing business. This has all been done with only $7,000 paid-in capital. The turnover now amounts to over $500,000 a year. They began in a small way and are moving forward carefully and cautiously. This wholesale is as sound as a rock. The Central Exchange conducts a co-operative training school where over 100 young men and women have been given full-time technical courses in co-operative business administration, theory, and history. This is the recognized co-operative intellectual and executive headquarters of the northern states. It was the Central Exchange that took the initiative in carrying out the program of the Co-operative League to establish a district league in the northern states.

Three years ago the unmarried Finns organized the Co-operative Boarding House ("Kotakoti"—the Finnish "energy"), to provide better homes for themselves than the hotels and boarding houses of Superior furnished. They bought a hotel for years had been the principal brothel of Superior. They took this pest house, cleaned it up and made it sweet and habitable. Now it is a fine boarding house with fifty-six rooms, accommodating about seventy-five members of the society. The large dining room furnishes good food; the kitchen is clean; the rooms are light and wholesome. The groceries come from the Co-operative Store, the milk from the Co-operative Creamery. The members have pure, clean food and are protected against the disease-breeding and demoralizing of the poor profit-making boarding houses. A dark spot in Superior has been made a center of light.

Two years ago they bought a building on another corner bearing a large sign, "Ideal Beer Saloon." It cost $22,000. The Workers' Bank loaned $15,000 on the building. The place had been an
evil resort inhabited largely by drunks, bums, and politicians. The Finns established there a co-operative store. They converted several rooms into one and took out an entire floor to make an auditorium with a ceiling of two stories high. This room seats 600 people. There is a stage with an abundant equipment of scenery and stage apparatus. Here a drama is given twice a week. The actors are the members of the dramatic society. This building contains class rooms where study courses are given. It contains also a hall. An orchestra, a brass band, and a Turnverein also meet here. Every night this building is a scene of business— wholesome and enlightening recreation and instruction. The Young People’s League brings together the healthiest looking group of young people in the city, occupied in wholesome activities which express high ideals. This is the transformation the Finns have wrought in the premises of that ancient American institution, “The Ideal Beer Saloon.”

Three years ago the Co-operative Creamery also was established. This supplies the people with good milk which is distributed for food purposes. It is the only milk distributed in Superior with that object.

Two years ago they organized the Co-operative Mutual Fire Insurance Company. Although limited by restrictive laws to the State of Wisconsin, it already has over 500 members who are policy holders, and is in good financial condition, furnishing insurance at cost.

These slow-going, methodical, simple-hearted people from the frozen north constitute the most enlightened single large element in Superior. Most of these people are the children of peasants. They are preeminently the cultivated element of the city. The population of Superior as a whole is quite unconscious of the blessings these people have bestowed upon it. In fact the “respectable” population of the city is prejudiced against these Finns because they fail to understand them. They live in a different world.

Most of these activities of the Finns are carried on by the young people. On the other hand, the young men and women are the descendants of the old American families are aimlessly lolling on the street corners, smoking cigarettes, and killing time at the movies. Neither the municipality, the church, nor society provides adequate enlightenment for them. But the “Americanization” movement beats its tom-toms in vain in the Finnish streets. If I were asked what is the best thing that has come to this city, I should say “Finnization.”

The fact that most of the Finns, who are doing this telling social work, call themselves socialists, is not especially significant, even though it may seem dreadful to the great mass of our old-family Americans. But even if these Finns voted for the democratic or republican politicians—or the prohibitionists for that matter—I should still think well of them if they provided that they kept on with their co-operative work, which has something at all to do with politics. That is the most significant thing they are doing; and it is, indeed, the most significant thing that any group of people is doing in Superior or anywhere else just at this particular period of the world’s history.

THE ASHLAND SOCIETY

At Ashland, Wisconsin, during the past fifteen years the workers have been stung by five different “producers’ co-operatives.” There were two boat-building societies, one flour mill, one coal dock and one knitting mill. The workers lost their money in all of these.

Then they decided to organize a consumers’ co-operative society. This really succeeded. They now have a society with nearly 500 members, with a turnover of $400,000 a year. They have a boot factory, and one of the finest meat markets in that part of the state. They sent two delegates to the Chicago congress.

A POOR REASON FOR A CO-OPERATIVE STORE

The miners in Illinois want co-operative stores in their towns. They have learned by experience that the co-operative store is a good thing. They have been too long to make the store succeed nor to make Co-operators of themselves; they just want a store. The reason is that they think the co-operative store keeps down the prices among the other tradesmen which in the past fifteen years the workers have been stung by five different “producers’ co-operatives.” There is a co-operative store in Illinois that is run with an overhead expense of 55 per cent on the gross business. The fact that it is run at a loss does not seem to bother the members. Most of them do not patronize it at all. They do their buying at the private stores. They just want the co-operative store to keep its doors open and go through the motions of doing business to serve as a check upon the private stores. So long as the co-operative is there the merchants are careful not to put up prices. If the co-operative should close up, would go the cost of living.

The fact is that Illinois has many stunts for the benefit of this peculiar motive. The people are not Co-operators, but they do know that a co-operative store is a good thing. Some day when these people are educated to be Co-operators they will get a sound reason for wanting co-operative stores; and then they will have a great Co-operative Movement. Self-interest is a strong motive. It can be of much service in building the co-operative structure.

AN ADVISER FOR GROTON, N. Y.

The Co-operative Association at Groton, New York, has been running for nearly two years, but for some reasons not clear to the Co-operators themselves, the business kept running behind. There is no other co-operative within scores of miles of Groton; the leaders there had not had experience with co-operative enterprises.

In November they finally wrote to the League for someone to come and make a detailed analysis and give them advice.

Mr. Long was sent to Groton, and remained one week. He found a good store, well located, loyally supported by the co-operatives, and one of the finest meat markets in the state, who are the oldest. It would cost $1,000 a week from the beginning. The manager is a good Co-operator and is well liked by everyone in town.

The trouble was two-fold: lack of educational work among the members; and the attempt to apply, in the management of the business, principles which had been successful a decade ago but which were quite incapable of successful application in the face of chain store competition. For the chain store has revolutionized the grocery business; and grocersmen, whether they be co-operative or private, are headed for bankruptcy unless they realize this fact and adapt themselves to it.

In accordance with the findings and advice of The League adviser, Groton has now cut down the payroll, reorganized the store, curtailed the credit privileges of the members, made substantial changes in the arrangement and appearance of the store, and inaugurated an educational policy. Co-operative work in Groton should prosper from this time onward if present indications mean anything at all.

THE NEXT INTERNATIONAL CONGRESS

The executive committee of the International Co-operative Alliance at its last meeting at Essen, Germany, in October last, voted to recommend to the central committee of the Alliance that the next congress be held at Ghent, Belgium, the first week of September, 1924. The next meeting of the central committee of the Alliance, to act upon this recommendation will be held in Hamburg, in April, 1925. The indications are that the recommendation to hold the congress in Ghent will be approved by the central committee. The American member of the central committee, Dr. Warbase, will attend the meeting of the committee in Hamburg in April.
CONVENTION OF NORTHERN STATES CO-OPERATIVE LEAGUE

The First Annual Convention of the Northern States Co-operative League brought together a group of co-operative experts who had a wealth of ideas on how to promote the Movement, and, what is more, had the faculty for successfully carrying them out. Many constructive proposals were adopted in the Convention, which was held Octo-
ber 22nd and 23rd at Minneapolis, Minn.

The sessions were presided over by John Scholtes, President of the Northern States Co-operative League, which is a district federation of co-operatives in Wisconsin and Minnesota. There were 27 regular delegates and 14 fraternal delegates present.

Dr. J. P. Warbasse attended the Convention on behalf of The Co-operative League of the U. S. A.

One of the most significant things accomplished by the Convention was the adoption of a plan for conducting a co-operative school for training co-operative managers, bookkeepers, etc. Secretary Alanne presented a general plan for the establishment of such a school, which after a thorough discussion was adopted.

A plan was submitted for conducting a five-week day school to be held in Minneapolis in the early part of 1923. The school will be financed by the admission to the school, and from tuition fees. The school is to be charged $20 for their courses.

The Co-operative League of the Northern States Co-operative League, membership drives organized, etc., was suggested by presi-
dent Scholtes.

The convention adopted this plan for a co-operative week, and instructed the Executive Board to put it into effect.

S. Alanne presented the question of publishing a co-operative year book in conjunction with other District Leagues. After considerable discussion the Executive Board was given full powers to act, and was instructed to take the matter up at the national convention of The Co-operative League in Chicago.

The necessity of regulating the relations of the District Leagues to the national league was suggested by Secretary Alanne, and a committee was appointed to submit recommenda-
tions on this subject.

H. V. Nurmi read a paper on a uniform accounting system for co-operative stores. The plan presented by Mr. Nurmi was endorsed, and it was decided to present the plan to the national congress.

Eskel Rönnc of the Co-operative Central Exchange discussed the subject of co-operative banking, and particularly the Workers’ Mutual Savings Bank of Superior, Wis. The convention went on record as favoring co-operative banking and urging Co-operators to patronize existing co-operative banks or credit institutions.

The convention considered the matter of co-operative jobbing and wholesaling, and urged co-operatives to support the Co-operative Central Exchange of Superior, Wis. The establishment of an Auditing Department was discussed and a committee was appointed to develop a plan.

Delegate Nordby, representing the Franklin Creamery, spoke on the growing importance of consumers’ co-operative creameries and announced that his organization now has a committee to assist in the organization of new co-operative creameries. The convention voted to accept the services of the creamery committee.

Steps were taken to protect co-operatives against private concerns discriminating against them. Committees were appointed on Legislation, Housing, and Coal Distribution.

The report of the committee on constitution was adopted. The follow-
ing were elected directors of the Northern States League: F. Burnant, S. Alanne, H. V. Nurmi, J. Scholtes, P. F. DeMore, Mrs. Ed. Solem, and Maynard Peterson; while O. A. Wurd, F. Brorsen, P. Kokko-
nen, and K. A. Nurmi were elected alternate directors. It was decided to meet at Superior, Wis., at the next convention.

CO-OPERATOR ELECTED TO U. S. SENATE

In the election which took place November 7th, Co-operators, workers and farmers of Iowa swept into office by a huge vote Smith W. Brookhart. Colonel Brookhart was elected United States Senator after a spirited campaign based on three main issues, viz: (1) the repeal of the iniquitous Esch-Cummings Transportation Law; (2) constitutional amendment of the Federal Reserve banking system, which was used to defolate the farmers; and (3) advocacy of laws encouraging co-opera-
tive control of production, credit, marketing, and buying.

According to an article in “The Nation” of November 1st, by Austin Haines, of Des Moines, Iowa, Senator-elect Brookhart “argues for the elimination of unnecessary middlemen and the reduction of the cost of distribution by the adoption of the Rochdale co-operative system as practiced in England. In this way he foresees a Utopian condition in which agricultural and industrial labor will each receive more for its products while paying less for the products of the other.”

In Pennsylvania a prominent co-
operator, W. D. Hontz, of Lehighton, was elected to the State Assembly. Mr. Hontz is a member of the Lehighton Co-operative Association, and was active in combating the spurious co-operatives which cost the workers of Pennsylvania hundreds of thousands of dollars.

CO-OPERATORS TO REHABILITATE FRANCE

The Germans offered to rebuild the devastated part of France. They of-
tered to work out their indemnity by actually repairing the damage. But the French government refused, because the French contractors wanted to do the building in order to make their profit. A deadlock developed.

Now we have word that a plan for the reconstruction work has been made. But it is not between the two governments. It is announced that arrangements have been made between Hugo Stinnes, the German in-
dustrial magnate, and a French co-operative society, organized by the inhabitants in the devastated district, for the delivery of building materials.

This society is composed of 180,000 members. They hold claims for indemnity amounting to more than a billion dollars. Under what is called the Wiesbaden agreement the bills for contracts will be paid by the Ger-
man government, the government paying the German contractors in German currency.

German business men and French Co-operators have been able to do what the governments and states-
men failed in.

LOCKED-OUT RUSH RUN MINERS SEND MONEY

The Rush Run Co-operative Society consists of a small group of migratory coal-
 miners of different nationalities, with dif-
ferent political and religious status, but we are all for Co-operation in the economic field, with the banner ‘All for each and each for all’. On October 25th, we held a special meeting to review the rich-vein of arrangements have been made be-
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CO-OPERATION

THE INDEX FOR 1922

To prevent unnecessary expense, the League is having the INDEX for Volume VII of "CO-OPERATION" printed commercially. Anyone desiring a copy of this index can get it by writing The League office.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912

OF CO-OPERATION, published monthly at New York, N. Y., for October 1, 1922.

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Number sold to any one person for other than subscription use: 50.

Average No. Copies published on said date of 5: 400.

M. Alanne, Educational Director of the Central Exchange, Superior, Wis., and a subscriber to the Wisconsin State Co-operative League, won the subscription contest which closed a few months ago. He sent in 200 subscriptions and 155 six-month subscriptions.

NEW SUBSCRIPTION CONTEST

The Co-operative League is again offering a prize for the largest number of subscriptions to "Co-operation" sent in by November 1st. The winner may choose from the list of publications of The League or its bibliography.

THE SPIRIT OF CHRISTMAS

The original significance and purpose of Christmas has become almost completely obscured by the commercial spirit of our times. It is little more than a season, the reason of the year when all profit-seek ing and exploiters of human nature's greed, and even of the best of us, put on the dress of Santa Claus so as to wheedle away from children their precious pennies.

The Co-operative Movement will ultimately put the true spirit of Christmas into our own Christmas of life. It is already making a good start.

Why don't you let some of your friends in on this Good News? Send them "Co-operation" for one year.
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