

September 26, “Building a Cooperative,” James W. McNight.


THE QUEEN’S WORK, November, “Sodality Consumers Cooperatives Stop Bolting Budgets,” George A. McDonald, S. J.

THE GASOLINE RETAILER, October 17, “Roosevelt’s Endorsement of Co-ops Alarms Station Men.”


DRUG TOPICS, August 17, “Stores in Cleveland Compete with 17 Co-ops.”


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THE FRONT RANK, November, “Ideals in Cans,” Frances Dunlap Heron.


KIPLINGER NEWS LETTER, September 26, “Talk of Consumers Cooperatives.”

TRADE PUBLICATIONS

NATIONAL PETROLEUM NEWS, October 7, “Co-op Bulk Plants in Minnesota,” E. L. Bartringer.

SALES MANAGEMENT, October 20, “Behind that Co-op Label,” Bertram B. Fowler.

PRINTERS INK, October 15, “What is a Cooperative?” Richard Giles.

TIDE, October 1, “Co-op Coup.”


THE GASOLINE RETAILER, October 17, “Roosevelt’s Endorsement of Co-ops Alarms Station Men.”


DRUG TOPICS, August 17, “Stores in Cleveland Compete with 17 Co-ops.”

NEW BOOKS

Several important new books on the cooperative movement have been published since we last went to press. Since it is impossible to review them in this issue, we are listing below those which may be ordered now through The Cooperative League:


INTERNATIONAL OBSERVER, a quarterly devoted to the Peoples School Movement, edited by Peter Manniche, International Peoples College, Elsinore, Denmark, $1.00 for two years.
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EDITORIALS

"Every cooperative is a sign post toward economic democracy."—Fowler.

Cooperation is the democratic method of turning the nation’s total income into mass purchasing power.

Other wholesales might well copy the sign “Welcome! Builders of a Better World,” which greeted the delegates to the annual meeting of Central Cooperative Wholesale, Superior, Wisconsin.

We echo the sentiment expressed by Mr. Neil S. Beaton, Chairman of the Scottish Cooperative Wholesale Society before the quarterly meeting of September 12, “Time passes, and we become impatient with our progress. We realize that much of the unhappiness of the people and the wars of nations are inherent in our present social system. Only by the substitution of Cooperation for Capitalism can the world be saved.”

W. K. Gabler, Consultant Management Engineer, says in the December, 1936, issue of The Cooperative Merchandiser, the official publication of the National Retailer-Owned Groceries, that the fact that so much is being published about Consumers’ Cooperation is certainly not because the newspapers are in favor of cooperation and want to help the movement but only because “there is a definite public demand for information on the cooperatives.” He concludes by saying that if a cooperative system applies the following five principles successfully, its chances for success are very great. The principles he enumerates are: 1. Large scale operation. 2. Successful policies and methods. 3. Maintenance of the democratic principle. 4. Efficient management. 5. Competitive prices.

This is a simple way of describing a Consumers’ Cooperative, which was the opening paragraph in an article “What is a Cooperative” by Richard Giles in Printers Ink: "Stated simply, a consumers’ cooperative is three fellows living together. At the beginning of the week they decide that Joe Doakes, the most practical of the three, should do the purchasing for the week, and they kick in five dollars a piece. Doakes takes the fifteen, buys provisions to last a week and has three dollars left. He returns the three, one to each, and that is that."
Unraveling our economic tangle is, after all, very simple so far as thinking our way through is concerned. The greatest thing human beings want is liberty. The formula of achieving liberty evolves like this: we cannot have liberty without ownership; we cannot have ownership without economic equality; we cannot have economic equality under a private-profit system. Reversing the formula gives the answer as to where to start: eliminating private-profits by organizing cooperatives will produce economic equality; economic equality will result in ownership; ownership will bring the goal of liberty.

The Federal Trade Commission has recently cited nineteen corporations said to represent almost all the manufacturers of metal window products in the United States, charging them with maintaining a price-fixing combination to restrain, monopolize and eliminate competition. The complaint is that acting through their trade association they have compiled a basic price book, that they have filed with their trade association a schedule of discounts and agreements that the trade association should convey to the members such information, that they adhere to such a schedule of uniform discounts and that in the event lower prices are established other members will be notified in advance of a sale. This is the way in which manufacturers answer the pleas of the Brookings Institution Report that they voluntarily lower prices in order to increase mass distribution. Not only does private-profit business tend either by monopoly or by agreement to freeze prices at a higher rather than at a lower level but it is doubtful whether the political government has the ability to prevent such price fixing.

No better argument for consumers' cooperatives and credit unions as the solution of the control by private profit business and banking of any community has ever been presented in the correspondences that have been received than the brief statement from one writer, "We are continuously being stuck up by the merchants, who are likewise stuck up by the local bank." It isn't primarily the fault of those who happen to be the merchants and bankers of a community, but the fault of the private-profit system which we, the people, have adopted.

"The Monthly Survey of Business" of the American Federation of Labor is one of the most significant four-page publications which come in the Editor's desk. Each issue contains current statistics which every cooperative editor should republish. The distance between the "bell of scarcity" and the "heaven of plenty" we could be in is clearly indicated in the November issue. Today the average industrial wage is 58c per hour, which would mean an average annual income of $1024 for every family in the United States, or a little more than three times the average industrial wage today. Where is the place to start, to draw these two lines together? The answer is simple, and it will not be difficult to work out when we once accept the principle of economic equality. The first step is the raising of pay, the lowering of prices and the principle of true "Capacity Production Living Level" at today's prices of $1.77 per hour and an annual income of $3623 for every family in the United States, or a little more than three times the average industrial wage today.

Edward H. Collins, Associate Financial Editor of the New York Herald Tribune, gives the Consumers' Cooperative Movement two columns of publicity from which to quote: "The movement here is at last showing signs of attaining real momentum not only measured by the number of units established and the business turnover... but in organization and in increased consciousness of its own importance... the movement is pushing into the cities as well as into new agricultural areas; it has changed from an economic organization; it has its own central publicity and educational machinery." Mr. Collins, who was also the author of a significant article in the September number, hopes that the growth of the cooperative movement will follow "these general lines," by which he means the lines advocated by Dr. Paul Nystrom which he describes as growing slowly without undermining the profit system. However, he fears that there is a real danger that the cooperative movement may follow other channels. The danger lies in three directions: first, that it might have an evangelical spirit; second, that it might endeavor to produce a new type of economic society; third, that the political administration might assist its development.

The following are some typical illustrations from recent literature orders showing the different methods by which cooperative literature is being distributed:

An Assistant Professor of Economics of one of the large universities says, "I find an increasing interest in economics students relative to Consumers' Cooperation.

An order for 100 copies of the folder "Learn All About Consumers' Cooperation" stated that "I wish to send out a letter of inquiry to a prospective list and to enclose this circular as additional information.

Another letter from the Director of Debate of a state university says, "The University debating association is sponsoring a number of discussions on Consumers' Cooperation.

A Canadian University professor who orders literature, says, "We have recently organized an adult education center here. At present we are mainly concerned with Consumers' Cooperation. Economics classes in colleges, adult education discussion groups, debating associations and forums, and many other ways are practical methods of distributing cooperative literature.

The Cooperative League has just received a second appeal from the International Cooperative Alliance for food and clothing for cooperators in Spain. The I. C. A. has already sent $20,000 worth of supplies but feels the extreme need and popularity of these and many other ways are practical methods of distributing cooperative literature.

The Digest of the Cooperative Press published by the International Cooperative Alliance under date of November 3, 1936, is a special issue discussing cooperative education, particularly study circles. More and more it is becoming evident that while Denmark is noted for having developed resident Folk Schools which drew out of a community a few persons and gave them a new type of education which enriches as well as enlightens, that Sweden is likely to eventually become equally as well known as the originator of the Study-Circle plan of education which reaches out from some central organization into every community and organizes the people as a whole in an adult education program. After long years of experimentation with the Study-Circle method in the temperance and other fields, the cooperative movement of Sweden finally adopted it in a definite way about 1930. Now it is spreading to other European countries. After two years of experimentation the Swiss Cooperative Union points out that an adult education program is integral with the Study-Circle section to their organization to promote and assist retail cooperative societies to organize their members into Study-Circles. The publication of the Danish Cooperative Union points out the value of Study-Circles to interest and train young people as well as adults. The Belgian Cooperative Union has prepared a course of six lessons on Cooperation for Study-Circles. The Study-Circle program originated by Sweden and developed on the North American continent by St. Francis Xavier University in Nova Scotia, has proven to be the simplest, most economical and most efficient method of educating prospective and present members. This method should be developed widely by cooperatives in America.

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COOPERATIVE EDUCATION

From Third Hodgson Pratt Memorial Lecture
Harold Laski

Editor's Note: This educational challenge to the Cooperative Movement of Great Britain by a leading critic of high standing as a writer and teacher, both there and in this country, is also deserving of serious consideration by American co-operatives. Mr. Laski's complete Lecture 'The Spirit of Cooperation' is available in pamphlet form, 15c per copy.

The Cooperative Movement is not merely storekeeping with the dividend added. It is a movement, and so, as I have been arguing, a philosophy of life with obligations that arise from its acceptance. I want to say something, however inadequate, upon the educational aspect of that obligation. You will forgive one who is inescapably wedded to his vocation as a teacher if he emphasises that aspect of your work which is nearest to his own.

I begin by the recognition of how much you have accomplished. The work of the Cooperative Union and the Women's Guilds needs no eulogy from me; it has become an integral part of your life as a movement. I recognize gladly, too, the aid many societies in your movement have given to bodies like the National Council of Labor Colleges, and the Workers' Educational Association. The more ample the scale on which such aid is afforded, the more profound will be the appreciation of the cooperative spirit.

Cooperative Literature Lacks Challenge

But is it not true to say that, taken as a whole, there is a certain want of imagination in your effort at education and propaganda? Is it not a by-product of the Movement, a side-road, rather than the central highway? I believe that it is. Are there classics of cooperative literature in the same way that there are classics of socialist literature to which we all turn for inspiration and instruction? Does the standard periodicals compare favorably with the best that capitalism produces? Is the level of instruction at the Cooperative College, the quality of its teaching and so supported, that its teachers and its research are as pivotal in the discussion of social problems as Keynes and Pigou in this generation at Cambridge, as Marshall and Sidgwick were in the last? I want to say it so now and so supported, that I have been making contributions to cooperative philosophy and technique which are in the central stream of social thought. I do not persuade the unknown that they may throw off their chains, that there is a world to win. Often, no doubt, it is technically competent, careful, accurate, knowledgeable. But it lacks that power to strike, as a great American put it, at the jugular, which compels the attention of the Philistine. This defect is the more arresting as each where the nation awaits a lead. How much more willing are you doing in this field, to provide the lead that is required? You have an opportunity such as have never been given to you in the whole of your history. Traditional values are in the melting-pot: habitual principles are at a discount. A great periodical, an important economic treatise, a pamphlet as vital as, say, were Blatchford's 'Merrie England' or the 'Fabian Essays,' forty and fifty years ago, would have a sale and eager audience all over the world. What are you doing to produce these things? Can you remain content, in an epoch so critical as ours, to stand by the ancient ways? Have you not the duty to restate, with all the power you can command, both the first principles of your Movement, and their practical application in diuers realms of immediate importance? What are the first principles as seminal as yours ought to have created a great literature to express them. That literature is wanting. What are you going to make the organized and organic effort to produce it?

So, also, with the educational field it is not enough to give spasmodic and sporadic aid. The claims of education are like the claims of love; you have to respond afresh to them every day. If it is the Cooperative College, I want to see it so staffed and so supported, that its teachers and its research are as pivotal in the discussion of social problems as Keynes and Pigou in this generation at Cambridge, as Marshall and Sidgwick were in the last. I want to see it so staffed and so supported, that its teachers and its research are as pivotal in the discussion of social problems as Keynes and Pigou in this generation at Cambridge, as Marshall and Sidgwick were in the last. I want to see it so staffed and so supported, that its teachers and its research are as pivotal in the discussion of social problems as Keynes and Pigou in this generation at Cambridge, as Marshall and Sidgwick were in the last.
on purchases. They are the men and women in the to whom you have failed. And you have failed with them because neither your educational nor your literary effort made them aware of links between you and them far more substantial than those which are your present bond. It is for their conquest that you, as I, are concerned. Your power to bind them to you with a moral loyalty that is unbreakable is what Edmund Burke called the "commodity of choice" of which you have the monopoly. Fail here, and your Movement will pass into that phase of stagnation which attends all great movements which do not make an imaginative use of their opportunities. Your chance of creative adventure is

CLOQUET'S CORNER OF THE COMMONWEALTH

Associate Editor, "The Cooperative Builder"

But a considerable portion of Cloquet's 7,000 population consisted of a quiet and steady-going people known as Finns. They were men who already in their arctic homeland had banded together to do something about this breeder of depressions and misery—this thing profit. These men and women refused to merely go on an emotional joy-ride by listening to soap-box orators spout about the Utopia to come. They knew that the system was all wrong, but they also knew that talk was cheap.

Kuitu-Mattinen was a private store—a competitor of the co-op that, together with other profit concerns had done its best to squash this cooperative that was revolutionizing the distributive game by keeping money in circulation instead of piling it up into the hands of the few. These profit-motivated businesses had the field wide open in the early days of Cloquet, the same as they still have in thousands of "Cloquets" throughout the land. They just took, and took, and took some more from the mill hands of this little northern Minnesota lumbering center and from the "stump farmers" that had settled the surrounding countryside, divested of its wealth in forest produce but lucky shoppers who are still basking on their ill-gotten gains on the sands of Palm Beaches and Rivieras.

They didn't "Get"

Not him! He climbed to the top of the hill and bawled out: "I guess it's time to get up and get."

"I ain't had the measles yet."
paid-in share capital was $2,885 and the net worth $6,081. When the books were balanced the first time after the fire, the value of the capital stock of the company was only $491.46 and its own resources were all but wiped out.

"In spite of the fact that the financial situation looked almost hopeless, the board of directors met soon after the fire, and began to plan the reconstruction of the store. A temporary structure was erected on the lot owned by the company."

**Business Picks Up**

When the store was opened again after the fire, it was in a temporary structure. Business rapidly picked up. It seems that through the common misfortune people had been brought closer to each other and appeared to realize the value of cooperation more than ever before. Then, what made the cooperative store particularly popular was its policy to sell goods to the stricken consumers, many of whom had lost heavily through the fire, at very reasonable prices.

It wasn't long before the farmers, too, began to realize that as consumers their interests were identical with those of the urban consumers. In 1925 the farmers' co-op on Dunlop island was consolidated with the other store, becoming its branch. That action marked the reaching of the hilltop for the Cloquet store co-op. From then on, its history has been just one victory after another. It could possibly be best sketched in brief headlines something like the following:

**1923**

**CLOQUET CO-OP SOCIETY AMALGAMATES WITH FARMERS' STORE**

*Volume for Year $267,797, New-Flina Becoming Members.*

**1924**

**CLOQUET CO-OPS' VOLUME 366,064**

*Pays Over $10,000 in Trade Rebates*

**1932**

**CO-OP OPENS STORE NO. 3 AT ESOKS CORNER**

*Reports 2,277 Members Sales Over $516,000*

**1932**

**CLOQUET SETS UP STORE NO. 4 AT MAHTOWA**

*Han Volume of $46,978*

**1935**

**CO-OP BUILDS GAS STATION & GARAGE**

*Sales Nearly $300,000 for a year*

**1936**

**FORMER COMPETITOR'S MODERN STORE BOUGHT BY CO-OP**

*First American Co-operative store to pass $1,000,000 mark*

Starting out with its one little grocery shop a quarter century ago, the Cloquet Cooperative has added one department after another until it now handles practically everything that a human being needs in his lifetime. From the hippo to automobiles to necessities for the gas ride. It has four grocery and meat shops, and departments for the handling of coal, dry goods, furniture, feed, building materials, automobiles and insurance. It buys beef cattle from its farmer members and butchers for the use of the urban consumers—the beginning for the complete cooperative circle of production and distribution.

A firm believer in centralization, the Cloquet Co-op has been one of the founders, and is an ardent supporter of the Central Cooperative Co-op. As a result, the Trico Cooperative Oil Association and the Northern States Cooperative League (through which it is affiliated with The Cooperative League of the U.S.A.) The co-op's directors assisted the organization of a Cooperative Burial Association for Carlton, Aitkin, Pine and St. Louis Counties. Having taken the profits out of the business, the Cloquet co-op members wish to do sans profit as well.

**Does Education Work**

Aside from being a dues-paying member in cooperative educational organizations, the Cloquet co-op does a good deal of educational work on its own score. In connection with the main store on Avenue F, and 14th Street it has an auditorium, fully equipped for the staging of plays and entertainments of all types. It circulates cooperative publications among the membership, arranges cooperative institute, organizes essay contests, etc.

The Cloquet cooperators are not merely selling beans over a counter. They are building up their corner of the Cooperative Commonwealth—and they know it. As the following quotation from Article 1 of the society's by-laws will show: "The Cooperative Society is not a competitive business which endeavors to accumulate money by selling commodities for profit, but its object is to aid in bringing about a complete change in the present system of production and distribution, and in developing a new and just system serving the interests of the community."

**Correct Cooperative Terminology**

**1. Producers Cooperatives**

Producers Cooperatives are organizations of individuals who pool their labor to render service together:

They may consist of agricultural, industrial or professional workers. Agricultural Producers Cooperatives are groups of individuals who pool their labor to farm together; Industrial Producers Cooperatives are groups of individuals who pool their labor to manufacture together; Professional Producers Cooperatives are groups of individuals who pool their labor to render service together.

Only a few real Producers Cooperatives, made up of persons who pool their labor for production are in existence. Their record of failure has been most serious over the last hundred years.

The term Producers Cooperatives is sometimes applied to Marketing Cooperatives, which is plainly an incorrect designation. A Producers Cooperative is correctly only a cooperative organization of individuals who pool their labor to produce together. Marketing Cooperatives, discussed in the next paragraph, are almost entirely made up of individuals who produce separately and pool their products for market, but not their labor for production.

**2. Marketing Cooperatives**

Marketing Cooperatives are organizations of individuals who commonly produce separately with their own labor and capital and pool the products in the market together. Marketing Cooperatives are sometimes called Farmer Cooperatives as they are generally made up of farmers.

In some cases, such as fruit, eggs and cotton marketing cooperatives, the products handled are graded for the market; in other cases, such as milk, marketing cooperatives process a part of the product they handle into butter and cheese in order to market it more readily. They often purchase cooperatively the supplies they use in processing and packaging the finished products.

**3. Purchasing Cooperatives**

Purchasing Cooperatives are organizations of individuals who pool their purchasing power to buy any form of supplies and services together.

Charles Gide of France, who is accepted as among the truest of cooperative philosophers, says: "In a hundred cases, consumers' cooperative society exists every time that a number of persons feeling the same need, join together collectively to satisfy it better than they could do by individual means."

Some forms of supplies are commonly designated, for statistical purposes, as producers goods and others as consumers goods. Whether their goods that are purchased together cooperatively are classified as producers or consumers goods does not change the correct cooperative classification of the transaction. In either case it is Cooperative Purchasing. Furthermore since all supplies or services are purchased by consumers for immediate or longer time consumption, the name Consumers' Cooperatives is correctly used synonymously with the words Cooperative Purchasing.

When individuals purchase together they are acting as consumers, rather than
Cooperatives likewise may reach back and process their products as a part of the marketing process. As has been indicated from the discussion, Cooperatives, as has been indicated from the discussion, Cooperatives, as has been indicated from the discussion, Cooperatives as producers or consumers goods. The Purchasing or Consumers' Cooperation does not make the transaction Producers Cooperative, and as such, he has purchased may be used as a member of a Marketing Cooperative. He has not acted as a member of a Marketing Cooperative in the same manner. The tractor to start plowing is not acting as a member of a Marketing Cooperative to buy together. They may purchase equipment for their farms, gasoline for their tractors, clothes for their bodies or food for their stomachs. The fertilizer is spread on the ground, the gasoline is put into the tank of the tractor, the farmer dresses himself in his clothes, and eats the food. When he goes out and gets on the tractor to start plowing he is not acting as a member of a Marketing Cooperative, as he is producing individually. He has not acted as a member of a Marketing Cooperative as all he has done has been to buy fertilizer for his farms, gasoline for his tractor, or clothes for his body, or food for his stomach. He has only acted as a purchaser or consumer, no matter how much he has purchased may be classified for statistical purposes, whether as producers or consumers goods. The purchase of producers goods, so called, does not make the buyer a member of a Marketing Cooperative. Whether purchasing or Marketing Cooperation, Cooperative Purchasing or Consumers' Cooperation includes all pooling of purchasing power for the cooperative buying of all forms of supplies and services.

Cooperative Production may be undertaken by either Marketing or Purchasing Cooperatives as has been indicated from the discussion. Marketing Cooperatives may process their products as a part of their marketing functions. Purchasing Cooperatives likewise may reach back from retailing and wholesaling and, when they have pooled together a sufficient amount of purchasing power, build or buy a factory and begin producing. But either type of cooperative production is usually not done as a separate organization but only as a division of the parent marketing or purchasing cooperative. The phrase Producer Cooperation is something not done by Cooperative Production which is manifestly incorrect when applied to such processing or manufacturing of products by Marketing or Purchasing Cooperatives.

4. Finance Cooperatives

The largest number of Cooperative Financial Organizations are called by the name of Credit Unions. There are other types as well, principally in the farm field, known by such names as Credit Banks, etc. Cooperative Insurance is sometimes known as Secondary Finance.

National Organizations

Most naturally in the development of Cooperatives there comes a time when it is found to be practicable to set up National Organizations for education and business in each of the four Cooperative fields. Some regional or cooperative organizations are members of more than one of the national groups.

No national Producers Cooperative organization, either educational or business, exist in the United States.

Cooperative Marketing organizations have set up the National Cooperative Council, Washington, D. C., as their educational agency. Their national business functions are carried on as separate national commodity groups rather than as one national organization.

Cooperative Purchasing organizations have set up The Cooperative League New York City, as their educational agency. A number of regional Cooperative Purchasing organizations have set up National Cooperatives, Inc., Chicago, Ill., as their national business agency.

Cooperative Publishing organizations have set up the Credit Union National Association, Madison, Wis., as their educational agency.

CONSUMERS' COOPERATIVES IN ACTION

Superior, Wisconsin—Central Cooperative Wholesale added a cool half million dollars to its 1935 sales record to reach a new grand total of $2,830,302 for 1936. The new record exceeds the year's quotient by $80,000 and showed an increase of 36.50 per cent over last year's sales of $2,158,244.

Seattle, Washington—Early returns indicated that business for 1936 would exceed by at least ten per cent the $1,250,000 wholesale volume of Grange Cooperative Wholesale in 1935. Growing business in eastern Washington made it necessary to construct additional warehouse and office space in Spokane to handle the influx of cooperative trade.

Columbus, Ohio—Cooperatives affiliated with the Ohio Farm Bureau Federation completed their most successful year to date according to a summary prepared by L. A. Taylor, assistant secretary of the Ohio Farm Bureau. Membership increased 12 per cent; cooperative business totaled $7,000,000; auto insurance policies in force 180,000; life insurance business $16,500,000; fire insurance business $50,000,000; power was supplied to 1500 homes and contracts totaling $2,000,000 were let for electric lines to serve 7,000 farms; combined assets amounted to $8,500,000 and subscriptions to the Farm Bureau News jumped to 72,000.

Minneapolis—Minnesota co-ops increased their total business in gasoline more than 5,000,000 gallons in 1935 to establish themselves firmly as second largest distributors of gasoline in the state. With a total volume which has grown from 17,000,000 gallons in 1929 to more than 38,000,000 in 1935, the co-ops are now second only to Standard of Indiana. Co-op business grew from 4,88 per cent of the state total in 1929 to 8,51 per cent in 1935, while the volume of Standard of Indiana business fell from 26.38 to 17.92 per cent.

Washington, D. C.—Farm supply cooperatives showed an increase of 17 per cent over 1935. Business past the million dollar mark in 1935. Two Harbors, Minn.—The Minnesota Power and Light Company has apparently abandoned a vain attempt to scare out the Lake County Cooperative Power Association. The private company sent 7 trucks and 50 men into the territory of the co-op and started building parallel lines. After energizing its lines to serve a handful of farmers, the private-profit company withdrew.

St. Paul—The Farmers Union Central Exchange voted at its annual meeting here December 12 to extend the privileges of membership to its first city cooperative. The action follows a tradition set by other cooperative wholesales which have in the last few years opened membership to urban as well as rural organizations.

Cober, Minnesota—The Cloquet Cooperative Society became the first local retail cooperative to boost its annual business past the million dollar mark. The first 11 months of 1936 showed an increase of $221,000 over its volume in the same period the preceding year. Sales to the end of November were $1,015,000. Share capital interest and patronage dividends to members totaled more than $40,000.

Indianapolis—Credit Unions organized by cooperatives affiliated with the Farm Bureau Cooperative Association have accumulated assets of more than $200,000. Loans of more than $400,000 have been made since the credit union program of organization was launched in 1931.

Minneapolis—Eighty students from four states completed the course of study at the Institute for Cooperative Management held at the Center for Continuing Study on the Campus of the University of Minnesota November 16 to December 12.

This was the first time any state university had participated in sponsoring such a school or in furnishing members.
of its faculty. Professors from the University of Minnesota and members of the staff of the Cooperative Wholesale made up the faculty of the institute.

**Manhattan, Kansas — Kansas State College opened a short course for cooperative managers here November 30. The course will run through January 30, and will include practical training on the problems of cooperative management as well as lectures on the nature of the economic system and the history and principles of consumer cooperation.**

**Jamestown, North Dakota — The Farm Bureau Cooperative Education Service, the Northern States Cooperative League and the State Farmers Unions of Montana, North Dakota and Wisconsin are conducting a series of cooperative institutes in January, February and March. The North Dakota Institute at Williston will run from January 4 through January 23. The Montana and Wisconsin institutes will run from February 1 to 20 and from February 22 to March 15, respectively.**

**Indianapolis — The Education department of Indiana Farm Bureau Cooperative Association reports that 569 young people in the state went to cooperative camps or institutes during the year. Most of these were one week summer institutes.**

**North Kansas City, Mo. — Merlin G. Manlove, acting president of the Education department of Consumers Cooperative Association, reports that 569 young people in the state went to cooperative camps or institutes during the year. Most of these were one week summer institutes.**

**Tampa, Florida — The American Federation of Labor at its annual conference November 16-24 endorsed the recommendation of its Department of Education, Disciples of Christ, for the formation of a Committee on Cooperative Medicine. The American Federation of Labor at its annual conference November 16-24 endorsed the recommendation of its Department of Education, Disciples of Christ, for the formation of a Committee on Cooperative Medicine.**

**New York — The Cooperative Tour Commission organized two years ago, had a gross business of $198,000 in the first eight months of 1937. The same period in 1936 showed a volume of $384,000 and H. S. Agster, manager, confidently expected the co-op to pass half a million by January 1.**

**Superior, Wisconsin — The Mutual Cooperative Insurance Association, a live insurance co-op sponsored by Central Cooperative Wholesale, has just received its charter for operation in Wisconsin.**

**New York — The Cooperative Tour Commission reported in its annual report for the first eight months of 1937 that $198,000 was handled in 105 cooperatives.**

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BOOK REVIEWS

THE WAY OUT OF CHAOS

The co-operatives are a brotherhood movement. Christians, with a mind to the spiritual and material needs of the birds and the beasts, have boldly and succinctly suggested the cooperative way.

The way out of chaos is the marvel of this chapter. Kagawa shows us that the Church can actually realize this responsibility.

If Christians of various denominations would unite among themselves on the principles of the New Testament which are common to all in spite of some differences of interpretation, and if they would agree to practice the cooperative system based upon brotherhood love, they would be able to prevent unemployment, panic and exploitation.

Kagawa presents the cooperative state. He feels that nothing short of this will suffice to accomplish the end desired, both politically and economically.

The only way out of our dilemma is to go back, but forward. What is to be the new American economic and political order? Kagawa has boldly and succinctly suggested the cooperative system.

The book is a challenge. It is a fitting work to climax the widely influential tour of America just completed by Professor Kagawa. We thank him profusely for his life-blood expended here in our nation, and now for this potentially strategic book.

Executive Secretary, National Kagawa Coordinating Advisory Committee

NEW CO-OP TEXT
Consumers Cooperative Adventures, Harlan J. Randall and Clay R. Daggett, Whitewater Press, Whitewater, Wisconsin $2.00 (Order through The Cooperative League)

Consumers Cooperative Adventures written by Professors Randall and Daggett, appeals to me as a most valuable addition to the educational equipment of the cooperative movement. The value of the book is at once apparent to anyone familiar with the problems of the teacher and with the difficulties confronting the student who is an attempting to acquaint himself with a new field of subject matter. The book is written in language and the subject which satisfy the demands of the critical scientist and at the same time meet the needs of the teacher and student. The author of this work, one an economist and the other an educational worker, have succeeded, it seems to me, in producing a book which serves the requirements of those two groups in the field of consumer cooperatives. A fair examination of the book will show that the above conclusion is easily justified.

The important treatment of subject matter; the presentation of the faults as well as the virtues of the cooperative system; the sensible distribution of the movement and the statement of the faults; the plausibility of the language and the boldness of the type; the pleasing illustrative material consisting of about one hundred plates, graphs, and photographs; and the thought-provoking, study-compelling equipment of the cooperative movement. The partial treatment of subject matter; the presentation of the faults as well as the virtues of the cooperative system; the sensible distribution of the movement and the statement of the faults; the plausibility of the language and the boldness of the type; the pleasing illustrative material consisting of about one hundred plates, graphs, and photographs; and the thought-provoking, study-compelling, producing a book which serves the requirements of those two groups in the field of consumer cooperatives.

The following significant statement closes the lectures:

"If we leave economic activities as they are today, the whole scheme of the world will never be established. Neither will religion in its present state ever realize world peace. Peace will come only when the consciousness of remutative love as manifested on the Cross permeates the life of international economy throughout the world. Love evidenced in the cooperative movement. So with the same consciousness of remutative love that directedmillions of men to dedicate their lives to the Crusades and to the reclamation of the Holy Land, let us with-out delay endeavor to 'cooperate' the economic activities of the world.

With this accomplished, we shall find that we have built the only sure foundation for the establishment of world peace."

The chapters are written in a very clear and easy-to-read manner. The book is written in a way that makes it easy for the reader to understand. The book is written in a way that makes it easy for the reader to understand the concepts of consumer cooperatives. The book is written in a way that makes it easy for the reader to understand the concepts of consumer cooperatives.

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THE PRESS BOOSTS CONSUMERS' COOPERATION

GENERAL MAGAZINES

American Spectator, December-January, "Co-ops put the past out-Car to Utopia," Allan Balmer

Consumers Guide, November 30, 1936, "Are Price Tags Enough?"

Current Digest, December, 1936, "Co-ops," M. Lowel Gunzburg, reprinted from Mid-Week

Diary California, October 21, 23, 26, November 2, 1936, Series of four articles on Student Cooperatives, Peter Shinoda and Walter Headley

Free America, January, 1937, "Cooperation for Labor," Bertram D. Deaver

Journal of Electrical Workers and Operators, November, 1936, "Growth of Co-ops Drives Toothpaste"


Junior Red Cross Journal, December, 1936, "Consumer Cooperation in America," Bertram D. Deaver

Library Digest, November 21, 1936, "Prosperity Foge Nova Scotia by Cooperative Action"

New Republic, November 18, 1936, "Consumer Cooperation and Labor," Herbert Piers


Pathfinder, October 17, 1936, "Cooperatives Meet, News Item"

Producers, October 24, 1936, "Cooperative Movement," Editorial

Social Frontier, January, 1937, "We Study Scandia, Goodwin Watson

Student Advocate, October-November, "Campus Cooperatives," William Moore

BUSINESS JOURNALS

Advertising Age, November 16, 1936, "Retail Selling on a New Footing," Seymour P. Brown at American Management Association

The American, October 23, 1936, "Rural Electrification: A Conspicuous Aspect of the Cooperative Movement," Bernard Oechsle

Business Week, November 21, 1936, "Cooperative Weaves"

Cooperative Merchandiser, December, 1936, "The Progress of Consumer Cooperatives," W. E. Farb

Consumers' Cooperation

January, 1937


The Index, December, 1936, "Consumer Cooperatives, Their Actual Status in our National Economy"

Nation's Business, January, 1937, "Consumer Cooperation Moves to Town," Edward Mueller


The Plan, "Meeting the Business Problems in a Changing America," E. St. Elmo Lewis


SALES MANAGEMENT

Sales Management, October 20, 1936, "Behind That Co-op Label," Bertram B. Fowler

Tide, December, 1936, "Co-op's"

RELIGIOUS MAGAZINES

Catholic Worker, November, 1936, "Who's Who in Racine Showing Labor Way Out."

December, 1936, "Cooperative Has 1st Anniversary of Operation"

Catholic Digest, November, 1936, "Let's Cooperate," Richard Deaver

Central Blatt and Social Justice, December, 1936, "Farmers Cooperatives, Wholesale Succeeds, Opposition to Cooperatives"


Christian Register, November 19, 1936, "Danish High Schools," a Talk with Mrs. Louis D. Brandeis, Delos W. Brinton

Christian Century, December 12, 1936, "The Church and Cooperatives," Eliza Gowing

Distributists," Bertram B. Fowler

Egocentric History, December 5, 1936, "Cooperation is More Than Buying," Arthur Hedley

Farmers Cooperative Wholesale Succeeds, Opposition to Cooperatives"

Harvard Student Advocate, October-November, "Campus Cooperatives," William Moore

Queen's Work, December, 1936, "Campus Co-ops Cut Cost of College Education," William Moore

January, 1937, "From Tread Lane to-1 Actual Photographs Tell the Story," E. MacDonald, S.J.

United Presbyterian, August 13, 1936, "An Application of Christian Ethics," Howard Thompson

LABOR PUBLICATIONS

Milwaukee Leader, September 15, 1936, "Workers Awaken to Lack of Consumers Cooperative," Irvin L. Auron
New Leader, December 5, 1936, “Cooperatives Urged to Tie-up,” E. R. Bower.
Progressive, November 7, 1936, William Green’s Speech to Cooperative Congress.
Workers Education News, November 14, 1936, “Worker Should Get Value for his Wages, Says Green.”
December 5, 1936, “Meeting on Workers’ Education and Cooperatives.”

* Racine Workers Build a Cooperative * by William Lloyd, published in the August issue of Consumers’ Cooperation, was reprinted in the following publications:
  - Federation News, November 7, 1936.
  - Workers Education News, November 14, 1936.
  - Railway Carmen’s Journal, November, 1936.
  - Quarry Workers Journal, November, 1936.

* Religion and Distribution * in an address to Edward A. Enloe, was reprinted in the following publications:
  - Baltimore Evening Sun, November 10, 1936.

**NEWSPAPERS**

  - Baltimore Evening Sun, November 10, 1936, “Find Cooperative Problems Cleared.”
  - The Assistant, October 22, 1936, “The Middle Way.”
  - Des Moines Tribune, July 17, 18, 20, 21, 22, 23, 24, 25. Extracts from “The Sudden Way.”
  - Morris W. Childs. Other papers can arrange to serial form by making arrangements with Yale University Press.
  - Baltimore Evening Sun, November 10, 1936, “Railway Clerk, December, 1936.”
  - Minneapolis Journal, November 26, 1936, “Consumers’ Cooperation.”

**REVIEWS**

  - The Cooperative League, Volume XXIII. No. 2
  - The Peoples Year Book, 1937. Published by the Cooperative Wholesale Society, Manchester, England. 350 pages, cloth, $1.00.

**NEW BOOKS**

Several important new books on the cooperation movement have been published in the last few months. Since it is impossible to review them in this issue, we are sending below brief reports. All are available through The Cooperative League.

**AMERICAN INTERCOLLEGIATE**

  - The Doctor and the Public, by Dr. Walter F. Hubert.

**NEW LEADER**

  - A New Leader, December 5, 1936, “Cooperatives Urged to Tie-up,” E. R. Bower.

**CONSUMERS’ COOPERATIVE MOVEMENT**

  - OFFICIAL NATIONAL JOURNAL OF THE CONSUMERS’ COOPERATIVE MOVEMENT
  - PEACE—PLENTY—DEMOCRACY
  - Volume XII. No. 2
  - FEBRUARY 1937
  - Ten Cents

**EDITORIALS**

“Cooperation is the tangible expression of brotherhood in action.”—E. St. Elmo Lewis.

The “American Dream” looks forward neither to an autocracy of the privileged nor to a dictatorship of the proletariat. Peace is not made primarily by governments. Peace is made primarily by individuals, who, in their daily dealings with their neighbors, conduct themselves in such a way as to create good feeling and friendship. Those who want world peace must themselves help build a peaceful personal and economic neighborhood where they live.

The American Institute of Electrical Engineers was told by John C. Parker, President of the Consolidated Edison Company of New York at its winter convention on January 27, according to the newspaper account, that the extension of electric power service to the rural areas of the nation, a proposal which is favored by President Roosevelt, is impractical and needless. This ought to encourage those who believe that the only way by which our economic problems can be solved is by the people organizing cooperatives to do so, rather than depending upon the initiative of private power companies.

We very much doubt the possibility of General Motors thousand-dollar-a-day quartet of executives, who are in charge of the strike situation, settling anything permanently with a group of employees who average less than a thousand dollars a year. The essence of the General Motors Corporation strike is the question of how the consumers’ dollars shall be divided between profits and pay rolls, with the consumers having nothing to say. But eventually they will be the ones who determine how their dollars are divided.

Late news flashes from Nova Scotia: “1937 looks like the best yet. The study club folks are going to do things this year. We have never been so hopeful.”—A. B. MacDonald, Assistant Director, Extension Department, St. F. X. University.

“Are we getting the miners to understand that they must be as interested in the organization of the farmers and the economic problem as the people organizing cooperatives to do so, rather than depending upon the initiative of private power companies.”
fishermen as they are in their own labor unions. I think we shall have a great come together before long."—Dr. J. J. Tompkins.

The Inaugural Address of President Roosevelt indicates the appreciation of the precariousness of the present economic situation. His concluding summary, "I see one-third of a nation ill housed, ill clothed, ill nourished," is, however, an understatement. The Brookings Institution study shows that two-thirds rather than one-third, of the families of America receive less than $2,000 a year, which is considered an absolute minimum to cover the bare necessities of an average size family. Other statements in the Inaugural address also indicate the President's ability to vision an idealistic future where this black picture will be painted out and every family will have abundance.

But we are beyond the place, after seven long years since 1929, of merely picturing the brutal realities of the present or the ideal possibilities of the future; we are to the place where we must learn more rapidly how to reorganize our distribution system to bridge the age of scarcity and the age of plenty. Political action can help. But too much political control would eventually result in State dictatorship of one form or another. As the President indicated, is to create "moral controls over the service of science," which can only be done by the people organizing themselves into cooperative retail associations, affiliating with wholesalers and developing on into production.

In his address before The Cooperative League Congress, Mr. J. H. Hull, General Manager of the Indiana Farm Bureau, made the observation relative to the significance to the farm producers of America of a well-developed consumers' cooperative movement that was most vitally pertinent. He said that it is plain that the farmers of America might even profit more today by a well-organized movement among consumers than by a well-organized movement among producers. His statement, Mr. Hull added, was based upon his observations of the results to producers in Stockholm, Sweden, and Edinburgh, Scotland, which he visited on his trip to Europe in 1934, where they were distributing milk for less than half what it costs in Indiana.

The statistics which have been previously published in Consumers' Cooperation, show that the savings made in the distributing cost of milk by the cooperatives in those countries are even more beneficial to the milk producers than to the milk consumers. The milk producer in Edinburgh, for example, receives 7 cents per quart for his milk, for which the consumer pays 10 cents after deducting his patronage dividend, or in other words 67%. This is just the reverse of what the milk producer in the United States receives under a private-profit milk distribution system. We have repeatedly emphasized this point that only by farm producers encouraging and assisting in the organization of their city consumers into cooperative purchasing associations and the elimination thereby of the middle-man-monopoly in processing and distributing, will farm producers ever get the prices which they must for their farm products. It is not simply altruism for farmers to encourage and assist in the organization of their city consumers into cooperatives, but practical self-help for themselves as farm producers.

A newspaper report says that Mr. Charles C. Teague, President of the Consumers Exchange, spoke enthusiastically for Agricultural cooperatives before a conference of the National Wholesale Grocers Association, but declared that cooperatives would never sponsor or affiliate with consumers cooperatives. "Never" is a long time. While it is plain that today farm marketing cooperatives cannot afford to get along with city consumers' cooperatives because of the fact that there is so limited a development of the latter, we doubt if the next development of the Cooperative Movement is the practical application of the Golden Rule: Life, liberty and the pursuit of happiness, implies that men possess "the inalienable right to work." If we accept the latter part of this declaration that every man has an inalienable right to work, then it logically follows that business has upon its shoulders the inalienable obligation to provide work for everybody. Certainly business must eventually accept its obligation not only to produce plenty but to provide jobs for everybody and prevent poverty.

The Montgomery County Farm Bureau Cooperative Association of Sounderstown, Pennsylvania, writes requesting free pamphlets on the Consumers' Cooperative Movement to hand out at its bulk plant and also prices on pamphlets to be held.

It should be a part of the work of the employees of a retail cooperative association to sell literature just as much as to sell their product. If the gulf between the thoroughly educated, which can best be done by individual reading and small group study circles, there will be no question of the loyalty of the members to the cooperative association and its business success. The thorough education of the membership is primary to the most successful business development of a cooperative association.

Tentative plans are being laid for a Cooperative Tour to Nova Scotia during next August. Late reports are that everything's "leaping" up there. Study clubs have increased from some fourteen or fifteen hundred. Credit unions are developing out of the study clubs. Cooperative stores are springing up. The suggestion is made by Dr. M. C. Coody, Director of the Cooperative Extension Service of the University of Michigan, that they might conduct a three-day Cooperative Institute the latter part of the week which would allow the American visitors to arrive there. After the three-day institute, which would give everyone a general understanding of cooperative development, the group would spend the following week making tours to the different points where they could meet with the study clubs and see the credit unions, stores, lobster and fish factories, etc., which have developed. Then the following week on Tuesday and Wednesday, they would come back to the University and attend the annual conference of study club and business leaders, which would allow the latter part of the week to return home. This would mean approximately two weeks in Nova Scotia in the time of arrival to the time of departure. Those who are interested in taking such a tour should write to The League and further details will be furnished in due time in the event there is enough interest to warrant arranging for the tour.

Many complimentary expressions have been received relative to the sixteen page Teaching Unit on the Cooperative Movement in the January issue of the Journal of the National Education Association. In Detroit, the Chairman of a Forum who was the principal of a school, stated that 10,000 copies of the Journal had gone into the hands of teachers in that city. 215,000 copies were distributed to subscribers. If the contents of the Cooperative Section had been printed separately, and mailed to the teachers, we would estimate the cost would have been at least $10,000. The effect, however, would not have been anywhere near as great as when the matter was incorporated as a part of the magazine itself and carried as a foreword to this favorable introductory statement by Joy Elmer Morgan, Editor.

The Cooperative Movement is of the people, by the people and for the people. It serves every type of human need, both economic and cultural. It thrives in every country where freedom is not entirely destroyed. It removes the causes of war and of internal strife. To a world disheartened by unemployment and torn by war, it offers a peaceful pathway toward a better civilization. The Cooperative Movement gives people a sense of responsibility for their own destinies. It is a powerful form of education in the best sense of the word, by doing; they develop faith in themselves and in each other. The Cooperative Movement is the natural result of the Golden Rule: it is the ultimate democracy.
A NEW ADVANCE IN COOPERATIVE EDUCATION

W. P. Watkins, B. A.,
Co-author of the Official
British Text Book "Cooperation"

The superiority of the Study Circle, however, does not rest on numbers alone, but also on the quality of the education it provides. Cooperative organizations, by the method of learning adopted in Study Circles, is cooperation in education, whereby much more is learned than the subjects comprised in the syllabus. While it is necessary that the members should learn about Cooperation, it is even more important that they should learn to cooperate, that is to work together successfully for common ends. Over and above the fact the participants master their subject more thoroughly because they collect their own information and their statements are not subject to criticism and contradiction from their comrades, they benefit from the self-discipline which successful group activity imposes. It is because group study is an active quest for knowledge and critical, non-committal and reflects back the appropriate kind of leadership. A crop of leaders is out to develop a Cooperative Commonwealth and the leaders of this Movement must come from the people. Its organizers believe that there is a mass of undiscovered leadership among the common people, and that the way to make it visible and operative is to educate the people, old and young, to leadership, they say, is lacking merely because of the absence of opportunity. The place to begin for those of good intent is at their own doorstep. Cooperation can be spread on the principle, "Tell one man, why and for others while they do their own thinking!" The Ohio Farm Bureau, in its pamphlet on the organization of discussion groups, has illustrated by means of amusing caricatures the three undesirable types and the one effective type of group leader. These are respectively the dictator, who expects the members to bow to his wisdom; the lecturer, who is over-anxious to pour information into the minds of the group: The mirror type, who is agreeable, un-critical, non-committal and reflects back the questions and suggestions, and who has patience with slow results because he is more concerned that the group seeks the way to the cooperative solution of the problem than that the members shall distinguish themselves individually. These types of leadership may be easily recognized in many other spheres of social life than Study Circles, but it is precisely be-
cause the latter bring the problems of leadership so clearly into focus that they form the subject of much of what I have to say about cooperative and civic training.

**Fills Need Not Supplied by Press and Platform**

The Cooperative Movement has often been inclined to rely too much for the education of its members upon the effect of its press and propaganda activities. That both of these, while serving other purposes, make important contributions of educational value, is obvious. It is significant, however, that the two National Movements in Europe which have so far most effectively supplied themselves with Study Circles, already possessed excellent cooperative technical and family journals circulating amongst virtually the whole of their membership, besides carrying on efficient propaganda work by means of films and other up-to-date methods. Something more concentrated, systematic and lasting in its effects than propaganda meetings and the building of journals is necessary. This is what the Study Circle supplies. Moreover, the work of the press only yields its full value when there are guides, complete with outline, questions and references required for the courses, which naturally include service on one or another of the committees, not of the local society alone, but even of National Federations. This last requires keen and logical thinking, the second an acquaintance with the structure of the Movement and the technique of its administration. What the Movement needs, and what the Study Circles must supply, are members who can both think for themselves and act effectively in concert, because they know when to subordinate the claims of the individual to the welfare of the whole. It may not be possible to imbue the whole membership with the same degree of practical wisdom and social responsibility, but the aim of the Study Circle is to bring the individual contacts in every locality a nucleus of members who possess these qualities and whose influence shall be pervasive and dominant. This is the purpose of the consumer and workers' associations in Plato's "Republic," a specialized caste with a monopoly of leadership, since the existence of Study Circles open to every member alike will ensure that it will be continually recruited and renewed from the rank and file of Cooperators.

**Maintains Democratic Control**

It is along lines such as these that the cooperative educator can best make his contribution to the maintenance of the democratic character of the Movement. This is no easy task, as the Movement's economic expansion constantly demands more centralization and authority and a more complex administration. The problem, however, cannot be solved merely by amendments to statutes. The most skillfully drafted constitution can be destroyed by ignorance, faction and disloyalty to principle. Education must advance in scope and efficiency step by step with economic development. The Movement demonstrates ever more clearly the ability of the common people to control wisely the factors of their own welfare. At the present time, when democratic ideals both in government and industry are suffering from the attacks of authoritarian systems and the inability of democrats to work together, there can be scarcely a better means of safeguarding the future of Cooperation and the democratic principle than a new advance in cooperative education along the lines here indicated. Cooperation, the consumers in that city. The result was a lively battle and low prices of milk to the consumers. Inasmuch as the consumers owned the dairy, they lost money, and the farmers who were selling to their own organization also lost money.

This condition brought about a meeting of the two organizations, and they solved the problem by organizing a creamery company, taking over both plants. A half interest was owned by the consumer cooperative society, and the other half interest was owned by the producer cooperative society. To the committee of the joint concern, the consumers' and the farmers' associations each elect four representatives, the manager also having a seat on the board. The share capital has also been equally contributed by the two sides.

**Equal Rights—Equal Responsibility**

The terms of the agreement provide that neither party need give up its independence, but both enter the undertaking with the same rights and equal responsibilities. According to the agreement, the original concerns are rented by the Milk Central for a period of 10 years against leases that will provide for interest and depreciation, and which contribute to a fund for the redemption of the separate undertakings after the 10-year period, should joint working then be discontinued.

Prices for the farmers' supplies are arranged on a sliding scale in relation to the butter quotation, while one-third of the Milk Central's trading surplus also

**DISTRIBUTION PROBLEM**

**Malmo, Sweden, Solves Its Milk Distribution Problem**

James C. Norgaard

General Manager

Nebraska Farmers Union Creameries

Malmo, Sweden, in the southern part of the country, is a city of the southern part of Sweden, the cooperative consumer society purchased a dairy and began distributing the milk from these stores, while the farmers' cooperative society had a dairy in Malmo, delivering milk to the consumers in that city. The result was a lively battle and low prices of milk to the consumers. Inasmuch as the consumers owned the dairy, they lost money, and the farmers who were selling to their own organization also lost money.

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goes to the farmers in the form of a supplementary payment. One-third of the trading surplus goes to the consumers, and one-third is allocated to a reserve fund.

Five years' activity has consolidated the Milk Central as Malmo's largest dairy industry. In 1932, one million liters (2.6 million gallons) per day was produced, and in 1937, the daily production increased to 2 million liters (5.3 million gallons). The Milk Central has been expanding, and in 1939, the daily production reached 3 million liters (7.9 million gallons).

Of real importance is the harmony between the consumers and producers, who share the direction and profits. On the one hand, the consumers have obtained better and cheaper milk. On the other hand, the producers have an assured market, and equal share in the savings.

Through the Malmo arrangement, the greatest possible measure of justice is secured for both sides, not by dictation from on high, but by straightforward business relations, with the consumers and producers on an equal footing.

THE TRIPLE PROGRAM OF THE BRITISH LABOR MOVEMENT

(An epitome of an address delivered at a forum in Tampa, Florida, by George Gibson, one of the two British delegates to the 1936 A.F. of L. Congress, member of the General Council of the British Trade Union Congress, and member of the National Council of Labour.)

The day will come in America, when labor leaders will discuss equally as fluently the organization of workers as consumers to control prices as the organization of workers as producers to control pay. In the meanwhile, we are happy to have had leaders such as Mr. George Gibson visit America and challenge American labor leadership as to the significance of the consumer cooperative movement. Arrangements for the address delivered by Mr. Gibson, which he has kindly epitomized for C.H.E. Equitable Pioneer Society in America, are being made by James Myers, Industrial Secretary of the Federal Council of the Churches of Christ in America.)

The British Labour Movement in its contemporary work acts in three fields. In the industrial field through Trade Union organization; in the political field through the Labour Party; and in the economic field through the Cooperative Societies. It was not deliberately designed in this fashion; rather like "Topsy," it grew, and it shaped itself to meet changing conditions and altered circumstances.

The Trade Union Movement

The British Trade Union Movement has been the creator of each of these forms of Labour activity, and the Trade Union Movement itself was a gradual evolution from the early forms of craft protection. Working class combinations existed in Great Britain from the time of the Guilds, and in the eighteenth century protective organization was found amongst a considerable number of the skilled trades, but during the period of the industrial revolution when the factory system was growing, the gospel of trade unionism found acceptance amongst the factory operatives and coal miners of the North of England. In spite of severe attempts at repression and tyrannical punishment, the Unions maintained their existence even when on occasion driven to meet in secret, and there are several British Trade Unions with long and honourable histories whose written records recall these days of oppression. The National Union of Vehicle Builders records that its members have, during the Union's existence, built every kind of conveyance from the sedan chair to the aeroplane.

The Beginning of Cooperation

The trade unions within the limits of their powers, and by the policy of collective bargaining, did much to raise the standard of living of their members, but they found that wage value depended not upon the number of dollars or pounds a person gets, but on what he can purchase with his dollars.

Trade Unionists found that the distribution of the goods and services produced by labour led to the accumulation of wealth on the one hand and to restricted consumption on the other. To meet the emergency, more than two hundred new societies have been formed, from the smallest, the Cooperative Equitable Society in Rochdale, Lancashire, founded in 1844, to the Rochdale Equitable Commerce Society in Toad Lane, Rochdale, where they elected their first Executive Committee in 1844. The trade union movement has spread to the great mass of the working class. Since 1919, the Labour Party has twice taken office, and the years between have been filling up the long-neglected gaps in the social and economic life of the nation. The Labour Party is now the establishment, and not the ephemeral hope of a few years ago. The British Labour Party

The great London Dock Strike of 1889, the strike for 6d. an hour ("The Dockers' Strike") led by Ben Tillett, Harry Orbell, Tom Mann and John Burns, and the trade union movement amongst the Gas-workers led by Will Thorne, won the right of skilled labour to determine wages, and the Unions which spread to the great mass of unskilled and semi-skilled labour and to a quickening of the pulse of Trade Unionism throughout the land. In 1890 a resolution was carried at the British Trade Union Congress for the purpose of devising ways and means for securing an increased number of Labour members to the next election. One hundred and forty Labour members were returned, and the years between 1906 and 1914, saw a mass of social legislation passed, all designed to improve the lot of the working class. Since 1919, the Labour Party has twice taken office, but it has never yet held office with an independent majority such as all of us hope for.

The Trinity of Labour is allied closely in all activities. The Council of Labour, which represents the Labour Party, the Parliamentary Labour Party and the Trades Union Congress coordinates the work of these bodies, and contacts are separately maintained with the Cooperative Union and the Cooperative Party.

Cooperation as an Entity

Now let me explain how Cooperation has developed in Great Britain. The Cooperative Retail Societies of Great Britain have over seven and a half million members who, with their families, represent more than half of the nation organized as buyers, consumers, and users of goods and services. The members own the Movement, they rule and direct the Movement through elected representatives, and they provide the Market for the Movement. They own their own stores, warehouses, factories, workshops, coal-mines, etc.

Cooperation in Great Britain is now the biggest distributor, biggest miller, biggest baker, biggest tea-merchant, dairymen, furniture maker, boot and shoe-maker, biggest grocery and provision dealer.

Cooperation owns its own weekly newspaper, "Reynolds News." In 1935 the Movement employed 300,000 workers, all of whom are eligible to be Trade Unionists, receive trade union rates of wages, have holidays with pay, part pay during sickness, and half of whom are covered by pension schemes.

In 1935 the trade transacted by the Movement amounted to over a billion dollars.

Cooperation in Britain runs an Insurance Society, and most of its members are covered by free insurance, but, of course, may take out such personal policies as they wish.

Cooperation has its own bank which transacts business not only for the Movement and its members, but for nearly all the Trade Unions.

When ultimately the time comes, as it must and will come, when Labour and Cooperation take control of Britain, when not half of the population, but all of them are cooperators, then we shall see a nation in which poverty and destitution will no longer exist, where exploitation will no longer be tolerated - a Cooperative Commonwealth owned by the people, run by the people, for the people.
THE FINAL SOLUTION OF FARM TENANCY

A SAD commentary on the failure of American people to realize the gradual growth of economic disintegration is the fact that only now has the national government appointed a Committee on Farm Tenancy, after 2,800,000 or over 40% of American farmers, have become tenants. In a radio broadcast on January 22, Secretary of Agriculture Henry A. Wallace listed these results of farm tenancy:

The growth of farm tenancy means a growing insecurity and instability in rural life. It operates against better education, and against cooperation. Moving time for tenants usually comes in the middle of the school year, often disrupting whole classes, and handicapping the children in their education. Tenant farmers, not knowing whether they will long remain in the community, are poor material with which to form cooperatives. The church and other community enterprises suffer as well. A stable rural civilization cannot be built on the basis of a floating population.

Secretary Wallace then declared that land distribution alone was no solution:

"Merely to place farmers on lands of their own will not bring about security of tenure. Once we give away about two hundred and eighty million acres of land to the families of homesteaders during the past forty years, a high percentage of those same farms are today operated by tenants. It seems essential that some plan be devised to prevent families from losing their farms through speculation, excessive mortgage debt, and eventual foreclosure."

What is the final solution to the farm tenancy question? Fortunately Denmark has shown the way. They likewise reached the place where 42% of the farmers were tenants. They adopted legislation to promote individual farm ownership and then organized marketing cooperatives, purchasing cooperatives, and credit cooperatives to keep the returns of their farming operations in their own pockets, in order to insure permanent possession of their farms. As a result, the latest official report says, "...there is no longer any farm tenancy in Denmark."

The President's Tenancy Committee may well investigate and publicize the facts, and assist in arousing the American people to the dangers of farm tenancy; the government may well legislate to change the trend from tenancy back to individual farm ownership; but the farmers themselves, through organizing cooperative marketing, purchasing and credit associations, must finally solve the problem of the elimination of farm tenancy in the United States.

MIDLAND'S TEN YEARS

The first ten years of the first cooperative wholesale in America is surely worth of special mention. The condensed story can be read on the front page of the January issue of the Midland Cooperative, published by Midland Cooperative Wholesale, Minneapolis, Minnesota.

You will find there both the story of their business development and the story of their educational development—demonstrating again that education and business must accompany one another if Siamese Twins, in order to promote the soundest and most rapid progress of a cooperative. The summarized statistics of the ten years tell of the development of the capital structure to approximately a quarter of a million dollars, every cent of which has been accumulated from savings: the increase of the membership to 152 retail cooperatives; the progress from the desk of General Manager E. G. Cut in rented quarters, to ownership of two large warehouses in Minneapolis and Milwaukee; the increase in volume to approximately three million dollars; all in the short period of ten years.

The story of the educational program tells of the promotion of an "Advanced Institute on Cooperation" at Grand View College, Des Moines, Iowa, attended by representatives of several cooperative wholesales; a four weeks' "Institute for Cooperative Management" at the New Center for Continuation Study at the University of Wisconsin; Schools for members held in 23 localities; the initiation of a Youth Camp program.

No prophet could have predicted what has happened in the first ten years of Midland's development; no prophet could now predict what will be the results at the end of the second ten years, when such strong educational and commercial foundations have been laid.

CONSUMERS' COOPERATIVES IN ACTION

Indianapolis—The Indiana Farm Bureau Cooperative Association broke its $5,000,000 quota in 1936 when the total volume of gas, oil, farm supplies and other commodities handled, mounted to $18,457,957. An increase of 40% over its sales in 1935. Savings of the wholesale grew from $110,000 to $131,000 in 1936. The cooperative is now serving 92 retail cooperative associations in Indiana.

North, Kansas City, Missouri—Consumers Cooperative Association, organized in 1929 with six retail oil cooperatives as members, added 29 new retail cooperatives to its membership and $1,100,000 to its volume in 1936. Now serving 34 member cooperatives in eight central western states, C.C.A. boosted its business from $2,646,861 in 1935 to $3,756,395 in 1936, a gain of 41 per cent.

Columbus, Ohio—Contracts for construction of 620 miles of cooperative power lines were completed in January. Cooperative lines in Champaign, Loraine, Medina and Holmes counties were erected; several new projects were approved in Washington and the cooperative's identification in general moved forward rapidly. With 2000 farm homes already using power from newly erected cooperative power lines it is estimated that nearly 10,000 Ohio farms will be served with cooperative electricity before the end of the year.

Amarillo, Texas—So many members of cooperatives affiliated with Consumers Cooperatives Associated come to Amarillo to do their shopping that the cooperative wholesale has set up a cooperative service station to serve them. Patronage dividends on the business done in Amarillo is paid to members through their local cooperatives.

Greeley, Colorado—The Consumers' Cooperative Company, which lays substantial claims to the title of the "largest local cooperative in the United States," increased its sales of gasoline to approximately 2,000,000 gallons and paid patronage dividends of $116,644 in 1936. The co-op has 1,900 members. During its sixteen years of operation it has paid back to its members $864,419 as savings on purchases.

Albert Lea, Minnesota—Half of Freeborn County's 1600 cooperators sat down to a community supper January 29 to celebrate the opening twelve years ago of their gas and oil cooperative and "cut a mellow" accumulated from savings on purchases made through their cooperative.

Two hundred and seventy-five carloads of commodities came into the country during the first 11 months of the year. Thanks to the cooperative, no retail profits went out. On the $318,000 business for the current year, the members of the co-op saved and repaid themselves $22,799. In its twelve years of operation the cooperative has handled $2,935,000 worth of goods and returned to its members $295,000. In addition to the savings paid directly to the members, the cooperative has accumulated assets of $139,000 and shows a net worth of $118,000.

Dillonvale, Ohio—The New Cooperative Company ended the year with a volume of business which totaled $639,000, the largest in the co-ops history. After setting aside ample reserves the cooperative distributed nearly $8,000 to its members in patronage dividends.

The Neffs Cooperative Store, which was an independent cooperative until it affiliated with the New Cooperative Company in 1933, celebrated its Silver Anniversary November 29. Three hundred members of the cooperative attended the banquet in celebration of the 25th Anniversary. Joseph Blaha, manager of the Neffs Cooperative Company and a director of The Cooperative League of the USA, praised the progress of the cooperative during its long history and declared that the slow and steady cooperative movement in other sections of the country was due to the individualistic philosophy taught in the schools and colleges of the United States. Now change has come and schools are putting cooperative studies in their curriculums, which should cause the movement to expand by leaps and bounds."
Los Angeles, California — The Cooperative Education Association has been created by members of cooperative associations in Southern California to carry on an aggressive program of cooperative education to strengthen the work of existing co-ops and spread the "gospel of Rochdale cooperation" in that section. Headquarters will be maintained at 338 North Citrus, Whittier, California.

Cleveland—Seeking to follow the footsteps of the Cooperative Trading Company in Gary, a group of Negroes here have organized the Wage Earners Cooperative Service. The co-op has buying club contracts on groceries, cleaning and pressing and coal, but is moving forward slowly, aware of the necessity of intensive education for the success of their venture.

Columbus, Ohio — Farmers Week at the Ohio State University featured discussions of the consumers cooperative movement led by James P. Warbasse, president of The Cooperative League of the U.S.A., Ivan Lanto, manager, National Cooperatives, Inc., and Murray D. Lincoln, secretary, Ohio Farm Bureau Cooperative Ass'n.

Happy, Texas—The Consumers Supply Company, organized in 1929, has brought many a cheery smile to members of this peaceful Texas community. During the last three years $24,000 in patronage dividends have been paid back to members of the cooperative. Business which has been growing steadily since the inception of the co-op boosted from $108,000 in 1935 to $161,000 last year, an increase of 49 per cent.

New York — "Sweden—The Middle Way" by Marquis W. Childs, already chosen by the Literary Advisory Board of Current History as one of the Ten Outstanding Non-fiction Books of 1936: "Christian Living and its Relation to Social and Economic Problems," were introduced to consumers over the air. George Burcham, director of Pacific Cooperative Services, Oakland, and executive secretary of Wesley Foundation at the University of California, led the discussions on the cooperative movement.

Pasadena, California — The following resolution on cooperatives was passed by the American Farm Bureau Federation at its annual meeting here December 11, 1936:

We reaffirm the Federation's active support of farmer cooperative marketing institutions and further encourage purchasing cooperatives within the field of commodities entering into the cost of farm operations.

The development of what has been termed consumer cooperatives is relatively new in the United States and since the Commission appointed by the President to make an intensive study of the experience of such cooperatives operating in Europe over a number of years, has not yet reported, it is believed advisable that the American Farm Bureau Federation should not give the subject up until after the Commission has made its report to the President and the Federation has an opportunity to consider.

We recommend the appointment of a committee of the Board of Directors to continue the study of this important subject and to make its report to the Board of Directors on the subject, as soon as a comprehensive study may be completed.

Farm Bureau Cooperatives in Ohio, Indiana, Michigan, and Pennsylvania purchased more than $12,000,000 worth of gas, oil and farm supplies through consumer cooperatives affiliated with the Farm Bureau Oil Company in 1935.

New York — Three major New York colleges have added special courses on consumer cooperatives to their curricula for the spring term and New York's "dity folk school" has announced a special summer school for prospective cooperative leaders.

Teach College, Columbia University, will conduct its course on "The Cooperative Movement" from March 8 through April 26. The instructors will include Edgar Brunner, Frank W. Cyr and H. F. Clark. The staff of Teachers College with Dr. Horace M. Kallen, Dora Maxwell, Sara Patrick and W. Manty and Wallace J. Campbell as special lecturers.

The New School for Social Research opened a 15 week course on "The Philosophy of Consumption" February 1, with Dr. Horace M. Kallen, author of "The Decline and Rise of the Consumer", and a member of the board of directors of Consumers Cooperative Services, as instructor. Consumers' Cooperative Services arranged with the school for a special rate for cooperative members at one third the usual rate. Over fifty additional students registered for the course.

New York University, division of general education, has scheduled a course on "Cooperative Economy" for its division at Central Branch of the Brooklyn YMCA to open February 9. Dr. Arthur E. Albrecht, department of economics, College of the City of New York, has been asked to conduct the course.

The American Peoples School last week announced its second annual Cooperative Leadership Summer School to be held in New York through August 28. The course will be under the direction of Anthony Lehner, education director, Indiana Farm Bureau Cooperative Ass'n, and will include field work in New York's cooperative movement.

The "farmers' cooperative movement" was not only indicated by the statistics given by Murray D. Lincoln, secretary of the Ohio Farm Bureau Cooperative Ass'n, and the New Jersey Consumers Cooperative, but likewise by the weakness of the presentation of the opposition. A summary of the argument by the American Farm Bureau Federation was given by C. Frank Grimes, president of the Independent Grocers Alliance, as a summary of the arguments for Consumers' Cooperation. The half truths or wholly false arguments of the opposition.

CITY COOPERATIVES

New York—Some of the outstanding developments in the cooperative movement in the East in 1936 as summarized in the Eastern League Cooperator include:

Completion of an ultra modern branch store at Maynard, Massachusetts: a retail food shop opened as a branch of Consumers' Cooperative Services in connection with its cooperative cafeteria on West 10th Street, New York City; a diesel power plant installed at the 650 family Amalgamated Cooperative Houses, Van Cortlandt Park, New York City, as an answer to the power trust's threat to cancel a contract which had saved members of the cooperative $10,000 a year: a branch store at Caldwell, New Jersey, organized by 350 Scots, most of whom had had cooperative experience in Scotland; incorporation of the Triple Cities Oil Cooperative at Binghamton, New York; expansion of the Knickerbocker Village cooperative in Manhattan's largest limited dividend housing project to include 200 families doing $400,000 business last year; growth of Washington, D. C., co-ops to include Konsum, a gasoline cooperative.
pumping 1,500 gallons a week, a grocery store, a newsstand, a volume and collective purchasing contracts on coal, milk, books, clothing and jewelry; evolution of cooperative clubs in Rutherford, New Jersey, Brooklyn Heights, New York, Lower Manhattan, and Hanover, New Hampshire into full-fledged cooperative stores.

Eastern Cooperative Wholesale’s expansion program added 100 co-op label items to its stock and the total number of cooperatives served mounted to 129. The wholesale moved to larger quarters, opened a branch in Boston and boosted its business to $285,000, an increase of 38%.

Chicago — Consumers’ Cooperative Services in Hyde Park, trebled its sales in four months, September sales of $2,240 grew to $6,700 in December. The volume of business in fresh vegetables and meats grew to such proportions that a new delivery truck was added and patronage savings hovered around 10 per cent.

The Consumers Cooperative pushed sales from $2,700 in November to $3,400 for December with indications that January business would far exceed any total of the old year. Membership has reached 320 and three full time workers, with two part time assistants are unable to take care of the volume. A collective purchasing contract with a service station across the way is expected to eventually lead to a cooperative gas station as well.

At Oak Park the Consumers Cooperative concluded its first eight months of operation having handled $10,100 worth of commodities, of which $1,225 was accounted for by December sales.

Members of Consumers Cooperative Club, 42 of them, bought $2,500 worth of Stylebuilder dresses and overcoats in the six months period ending December 31 and an additional $299 worth of box, ties and handkerchief, on which they paid themselves a 6 per cent patronage dividend.

Five credit unions have been organized by five of the cooperatives affiliated with the Chicago Cooperative Federation. Two of them are applying for a charter. More than 200 credit unions are now in operation in Chicago.

The Chicago Cooperative Federation has opened a headquarters in the third district. The group, headed by Clarence Haize, executive director of the Federation, in charge.

The Cooperative Wholesale, operated in connection with the Central States Cooperative League, 276 W. 23rd Street, reports that eight new cooperatives have been organized within the territory of the wholesale at Galesburg, Rockford and Jacksonville, Illinois; South Bend, Muncie, Indiana; Grand Junction, Michigan; and Toledo, Ohio.

Minneapolis—Thirty-four hundred Twin City coal consumers are now purchasing the “winter supply” through their own Cooperative Coal Association. In the fall of 1934 the coal co-op was organized with the aid of Midland Cooperative Wholesale, of which the Cooperative Coal Association is a member. Provision was made for any consumer purchasing through the association to buy a full membership in the coop with the savings made on purchases.

In the first season 200 members purchased 2,000 tons. The following year membership was expanded to 500 and the volume mounted to $48,000 on which a savings of $1,750 was realized. This year 800 additional members have participated in the association and the management is confident sales will well over $100,000.

The Cooperative Oil Association, closely related to the coal co-op, has a membership of 1000 and a volume which is expected to exceed 1,000,000 gallons of fuel oil in the 1936-37 season. In the last three years savings on fuel oil have averaged five per cent. Total sales jumped from $142,000 in 1935 to $174,000 last year.

Franklin Cooperative Creamery boosted its business 11 per cent in 1936 showing a total volume of $2,827,600. Net earnings for the year were $320 and 3 1/2 cents, and current assets amounted to $356,773 a ratio of 3 to 1 over current liabilities. More than $840,000 in wages were paid out to employees and a $14,000 dividend was declared. The creamery was erected during the year to take care of increasing business.

Cooperative Information, January, 1937, “Relations Between the A. F. of L. and the Consumers’ Cooperative Societies.”


Domestic Commerce, January 20, 1937, “Cooperatives in College.”


TO BE PUBLISHED

Cooperative Enterprise, Jacob Baker, Vanguard Press, New York .......... $1.50

A volume summarizing the study made by the President's Commission of Inquiry on Cooperative Enterprise in Europe, written by Jacob Baker, member of the commission and Assistant Administrator of the WPA. Scheduled for publication late in February.

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Address all communications to:
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sociations. Mr. Ward advises that he

bone of the cooperative purchasing
experienced in both groups being mem
advised that the farmers are the back
ative store in almost every village of any
significance, and both the town people
and office workers in the membership.

The seeds of war are embodied in the
competition-for-profit economic system
as the clouds hold legislation without
also rapidly building a cooperative eco

A first step in the abolition of tenure
and recovery of farm ownership is sug
gested in the special message of the Presi
dent to Congress urging legislation to
strengthen "the agricultural ladder on
which an energetic young man might
ascend from tenant to tenant-de
dependent owner." Legislation preceded
the reduction of farm tenancy in Den
mark from 42% to where, according to a
government report, "There is no longer
farm tenancy in Finland from 60% to
9%. However, the redistribution of farm
lands in America by legislative assistance
will not today prevent ownership of farm
lands again becoming centralized, any
more than did the early distribution by
the government of "There is no longer
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Lr. Kitchener declared after a lifetime
brought out great individual heroism, it
a war out of which any permanent peace
could hardly endure to dig daily into the
wealth," Henry D. Lloyd said that he
knew the truth, they would discover and
apply the solution before human nature
seems to be that General Motors de

next to my professional work," added
Professor Fisher, "it has been my hobby
to take a keen interest in public health, the
alcohol problem and preventing war.
I found that all these problems connected
depends on its solutions with economics.
I think the connection should be studied
more than it is by economists." We
suggest that the habits of our political,
which also as well as economic, and political
diplomats leaders who take a leaf from Professor
Fisher's philosophy and practice. Ethical
groups, hospitals, and organizations of
hospitals to promote public health.
They have discussed and legislated about
the alcohol problem and the war prob
lem. As Professor Fisher says, all these
problems are connected with economics.
He might have been more specific and
said that they are particularly connected
with the private-profit economy.
The basic economic way to solve problems
of sickness, alcohol and war is to take the
private-profit out of them. That's what
there are beginning to do through volun
tary and obligatory cooperative action.

It is not easy to control one's words
when writing about the operations of the
LaFollette Committee relative to the use
by industry of spies upon their workers.

What would be your judgment on a
Chrysler executive who sat in at meetings
and then revealed secrets to a competitor.
Senator LaFollette asked Herman
L. Weckler, Vice-President and General
Manager of DeSoto, "I think it would be
terrible, irresponsible and unethical to
say the reply. And you justify labor spies," commented
Senator LaFollette. "I am not trying to
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is any justification for this rotten espionage.
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us great satisfaction to reach this mile
stone in view of the fact that at thirty
one, I had broken down with tuberculosis.
Then I turned my attention to find out how to
pay our tribute to such a man as
Professor Fisher, who not only learned
personally how to live and overcome a
physical handicap, but organized that
knowledge in the form of a society in the Life
Extension Institute, which has been
invaluable assistance to tens of thou
sands of Americans in learning how to
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THE SUPREME COURT AND THE FARMER

THE Supreme Court issue, which Congress may have voted upon by the time this issue of Consumers' Cooperation reaches its subscribers, is said by some writers to be the greatest crisis in American history, being likened to the issues of the Civil War and the Revolutionary War. We doubt very much the accuracy of such a description but in its larger light as a part of the upsurge of farm and factory workers towards the realization of economic democracy, we agree that America today is "on the threshold of another era of destiny."

In discussing the Court and the Constitution question, we are doing so from the standpoint of "The Farmer and the Supreme Court," in order to have a specific illustration. The case stated for the farmer would, we believe, be reasonably accurately presented like this.

The President's Commission on Tenancy now reveals to the people of America the fact that nearly half, or three million farmers, are living under conditions far below a decent or even healthy standard. Statistics show that 42% of farmers are tenants, that half the farm acreage is tenant operated; Secretary Wallace refers to "a rural civilization threatened with decadence." Many other statistics and descriptions could be added to show what has been happening to farmers. While the realization is now dawning on the American people, it is not yet widespread. Too many of these facts have appeared after the close of World War and started action to remedy them. Their action during the past sixteen years has been at best meager.

The first problem was to persuade the majority of farmers to unite upon a program. It was thought, following the war, that the program should primarily be one of price control of surplus farm products which were sold in the domestic market, to offset the advantages which industry has in tariffs and subsidies. This proposal was embodied in the McNary-Haugen Bill. It was later realized that, because of the declining market for American farm products in Europe as a result of importation quotas, the rehabilitation of agriculture abroad, production as well as prices must be controlled, which finally culminated in the A.A.A. program combining the two ideas of price and production control. This proposal has probably been one of the great illustrations of the process of democratic thinking. After the majority of farmers were persuaded to get behind the original price control plan, a further price and production plan, it was necessary to persuade Congress or the legislative division of the government to adopt the plan. By a combination of pressure and vote, this was finally accomplished. However, the original price control plan, after being accepted by Congress, was vetoed by the Executive branch of the government, first by President Coolidge and second by President Hoover. We imagine that after these long years of effort which have only brought a small measure of equality between agriculture and industry, it may not appeal to farmers that former President Hoover should now say in reference to the proposal to change the Supreme Court, "What is the hurry in all this? The nation is recovering from the depression. There is no emergency." These phrases recall such former ones as "Prosperity is just around the corner," which was said when factories were closing and "Have confidence in your bank," which was said when the banking structure was tumbling and Executive personnel of the government with one third of the banks gone and the balance only saved with government support. The third phase ended with the people changing and persuading the third and the government to their way of thinking. After farmers had been largely responsible for changing both the Legislative and Executive personnel of the government, they found themselves again set against the Judicial arm of the nation which now brings to a head the problem of change in the third and last branch of the government in line with the thinking of the Executive and Legislative. The question at issue is how to do the solution of the problem which the farmers have faced through these long years of struggle of achieving a balanced and progressive relationship between agriculture and industry. The first proposal is to change the Constitution itself under which the Judicial branch interprets the laws passed by Congress and approved by the Executive. Americans, however, who fully realize the possibility of reading various meanings into any phraseology that might be used in wording a Constitutional Amendment, realize that such an amendment, even if passed without delay, might not produce the effect desired if the implement of the Court still remained conservative.

Those of us who have had first hand knowledge and have been personally involved in the sixteen long years of trying for the farmers of America to achieve a measure of justice, look forward with high hopes to the solving of the final problem through an eventual unification of the thinking of the three branches of the government, Legislative, Executive and Judicial, to such a degree as to bring about greater equality and economic justice.

THIRTY YEARS OF COOPERATION IN NORWAY

Randolf Arnesen, Secretary
The Cooperative Union and
Wholesale Society of Norway

JUNE, 1936, was a jubilee month for the Consumers' Cooperation movement in Norway. Many of the movements in Norway, which have been formed with about 20,000 individual members and a fairly large membership, have been formed under the leadership of Helge Vearingsaasen, a figure in cooperation in Norway. The movement about 1890. With the present.

The Cooperative Union and Wholesale Society of Norway, Avdokat Dehl, as he is called in Norway, was an excellent leader. He travelled all over the country giving cooperative lectures and establishing a number of Societies; he brought the scattered forces together in national conferences; he founded the journal, "Koopatorren," and, at last, on the 27th of June, 1906, he was successful in founding Norges Kooperative Landsforening and was, himself, elected president.

At first N.K.L. was meant to further only the educational side of cooperative

Consumers' Cooperation

March, 1937
activity. But when its formal constitution was drawn up, it was decided that the newly founded organization should act as a wholesale society, and in the following year, 1907, this activity was started.

In the early years it was difficult to collect capital for the national organization and to persuade the societies to join it. At the end of the first year, however, N.K.L. embraced 19 Societies, with 6,300 individual members.

1911 was the first eventful year in the history of Norwegian Cooperative. By this time N.K.L. embraced 77 Societies, whose membership numbered 19,000 and whose turnover was six million Norwegian crowns: while the trade of N.K.L. rounded its first million. And in this year N.K.L. moved into its own premises in Oslo and opened a branch at Trondheim: N.K.L.’s Savings Department was started; and, last but not least, N.K.L. started to produce margarine in its own factory at Bergen, Looking back upon these events and considering the size of the organization at the time, we are amazed at the gigantic effort N.K.L. made in its fifth year.

Legislative Discrimination

Norwegian legislation has played an important part in the development of the Cooperative Movement in Norway. The Commercial Law, which is based on the principle that the possible number of people should be able to make their living by trade, prohibits chain stores and multiple shops. It forbids a cooperative to sell goods on credit; it enforces distribution on a territorial basis; it blocks all efforts at concentration. Cooperatives all over the country then opened a powerful campaign against the unjust act and it was rescinded the following year. The amendment would allow the government to tax the societies on their total surplus, including that part of the surplus which is paid back to members as dividends. A great struggle ensued, and the Act was passed with only a scant majority. Cooperatives all over the country opposed the amendment; and, last but not least, N.K.L. started a powerful campaign against the unjust act and it was rescinded the following year. The amendment was rescinded the following year.

Cooperative societies are now taxed in accordance with the Law of 1917. At the present time, Cooperative In Norway is facing a new problem: a proposed amendment of the old Trust Law, the purpose of which is to protect the interests of the consumers from trusts. The amendment would allow the government complete freedom to regulate practically every relation within the industrial and commercial world, including Cooperation.

Naturally, the cooperative societies all opposed during these difficulties; but on the whole, because of the sound economic principles on which cooperation is founded, they withstood the crisis admirably and grew stronger, with an ever increasing membership. Beginning in 1920 with 310 societies, a membership of 88,346; 112,800,000 crowns in trade; a net surplus of 4,900,000 crowns; a share capital of 5,200,000 crowns; and reserves of 6,300,000 crowns, there has been a steady growth through the years, until in 1935 there were 888 societies with a membership of 183,797, 190,700,000 crowns in trade; a net surplus of 6,500,000 crowns; a share capital of 17,300,000 crowns; and reserves of 13,800,000 crowns.

Overcoming Physical Barriers

The greatest difficulty which faced Norwegian cooperatives lies in the physical conditions of the country because of which our propaganda and educational activity must be so complicated. Cooperative societies in Norway are scattered throughout the country; and when N.K.L. moved from the south to the shores of the Polar Sea, which in addition to legislation, makes the societies very difficult. It is on this problem that the greatest attention should be given, and for its solution lies the road to absolute victory.

At the beginning of the World War N.K.L. embraced 194 societies with a membership of 32,000 and a total trade of ten million crowns. During the war cooperation suffered severely from lack of credit and wholesale trade. But the agreement with England which established all appointments to the consumption of 1913, and for a time it was necessary that the purchase of members in the societies was 835 crowns in 1935 and has always been comparatively high, according to international standards. The societies own 171 production centres, 103 of which are banked.

Broad Membership Base

Membership in the societies is recruited from the following occupational groups:

- Laborers (employed in industry, handicraft, fishing, merchant fleet, transport and business) ....................................... 49.2%
- Independent Farmers ................................................................ 26.3%
- Workers in Forestry and Fishing .............................................. 6.2%
- Master Mechanics ........................................................................ 3.5%
- Employees .................................................................................. 11.6%
- Independent Manufacturers, Shipowners, and Business people, etc. ................................................................. 3.5%

Because of the membership of many of the societies is made up of farmers and fishermen, the question of credit has been troublesome, but it has been found with energetic activity. In the period of depression after the World War, when money was particularly scarce among our members, credit was more than usually acute. However, credit has been kept down and is steadily decreasing. At present it amounts to only 6.5% of the turnover and its basis is solid.

Following the establishment of the Audit Department of N.K.L. in 1928, there was a distinct improvement in the economy of the societies. For many years N.K.L. struggled to set up an Audit Department and the reform it represented, but the societies opposed it because they felt it would menace their independence; and when it was finally established membership in it was made voluntary. It was not long, however, before the department became a popular institution, and now 70% of the societies are members of it.

Union of Business and Education

As in Sweden and Denmark, there is but one national organization in Norway which includes both educational and commercial activity. The educational work is carried on by the organizing department, as we call it, under the leadership of a secretary elected by the Coop-
with meager resources, it is apparent that the members are becoming more and more aware of the necessity for increased education. There have been lantern slide talks, and the distribution of films are under the supervision of the organizing department. Several Norwegian films have been released, and Swedish films are also used. Each year the department contacts a Summer School for managers and employees to teach them shop work and cooperative subjects, and courses are arranged for office workers and co-operative societies. The schools and courses are very popular and financial aid is given those who might not otherwise be able to attend from interest on a Memorial Fund, "Advokat Dehli's Fund," which have been collecting through many years.

A plan for the establishment of a permanent Cooperative School, similar to the Swedish and Danish Cooperative Schools, was presented to the Cooperative Congress in June, 1936, and work will go forward on it as soon as possible. The department, the activity of which is still limited, has issued a number of books and pamphlets. The journal, "Kooparaten," which appears fortnightly, is published in 130,000 copies. It has been proposed that the journal be made a weekly, and there are indications that it is necessary to assume the extra work that will be entailed.

Growing Importance of N.K.L.

The aim of the commercial activity of N.K.L. is to furnish the societies with goods of high quality and at reasonable prices, through joint purchasing and joint production. Through the thirty years of its existence, it has become more and more able to accomplish its aim; and now it has branches in Trondheim, Stavanger, Bodo, Bergen, Kristiansand, Drammen, Skien, and Aalesund.

A study of the commercial activity of N.K.L. reveals the following progress:

<table>
<thead>
<tr>
<th>Year</th>
<th>Price Index Number</th>
<th>Total Trade, Crowns</th>
<th>Own Production, Crowns</th>
<th>Production in per cent of trade</th>
<th>Purchases of societies in per cent of trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920</td>
<td>1935</td>
<td>30</td>
<td>30</td>
<td>12%</td>
<td>14.3%</td>
</tr>
<tr>
<td>1930</td>
<td>151</td>
<td>18,000,000</td>
<td>1,000,000</td>
<td>12%</td>
<td>27.4%</td>
</tr>
</tbody>
</table>

It will be observed that the trade of N.K.L. in 1935 was 41,300,000 crowns, while the production for the same year was 130,000,000 crowns. The disproportion may be partly explained in several ways: purchases are figured upon the gross trade of the societies; the societies sell considerable quantities of goods, not bought through N.K.L.; and a great many of the societies own their own production centres. Nevertheless, there is room for a much greater participation by the societies in the activities of N.K.L. and we are working to attain this end. It is hoped that a permanent Cooperative School will do much to educate our managers to become 100 per cent cooperators.

It was noted above that in 1911 N.K.L. opened a margarine factory. Since that time N.K.L. has acquired a tobacco factory in Oslo, three coffee factories, a soap factory, margarine factories in Oslo and Bodo, a flour mill in Stavanger, a shoe factory in women's clothes, a chocolate factory in Oslo, and, as a special branch under the Luma Factory, an electric lamp factory in Oslo. The factories are organized as daughter companies (limited) under separate, and they grant the societies dividends on purchases in proportion to their profits. In recent years the margarine factories and the soap factory have paid a dividend of 10%, and the tobacco factory 10%, and the N.K.L. has paid the societies a dividend of 1½% on general purchases.

N.K.L.'s own production in 1935 amounted to 15% of its total trade, which, according to International Standards, is a good proportion. It is our feeling that this is one of the main factors causing increased interest in and affiliation with the Cooperative Movement; and economically our own production has served as a bulwark of strength.

For many years N.K.L. has been independent of private finance—in fact, since the Deposit Department was opened in 1911. Through this department members have saved approximately 10 million crowns which is used by N.K.L. in its work. That this activity has been a source of safety to our members is especially apparent when viewed in the light of various calamities which befell private banks and insurance companies.

The Architectural Department of N.K.L. plans new buildings for both N.K.L. and the societies, and has been responsible for furthering shop culture in Norway, a field in which the cooperatives take a leading place.

The Cooperative Movement in Norway has developed two progressive Insurance Societies; the first, for fire and other indemnities, organized in 1921, and the second, a Life Insurance Society, organized in 1930.

Neutralty But not Impotence

Our opponents often accuse Norwegian Cooperative of political activity, and particularly Marxists. The accusation is false. Our Cooperative Congresses have time and again confirmed the political neutrality of Norwegian Cooperation by the harmony in which the various political shades among our members have worked. The farmers who make up a large and interested part of our membership are determined in their demand for strict neutrality. On this experience has taught us that neutrality must not be violated. This is not a mere wish; it is a condition that must be observed. Moreover, the political neutrality does not mean, however, that we will submit to anything. Economically we are ever on fighting terms with private trade and with the great trusts, and we stand always in readiness to protect the interests of the Consumers.

Opposition to the cooperative movement was never stronger than at present. Nevertheless, Cooperation is marching on and growing strong, confirming our faith that the people who have their homes among the mountains and fjords of Norway have taken cooperation to their hearts and will keep watch over it and zealously protect it from all hostile attacks.

THE WORLD'S GREATEST REVOLUTION

Cosmopolitan Magazine, 1901

John Brisben Walker, statesmen. The world on the third day of March, 1901, had ceased to be ruled by such. True, there were marionettes still figuring in Congress and as Kings, but they were in place simply to carry out the orders of the world's real rulers—those who control the concentrated portion of the money supply. The words J. P. Morgan & Co. meant, in addition to the great wealth of the firm itself, the financial support of the House of Rothschild, the approval, if not the active cooperation, of the House of Rockefeller, and the direct cooperation of the Carnegie and other great iron industries. House of Rothschild and associated banks and industries, one thousand millions; House of Rockefeller and associated banks and industries, 850 millions; J. P. Morgan & Co., representing iron industries and associated banks 1154 millions. Total 3,004 millions of dollars.

Of who is the revenue the German playing at Emperor, or the king who recently read a speech written by ministers under dictation from the world of finance? Even the Czar of Russia seems a feeble make-believe in the presence of men who control 3,000 millions of dollars
and can push the endless buttons which carry their signals into every sort of mer-
cchandise, into every military camp, which cause every court official to stand
alert, and can even produce the profoundest movements in the church itself.

Announcing the Death of Competition

Between the lines of the advertisement, headed Office of J. P. Morgan & Co.,
was to be read a proclamation, thus—:
Commercial Metropolis of the World.
Notice to the people of all lands and all
nationalities: "The old competitive sys-
tem, with its ruinous methods, its count-
less duplications, its wastefulness of hu-
man effort and its relentless business war-
fare, is hereby abolished, the change to
the controlling interest in the three
J. P. Morgan, have invested themselves
for the business and political world
will be changed. Financial ambitions will
quickly render themselves subservient to
this overruling power. The futility of
political hopes which do not attach their
interests to the financial center will be
quickly apparent.

The mind is fascinated with the field
of operations presented to the controlling
minds of this new organization. Two
things impress themselves upon the
foremost of the area affected, that in comparison the
most important movements of history be-
come insignificant. Those of Greece,
those of Rome and that of France, substi-
tuted other men and other measures for
existing ones. This substitutes a machine
which does not allow for the working
of men, but upon ten thousand parts, any
one of which wearing out can be replaced
without perceptible stoppage.

Because this organism is in the direc-
tion of perfected economy, it is necessary to
return to the old system. That is gone
forever. The law of centralization is the
law of nature. A million million orbs moving throughout limitless space are
temporarily attracting and holding the
smaller elements of the universe.

One thought more: human effort scien-
tifically directed could supply every real
necessity, comfort and pleasure of man-
kind with hours of labor certainly not to
exceed four a day. Sufficient food, com-
fortable homes and clothes, and proper
employment, can all be obtained within
four hours of united, perfectly directed,
steadily organized labor. It is the ig-
novation of scientific methods, the dupli-
cation of labor, the labor in unprofitable
directions, and the checking of conflict,
which keep man the slave he is to-

The responsibility of Power

Undoubtedly the matter remains with
Mr. Morgan to determine. Upon his deci-
dions the welfare of the people of the
United States—it is not too much to say,
the world—depends. With all ores, met-
als and transportation in his hands, the
question is not, what can the tax in pub-
lie, but what shall be. It would be im-
portant to penetrating the guiding motives
of the minds of this man at this time.
To what extent do Mr. Rockefeller and Mr.
Morgan realize the far-reaching char-
acter of this change of base? It is a revo-
sion so radical in its sweep, so wide in
the area affected, that in comparison the
most important movements of history be-
come insignificant. Those of Greece,
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Can It be Solved by Masters of Finance?

March 3rd marked the beginning of the most
important movements of history. This will be a bloodless revolu-
tion and will eventually carry its bless-
ings to the most remote parts of the
earth. Governmental divisions will cease
to exist except as a means to carry out
mandates decided upon in the executive
offices of the world's commercial metrop-
olis. We are living in an age which is without
any doubt the most interesting period of the
world's history. Will Mr. Rockefeller and
Mr. Morgan, having reduced production
to scientific lines, proceed to the analysis
of the problem of distribution?
They must. What is the meaning of money after it has reached a few millions? It has no more significance for the owner. The building of palaces becomes little more than the setting of toy blocks. The powers held within the hands of the hundred-millionaire struggle for exercise. They must have an outlet.

Mr. Rockefeller has hitherto found this opportunity for exercise mainly in the founding of colleges. Mr. Morgan in the endowment of hospitals. That sort of intellectual effort will do for men with a few tens of millions, but not for active minds controlling a thousand millions. For them the final analysis must rest always in the solution of the one problem worthy of engaging the master mind—the Problem of Distribution:

How to organize mankind—First, so that each man will be forced to do his share of the world's work. Second, so that each individual will have the product of his own labor. Third, so that the temptation of men to eat the bread of others may be removed by a scientifically designed system.

How Can We Redistribute Wealth?

We are beginning to realize as a nation that we are not in any ordinary depression which will right itself, as has happened before, by the opening up of new lands or the invention of new machines. Instead we are witnessing definite signs of the collapse of our present economic order, as happened to the economy of the Roman world and slavery.

As a result, we are casting about for present palliatives and permanent remedies. The question of deciding democratically on the method to finally adopt must be preceded by careful analysis and understanding by the people as a whole of the basic requirements to bring about "economic justice" for all.

Slogans and catchphrases which promise to bring about greater equality must be only rallying cries for prospecitive political dictators who would eventually impose upon the people the greater inequalities such as we have seen happen in other countries. "Share-the-wealth" or "Restore America to Americans" should not be enough in themselves to cause a people trained in democracy to follow any would-be leader blindly without insistence upon detailed proposals for carrying out such generalized Utopian statements.

The Problem of Equality

The first question for the American people to consider is what they want to attain in this direction. What, in other words, do we mean by our demand for "economic equality"? Do we mean absolute equality on income per person or per family? Perhaps we cannot decide what "eventual economic justice" will really mean, and must content ourselves with efforts toward greater equality than we now have and let time answer how far toward actual equality we will want to go. However, this problem should remain in the minds of everyone as the first key question which is really decided.

The second most vital question and one which must be definitely thought through before any successful program is adopted is whether a just distribution of income also requires a like just distribution of ownership of capital. The Governor of the Federal Reserve Board, Marriner S. Eccles, in testifying before the House Banking and Currency Committee on the banking bill, quoted statistics from the tables in the book "America's Capacity to Consume," published by Brookings Institution to the effect that one family at the top of the income list received as much in 1929 as 420 families at the bottom. Using these figures as a background, Mr. Eccles then specifically advocated a redistribution of income but not redistribution of ownership of capital. This is a basic problem. Can income be justly distributed without a corresponding redistribution of ownership of capital? Perhaps in some theoretical economy such a result would be possible and the ownership of capital by a few could continue to produce plenty and be justly redistributed after they once received it. Certainly under the present economic order every attempt must be made to that end by using income and inheritance taxes to relieve the pain of a dying economic order and preserve the possibility of democratic evolutionary action in substituting a new order for the one which is passing, without the necessity of revolutionary action.

Redistributing Income is Not Enough

But while attempts to redistribute income by means of income and inheritance taxes without a corresponding redistribution of capital ownership is necessary as a temporary palliative, such action is not a final solution in itself, which is really decided.

Worker organization has proved unable to redistribute income justly. As soon as wages are raised, prices are raised correspondingly. Political regulation of private-profit finance, utilities, insurance and industry has also proven its inability to redistribute income justly. Those who receive the incomes also elect or appoint the political organization which in practical terms means that they do not and will not permit the income they receive to be taken away from themselves and be justly redistributed.

The people must learn this simple lesson. They cannot control what they do not own, by any form of worker or political regulation of capital which is owned by a few. They may, by worker or voter action, produce a redistribution among themselves of scarcity on a more just basis, but without a redistribution of ownership as we term it, may be necessary as a step to consumer ownership of national and local utilities.

We Must Recover Ownership

Acting as citizens has its place in recovering ownership by the people of monopolistic utilities. Since we do not now have a national economic organization of society as a whole we can well use our powers as citizens to recover ownership of utilities as a step toward a final organization of ourselves as consumers. In other words citizen or public ownership as we term it, may be necessary as a step to consumer ownership of national and local utilities.

But the real way to redistribute incomes and recover ownership is, in so far as possible, to use our powers as consumers directly by organizing Consumers' Cooperatives, and beginning at the retail end of distribution and following back through wholesaling and manufacturing. Through Consumers' Cooperative organization we first of all begin to redistribute income more justly by paying back to ourselves in proportion to our purchases the profits which would otherwise go into the hands of the few stockholders. Secondly, through such an increase in our incomes, we then also begin to recover the ownership by the people of the capital equipment of this country.

Just redistribution of income is impossible without the corresponding redistribution of ownership. Consumers' Cooperation is the real democratic evolutionary means which will do both.

Consumers' Cooperatives in Action

Maynard, Mass.—The United Cooperative Society at its annual meeting February 15, voted to use $1500 of its savings for educational purposes during the coming year. This represented approximately five per cent of the net savings of the cooperative which totaled $25,239. Business showed a marked upward trend during the year. Sales volume advanced 21% beyond the sales for 1935 to a new high mark of $475,931.

A yearbook marking the 30th year of the organization and tracing its history since its foundation in 1907 was authorized by the annual meeting.

Superior, Wis.—A Cooperative Health Association has been established here by members of consumers cooperatives, farm and labor organizations who are
anxious to extend to health protection the
principles of consumer cooperation. Veter-
cean cooperators from Central Cooperative
Wholesale, members of the Peoples
Cooperative Society, the Superior Fed-
eral Credit Union, Southern Michigan
Farmers Union, Workers Alliance and the
Northern Wisconsin Cooperative Feder-
ation have endorsed the plan and an
intensive membership drive is under way.
Each member of the new cooperative buys a $5 share of stock and pays a fixed
monthly fee, tentatively set at $2.90, which
entitles the member and his family to
all ordinary medical treatment by
physicians employed by the association and
to hospitalization in Superior hospitals
which endorse the plan.

Racine, Wisconsin—The annual mem-
bership meeting of the Racine Consumers
Cooperative authorized the board of di-
rectors to buy the building which now
houses the cooperative service station,
meeting hall and grocery store and to
open negotiations for the purchase and
management of the coal yard and petroleum
bulk plant. The co-ops sales for 1936 were $111,787
compared to $38,709 during the first nine
months of its operation in 1935. William
Lloyd, former editor of the Racine Day
and Vice-President of the cooperative
and director of the Racine Consumers
Cooperative League, the Superior Fed-
eral Credit Union and the Racine Com-
mercial Club, was re-elected president.

Superior, Wisconsin — The Cooperative
Builder, official organ of the Central
Cooperative Wholesale, Northern and
Central States Cooperative Leagues, be-
came America’s first cooperative weekly
March 6. The Builder was established as
the Cooperative Pyramid Builder in 1925.
The decision to change from a bi-weekly
followed an intensive drive which added
8,000 new members and assured the
economic success of the venture.

Indianapolis—The following resolution on
consumers cooperatives was adopted by
the 18th Annual Convention of the
Indianapolis Co-op:

We approve the action of the board of
Directors of the Indiana Farm Bureau Co-
operative Association, setting forth the fol-
lowing understanding of the principles of Coop-
eration:

(1) "Cooperative Marketing of agricultural
products will place the greatest emphasis on the pro-
ducer a greater compensation for his labor
expanded and his capital invested.

(2) "Cooperative Purchasing of supplies
used by farmers in production as a means to
produce and distribute the products of the
buyer and return to him the savings effected.

(3) "We favor the organization of urban
cooperatives and disapprove the expenditure
of funds to be used in their organization. We
favor furnishing them assistance and advice
in setting up their own cooperatives."

New York—Cooperative education is
rapidly becoming a dominant factor in the
eastern movement. Special courses in
"consumers cooperation" are now being
offered at Teachers College, Columbia
University and at the New School for
Social Research.

A cooperative institute and a short
term training course for cooperative
managers will be conducted by the
Eastern Cooperative League in July.

The American Peoples Society has an-
nounced its Second Annual Cooperative
Leadership Training Course for July and
August, Instructors will include Anthony
Lehner, former director of education for
the Indiana Farm Bureau Cooperative
Association, Dr. Jay Albritton, of the
department of Physical Education, New
York University, and Dr. Horace M.
Kelley, professor of philosophy, New
York School for Social Leadership.

New York cooperatives will deliver
financial lectures during the summer. The
course is expected to draw students from
all sections of the country.

Economy, Indiana — The Cooperative
Health Association was organized in 1936
under the active cooperation of Dr. Paul
Turner, DePauw University senior. The
human interest in a group of people
in a small community solving their
problem of medical care was described
by Dr. Turner as a system of preventive
medicine. The advertising agency
handling the program got the "jitters" and
three days before the program Dr. Paul
Turner received a wire canceling his en-
gagement because of "circumstances and
conditions which we cannot buck."

BOOK REVIEWS

Towards the Cooperative Commonwealth, T. W.
Mercer, The Cooperative Press, Limited, Man-
chester, England. 220 pps................ $3.35

The outstanding characteristic of this new
book on cooperation in England is that the author
has an intimate first hand knowledge of his subject, that
he has faith in its triumphant future, that he has
an interesting style, and that he stresses the
important. He has produced a book that the reviewer
recommends to all cooperators who wish to obtain
an understanding of the origin, development and
present activities of the cooperative movement in
England. Furthermore, the English movement has
faced many problems that the movement in this
country is likely to encounter in its future develop-
ment.

The author divides his book into eight sections,
the first seven tracing the movement from the
prophets in 1750 to the present time when one
half of the families are associated with the move-
ment. The last section of the book is devoted to
the possibility of cooperation.

Mr. Mercer shows that while the Rochdale
pioneers were influenced by Robert Owen and his
followers, they contributed important practical
principles to the movement. He shows how workers' or producers' cooperatives widely supported by well-intentioned reformers failed. It is important to note that the early cooperators were not mere shopkeepers but declared that the cooperative movement should aim to expand their activities to include housing, distribution, production, education and government.

Several chapters are devoted to the origin and development of the British and the Scottish wholesale and retail co-operative unions. To unify and consolidate the movement, the insurance and banking organizations, cooperative education and publications were formed and has elected several representatives to Parliament.

Recent years have seen an increased amount of education and publicity, the more effective use of business methods, amalgamation of societies, and manufacturing. The War gave private enterprise many opportunities to insure cooperative enterprise. This War-time hostility caused the cooperators to give up their time honored custom of political neutrality. The Cooperative Party was formed and has elected several representatives to Parliament.

The following is a list of important articles which have been omitted.

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THE PRESS BOOSTS CONSUMERS' COOPERATION

(It is impossible for the editors to see every article published on Consumers Cooperation. We apologize to those who have not given attention to any important articles which have been omitted.)


World Christianity, January-March, "Reconstruction in China," the role of cooperatives.

CONSUMERS' COOPERATION

OFFICIAL NATIONAL JOURNAL OF THE CONSUMERS' COOPERATIVE MOVEMENT

PEACE • PLENTY • DEMOCRACY

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Ten Cents

COOPERATIVE VIEWPOINTS

Let dead hearts throb, trade and marry
And trembling nurse their dreams of birth
While we, the living, our lives are giving
To bring the bright new world to birth.

—William Morris

Now we have a modern economic definition of a Tory and a Liberal. A Tory, says the New York Post, is one who thinks first of production; a Liberal is one who thinks first of consumption.

"Education is the soul of the Cooperative Movement, as business is its body. A cooperative will die which loses either its soul or its body."—Cecil R. Crows, Assistant Secretary, Northern States Cooperative League.

A significant letter from the Financial Secretary of a local labor union in Cleveland, Ohio, says, "A group of union members interested in the Cooperative Movement in this city have formed various clubs under the name of Federations of Cooperative Clubs." The letter concludes, "It appears that the rapid growth of the Cooperative Movement deserves more than superficial attention.

We do not know of two more tragic statements which have ever been made by high government officials in the United States than the statement of President Roosevelt, which he continuously emphasizes by repetition, "I speak the nation one-third ill fed, ill clothed, ill housed." The other is a statement by Secretary of Agriculture Henry A. Wallace, made at the opening session of the Committee on Farm Tenancy. "In the past half century, while we hoped we were building a secure rural foundation for our civilization, we were actually converting our farmers into tenants, and at the same time chiseling away the equities of those not yet converted."

"Here is a family. The family is organized on the cooperative principle. That is what makes it a family. A menion the family think in terms of the weaker. Suppose you try to run that family on the same basis that you try to run our economic order. Suppose, for instance, the elder son should come down for breakfast. He grabs everything he can possibly lay his hands on and piles it on his plate. Would the others of the family expect him to leave? Would they be outraged. They would say, 'You are utterly un-familial. You are utterly un-cooperative; you are utterly un-family; you are utterly un-familial.'"
are utterly un-social. You could not run the family a week on the competitive principle. It would break up every home in the land overnight. Because it wouldn't work. We wonder why it is that when that principle is applied to our economic life it so disrupts, and is so full of confusion, and so utterly un-social. You could not run wholesale at its annual meeting last month, passed a resolution that retail units under its management should be changed to cooperative associations. And yet we wonder why it is that when that principle is applied to our economic life it so disrupts, and is so full of confusion, and so utterly un-social. You could not run the operation of their local business.

The Nebraska Union Farmer, published by the FUSE, says, "The action taken in Nebraska in adopting a resolution providing that the patrons of any retail store or oil station of the Exchange may form a cooperative association and take it over is a very notable step in the evolution of our cooperative wholesale."

In previous years the Indiana and Ohio Farm Bureau Cooperative Associations have followed a similar course of turning back into the hands of autonomous local organizations cooperatives which formerly were handled direct by the wholesale.

Americans should watch closely the developments in France in connection with the latest moves of Premier Leon Blum's Popular Front. Apparently the Popular Front took control, to permit the results of the rapid legislative program which was passed. When the Popular Front took control, to crystallize and the results to be more definitely determined. "The outcome," it is said, "will depend more than anything else on the control of the working class, and their contentment with what they have got and on moderation in profit seeking by those who sell."

The Consumers Cooperative, in so far as the movement as follows: "In addition to cutting down distributive costs, a saving which, of course has gone to the consumer and the retail unit either in lower prices or in patronage dividends, the greatest accomplishment of the Cooperative Movement in Europe has been the elimination of financial racketeering. The reason here, it is customary in private business for finance to have a rather dominating voice. When a business of any size is organized by consumers come as the brokers come in, the people who make a business of financing business.

The COOPERATIVE STORES ARE COMING

With all due respect to the great accomplishments which the Cooperative Movement has made in America in the way of purchasing farm supplies such as feed and fertilizer, petroleum products, etc., it is unquestionably true that the time has arrived for the more rapid development of the cooperative purchasing of farm supplies on a wholesale basis.

The cooperative wholesale is a very notable step in the evolution of economic democracy without a violation of the fact that city people can organize and operate their own successful stores handling groceries, meat and milk.

Silence was the keynote of the International Cooperative Alliance, Mr. H. J. May, emphasizes the great importance of supplying our "elemental human needs" through cooperation. Dudley, who has just recently retired as the President of the Cooperative Wholesale Society of Great Britain, was in America on his last trip, he stated that he found it difficult to understand why America had developed so far in the purchase of feed for cows' stomachs and comparatively so little in human stomachs. However, now in Minnesota and Wisconsin the Cooperative stores are moving southward; stimulated by the success of stores affiliated with the Central Cooperative Wholesale of Superior. Also, are going from gasoline to groceries. An illustration is the Isanti County Cooperative at Cambridge, Minnesota, which opened its first store last fall. Its monthly sales increased its volume to $65,000 in 1938 as compared with $49,000 its first year, 1935. A chain store located next door has given up and the people who operate their own successful stores handling groceries, meat and milk.

Since the Eastern Cooperative Wholesale of New York City has moved down into the wholesale district and has begun to stock cooperative labeled products, its business has increased from $2,700 the first month to $15,500 the sixth month.

Other cooperative wholesales in the feed and fertilizer fields have increased its volume to $65,000 in 1936 as compared with $49,000 its first year, 1935. A chain store located next door has given up the operation of its space to provide additional room.

New stores are developing in Nebraska in connection with the Farmers Union State Exchange. An illustration is the store at Grand Island, which started late in July, 1936, and saved $1,100.18, or more than 5% on sales totaling nearly $20,000 from July to the close of the year.

The grocery division opened by Consumers Cooperative Association of North Kansas City in 1936 went over the top with a net saving to the wholesale the first year. A new cooperative van was put in operation on March 3, which will serve three routes. On its first trip it carried stock to fill the shelves of a new cooperative store opened by the Consumers Cooperative Association of Winfield, Kansas, one of a number of new stores which are developing in that area.

There is a real kick in visiting the stores in the Chicago area, which are members of The Cooperative Wholesale. The cooperatives at Hyde Park, Evanston and Racine are outstanding examples of the fact that city people can organize and operate their own successful stores handling groceries, meat and milk.

The cooperatives have followed a similar course of turning back into the hands of autonomous local organizations cooperatives which formerly were handled direct by the wholesale.

A summary of information relative to the latest moves of Premier Leon Blum's Popular Front. Apparently the Popular Front took control, to permit the results of the rapid legislative program which was passed. When the Popular Front took control, to crystallize and the results to be more definitely determined. "The outcome," it is said, "will depend more than anything else on the control of the working class, and their contentment with what they have got and on moderation in profit seeking by those who sell."

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T
leads toward the building of an economic
democracy. We do not, however, permit
ourselves to be drawn into controversial
out strikes. We are not for any one part
discussions relative to industrial versus
Workers Must Control Prices
ternal conflicts.
lieves that if Labor is to gain increased
and after Labor has solved its own in
ing the amount of real wages in Labor©s
is no real gain in purchasing power. The
Counsel of the A.A.A., says, "The man
purchasing power, it must control prices
as well as pay.

Workers Must Control Prices
Donald E. Montgomery, Consumers© Counsel of the A.A.A., says, "The man
who works for a living must think how he
earn.' George Soule, an Editor of The New Re
and collective bargaining are far from the
trouble. Prices have to be reached." Nor
full answer. The Steel Trust gave us an
example when it raised wages a little and
the country loses. And then will come more
increasing their purchasing power as
political action, and likewise shortly
to increase their pay. Not succeeding in
prices even faster. The steel monopoly pm
increased prices in effect even before it
issued its first pay check at increased
rates. It will not be long until the
increased prices of steel are reflected in in-
creased prices of food, clothing and shel-
ter for steel workers who will find that
their real wages or purchasing power
has not been increased. Wage increases
are nullified promptly under a private-
profit economic system by price in-
creases.

The Way to Control Prices
Is As Consumers
The problem is how can Labor control
prices as well as control wages. History of-
defined answers. The Rochdale Pioneers
organized first as a labor union in order
to increase their pay. Not succeeding in
increasing their purchasing power as
much as they desired, they turned to poli-
tical action, and likewise shortly
found that political action was not
enough. They then discovered the prac-
tical method of controlling prices by or-
ganizing as consumers into Cooperatives,
starting from retailing and reaching into
wholesaling and manufacturing.

After the World War, the farmers of
America took the same general course
themselves into believing that they can depend
upon the voluntary action of private-
profit business in lowering prices or upon
the political government to regulate them.
They have instead organized themselves
into cooperatives and have proven that
they can control prices by their own con-
sumer economic organizations.

American Labor Leadership
Challenged
The time towards which the Con-
sumers© Cooperative Movement in Amer-
ica has been looking with high hopes is
getting close. The groundwork has been
founded. Farmers in America have led the
way on a wide scale and have shown how
to successfully organize Consumers©
Cooperatives to control prices. Stores and
oil stations organized in cities have proven that industrial and office workers
can successfully operate their own busi-
nesses and reduce prices by Consumers©
patronage dividends on their purchases. We appeal to Labor not to permit the increase in pay
which it is now gaining to be taken away by increased prices, so that to increase
prices at the lowest possible level while
increasing wages? Experience in other
countries indicates that Consumers©
new way of reducing prices and getting
value for the goods they buy.

The President of the Bank of Finland
says that "the cooperatives control the
price level." It is obtained in Sweden and
other countries. There the people have
demonstrated that the only way to con-
trol prices is to organize yardsticks in the
form of Consumers© Cooperatives, Associa-
tions which effectively prevent mid-
level-man monopoly control of prices.
Raising pay by Labor Union organiza-
tion and control of the free market is
impossible. Nor Cooperative organization has narrowed the margin of profits in those countries
and thus increased the purchasing power of
workers. "No increase of wages, workers
of them generally. This has taken the brakes off
the wheels of industry and increased pro-
duction to the place where unemployment
is largely eliminated. The workers of
countries have become convinced that
they must control prices and make large savings
the political government to regulate them.

Copies of the report can be secured free of charge by writing the Co-op Com-
SCOTTISH COOPERATIVES AT WORK

Robert Murray, J. P.
Director of the Scottish Cooperative Wholesale Society

It is true that the wants of the ordinary man, woman, or child, can be procured inside the cooperative, not only of the large societies but of the small ones as well.

Historical data we may, at the moment, spare beyond saying that the important years of initial activity were from 1860 till 1880. Today, cooperative organizations are represented by local societies in every city and town, and in nearly all the villages in the country. These district Societies collect at the lowest possible cost to the distributive local societies.

Scotland's Hundred Million

Now, Scotland is a small country—nearly so large as some of the individual states in the American Union. Its climate, soil, and natural resources are as by no means generous, and as a consequence it has always been regarded as one of the poorest members of the family of European countries. In the light of these facts the few figures about to be quoted may seem exaggerated. But they are accurate, and verifiable by anyone who may be interested. The Scottish Cooperative Wholesale Society was established in 1862 and at the close of its first year had capital worth about $25,000. In 1935, it had done a trade of $400,000. Last year cooperative sales topped one-hundred-million dollars; an increase for the year of five-million dollars, as compared with the financial year S. C. W. S. budgeted for an estimated increase of $7,500,000 over 1935, and has gone beyond the desired increase; so that the wholesale trade done by this central cooperative organization in the small country of Scotland touched a total for the year of sixty-eight million dollars in value.

In addition to these cash advantages the great body of manufacture and trade would be expected to yield rich profits to its stockholders—that indeed would be the chief purpose for which the business has been transacted. But with the Scottish Cooperative Wholesale Society profit is a very subsidiary affair. It function, not to make surpluses, but to pass on the goods which its factories or collects at the lowest possible cost to the local distributing societies, thus enabling the latter to meet the keenest competition of private trade, and to pass on the advantage to their own members—the ultimate consumers. And it is at this point—the point of final distribution—that the profits made by the members take shape, and are handed to the members who are at once the owners of the entire organization and consumers of its products in the form of a dividend.

At that point the rate of dividend is determined by the local Management Board, and is dependent on the success which has been attended to the business during the financial year. The dividend is therefore—within limits—variable, ranging from 10 per cent to 15 per cent, and the mean of these figures is about 12½ per cent dividend, which is the average for Scotland. Thus, the 829,000 members of Scottish Cooperative Societies—representing roughly 75 per cent of the families of Scotland—are the market price for their goods and at the end of the accountancy period are credited with a 12½ per cent dividend, which is theirs to draw out of the business or leave in the business as they individually determine.

Cooperative Savings

But there is another important financial advantage which the Scottish Cooperative derives from its organization. It is its Bank, in which he can deposit—and withdraw at any time—whatever savings he may have. The safety of that bank, as shall be shown immediately, is beyond question and his society pays him interest on his money at a rate which is invariably slightly above the existing bank rate. Share Capital—restricted to a total of $1,000 per member—receives a little more interest than Loan Capital; the former being at the moment 4 to 4½ per cent, and the latter 3 to 3½ per cent. In 1935 the trade of the Scottish Cooperative Distributive Societies aggregated $180,000,000, and the patronage dividend at an average of 12½ per cent would be $22,000,000. With that as a pay-back total of $1,000 per member receives a little more interest than Loan Capital: the former being at the moment 4 to 4½ per cent, and with 3½ per cent to 4½ per cent on his invested capital, it can be seen that the Scottish Cooperator is doing exceedingly well out of this self-help business, and the results would seem to suggest that his race still maintains its character for shrewd, keen, careful thriftfulness.

In addition to these cash advantages the local societies provide their members with many other benefits—Social Circles, Men's Guilds, Women's Guilds, Ambulance Circles, Nursing Classes, Cooking Classes, and also a network of Dramatic Schools for juveniles and adults. These, and evening classes organized more definitely for vocational teaching and training make up a total of services difficult to estimate in money terms, but of undoubtedly high value in the business and social life of the country.

The Central Ganglion

But, I should like to return for a little to the nerve center of all this Scottish Cooperative activity—the Scottish Cooperative Wholesale Society. This is the expression of the will for production of the cooperators of Scotland, as a Fed- erated Autonomy, controlled by twelve full-time Directors chosen by popular election and subject to re-election, every two years. Every vote counts. The care with which directors are chosen and to the loyalty of the rank and file of the membership. There has never been a scare, a scandal, or a loss round which a demand for removal of a director could crystalize.

The Capital—Share and Deposit—of the S. C. W. S. amounts to $33,000,000. This represents the shares held by the "locals," plus their additional deposits, and the direct deposits of individuals in the concern. For the S. C. W. S. acts as the Bank of the Movement, and it pays to its Society members, and its individual de-positors a rate of interest approximating to, but usually a little higher than the current bank rates. The ability to pay over the market rate of interest is secured by an accountancy staff and an accounting system, the direction of which is always towards security and away from the speculations and dangers of speculation. The result of this policy was recently reflected in the grudging tribute of a statesman in the House of Scotland. It is important, seeking to justify a discriminatory tax against Cooperatives, said, that formerly the symbol of financial integrity was "As sound as the Bank of England," but now "As sound as the Cooperative Move- ment."

We have just said that the S. C. W. S. fights shy of the dangers of the speculative market, but it exhibits an energy and movement face of the legitimate risks of honest production. It has used its capital at
home; in Ireland, in Canada, in India, in various parts of Scotland. Many of these factories are the largest of their kind in the country. They represent every type of production—food, furniture, clothing, tobacco, cosmetics, candies, jute-products, etc. The Society is a direct purchaser on all the primary markets of the world—fruit, packed goods, lumber and petroleum products in America; wheat, packed salmon and fruits in Canada, where it owns its own elevators and has an interest in a large tract of land. Incidentally in its flour mills in Scotland, it grinds 80,000 bushels of Canadian wheat per week into flour, in addition to the wheat it buys in America, the Argentine, Australia and the home-market. And when the wheat is ground into cooperative flour and is baked in cooperative ovens it goes —to cooperative tables at 15 cents per pound loaded out! What a 12½ per cent profit on a yes or no operation would mean! These are solid advantages which no fine-spun theorizing can discredit or discount.

Cooperative Labor Policy

It would add interest to this brief sketch if space had made it possible to tell something of the S. C. W. S. arrangements with labor. It will, however, serve to indicate the position if it is noted that every employee must carry his or her trade union card; that in every case trade union conditions apply, and in every instance trade union conditions are bettered. The trade union wage, for example, is paid for a 48 hour week, although the hours actually worked are 44; there are full vacations with full pay; sickness allowances; and finally superannuation, under which all employees retire at 75 with pensions ranging from one-fourth to one-half of salary (or wages) according to the years of service.

The attitude of this Consumers Movement towards Producers Cooperation will be indicated by this fact, that when the Scottish Milk Marketing Board fixed the price to be paid the farmer for his milk, and the rate to be allowed the S. C. W. S. for distribution, the latter protested that the distribution rate was higher than it need be!

Nothing has been said in this brief survey about the basic differences between the principles of cooperative and capitalistic trade. But the topic which so many American newspapers, magazines and American politicians and business men are at present engaged in discussing is quite evident to the writer of this article. There is no question as to the methods of cooperative ownership and control, with cooperative division of surplus which have been applied so successfully in the instances quoted, need not be shut out from any section of the work of America, or of the world. And if the cooperative system was extended to all industry, it would go far towards ending the competition and the disorder in trade, which, today are the principal roots from which national and international disorders arise.

COOPERATION ADVANCES IN A MID-WEST COMMUNITY

WHAT chance have Consumers' Cooperatives in middle-class communities in the United States? Can people of that class with above-average incomes be interested in developing and operating Cooperatives? Can Cooperatives be developed and maintained including a representative cross section of the population? The development of the Evanston Consumers' Cooperative during the past eighteen months offers a significant contribution toward answering these questions.

Evanston, Illinois, is a suburban city of 65,000, adjoining the city of Chicago. Eighteen months ago there were several persons of strong social convictions, clear discernment, courage and action. Within a few months a cooperative buying club less than two years old was actively promoting the idea of a cooperative buying club less than two years ago were several persons of strong social convictions, clear discernment, conviction of the significance and soundness of Rochdale principles of cooperation, able to discuss the cooperative movement and the general economic situation intelligently and prepared for courageous action. Within a few months they discovered and added to their number others of like mind. These formed a Consumers' Cooperative during the past
nuclear for the new organization and from among them the first group of directors was elected.

2. Sacrificial leadership. These men and women were interested primarily in forwarding the Cooperative Movement in the community, and were eager to make contributions of time, energy and money. Within the group were two young men, recent college graduates, who added the college of contributing their time without remuneration as co-managers during the initial period of organization and building up of sales volume. Director during the first six months by devoting evenings to interviews personally enlisted 47 new members. Another, long interested in problems of retail merchandising and of food values gave time without stint to building up the inventory. A third invited successive groups of acquaintances and others to her home for informal afternoon teas where consumers’ cooperation became the engaging topic of conversation. Others similarly contributed services in various ways to the store and as committee members.

3. Effective organization. From the beginning members of the Board of Directors have taken their responsibility seriously, met regularly and willingly accepted committee assignments. Committees have been authorized and have functioned more or less effectively on (1) Education; (2) Membership; (3) Audit, Accounts, and Ratio of Distribution; (4) Records; (5) Equipment; (6) Milk; (7) Gas and Oil; (8) Inventory, Bank; (9) Quantities, The Medical, Dental and Hospital Care. The principle has been followed of having at least one Director on each committee. In addition to these standing committees, special committees have been appointed as needed. Every month since organization has been held of at least one meeting of the Board of Directors and sometimes three meetings a month. The policy has been followed of bringing all important matters, even details of organization, of a type incidental to the early stages of any new organization. There need not be described, but certain evident present deficiencies should be mentioned.

4. Sound business policy. The Board of Directors has insisted that sound business policy shall prevail. No speculative buying, no money has been borrowed. Administrative expenses have been rigidly held within a fixed percentage, arrived at by a study of authorities on retail merchandising and of successful experience. The organization without deviation that all expenses of operation shall be met from current operations.

5. Social orientation of the community. While a large number of North Shore residents adhere to the traditional conservative attitudes of profit business, the community has a more than average proportion of men and women who possess social intelligence, insight and concern for progressive movements. Northwestern University, Evanston High School, and the Winnetka group of schools each has supplied a considerable quota of members. Seven pastors, a number of men in official denominational positions, and a score of professional social workers are members.

6. Persistent promotion and education. Evanston Consumers’ Cooperative a commission on the policy of the society, membership meetings are held quarterly. Public meetings, also, at some of which addresses by speakers of wide reputation have been made, are held at regular intervals. Cooperative pamphlets have been persistently circulated. The circulation of Consumers’ Cooperation, and of Co-op News (the organ of the Chicago Cooperative Federation) has been promoted among members. Attempt has been made to organize discussion groups and neighborhood study circles. For six months the society has had a full-time Promotional Director, giving attention to several phases of promotional and educational activity, such as interviewing prospective members, acquiring new members with the objective and policies of the society, increasing share capital, following up non-purchasing members, and promoting attendance at public meetings and membership meetings.

Evident Deficiencies

Mistakes have been made which have served to retard the progress of the society, some quite unnecessary and others of a type incidental to the early stages of any new organization. The need not be described, but an evident present deficiencies should be mentioned.

1. Low buying average. Members as a whole do not patronize the store to the extent that it may, for example, sell volume. Included in the membership are approximately sixteen persons who are non-housekeepers. Sixty-three other persons, some of whom purchase for December profit volume, have purchased approximately $14 per family. Included in this average is one family whose purchases amounted to $75, and several others ranging from $25 to $90. It is evident that these members, other than the non-purchasers, are giving their society only a small proportion of their patronage. Various explanations are offered, few of which are satisfactory. It is believed that adding a meat market will help to correct this condition.

2. Limited economic advantage. The policy of the society is to sell at the prevalent retail prices, which means the chain store level. No attempt is made to compete with "week-end specials" or various other types of cut-price sales. Humanity and sympathy are given. The society refuses to sell less than full cases or under weight products of any kind. Goods of inferior quality and items of known adulteration are banned from the shelves. For socially-minded persons in these things are having advantages. Even so, many members a patronage refund of 3 per cent represents a saving too small to be satisfactory. It is expected that with increasing sales volume the margin of saving can be increased.

3. Inadequate quality tests. Some attempt has been made to take advantage of available local and national means of testing, but in both method and extent tests of quality are inadequate. Members are not satisfied until more satisfactory tests are supplied.

4. Assurance of quality insufficient. Apart from means of testing locally available assurance of quality is insufficient. Conviction gained in the group that the "Co-op" brand on any product should constitute in itself guarantee of purity and excellence of quality, but experience as to date has not shown this to be true in all cases. As a matter of fact, in some quarters sufficient care is not being exercised in the use of the "Co-op" label. This is a matter of much more than local concern; it affects the purity and integrity of the Cooperative Movement as a whole. Also, many members desire accurate information on labor conditions under which merchandise is produced, and on a large portion of items carried in stock this is not yet available.

Some Unsolved Problems

Evanston Consumers’ Cooperative is by no means satisfied with its progress. It faces some unsolved problems that are giving its Board of Directors no little concern.

1. Educational program. No fully satisfactory solution has been found for the problem of education of members. The community is over-organized, with all organizations finding increasing difficulty in securing attendance. A considerable proportion of members of the cooperative are persons who have joined in response to the solicitation of a friend or as an expression of general interest in cooperation without an understanding of the philosony of cooperation and with only a superficial acquaintance with Consumers’ Cooperative. Thorough education is needed. The various educational methods thus far tried have been used with very limited success. A circulating library has distributed standard books on cooperation among a few members. The study and discussion-group technique has not proved popular. Lectures by able speakers have been attended by only a small portion of members. The difference for discussion of problems raised by individual members is effective, but so is too consuming that only limited use seems possible.

2. Price policy. What constitutes current market price? No uniformity prevails among the stores of the community. Some stores are high on some items. low on others. Patrons as a rule are not familiar with the basis of grading, and do not distinguish between grades. Should first, second, and third grades be plainly marked, with corresponding prices attached? Should prices be held at a minimum level with resulting margin correspondingly reduced, or should a relatively high level be maintained in order to show a large margin and pay a maximum patronage refund? These are a few of

Consumers’ Cooperation

April, 1937
CONSUMERS' COOPERATIVES IN ACTION

North Kansas City, Mo.—A cooperative grease factory, the first of its kind in the world, began operations here March 10 to make greases for cooperative associations in the midwestern states. Operating at capacity from the day it opened, the new production plant of Consumers Cooperative Association makes it possible to increase retail cooperative sales with CCA and three other cooperative wholesalers in the U.S.

The cooperative factory has a total capacity of 20,000 pounds per day and with equipment said to be "equal to efficiency in any in the world" can produce 50 kinds of grease to serve the needs of automobiles, tractors and farm machinery.

Minneapolis.—The third Congress of the Cooperator's Life Association, a cooperative life insurance company organized by the Northern States Cooperative League about two and a half years ago, was held here March 23. The reports given to the Congress showed a membership of over 1,200, a gain of about 60 since the last Congress, and insurance in force exceeding $1,000,000.

Columbus, Ohio.—The Ohio Farm Bureau Cooperative Association boosted its 1936 business $5,800 a day over its 1935 total. With total sales aggregating $781,143 the co-op was 45.3 per cent over its record of the previous year. Patronage dividends paid out to member cooperatives totaled $94,492 for the year.

Seattle, Washington.—Realizing the importance of direct democratic control, the Grange Cooperative Wholesale adopted a plan of reorganization March 1 which provides: (1) for the division of the territory served by the cooperative into eight districts, (2) one director for each district to be chosen by the retail cooperatives in that district, (3) one director for each district to be chosen by the wholesale cooperatives in that district, and (4) a co-operative education and promotion for the wholesale and retail associations were discussed on the program of the Cooperative League or the Consumers Project, Department of Labor, Washington, D.C.
the main program and at sectional meetings. One evening session at the Minnesotologists' conference was given to a panel discussion participated in by a county superintendent of schools, principals of rural township high schools, a representative of the city schools, the chairman being a member of the State Department of Education. In the audience was the State Commissioner of Education, who commented at length on the panel discussion considering the question of passing a law in Minnesota similar to the Wisconsin law providing for the teaching of Cooperation in the schools of the state.

General Manager Cort's report of the progress of the Wholesale in 1936 discussed the activities of the educational department, the Directors and the personnel, which together stated were responsible for the increased volume of 25% in dollars and cents, and 18% in tank cars. Lines added in 1936 included co-op ranges, electric refrigerators, washers and irons, steel products, paint and automobile accessories. Ten new retail cooperative associations under which the various cooperative services for the promotion of rural electrification in the state of Minnesota.

The principal subject of discussion at the Conference was the proposed plan under which the various cooperative service organizations which Midland has promoted in insurance, auditing and education would be more closely coordinated with state cooperation. The plan seemed to meet with the general approval of those present at the Conference, and the discussions are being continued at District meetings.

Chicago—The first annual meeting of National Cooperatives since setting up Chicago as its headquarters was held at the Commercial Club in Chicago on February 17-18. The newly elected General Manager, Ivan Lanto, presented a list of commodities for the consideration of the members. From these were selected those which could be handled most advantageously by National Cooperatives in the immediate future. The Directors voted to continue to assess their membership for the purpose of providing funds to cover expenses for 1936 but it is anticipated that the additional savings made as a result of retailing may result in a return of 'dividends' to the shareholder, and profit to the savings. A dramatic highlight was the election of the membership of the United Farmers Company Limited of Toronto, Canada, which forges the first commercial tie between the state cooperatives of the United States and Canada.

The elected Officers, Directors, and Management Committee, resulted in new changes. It was voted to hold Directors' meetings quarterly and definite dates were determined upon. A new Executive Committee consisting of L. H. Hall, Howard A. Cowden, and E. G. Cort was set up to handle problems arising between directors meetings. The committee will meet at least once each month.

North Kansas City—The annual meeting of Consumers Cooperative Association here February 1-2 added new evidence of cooperative progress. Total sales of $3,756,295.46 were reported, with net savings on wholesale operations of $6,947,837. Total new cooperative associations were added to the membership of the C. C. A. for the year and a large branch building at Milwaukee was purchased. Another outstanding activity was the organization of Farmwomen's Co-operatives for the promotion of rural electrification in the state of Minnesota.

The conference of the educational directors and educators on the first day. These sectional meetings proved so popular that the education group asked that more time be allotted to them next year.

The third day of the annual meeting related to the adoption of a five-year revolving fund, whereby patronage dividends due member cooperatives would be retained by the wholesale and paid out at the end of the five-year period. The discussion was a real exhibition in democracy. The delegates voted the day they voted the resolution through without lengthy discussion that President Howard A. Cowden urged delay in putting the question to a vote, which resulted in a delay. The final vote was upon the amendment and it ended with an unanimously favorable vote.

Changes in the by-laws necessary to adopt the revolving plan resulted in examination of the phraseology which has been used, and the substitution of co-operative for competitive terminology. The word 'dividends' was changed to 'refunds,' 'stock' to 'shares,' 'stockholder' to 'shareholder,' and 'profits' to 'savings.' A new pamphlet 'Your Co-op' was distributed at the meeting and is available from the cooperative department.

The Fifth Annual 'Trip to Cooperative Europe,' sponsored by the Bureau of University Travel, is to sail from New York on the Queen Mary, July 29, and will be devoted to surveying the Cooperative Movement in the Scandinavian countries. The tour will be conducted by Dr. Roy Peel of New York University and will include sections on cooperatives. Among these is the American Student Union Tour under the direction of Joseph Lash, executive director of the ASU.

"I am most happy that I can work in a movement with a real purpose to it," he said. "I feel that whatever little bit I can contribute is caught up in a great world-wide consumers cooperative movement and gives strength to it."

"CCA Spirit of 1936," which was plainly evident in the meeting, was expressed by Dr. Roy Peel in a letter to the Board Members, Managers and Employees, distributed at the meeting, in which he said, "In the meeting of the Board of Directors, the most satisfactory development in the Fifteenth Annual Conference, was seen in the intense interest and attention to the pitiful situation of want and hunger in the midst of plenty, and which squares with all Christian and American ideals taught to us by the teachers of the old forefathers. It makes me happy to know that whatever little bit I can contribute is caught up in a great world-wide consumers cooperative movement and gives strength to it."

 März 30

"GOING TO EUROPE?"

Colin H. Chisholm, Director of the Colorado Cooperative Board of Review, will conduct a two-month tour visiting European Cooperatives including two days at the L.C.A. Conference. The trip is scheduled to start from Montreal, Canada, July 24 returning to Quebec September 16.

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"Seeing America First"

A Social Study Tour of the United States, with a major emphasis on consumer cooperatives, has been announced by Cooperative Distributors. Leaving New York on February 21, the party will make an extensive study of these institutions in Canada, the Scandinavian countries, Australia, New Zealand, and under the direction of Joseph Lash, executive director of the ASU. The trip will be secured by addressing the Cooperative Tour Committee, The Cooperative League, 167 W. 12th Street, New York City.

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THE PRESS BOOSTS CONSUMERS’ COOPERATION

MAGAZINES

Advertising Age, March 15, "Credit Parity is Sought for Cooperatives." "Mr. Evans says Cooperatives Must Advertise."
Brotherhood of Locomotive Firemen & Engi- neers, Magazine, March, "Are Price Tags Enough?"
Business Digest, February 3, Summary of article on cooperatives from National Petroleum News.
Science Digest, February, "Consumers Cooperatives and Finance," condensed from The Cooperative Engineer.
Time, April, "Co-op Inquiry."
Time, March 22, "Co-op Report."

NEwpPAPERS

Science Digest, February, "Consumers Cooperatives and Finance," condensed from The Cooperative Engineer.
Time, April, "Co-op Inquiry."
Time, March 22, "Co-op Report."

NEW Cooperative LITERATURE

Report of the Commission on Inquiry on Cooperative Enterprise in Europe. The complete report of the President's Commission is available in printed form free of charge. Since the number of copies is limited, those who want copies should write immediately to the Co-op Commission, Work Progress Administration, Washington, D. C.

English Cooperatives, Sidney R. Elliott, Yale University Press, $2.50. This companion volume to "The ‘Swedish Middle Way," written by the Editor of Reynolds News, is scheduled for publication in May.


Cooperative Enterprise, Jacob Baker, Vanguard Press, $2.00. A volume summarizing Cooperative Enterprise in Europe and America, written by Jacob Baker, member of the Commission of Inquiry on Cooperative Enterprise in Europe. Scheduled for publication May 1st.


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Operations Facing Consumers, a guide for discussion, by Bernard Y. Landis. Published by the Cooperative League of the United States. 50¢ per copy.

Cooperatives in France or Illusion, Stuart Stewart, Public Affairs Committee, 10¢. One of the series of Public Affairs Pamphlets devoted to discussions of social and economic problems.

Cooperatives, Ryills Alexander Godin, Foreign Policy Association, 25¢. The Headline Book published by the Foreign Policy Association is fast becoming an American institution. A study outline to be used with the book is available for 15c per copy.

Cooperation: The Dominant Economic Idea of the Future, Henry A. Wallace, 10¢. The last twenty pages of "Whose Constitution?" are a guide to cooperative literature. The Secretary of Agriculture has kindly consented to the publication of this stirring challenge. Reproduced in convenient pamphlet form it should have a profound effect upon the thinking of real America.

The Brave Years, A Cooperative Novel, William Hasler, Appleton-Century, $2.00. William Hasler, well known author of boy's stories, first told his attention to adult novels in "Dark Conquest." His second is a cooperative novel. "The Brave Years," now running serially in several magazines and scheduled for publication May 14th.

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Cooperative Movement in Great Britain, Beatrice Potter (1891) .................. $1.10 First clear analysis of consumers’ cooperative ownership compared with producers’ ownership. Still standard.
Cooperative Democracy (Special Edition) James P. Warbanse (1936) .................. $1.50 Comprehensive discussion of theories, principles and practice of Consumers’ Cooperation written from years of first hand study in many countries.
The National Being, George W. Russell (AE) .................. $1.75 Beautifully phrased combination of cooperative idealism and practical action by the great poet-cooperator.
Sweden: The Middle Way, Marquis W. Childs (1936) .................. $2.50 Sweden’s Consumers’ Cooperatives, Public Utilities, Labor Unions, Farm Cooperatives, Political and Educational Organizations which have made Sweden a land of economic and political democracy.
The Decline and Rise of the Consumer, Horace M. Kallen (1936) .................. $2.75 The philosophy of Consumers’ Cooperation. Author describes Cooperation as the economic embodiment of the “American Dream.”


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Henry A. Wallace _______ .10 12.00

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COOPERATIVE BOOKS
The following books are recommended as containing
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1. Charles Ode and Cooperation, Edited
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2. Childs, Marjory: Sweden—The Middle Way
6

3. Fowler, Bertton B.: Consumer Cooper-
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23. World Cooperative Association, 1904-
20 Volume XXIII. No. 5

MAY 1937

Ten Cents

EDITORIALS

Preparatory to reading the “Digest of
the Report of the Inquiry on Cooper-
ative Enterprise in Europe” in the follow-
ing pages, it might be well to compare
brie$ly a few current illustrations of the
working out of various major economic
problems in our own country and in Europe.

The Problem of Utilities. Through the
improvement of a holding company the control
of the Van Sweringen Railroad Empire,
in which stockholders have invested
$3,000,000,000 and to which the govern-
ment has loaned $100,000,000, was trans-
ferred to a fruit jar manufacturer for
$3,000,000 and again transferred to three
young men who know equally as little
about railroads as for $6,375,000. In competi-
tion, the same newspapers announce
that France is following the lead of other
democratic countries, instead, do not de-
depend upon anti-trust laws, but set up con-
sumers’ cooperative societies that stick to
the trust” by forcing them to com-
pete with products produced and dis-
tributed at cost.

The Problem of Natural Resources. Congress has just passed the Guffey-
Vinson Bill legalizing price fixing in coal.
Great Britain, on the other hand, is moving
towards public ownership of natural
resources by proceeding to take over the
royalties on coal lands.

The Problem of Distribution. The State of New York has given up its at-
tempt to fix prices of milk but now the legis-
4
lature is considering a bill providing
for the fixing of prices by producers and
distributors. European democratic coun-
tries offer patterns for the only real solu-
tion of the milk question by agreements
between producers marketing cooper-
atives and consumers distributing cooper-
atives.

America surely has reason to consider
the solutions of our major economic prob-
lems as they are being worked out by the
older democratic countries of Europe.

CONSUMERS’ COOPERATIVE LEAGUE
OFFICIAL NATIONAL JOURNAL OF THE CONSUMERS’ COOPERATIVE MOVEMENT

Volume XXIII. No. 5

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An organ to spread the knowledge of the Consumers’ Cooperative Movement, whereby the people, in voluntary association, purchase and produce for their own use the things they need.

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E. R. Brown, Editor; Wallace J. Campbell, Associate Editor. Contributing Editors of Cooperative Journals and Educational Directors of Cooperative Wholesale and District Leagues.

DIGEST OF REPORT OF INQUIRY ON COOPERATIVE ENTERPRISE IN EUROPE

INASMUCH as there may not be published a sufficient number of copies of the complete Report of the Inquiry on Cooperative Enterprise in Europe for all those who might desire a copy, and furthermore since the Report is voluminous, it is not likely that any large number will read it in its entirety. We have therefore digested out of the Report and present hereewith some of the outstanding conclusions reached by the six members of the Inquiry as a whole and the separate individual observations of each of the six members. The first part of the following digest covers the Report signed by all six members of the Commission. Following that are extracts from the statements presenting the individual views of each member.

As is generally known, the Inquiry on Cooperative Enterprise in Europe was authorized by President Franklin D. Roosevelt, who appointed as the members of the Inquiry Jacob Baker, Leland Olds, Charles Stuart, Robin Hood, Clifford V. Gregory, and Emily C. Bates. The members of the Inquiry visited England, France, Switzerland, Czechoslovakia, Denmark, Norway, Sweden, and Finland, all of which countries are political democracies, and investigated first hand the cooperative activities in building an economic democracy in those countries. While they gave attention to industrial producers' cooperatives and farm marketing cooperatives, the Inquiry gave special attention to industrial producers' cooperatives different from that of private business... (to be continued).

Controls Monopolies

Swedish cooperatives are quoted as saying, "Monopoly can be controlled much more effectively by cooperative competition than by anti-trust laws. Consumers' cooperatives in Sweden are in a position to set a lower price per stick." Sweden has never adopted an anti-trust law. As an illustration of the effectiveness of cooperatives in checking monopoly prices, the reduction of the price of galoshes fixed by the monopoly at $2.27 to a price of 93c for galoshes produced by the cooperatives is cited. The explanation of the result of this cut in price was the virtual doubling of the use of galoshes in Sweden.

Low Operating Costs

Reasons for low operating costs in a cooperative are given as much less salaries to high executives, considerably greater volume of goods sold per employee, low cost of capital, smaller advertising expenditures, sales for cash resulting in negligible credit losses.

High Manufacturing Efficiency

Gearing production to a definitely known consumer demand "enables cooperatives to cut costs and to expand production. There is a part of the educational program of the cooperatives that "neither the poorest nor the most exalted valued at £40,000,000 and interest-free reserve capital amounting to £60,000,000." Price Policies

"Market prices are in general maintained, not only in order to guard against losses but also in order that the member may get a larger patronage refund than would be possible with lower prices. The present tendency, however, is towards lower prices and smaller patronage refunds. Cooperatives often sell below the market when they believe the market price is artificially fixed, or margins too wide.

Low Cost of Capital

"The accounting and reporting methods used by cooperatives are described as "always complete and intelligible." Practically every cooperative society in Europe prints a complete annual report, so that each member may have one. "Examination and study of auditors' reports is a part of the educational program of most societies."

Cooperative Employment

"Consumers' cooperatives as a rule pay higher than going wages to labor, require shorter hours, and are more liberal with vacations and sick leaves. Cooperative stores in general pay workers 10-15% more than the going rate, and pension their old workers. Most cooperatives employ chiefly union workers, have collective agreements and arbitration boards which handle the few labor disputes that arise. In general there is a close relationship between organized labor and consumers' cooperatives."

Education Emphasized

Educational projects are organized to reach the general public, members, youth and employees. "The cooperative movement attaches such great importance to its educational and propaganda work because "to live, a cooperative must have a loyal membership with a broad understanding of its purposes and methods, and "to grow, it must "sell" the cooperative idea to prospective members."

Few Governmental Privileges

"Cooperatives have not received many special privileges from government. Some access to government credit, some exemption from taxes on plowed back surplus, some subsidy to cooperative education—that is about all."

Cooperative Accomplishments

"The chief consumers' cooperative accomplishments in Europe are stated to be reduction in costs of retailing, promotion of thrift, education of members, better citizenship by wide use of credit, and effective control of monopoly and comparatively high labor standards."

Consumers' Cooperation

of the total value of active cooperative investment in Great Britain is "composed of debt-free plant and interest-free reserves." As compared with £20,000,000 of share and loan capital which is in active cooperative investment the British cooperatives have "an unencumbered plant valued at £40,000,000 and interest-free reserve capital amounting to £60,000,000." Price Policies

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Consumers' Cooperation
Cooperative Problems

"Among the important problems not yet fully solved" are increasing the cooperative percentage of member expenditures, improving relations with farmers, maintaining trade union standards, wise investment of surplus funds, adopting the good practices of private business without the bad.

Individual Views of Members of the Inquiry

Mr. Jacob Baker, Chairman, says, "there is no reason to believe that cooperative enterprise will not expand to considerable proportions in the United States in the next generation." As regards the relationships between agricultural producers and consumers, he comments, "It is to the advantage of both the agricultural producer and the urban or rural consumer to reduce the spread between producers' receipts and consumers' payments. The members may get more and the consumer pay less. The only way that either producers or consumers can positively control this is by voting their money in the cooperative enterprise." Declaring that "organized economic enterprise may be divided into three major sectors—private enterprise, government enterprise, and cooperative enterprise," he adds, "All that we know is that private business can do some things well, that government can do other things well, and that cooperation also performs certain functions well." Again he describes "organized economic enterprise as a triangular structure, the three points of the triangle are private, governmental, and cooperative organization.

In concluding, he emphasizes that the "social effects of cooperatives are sometimes of even greater importance than the immediate economic results. In the judgment of a great many people in Europe—both cooperators and others—it is these social elements of cooperative enterprise that give it its greatest significance and a continuing appeal to each new generation."

In Mr. Leland Olds' judgment, "Cooperation is a way of life which offers new procedure for the satisfaction not only of material but also of spiritual desires." To that end, "the cooperative movement would extend the cooperative system of living which was characteristic of the older family life to the control of the commercial market by groups of families."

An outstanding Swedish economist quoted as saying, "a strong labor movement pressing for higher wages while the consumer cooperatives held down prices means a rapid rise in real wages." As regards the relationship between farmers to consumer cooperatives, Mr. Olds finds that "from the standpoint of the farmer, the weight of evidence is conclusive that it is more advantageous to deal with consumer cooperatives than with private traders." While consumer cooperatives have problems of relations with labor and farmers, "by and large, cooperative enterprise is preferred whether as a purchaser of farm products or as a seller of farm products." He interprets cooperative enterprise as "true flowering of the American idea," and describes it in one case as "cooperative enterprise" and in another as "cooperative private business." "Cooperative enterprise," he suggests, "might well prove to be the next step in the natural evolution of the true pattern of American life."

His final conclusion is that "cooperative enterprise is worthy of serious consideration by all Americans, to perpetuate the American idea which is today gravely threatened by powerful forces in a rapidly changing world." The benefits of consumer cooperation in Europe are summed up by Charles E. Stuart as the sharing by members of "profits" through patronage refunds, the reduction of prices of private stores through the establishment of consumer cooperatives, the training of the members in a sound family economy, the increasing of purchasing power through wholesale purchases, the improving of living standards, the increasing of merchandising efficiency, the lessening of the necessity of government interference with business. Mr. Stuart emphasizes the fact that "economic cooperation is largely a state of mind, and that it is slow in growth, cause "Cooperators must be educated to the ideals of the movement so that they have an enduring enthusiasm for it and are willing to make personal sacrifices for it."

"Unlike their 'small scale' status in the United States, consumer cooperatives have become 'big business' in Europe," observes Robin Hood. "In nearly every European country studied they have made a substantial contribution to the economic welfare of the members. In its attempts to show that they are supplying consumer goods, particularly foodstuffs, to their members at real savings, Czechoslovakia, for illustration, is a survey by the government statistical board showed the prices of cooperatives averaged 5% less than their private competitors, and this saving was augmented by patronage refunds averaging 2%.

"After describing the chief factors accounting for the remarkable development of consumer cooperation in Europe as being inefficient retail distribution, class loyalty, deeply ingrained thrift and strongly financed central cooperative organizations, which "factors are absent or relatively absent in the United States today," Mr. Hood concludes, "It therefore appears that present American conditions are peculiarly favorable to the rapid and widespread development of consumer cooperation." However, he declares that "any group of people who believe they can purchase their requirements more advantageously through cooperatives than through private enterprise should be fairly accorded their rightful opportunity to make the effort."

"Among the definite accomplishments to the credit of consumer cooperatives, Mr. Clifford V. Gregory names the following in the order of their importance to his mind."

The complete elimination of "financial shackling in that part of the business world which they have taken over." the addition to "national stability by educating their members on economic questions and by creating a sense of ownership in a large class of people, most of whom previously owned little but their personal possessions, the raising of standards of living by competing effectively with monopolies, and by increasing efficiency of retailing and giving a sense of ownership to many of its members a new interest in life."

After meeting many cooperative leaders, he concludes that "the competent leadership of the cooperative movement in Europe goes a long way to disprove the theory that self-interest is the only motive that will cause people to work and strive."

Mr. Gregory believes that "the opposition to consumer cooperatives which has developed in a few quarters in America would be removed if Americans were informed of its true meaning. American business and the consumer cooperative movement both believe (at least in theory) in free and open competition." As to what consumer cooperation may do, he says, "There would seem to be a few definite contributions that consumer cooperation might make to the economic life of America: fourth, as "accumulation of interest-free capital," encouragement of thrift among classes which ordinarily save little or nothing.

"Establishment of an influence for fair prices for consumers," and "giving to many people in whom sense of ownership is absent the stability that comes from being part owner of a business enterprise.

"He warns consumer cooperatives in America to avoid the following dangers: not to fail to "serve consumers with singleness of purpose," to reject "governmental and cooperative politics"; to "avoid the lure of a cooperative monopoly"; to "be guided by the Swedish policy of using cooperation as a means of keeping prices down to a level," and to "avoid the class antagonism that exists in some quarters in Europe."

Miss Emily C. Bates devoted her comments to the place she believes "the cooperative movement if developed in America may take in a large class of people, most of whom previously owned little but their personal possessions, the rising of standards of living by competing effectively with monopolies, and by increasing efficiency of retailing and giving to many of its members a new interest in life." After meeting many cooperative leaders, she quotes the president of the 1935 British Cooperative Congress as saying, "The end of cooperation is the freeing of men..."
widespread development of cooperative enterprise by the people offers vast possibilities."

The recommendations, transmitted separately to the President by the Inquiry are as follows:

1. That there be made a survey of consumer and service cooperatives in the United States.
2. That an agency be established or designated to give information, research and advisory service to consumers cooperatives.
3. That steps be taken to assure consumer cooperatives credit parity.

THE LABOR ORGANIZATION OF COOPERATIVE EMPLOYEES

When the employees of a consumers cooperative society are called out on strike, it is expensive for both workers and members of the cooperative. This may be despite the fact that the cooperative gives better pay and better working conditions to the employees that prevail in similar competitive businesses.

European cooperation has gone through this experience and learned its lessons. What is the exception of one country, strikes in cooperatives are rarely threatened. It would be well if we might learn the lesson with as little experience as possible.

Back of strikes among the workers in cooperative societies lies defective understanding of cooperation. In the membership of the cooperative movement is a considerable element which does not comprehend the relation of cooperation to labor. The fatuous idea widely prevails that all employers are the enemies of the workers and that the trade union is exclusively the organization for the protection of the working class. This idea is responsible for the general misconception. Cooperators are in favor of trade union organization; but cooperators and workers bring up a specific question concerning themselves as workers.

The conception of labor in the cooperative movement should be kept distinct and apart from that of labor in capitalist business, just as cooperative business itself is distinct and apart. Unless this is done, the workers in the cooperative could be called out on strike when a grievance exists against a capitalist business and when the workers in the cooperative have no complaint against their employers. This has happened to the great harm of cooperation and the workers. It occurred in the general strike in Great Britain in 1926 where the cooperative employees walked out first because they were better organized. In American cities especially, cooperation is in a constant state of danger whenever its workers are thus subject to outside control and threats. But under these conditions it is possible for a capitalistic competitor of the cooperative to have the employees of the cooperative called out on strike when they have no grievance.

The Need for a Labor Policy

The time has come when the Cooperative Movement must have a labor policy of its own. It cannot safely submit to the policy of a labor movement subject to the hostile rivalry and competition of the labor movement with the capitalist employer.

It is an important fact that new people, coming into the American cooperative movement, find a movement without an enforced definite labor policy. They get their labor policy from outside the movement. And this is a labor policy which is not adapted to cooperation. When a minority of the employees of a cooperative movement emerges as a result of intensive trade union pressure to vote to join a union, and when influential members of the cooperative insists that the pressure be maintained, but none of the other employees to join the union even though they express an unwillingness to join, it is evident that we need to examine our own internal conditions. When a situation arises in which cooperative employees discuss the question of organizing as workers, and when cooperative officials advise them that they
should consult with trade unions outside of the cooperative movement and be guided by their desires, we should realize that the cooperative movement is in need of cooperation with trade unions. Cooperators never willfully place cooperation in a position subject to any other movement, either labor, political, or religious. The cooperative movement is based upon entirely different principles. It is not a class organization. It aims to represent all consumers — they are everybody, including workers. Workers in the cooperative movement with a grievance, have redress within their own organization. They may take their problem, first, to the management. If satisfaction is not had, they may next go to the directors. Then they may bring their problem to a members' meeting, if they so desire. Here, with each worker a member and a voter also, is the unique character of the cooperative. At the members' meeting the workers have a right to be heard, and they should expect a sympathetic hearing. Outside of the cooperative there is no such machinery for the employees.

The right to strike cannot be denied workers in any business. But in the cooperative movement everything is subject to the consent of the workers. A strike is unthinkable in a cooperative hospital; and every other cooperative should be equally protected from such a calamity. Agreements between employer and employee exists it should be settled by the local society. If the existing organization is not adequate, then a Local Board of Arbitration should be created. This should consist of two members appointed by the workers and two by the employers. If the local society cannot settle its own differences, the next step is for the District Board of Arbitration to take the problem out into the capitalistic field. The next step is the provision of a District Board of Arbitration created the same as above. If the District Board fails to arrive at a settlement, a National Board of Arbitration is the final provision. This Board may have an impartial chairman, and one odd member to guarantee a conclusion. The other boards may have such an odd member if a speedy conclusion is desired.

The Goal Ahead

Cooperators are sympathetic to labor. According to the Bureau of Labor Statistics of the International Labour Office, the employees of cooperative societies enjoy better working conditions and better pay than in competing profit business. By becoming members, the workers also have a voice different from the one held by workers in a democratic economic system. This places upon the Society the responsibility for the success of the cooperative movement. It is theirs to assure that the cooperative order and the cooperative system fosters the rapid expansion of free enterprise and potentially hostile alliances. The workers protect themselves and the society which gives them employment as they go moving on toward an economic system in which those who perform useful service shall be rewarded best and served best.

Common Problem

HUMANITY is engaged in a great struggle. Through trial and error we are attempting a formula for the material and social well-being of all people. Cooperators are trying to weave the patterns in the tapestry of human destiny. We take our cues from apparent successes without too much analysis and future planning. Such a procedure usually leads to social impasses and threatening chaos. If our impelled path to future progress is to be clarified, a stock taking of human values and social practices becomes imperative.

Today we are at the cross-road of new experiences in human history. In conquering time and space we reduced the entire world (our material habitat) into a common community. By applied sciences we demolished the age-old monster of material scarcity. The former makes us neighbors to folks of many kinds and climes, of many languages and traditions, philosophies and religions. The latter induces "shadow-boxing" with the phantom of scarcity in a futile effort to make operative obsolete and outmoded economic functions.

We are living between two worlds; the one dying and the other struggling to be born. By accident rather than choice humanity is faced to face with a two-fold gigantic world problem—the equitable distribution of the material plenty to which we are heirs; and the replacing of prejudice, suspicion and greed by love, trust, and service among ourselves and all mankind.

Consumers Must Prevent Monopoly Price Fixing

We make haste to say that most of the world's social miscarriages are caused by unsound if not intolerable business principles such a producer-conscious, profit-motive system fosters. If, as the widely acclaimed, consumers' cooperatives are "an economic approach to world peace," it follows that the material and social well-being of all people—a livable and living philosophy—lies upon toward an economic system in which those who perform useful service shall be rewarded best and served best.

Consumers' Cooperation

May, 1937

R. N. Benjamin
President, Pennsylvania Farm Bureau

A few generalities, not hypotetic or specious but actual occurrences. Steel companies announced increased prices for steel before they increased the wage scale. Since steel companies have agreed to control wages unless they can also be controlled in the interest of the masses of consumers.

Some labor leaders already recognize consumers' cooperatives as an efficient corrective measure. This is a happy thought in the light of an unprecedented labor movement which, it is estimated, will have 12 or more million members within the next two or three years. Consumer cooperatives among organized labor may be expected to be a humanizing influence as well as a force of unyielding force at the expense of the consuming masses.

Automobile dealers, at this writing, are not permitted to quote prices except on machines in stock as the result of rapidly advancing steel and higher wages. Parallel to this is the soaring of steel on the stock market along with other stocks. The result is renewed impetus to inflation and speculation. All this crowds the consumer farther out on the limb of rising prices with dangerous forebodings for the future. That another depression is impending is now openly conceded even in official circles.

"Isn't it about time the consumer be heard in conferences which concern price-
fixing and the rising cost of living?" runs a recent press editorial. "The consumer," it goes on to say, "is at the end of the line with no one else to whom he can pass the price rise. In the final round of the great game of Economic Tag, the consumer is 'It'."

The Rochdale Remedy

A century ago the Equitable Pioneers of Rochdale were caught in the same economic net. Did they retreat and refuse to buy at higher prices? For a while, yes. But then they recognized that by using the profits to pay the rising price, the resulting price structure was not merely to their own benefit. They re-routed private profits to their own coffers. Although meager at first, they reaped the benefits of learning into the bloodstream of the profit-takers. In ever-increasing volumes, these returns provided for a capital structure of production and distribution for "made for use" products under the ownership and control of their voluntary organization of consumers. Thus they demonstrated to all consumers everywhere how to constantly increase their own and thereby deny to profit-seeking the concentration of wealth and power. Here then, is to be found our inspiration and information.

A sane plan in harmony with abundance suggests a change "from a machine driven economy to one driven by living a machine," according to one variant of a consumer cooperation program. Consumers' cooperatives in many instances already have attained such objectives. When farmers apply the principles of consumers' cooperation in the purchase of steel products, for example, they will in time gain ownership of the portion of this industry that supplies them with steel products. As employers, these farmer-consumers will best serve their own interests in giving a just reward to labor. In turn the organized labor-consumer will purchase the products of the farmers at reasonable prices and price terms agreeable to both parties. This consumer-producer compact will completely eliminate monopolies—the ever present demoralization of economic exploitation and incipience. Anything short of this invites insecurity in the free and equitable exchange between the products of industry and of the farms.

Government Regulation Futile

As to the impotence of government regulations in the interest of the consumer one example should suffice. In the early days of the A.A.A., farmers received 6c per pound for pork. The housewife paid 40c per pound. After allowing for A.A.A. taxes, license tax and a reasonable amount for processing and distribution there remained an "unaccountable spread of 25c per pound. Many consumers refused to buy, could not buy, or purchased at a reduced price to consumers who bought. Such were the absurd practices in our futile effort to revive the potency of scarcity functions in the midst of abundance.

In private enterprise the motive is to operate on a price structure made possible only in a system of economic scarcity. There are no profits for anyone in surpluses, hence there is no incentive to induce a state of "artificial scarcity" in the midst of "plenty plenty."

"Too much of our present-day exchange of values is bottle-necked through a channel as narrow as Wall Street. Too is collected coming and going as the greatly restricted flow of values passes between the producer and the ultimate consumer. Without a release on "Agricultural Income" by the Federal Trade Commission, we quote a most significant statement, and such reports are seldom subject to exaggeration. "For the consumer aware of the costs of distribution he cannot expect to be kept in satisfaction check without consumer cooperatives, and the increased consumption thereby obtained for the great masses of the people would also be of substantial benefit to the farmer."

This statement is an open confession of inadequate control by government over distribution, production, processing and distributing, and an acknowledgement of the efficiency of consumer cooperatives to establish a more equitable system of distribution between producers and consumers. Most significant is the fact that a few days later the United Farmers in Washington suggested withdrawal of the paragraph here quoted. This approach is of special interest because it is recognized of critical governmental efforts to bridge the gap between producers and consumers. These attempts, honest for the most part, perhaps, the best approach within the scope of government functions while monopoly control exists. More parity in prices to farmers, laborers and small industry called for immediate relief measures. "A shot in the arm" may temporarily resuscitate "scarcity economy"—the dying patient.

The Consumer Re-discovered

"Classical economics," with its "jungle laws" of free competition, attempts to devise economic laws to the dignity of a free existence and apart from sociology. Any efforts to make our market conditions from their social, cultural and spiritual setting is both fallacious and futile. Natural laws are not made; they are discovered. Sound economic laws are not man-made; they are the growth of natural processes. The Equitable Pioneers made a discovery. This led to the rediscovery of the consumer, well known to the savage ancestry, but later forgotten in the material mainstream we now call civilization.

"We are consumers by birth and nature, and producers by nurture and necessity," says Dr. Horace Kallen. "If, then, he says, an economy would en-channel the basic drives of men and would be responsive to their inner urges, as ideal must be the ideal of man as consumer. When we view the scene of economic action and its social aspects, we are obliged to completely withdraw from the ranks as producers. In short, we are consumer-conscious. This means a complete right about face. It means that we approach our problems from a consumer viewpoint. Radical as this may seem, it is obviously the rational. We thus address ourselves to consumers."

In contrast to the futile efforts of strikes, picketing and government regulation, let us consider one example of consumer approach. In Maynard, Massachusetts, a town of about 8,000, the Farm Bureau established the United Cooperative Society in 1907. Farmers and townsmen alike enjoy its benefits as a buying center. The milk consumed, about 1,450 quarts daily, is produced by the farmers at $1.98 per 100 pounds. The farmer nets $3.43 per 100 pounds, while workers selling to bigger firms receive $1.98 per 100 pounds for 3.6% milk. It is easy to see that equity and fairness are concerned, so far as milk goes, is a reality.

Cooperatives are usually motivated to correct unfair business practices inherent in a scarcity economy. The types that interest us are motivated by realizing that they are an efficient vehicle in bringing security and justice to all consumers—the classless group that includes everybody. The latent motive has enduring qualities and suggests a permanent program. The Pennsylvania Farm Bureau Cooperative Association cheerfully accepts this program, tries to meet its challenges, and proposes not to deviate from it.

Consumer Organization Necessary

We maintain that no marketing program, cooperative associations included, has in any way, and only by involving the present marketing problems except by some form of direct consumer-producer compact. Farmer-producers by their own efforts cannot span the gap between the source of food products and the city consumer. As farmers, we have gone as far as we can. Further progress and complete success on the part of both depends upon the voluntary associations of consumers. With such objectives we promise to do our part in assisting the consumers of the city to 'put their house in order.'

The foregoing broadly suggests that voluntary associations of consumers in the form of consumers' cooperatives become more and more self-sufficient as we gradually recover control and ownership of the physical instruments of service in an ever-widening circle; that these cooperatives function for all interests; and that they utilize entire field and shop outputs within efficient reach in an ever-widening circle, not of territory, but of commodities and services. Whether we like it or not, we must work together. Thus production and distribution will emanate from a natural source where sound economic laws obtain. Its control will be natural limitations, not arbitrary

Consumers' Cooperation

May, 1937

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WELCOME BUILDERS OF A BETTER WORLD

Over the stage welcoming the delegates to the 20th Annual Meeting of the Central Cooperative Wholesale of Supermarkets, the Wholesalers Union of Ohio, another sign described in concise words the purpose of this cooperative group to which America owes so much, “People Need and People Want.” There is no indefiniteness to the statements of this group that they are out for all who have needs. As consumers, our interests are identical with those of all other consumers. As producers, we bid to freely exchange the products of the farms at a par with the producers of all other products. We feel confident that the Rochdale Principles of Consumers’ Cooperatives offer the most equitable and efficient program, and sincerely recommend it to our fellow-consumers.

The burden for correctives rests on the doorstep of the consumer. Upon us, the consumers, devolves the responsibility of establishing economic functions without an economy of plenty. A belated awakening of an apathetic public in the form of voluntary associations of consumers could be so arranged as to serve our own interest and that of the country.

Hereby may humanity build an automatic society where economic efforts are spontaneously and voluntarily directed from the same common source. Thus also we may initiate a program of limitless production and distribution motivated by service. It is a program that embraces economic interests synonymous to consumer and producer alike—the basis for security and peace.

As farmers, we beg to become a part of this picture. As consumers, our interests are identical with those of all other consumers. As producers, we bid to freely exchange the products of the farms without restriction to the producers of all other products. We feel confident that the Rochdale Principles of Consumers’ Cooperatives offer the most equitable and efficient program, and sincerely recommend it to our fellow-consumers.

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serve affiliated cooperatives in Colorado and adjoining territory. The warehouse will likely occupy 120,000 square feet and will add other commodities as the volume of business warrants it. The Denver warehouse is the ninth established by CCA.

LaGrange, Indiana—Over three hundred young people attended a district meeting of the Cooperative Study Clubs, April 12, to form a federation of all the meeting of the Cooperative Study Clubs, April 16, that membership has in

Kosciusko counties. The federation will

New York—The Workmen’s Mutual Fire Insurance Society, one of the oldest cooperatives in the United States, completed its 65th continuous year of operation with an increase in both membership and insurance in force.

John Hofmann, Executive Secretary, declared in his report to the annual meeting April 16, that membership has increased to 60,000, reflecting an increase in excess of $300,000, assets total $1,120,000 and $85,939,000 worth of insurance is now in force.

The cooperative, owned and operated by workingmen, has an “A Plus” rating in Best’s Insurance Manual and is recognized as one of the outstanding insurance organizations of its kind in the field. It is serving members in New York, New Jersey, Illinois, Pennsylvania, California, Maryland, and Missouri, and has applications pending in Connecticut, Ohio, Wisconsin, Michigan and Minnesota.

Racine, Wisconsin—The Racine Consumers Cooperative, just completed a survey of campus co-ops which reveals 20,000 members spending over $1 million dollars more than that reported in a similar survey made a year ago. The increase is due partially to more complete data available and to growth of those previously reported.

Type of Co-ops Members Volume
36 Book stores 80,522 $121,100
30 Dining clubs 1,300 164,850
42 Dormitory cooperatives 3,182 494,500
5 Fraternity buying pools 2,610 619,200
45 Miscellaneous 2,588 41,140
158 70,020 $3,128,000

The 42 dormitory cooperatives, operating 127 dormitory units, some student cooperative associations operating as many as ten dormitories. The number of cooperative units is therefore 238 as compared with 159 a year ago.

New York—Cooperative Distributors, three year old mail order co-op, has added a price differentials between members and non-members and established a one price policy. From its inauguration in 1934, CD has followed a policy of paying dividends in advance to members at prices approxi- mately 10% below non-members prices.

New Haven, Conn.—Fifty delegates representing over a thousand families in eleven consumers cooperatives in Connecticut met here Sunday, May 3, to discuss business and educational problems. Most of the co-ops are in their preliminary stages; only one consumers co-op was in existence in the state two years ago.

New York—The Sebastopol Cooperative moved into new quarters in April and is doing a business nearing $1500 a month. The grocery co-op at Hayward is crowded for space but will remain in the same location until more of its 210 members become “full time cooperators.”

The Patrol to Cooperative Society has reached a volume of $85 a day.

New York—A Conference Tour of Nova Scotia has been arranged which will make it possible for American co-op educators and educators to study at first hand the results of the adult education program which has transformed the eco- nomy of Nova Scotia. The tour will begin with a prelim- inary conference at Antigonish, August 10, and will include a trip to coopera- tive canneries, fisheries, consumers cooperatives and credit unions in mining, fishing and farming areas in Eastern Nova Scotia and Cape Breton Island. The concluding feature will be the Rural and Industrial Conference at Antigonish, August 18 to 20. The tour is under the auspices of the Cooperative League of the U.S.A., in cooperation with the Extension Division of St. Francis Xavier University.

Seattle, Washington—A bill to pro- mote the teaching of cooperation in the schools of the State of Washington was killed by the state Senate after it had passed the House. The bill was sponsored by the Washington State Grange.

The mail order co-op is now serving 8000 individual and club members and 150 affiliated non-profit organizations.

Pittsburgh, Pa.—The Western Penn- sylvania Council of Consumer Cooperatives has been organized to strengthen the educational activities of cooperative clubs in that area. Ten clubs with more than 1,500 family members are represented in the federation.

Washington, D. C.—“We are seeking democratic solutions to our problems of war and unemployment not merely because we prefer democracy to autocracy, but because there can be no real solutions which are not democratic,” Edward A. Filene told the Women’s National Demo- cratic Club meeting here, April 6.

“War and unemployment are definite- ly problems of distribution, and can be abolished only by democratic distribution —distribution to all the people of the things which they must have if they are to live peacefully and enjoyably. Consumers cooperative is furnishing the answer. I didn’t say it is going to. I said it is; for the consumers cooperative movement in America is growing by leaps and bounds. And these cooperatives are not only thriving but are orienting the minds of their members to the facts of modern life. Our choice is be- tween Democracy—incorporating economic democracy—and chaos.”

ERRATA

An error was made in printing the statistics on the Evanston Consumers Cooperative, in the article “Cooperation Advances in A Midwest Community” by Wade Crawford Barclay, in the April issue of Consumer Cooperative. The following are the correct statistics on the growth of “Chicago’s Fastest Growing Cooperative.”

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Paid-in share capital $490 $1156 $2532
Grocery sales at retail: groceries and milk $2119 11,390 18,976
Net savings: all operations $30 105 320
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Grocery sales at retail: groceries and milk $2119 11,390 18,976
Net savings: all operations $30 105 320
Total assets 718,235 5,944
Total net worth $50 1,539 4,135
Patronage dividend paid $572 268 555
General reserve 5 58 781
Because of our error, it appeared that the Evanston cooperative had refunded its entire net worth in patronage dividends.

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LITERATURE

Cooperation: The Dominant Economic Idea of the Consumers' Cooperatives, Rev. Edgar Schmiedeler, Building Through Cooperative Action, the story Cooperative Health Associations, Bureau of Cooperatives, Ryllis Alexander Goslin, Foreign Questions Facing Consumers, a guide for discussion

WHY NOT TAKE ONE OF THESE COOPERATIVE TOURS?

A Trip to Cooperative Europe

The Cooperative League's Fourth Annual Trip to Cooperative Europe will sail from New York on the Queen Mary, July 28 and devote seven weeks to the study of cooperatives in England, Scotland, Norway, Sweden, Finland, Denmark, Belgium and France. In each "cooperative capital" leaders of the cooperative movement will join with members of the tour party to discuss problems of cooperative development. The Triennial Congress of the International Cooperative Alliance, bringing representatives from 39 countries to Paris, September 6 to 9 will be a high point of the tour.

Robert Smith, educational director, Eastern Cooperative League, will be the tour leader. Complete Cost, $261.00.

With Trans-Atlantic bookings heavier than ever, it is imperative that those planning to take the tour should register at once.

Cooperatives in Nova Scotia

A Conference Tour of Nova Scotia has been arranged for August 9 through 20, to provide an opportunity for Americans cooperators and educators to see the remarkable social and economic developments which have come from the cooperative program of St. Francis Xavier University. Starting with a three day informal seminar at Antigonish August 9-12, the touring party will spend five days visiting cooperative fish and lobster canneries, saw mills, stores, credit unions and other services in mining, farming and fishing areas of Nova Scotia and Cape Breton. The tour will conclude at the Rural and Industrial Conference which will bring 800 leaders of cooperatives in Nova Scotia to Antigonish, August 13-15.

The tour is sponsored by The Cooperative League in cooperation with the Extension Division of St. Francis Xavier University. Dr. J. Henry Carpenter, former Director of the Kagawa Institute, will lead the tour. Complete Cost, August 10-20, $261.00.

Since the tour will be conducted on a cooperative basis any surplus remaining after all costs will be refunded to members of the tour.

THE COOPERATIVE LEAGUE

167 West 12th Street
New York City

For Information write

THE COOPERATIVE LEAGUE

Consumers' Cooperation

SOME CURRENT COOPERATIVE SAYINGS

"What's the good of getting more money at the pay window and having it all taken away at the pay window?"—Oscar Ameringer, Editor, American Guardian.

"Political democracy is a shell unless it is backed up by economic democracy."—Henry A. Wallace, Secretary of Agriculture.

"To become a real cooperator means a change of heart. Men have to learn a new attitude toward their fellow men."—Professor Fred Hall, co-author of the British textbook "Cooperation."

"Dominance from the top down in political science is called despotism, but in economic science it is called capitalism."—Rev. Charles B. Azize, St. Benedict's College.

"Political democracy is effective only to the extent that it is supplemented by popular education. Economic democracy likewise will be effective only to the extent that consumers receive economic education."—Prof. J. C. Drury, Department of Marketing, New York University.

"The social and economic changes that our people are facing are an evidence not only of the growing up of the masses but of their consciousness and will to use this power. . . . The use of this power in line with the greatest advantage to our country can best be demonstrated through consumers' cooperation."—E. A. Fileine.

"Ethical brotherhood, educational freedom, political democracy and economic cooperation are all expressions and applications in various fields of the same fundamental principles of liberty, equality and fraternity."—Bertram B. Fowler.
THE CONTROL OF PRICES
BOOM AND BUST AGAIN

Our competition-for-profit economic system is in another boom and on the way to another bust. High-priced statisticians for speculators are endeavoring to predict for their employers when the peak will likely be reached, in order that they may unload on some one else just before the break takes place. It was approximately eighteen months from the time stocks reached an average of $200 before the break took place in 1929; we have now again reached a price of $200; the future is uncertain.

The two lines on the chart showing the range of wholesale commodity and common stock prices since 1910 tell the story of American business. During the war period, from 1915 to 1920, the price of common stocks remained fairly stable in spite of the fact that wholesale commodity prices more than doubled, from an index figure of 100 to 226, after which commodity prices broke heavily. From 1921 to 1929, on the other hand, commodity prices remained fairly steady, at about an index figure of 92, while common stock prices rose until they reached an average of $381 for thirty industrial stocks before they broke. It should be noted that the 1920 break was preceded only by a rise in commodity prices, while the 1929 break was preceded only by a rise in common stock prices. In other words, we had primarily only commodity gambling in 1920 and only stock speculation in 1929, while today we have both—wholesale commodity prices and common stock prices are now going up at the same time. What will we find at the end of this speculative-gambling rainbow?

An Immediate Program for Cooperatives

The first question is what cooperatives should do as an immediate program in view of the present rising prices. There are two special precautions which cooperatives should take. First of all, they should not overload themselves with excessive inventories, on which, while they may seem to make an immediate paper profit, they would eventually lose in a decline in inventory values. Secondly, cooperatives should not pay out all of their savings in patronage dividends but should build up reserves to handle an increased volume of business without borrowing and without providing for possible losses. The second question is how to control prices in the long run.

Producers Will Not Control Prices

It should first be realized that a producers-profit economic order will not control prices of either commodities or stocks to prevent booms and busts. We do not have free competition, which is the only means by which prices can be controlled in a capitalistic order. Today prices are largely monopolistically controlled, either by single monopolies or by agreements among a few large producers and distributors who are not only able to control prices but are constantly impelled to push prices up to increase profits.

It is plain to every one that the greatest need today is wide-spread purchasing power on the part of the masses of the people. Only through purchasing power depends upon lower prices and increased pay, but business men are so blinded by profits that they are preparing to cut their own throats again by raising prices and reducing profits. Appeals and warnings are of no avail. The Brookings Institution, after an exhaustive study, recommends that business should voluntarily reduce rather than raise prices. But business does the reverse. A spokesman for farmers says that "In the long run the industrialist would do well to reduce rather than raise prices. But business does the reverse. A spokesman for farmers says that "In the long run the industrialist would do well to reduce rather than raise prices. But business does the reverse."

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through paying only a limited interest on shares. Mr. Clifford V. Gregory, a member of the President's Inquiry on Cooperative Enterprise in Europe, emphasized that the elimination of financial racketeering was to him the outstanding accomplishment of the Cooperative movement as he viewed it in Europe.

Consumers' Cooperatives likewise prevented commodity gambling as well as stock speculation. Necessarily there will always be some price fluctuations due to the current supply of and demand for single, whole following thousands, to study a successful experiment in cooperative development. I found so much more to the St. Francis Xavier University extension work that I have been forced to change a great many of my ideas.

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In other words, I found a group that very definitely was building on the belief that democracy represents their ideal state. Cooperation, as the economic system of democracy, is to be used to wipe out those inequalities and injustices which make possible the rise of fascism or communism.

While there is no doubt in my mind that many cooperators will be inclined to disagree sharply with me I would ask these friends to bear with me, to study more closely the work done by St. Francis Xavier University, its establishments and change these accomplishments have forced in the thinking of the people themselves.

Salvaging Communities

Most cooperators have heard of the work done in such communities as Judique, Little Dover, Larry's River, Mabou, Mines, St. Andrews, fishing village, mining town, that if properly conducted and financed, all present the same picture to the student of cooperation. The method of building is plain and clear. From the foundation up, the whole technique of building is unmistakably apparent.

First there was education. In St. Francis Xavier University you find a parallel of the Danish Folk School, set up to develop the leaders who would carry forward the democratic ideal in their own communities. In the communities you find the Swedish discussion circle method carried out by these graduates of the folk school.

This education, if I may be allowed to follow the simile, is the cement that holds together the foundation stones of democracy. In Nova Scotia, this technique of foundation building has been well carried out. And no effort to superimpose a cooperative structure is attempted until this foundation is soundly and securely laid.

Here, I believe, is the difference between what St. Francis Xavier University has done and the cooperatives that we find in many sections of the United States and Canada. In these groups there has been perhaps a very laudable belief in the cooperative technique. But in many of them the theme of democracy has not been considered. We find in many instances very little beyond a more cooperative business structure rather than the beginning of a new democracy.

Revolt Against Poverty

Nowhere is this more apparent than in the work done in several of the mining towns. In these localities, when the extension work was begun, communist doctrine was being preached openly among the miners. The leaders of the St. Francis Xavier University extension work wasted no time in futile argument with these men. They saw them wise enough to see that these young men were turning toward communist theories because they were intelligent enough to revolt against a vicious system that was impoverishing them.

Educational work in these communities was directed to showing these men that they were revolting, not against democracy, but against the evils that had been allowed to almost destroy democracy. They were shown that there was not a question of failure of democracy, but rather a failure to understand and utilize democracy.

The first lessons consisted of frank appraisals of the various systems by which

A UNIVERSITY TEACHES DEMOCRACY

HAVING spent several weeks at Antigonish and in the surrounding provinces of Eastern Canada studying the extension work done in the St. Francis Xavier University and its influence, not only upon the communities where the educational work has been established, but upon the whole of the Eastern Canadian Scene, certain definite conclusions have been impressed upon me.

To begin, I visited Nova Scotia, as having hundreds of others, and as, no doubt, following thousands, to study a successful experiment in cooperative development. I found so much more to the St. Francis Xavier University extension work that I have been forced to change a great many of my ideas.

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Consumers' Cooperation

Bertram B. Fowler

June, 1937

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the peoples of the world were living. These young men and women were shown that they could make democracy work and what, if they did, would be the logical outcome.

Positive Democracy

That the program was so eminently successful is a proof, in my mind, that there is on the North American continent a real desire for authentic democracy. For, when the technique of action had been distilled into these men, they saw their former communist activities as mere evasions of the problem that faced them. They realized that they had been propagating vague theories when nothing but economic action would avail them.

So well was educational work done that today the communist agitators in town after town have become the leaders in a constructive cooperative program. These young people were given an outlet for their idealism and energies. Democracy began to appear before them as something worth working and fighting for. As they saw this and went to work, the great change that is now apparent in Nova Scotia began to take place. Little Dover, for instance, came up out of the slough of the most horrible and soul-destroying poverty to show a face of self-reliance and self-respect. Any community problem now is accepted, not as something to be deplored and resented, but as a challenge to initiative and intelligence.

While many of our leading cooperators still cling to the idea of a consumer-dominated society, the Nova Scotia experiment has in a measure challenged this, not by the propounding of an opposite theory, but by sound constructive action. Those who have co-operating go hand in hand as they do in few other sections of the continent. St. Francis Xavier University teaches a philosophy of action by the primary producer, the farmer and fishermen, in conjunction with the consumers they serve. Because of this the University has been able to break down the barriers between organized mine workers and unorganized farmers and fishermen. They have been able to prove to these people that in a true democracy both primary producer and consumer must have equal justice and authority. As a result there has been built in Nova Scotia a clear and intelligent understanding that the evils imposed on them were so imposed by a system of middle men monopoly, which destroyed both primary producer and consumer.

I believe that this is one of the great contributions of Nova Scotia to the American co-operative movement. They have shown the way we must follow if we are ever to heal the breach that has existed so long between the vast agrarian population and the army of organized labor in the cities.

Community Action

Speaking before an audience of miners in Reserve Mines I was given an example of what St. Francis Xavier University has done to awaken the community spirit among these miners. In this study club I found men who had glimpsed something of what cooperation meant. One of them in propounding a question told me that in the mines they were all insured against accident. They had their own system of medical attention and hospitalization. But these men declared that they were interested in working out their own system of cooperative medicine. They desired this, they told me, because while they individually were covered, the rest of the community was unprotected. And, in the democracy they visaged, such a condition could not go unchallenged.

This is the spirit that St. Francis Xavier University has aroused in the communities with which it is concerned. Could the same spirit be aroused across the whole sweep of the continent then the democracy of which so many of us dream would be on the way to becoming an actuality.

Spreading Through the Maritimes

The importance of this view lies in the fact that its spread over surrounding areas has been almost phenomenal. In Prince Edward Island the adult educational program has been patterned on the St. Francis Xavier University example. There a group of mine workers and fishermen, farmers and townpeople, welded together in intelligence and cooperation, banded together as producers and consumers, have formed a Cooperative Economic Society in an unorganized area, and with this organization have been able to break down the barriers between producer and consumer. They have been able to show that there is a great and glorious work to be done by this once obscure little University. It is a movement that embraces the ideals for which generations on this continent have fought and striven.

If enough cooperators from all over the continent could see the magnificent work done by this once obscure little University some grand and glorious things would take place in our movement.

(COOPERATIVE EDUCATION IN THE NORTH CENTRAL STATES)

We have been hearing much lately about the consistent growth of our co-operative movement in the United States. This is indeed great news but such news has increasing interest when we realize that there has also been a corresponding increase in educational activities among our cooperatives. Here in the North Central States there is abundance of evidence that educational activities are increasing among co-operative business leaders realize their values and are willing to put aside a larger percentage of earnings for educational purposes. Business and education are cooperative, or they would not be. The enlarged educational program is creating a distinct social consciousness among cooperative membership in certain areas, which social consciousness develops a stronger sense of loyalty and adherence to true co-operative principles.

The Job and Who Does It

The story of the educational activities divides itself easily along the following lines: 1) Training Schools for employees, 2) membership education, 3) cooperative youth education, 4) cooperative conferences for directors, members and employees together.

The cooperative agencies carrying on this educational program include the Northern States Cooperative League, the Northern States Cooperative Guilds, Cooperative Youth League, Cen-
Employee Training Schools

These schools all have one main purpose, that of definitely training those already employed among cooperative members to qualify for positions in the movement. The courses of study given are of both a theoretical and practical nature and in general in all schools run as follows: Cooperative Principles, Methods and History; Organization, Administration and Management; Marketing, either petroleum products and farm supplies or groceries, dependent upon the organization presenting the course. (The N.S.C.L. school covered petroleum products, the C.C.W. school covered both petroleum products and groceries; Parliamentary Procedure and Public Speaking, Economics—contrast Capitalist Economics with Consumer Economics; Social or Human Relationships; Bookkeeping. The amount of emphasis placed on various subjects depends largely upon the organization sponsoring the school, the personnel of the staff and the purpose for which any particular school may have been set up. A record of training schools in our territory in 1936-37 is as follows:

<table>
<thead>
<tr>
<th>Sponsoring Organization:</th>
<th>Length of School</th>
<th>No. of Students</th>
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<tbody>
<tr>
<td>1. F.U.C.E., St. Paul*</td>
<td>3 Weeks School, 1936</td>
<td>4 from F.U.C.E. 25</td>
</tr>
<tr>
<td>2. C.C.W. &amp; N.S.C.L. Superior, Wis.</td>
<td>1 Week School, 1937</td>
<td>6 from C.C.W. 35</td>
</tr>
<tr>
<td>3. N.S.C.L. Minneapolis, Minn.</td>
<td>8 Weeks School, 1936</td>
<td>4 from N.S.C.L. 18</td>
</tr>
<tr>
<td>4. Coopers’ Life Assn. Minneapolis, Minn.</td>
<td>1 Week School, 1936</td>
<td>4 from C.C.W. 35</td>
</tr>
<tr>
<td>5. Midland Co-op Wholesale Minneapolis, Minn.</td>
<td>2 Day Schools, 1937</td>
<td>1 from N.S.C.L. 5</td>
</tr>
<tr>
<td></td>
<td>4 Weeks School, 1936</td>
<td>6 from Midland 80</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6 from Midland 80</td>
</tr>
</tbody>
</table>

| Totals 7 Training Schools | 27 Weeks of School | 32 Staff Members 274 Students |

Member Institutes

Member Institutes are established largely for the purpose of acquainting the membership of the cooperative movement with the general philosophy and practices of the consumer cooperative movement. Such institutes usually include people from ages of 18 and upwards. The summer session is the best time for short institutes although among the Farmers’ Union people 3 or 4 week schools are definitely on the schedule for every winter from now on. The reason for winter institutes is that the farm youth are free for study then whereas the summer months are filled with farm activities. The main courses given are: Cooperative Principles and Methods; Organization; Consumer Economics; Public Speaking; Parliamentary Procedure and Recitation; Community Singing, Folk Dancing. Dramatics, Games, etc. The record of such member institutes follows:

<table>
<thead>
<tr>
<th>Length of School</th>
<th>No. of Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. F.U.C.E. Service</td>
<td>3 Weeks School, 1936</td>
</tr>
<tr>
<td></td>
<td>3 Weeks School, 1937</td>
</tr>
<tr>
<td></td>
<td>3 Weeks School, 1937</td>
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</tr>
</tbody>
</table>

Youth Institutes and Camps

Youth Institutes and camps are for the purpose of introducing juniors and juveniles to the cooperative movement. The record follows:

<table>
<thead>
<tr>
<th>Length of School or Camp</th>
<th>Staff</th>
<th>No. of Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Farmers’ Union N. Dak.</td>
<td>4 from F.U. Staff 40</td>
<td>40-50</td>
</tr>
<tr>
<td>2. Farmers’ Union Wis.</td>
<td>4 from F.U. Staff 64</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1 from N.S.C.L. 52</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4 From F.U. Staff 45</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4 from N.S.C.L. 52</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4 from N.S.C.L. 52</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3 from C.C.W. 52</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15 Staff Members 61</td>
</tr>
</tbody>
</table>

Cooperative Educational Conferences and Circuit Schools

The Midland Co-op Wholesale has been the chief sponsor of the circuit school idea and has developed the conference likewise remarkably well. For example, two such Midland conferences this year, one at Minneapolis and the other at Milwaukee brought together some 600 people, directors, managers and employees for two series of three day conferences.

Circuit Schools were promoted by Midland in 1936 in 16 communities in Minnesota and some 12 communities in Wisconsin. People interested in each community met once a week for six weeks to discuss cooperation under the leadership of a Midland staff member. Some 750 people attended schools in these communities.

Two special features of the Midland program included: 1) Advanced Institute on Cooperation held at Grand View College, Des Moines, the latter part of April and first part of May, 1936. Some 40 students representing several wholesale organizations in the Midwest attended. 2) College Cooperative Institute at Hamline University, one week in June, 1936. Thirteen men and women from 5 colleges in Minnesota and Wisconsin attended.

In all of the wholesale territories in this section district meetings of directors, managers and employees are customary.
such meetings occurring about once every three months.

The totals of these records give us this picture. About 63 weeks of cooperative education in 18 months, with some 1,278 students coming under the influence of cooperative teachers and leaders. Add to this those attending conferences, reading cooperative publications, etc., and we begin to realize the extent of our cooperative educational activities.

Such meetings were held, at which the attend- 

ty developments.

mer camps in Wisconsin, North Dakota, and Montana: the Northern States Women’s Cooperative Guilds expect to organize nine camps; the Cooperative Youth League will have its four weeks Youths Courses at Brule, and Mid- 

land will have its summer schools and conferences.

Such educational effort cannot be wasted; it will in fact largely determine the success of these cooperative organizations. What needs to be done is to in- 

frequent and into these plans and programs so as to have all these organizations which are carrying on this work moving towards one definite goal in their educational efforts. Unity and harmony in edu- 

of the province and into New Brunswick, 

the adult education in 18 months, with some 1,278 items, the co-op has extended its opera-

The number of Credit Unions has in- 

increased from 45 in 1935 to 90 in 1936; 

the use of the Study Clubs, and in addi-

tion kept thirty traveling libraries of 

stores each in circulation among the clubs.

Those who are fortunate enough to be able to take the League’s Cooperative Tour to Nova Scotia during August of this year will be able to see all of these significant developments first hand.

The delegates to the wholesale voted 

in 1936 Dr. Charles A. Beard, Presi- 

dent of St. Francis Xavier University, Antigonish, Nova Scotia.

The movement has now spread from 

Eastern Nova Scotia to the western part of the province and into New Brunswick. Prince Edward Island and Newfoundland as well. To take care of the in- 

creased demand for educators and organ- 

izers, the Extension Staff has been in- 

creased to three full-time and three part- 

time.

During the year over 700 general 

meetings were held, at which the attendance was 60,000, as compared with 450 

meetings and an attendance of 27,000 in 

1936.

Study clubs increased from 940 in 

1935 to 1,026 in 1936; with an increase in 

correspondence from 8,460 to 10,000. An 

increasing number of study clubs have 

organized themselves into associations which hold joint meetings once a month and together lay plans for new community 

developments.

The number of Credit Unions has in- 

creased from 45 in 1935 to 90 in 1936; 

stores from 18 to 25, with 14 additional

stores under way. Lobster factories and 

fish plants have increased from 19 to 30.

In 1936 Dr. Charles A. Beard, Presi-

dent of St. Francis Xavier University, Antigonish, Nova Scotia.

The movement has now spread from 

Eastern Nova Scotia to the western part of the province and into New Brunswick. Prince Edward Island and Newfoundland as well. To take care of the in-

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izers, the Extension Staff has been increased to three full-time and three part-time.

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The number of Credit Unions has increased from 45 in 1935 to 90 in 1936; stores from 18 to 25, with 14 additional

CONSUMERS’ COOPERATIVES IN ACTION

Waukegan—Three hundred delegates and members met here May 1 and 2, for the 11th Annual Congress of the Central States Cooperative League; delegations represented 60 cooperative associations as contrasted with 38 members coop-

ers in 1936 and 13 when the League was organized 1927.

Methods of cooperative education and organization and immediate problems of distribution were major considerations of the congress. A special commission was appointed to study the relation of the League to cooperative federations which have been formed to carry on intensive educational work in smaller areas within the territory of the League.

The Cooperative Wholesale, organized by the League a year ago, reported at its first annual meeting May 3, that 43 retail cooperatives have affiliated with it. During its year of operation the business of the wholesale has grown so large that it was necessary to open a new ware-

HOUSE. Although still in its organizational stage, the Co-op showed a net saving of 26% for the year. Starting with 32 items, the co-op has extended its operations and now handles 261 commodities, many of which are under the Co-op's own label.

The delegates to the wholesale voted that the organization use such agencies as the U. S. Bureau of Standards and Consumers Union for grading and ob-

taining specifications on merchandise which it handles.

Indianapolis — United Cooperatives, Inc. is now completing construction of a new oil compounding plant which will serve cooperatives affiliated with the Farm Bureau cooperative in Michigan. Indiana, Ohio, Pennsylvania and Mary-

land, the Grange cooperatives in New York, the Southern States Cooperative, Richmond, Virginia and the Farmers Cooperative in Cooperative Exchange, Raleigh, North Caro-

olina.

The fire proof, steel and concrete building will cost $1.500,000 and will begin operation in July. Plans are also under consideration for a cooperative compounding plant at Warren, Pennsyl-

vania to serve more of the cooperatives in the eastern section of the territory served by United Cooperatives.

Mora, Minnesota — Kanabec County led the State of Minnesota in percentage of petroleum products handled by coop-

eratives in 1936. The co-ops in Kanabec handled 72.5% of all the petroleum products shipped into the county. Several other counties reported cooperhandled more than 50% of the in-shipments.

In 1936, 1,333,735 gallons of gasoline shipped to Mora, the county seat, 951,439 gallons went to the cooperatives. This is slightly over 71%: more than 75% of the kerosene and 86% of the kerosene went to the cooperatives. This is slightly over 71%: more than 75% of the kerosene and 86% of the kerosene went to the cooperatives.

Wichita, Kansas — A year ago the Wichita Negro Civic League discussed the possibility of organizing a consumer cooperative as a step toward the solution of the Negro’s economic problem. From this discussion has grown the Consumers Cooperative Fuel and Mercantile Corporation which now has 85 fully paid members and does a business of more than $1500 a month. The Co-op handles coal, paint, and groceries and is conducting an intensive education program to help build the cooperative.

New York City—The Consumers Co-

operative Movement was “On the Air” for two nation-wide broadcasts during the week of May 16-22.

Sunday evening, May 16, Dr. J. P. Warbars, President of The Cooperative League and Michael Schapp, President of Bloomington, one of New York’s largest department stores, debated “Co-op-

ers’ Cooperatives vs. Private Profit Business.” The debate was a feature of the WOR Forum series and was carried on a nationwide hook-up of the Mutual Broadcasting System.

Wednesday evening, May 19, Jacob Baker, Member of the Inquiry on Cooper-

ative Enterprise in Europe and author of “Cooperative Enterprise,” discussed the report of the Inquiry over the Colum-

bia Broadcasting System.

Des Moines, Iowa—Publicity and Edu-

cational Directors from the major retail
and wholesale cooperatives, cooperative federations and district leagues will meet at Green Bay, Wis., College, Des Moines, June 18 to 20 to discuss education and public relations problems facing the cooperative movement. The conference is being called by the educational committee of the Cooperative League.

The Conference will consider the function of women and youth organizations in cooperatives; discussion circles, members at meetings; institutes and training schools; recreation and social drama; public and private schools, adult and workers education; and the use of the press, radio and motion pictures in advancing the cooperative movement.

New York—Eight major cooperative wholesale associations handling groceries, petroleum products and farm supplies reported sales increases totaling more than five million dollars last year. Sales of $21,938,000 in 1935 increased to $27,798,000 in 1936 to show a gain of 25.8% for the year. While one cooperative wholesale, the Farmers Union Central Exchange, Minneapolis, showed a small decrease in business due to the drouth, other co-ops reported gains as high as 60% for the Ohio Farm Bureau Cooperative, affiliated with The Cooperative League.

The cooperatives reporting, all of them affiliated with The Cooperative League of the U.S.A., were:

<table>
<thead>
<tr>
<th>Cooperative</th>
<th>1936</th>
<th>1935</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Cooperative Wholesale</td>
<td>$2,845,741</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Consumers Cooperative</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>A. M. N. Kansas City</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Farmers Union Central Exchange</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Exchange, St. Paul</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Grange Cooperative Wholesale</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Wholesale, Seattle</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Indiana Farm Bureau Coop.</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>A. M. Indianapolis</td>
<td>$2,423,106</td>
<td>$2,423,106</td>
</tr>
<tr>
<td>Midland Cooperative Wholesale</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Wholesale, Minneapolis</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Ohio Farm Bureau Coop.</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>A. M. Columbus</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Penn. Farm Bureau Coop.</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>A. M. Harrisburg</td>
<td>$2,185,245</td>
<td>$2,185,245</td>
</tr>
<tr>
<td>Other cooperatives</td>
<td>$27,798,061</td>
<td>$21,938,063</td>
</tr>
</tbody>
</table>

Other cooperatives which have not yet reported are expected to show smaller gains for 1936.

Madison, Wisconsin.—The University of Wisconsin is offering two courses in Consumers Cooperation at its summer sessions. One in the division of General Economics will be taught by Professors Harold M. Groves. The second will be given in the department of Agricultural Economics and will be taught by Professor Henry H. Bakken.

Washington, D. C. — The Monthly Survey of Business, published by the American Federation of Labor points out in its May issue:

"Of vital concern to Labor in the present business situation is the rapid rise of prices. All our efforts to raise wages and living standards to provide increased buying power will avail nothing whatever if the rise of living costs cancels every wage increase." "To profiteer by raising prices at a time when more than $9,000,000 are still without work in private industry is an act of treason against the welfare of the nation."

Trade union members in foreign countries and farmers in the United States have greatly reduced the cost of goods they buy through consumers cooperatives, these cooperatives, starting in retail business and eventually taking over the manufacture of the goods they sell. In Sweden, a central organization of cooperatives and carefully planned government action has succeeded in utilizing the advantages of modern industry to raise the living standard.

Minneapolis, Minn.—The first quarter of 1937 showed the Cooperative Oil Association, affiliated with The Cooperative League, a volume of business in the station on the Labor Temple lot increased 27 per cent over the preceding year. The volume of the second station was 64 per cent higher, and the cooperative opened a third station at Eighth and East Hennepin Streets. The net worth of the cooperative has grown from $6,600 as of March 31, 1936 to $14,947. The fuel oil department sales are expected to total 1,600,000 this season.

Palo Alto, California—The home of Herbert Hoover and Stanford University is now also the home of a thriving consumers' cooperative. Organized in 1935, by five consumers, the cooperative today has a membership of 156 families. Operates a grocery store of its own and has cooperative buying contracts for laundry service, gas, oil and tires. The co-op has two full time employees and has declared its third patronage dividend. More than 40 years ago Leland Stanford, the founder of Stanford University, provided a building grant that the University should offer courses in cooperation. No full course in consumers' cooperation is offered although 18 other colleges teach special courses in the subject.

New York—The Rural Electrification Administration completed its second year of operation May 11, having stimulated the electrification of American farms at a rate unprecedented in American history. Since its inauguration the REA has allocated $60,000,000 for the construction of power lines which will bring light and power for the first time to 200,000 farm homes. Administrators point out that the lion's share of loans has been made to cooperatives and that without the leadership of farm cooperatives it would have been impossible to launch the present extensive program.

Ohio Farm Bureau cooperatives have completed power lines to serve nearly 5,000 farms in seven counties. Projects have been outlined for 27 counties and it is estimated that 50,000 farms are to be served when the program is completed. Lines are being energized for 75 to 100 farms a day.

Indiana Farm Bureau cooperatives have completed six projects under construction and eighteen additional projects have been approved in 42 states. The Norris-Rayburn bill, which gave permanent status to the electrification program, provides for the allocation of $40,000,000 annually for the next nine years on 20-year-loans for the construction of power lines which will extend the convenience of light and power to the 85% of American farm homes now without electric service.

New York—Eighteen American colleges are teaching special courses on the major rural electric associations in the state are affiliated with Federated Electric Cooperatives.

Wisconsin co-ops have set up the Wisconsin Rural Electric Cooperative Association to rush the construction of power lines in rural Wisconsin. Cooperatives in Illinois are pushing six projects with an estimated cost of $1,500,000 to build 1600 miles of lines to serve 8,000 farm families.

Iowa cooperatives are taking the leadership in the construction of generating plants to furnish their own power. Ohio cooperatives found it necessary to build generating plants when private profit utilities, offered lucrative contracts, refused to furnish power for several cooperatives.

The Rural Electrification Administration reports that projects have already been approved in 42 states. The Norris-Rayburn bill, which gave permanent status to the electrification program, provides for the allocation of $40,000,000 annually for the next nine years on 20-year-loans for the construction of power lines which will extend the convenience of light and power to the 85% of American farm homes now without electric service.
Cooperative Movement and consumers cooperation is discussed in courses in economics and sociology on 131 campuses, according to a survey just completed by The Cooperative League.

The findings, based on 135 replies to questionnaires sent to heads of economics and sociology departments, show a tremendous increase of interest in academic circles when compared to findings of a similar survey two and a half years ago. In the fall of 1934 only 24 of the 101 colleges reporting taught courses in the American Cooperative Society. There are now 184 courses offered in over 135 colleges.

State College, University of Minnesota, University of Wisconsin, Washington State College, Louisiana State University, Teachers College, Columbia University, North Dakota State College, Antioch College, Hamline University, American International College, University of Maryland, Butler University, College of the City of New York, Ohio State University, Lewis Institute, University of Newark, St. Vincents College, and Baylor University. Of these the University of Minnesota and Wisconsin, Kansas, Louisiana and Connecticut State Colleges, Antioch and St. Vincents Colleges include special courses on the organization and management of cooperatives.

Elk City, Oklahoma — Medical interest, perturbed at the success of the Co-operative Hospital which has provided medical service to its members for $25 per family per year, have attempted to undermine the project by demanding that the license of its founder Dr. Michael Shadid be revoked.

Dr. Shadid points out the effect on the hospital which such action would have, and in an appeal for continuance of the license he declared:

"I plead for the Community Hospital, the first cooperative hospital in the nation. I plead for the 15,000 men, women and children who pay off their investments out of their purse and for the 100,000 who should and may have access to medical service on a basis they can afford. I plead for the untutored, the unprivileged, the disinterested and the poor, whose only refuge is in consumers' cooperation."

BOOK REVIEWS


The literary style of this work is far better than the encounters in most of our cooperative books. Mr. Elliott handles his English well and has produced a readable book. Those parts are weak which are largely statistical in nature. He has given much information which is not to be found elsewhere, including a discussion of a cooperative started in England.

The Cooperative proves to be more than the means of saving the farm, for John is hired to conduct the full course for the next year in a new view of things.

The struggle of this courageous young couple for a living and the part the cooperative plays in turning this struggle into a 'way of life' is a story which appeals to all readers. Mr. Heyliger gives us a vivid picture of the joys and hardships of farm life, emphasizing particularly the fact that while John and Linda had courage and determination they could never have come through their first year without the help and cooperation of their friends and neighbors. "Seems like when folks pull together they always manages," is Aunt Hattie's prediction of their future success and Mr. Heyliger's challenge to America.

Ellen Edwards


The constantly increasing demand for information on the subject of Consumers' Cooperation has prompted the publishing of the above booklet by H. H. Hannum of the United Farmers of Ontario, which organization is a new member of the National Cooperatives, Inc. The pamphlet contains ten chapters which discuss the history and development of the Consumers' Cooperative Movement concluding with one entitled "Nova Scotia Wins Spotlight" telling the story of the Consumers' Cooperative movement which have been the foundation of the Cooperative organizations there. The final section of the pamphlet tells in detail of the organization and operation of discussion groups. It is a valuable contribution to cooperative discussion group material.

FIRE INSURANCE

SAFETY-ECOLOGICAL-COOPERATIVE WORKMEN'S MUTUAL FIRE INSURANCE SOCIETY

227 East 40th Street, New York, N. Y.
Member of The Cooperative League and the U. S. A. Under supervision of N. Y. State Insurance Department.
THE PRESS BOOSTS CONSUMERS' COOPERATION

American Federationist, March and April, "An Idea Worth Hundreds of Dollars.
American Observer, April 19, "Cooperatives Make World-Wide Strides.
Building America, March, "We Consumers" Entire Issue.
Business Week, March 27, "Co-op Census on the Way.
Christian Register, April 22, "Distribution," Edward A. Filene.
Consumers Guide, March 8, "Five Days With Ohio Consumers.
Quarry Workers Journal, April, "The Worker as a Consumer," Wallace J. Campbell.
Railway Clerk, March 11, "The Worker as a Cooperative Consumer," Wallace J. Campbell.
Railway Carmen's Journal, April, "The Worker as a Cooperative Consumer," Wallace J. Campbell.
Rural America, April, "Youth Need Cooperative Endeavor," Neil Bolton.
Torten Henriksson.

WHY NOT TAKE ONE OF THESE COOPERATIVE TOURS?

A Tour to Cooperative Europe

The Cooperative League's Fourth Annual Triennial Congress to Cooperative Europe will sail from New York, September 6 to 9 with members of the tour party to discuss problems of cooperative development. The Triennial Congress of the International Cooperative Alliance, bringing representatives from 39 countries to Paris, September 6 to 9 will be a high point of the tour. Robert Smith, educational director, Eastern Cooperative League, will be the tour leader. Complete cost: $487.

With Trans-Atlantic bookings higher than ever, it is imperative that those planning to take the tour should register at once.

Cooperatives in Nova Scotia

A Conference Tour of Nova Scotia has been arranged for August 9-20 to provide an opportunity for American consumers and educators to see the remarkable and social and economic developments which have resulted from the educational and cooperative program of St. Francis Xavier University. Starting with a three day informal seminar, August 9-11, the tour party will spend five days visiting cooperative fish and lobster canneries, saw mills, stores, credit unions and other services in mining, farming and fishing areas of Nova Scotia and Cape Breton. The tour will conclude with the Rural and Industrial Conference which will bring 800 leaders of cooperatives in Nova Scotia to Antigonish, August 18-20.

Brotherhood in business works — the Consumers Cooperative Movement proves it.

On every cooperative might well be inscribed "Dedicated to the determination and ability of the people to serve themselves."

"Democracy is the only moral form of government, whether political or industrial. The cooperative movement offers for the first time a widely applicable and wholly practical technique for democracy in economic relations." — James C. Myers, Industrial Secretary, Federal Council of Churches.

The subject of Consumers Cooperation is now so much discussed that the question "Resolved that the extension of Consumers' Cooperation would contribute to the Public Welfare" was debated by teams representing the Norfolk Prison Colony and the Massachusetts Institute of Technology. It would have been fully in keeping to have brought out the fact that a cooperative economic society would lay the foundation for the elimination of a large percentage of our crime.

The need of a consumers cooperative movement as the common denominator of producer organizations was strongly indicated by Henry A. Wallace, Secretary of Agriculture, in an address before the Society for Ethical Culture in New York City:

"In these class organizations, whether in labor or business or agriculture, the primary motive has been profit . . . There has not yet been perfected a powerful democratic mechanism to serve the general welfare. A mature nation must have such a mechanism."

We say we do, but we do not, "hold these truths to be self-evident—that all men are born free and equal." How have we provided for economic freedom and equality when the attendance at the liberal arts college of the University of Minnesota is divided as follows:

1 for every 1600 adult laborers in the state
1 for every 315 farmers
1 for every 24 business men, and
1 for every 21 bankers
The Rich Become Still Richer

So said Aubrey Williams, Deputy Administrator of the WPA, before the National Recreation Congress. Then he quoted these significant statistics:

108,000 people receive a total income equal to $5,000,000,000,000, which means that one tenth of 1% of the people at the top receive as much as 40% at the bottom.

71% of American families receive less than $1500 a year.

33.5% of American families receive less than $100 a year.

And this in a nation which has the productive capacity to make possible an average of $4,370 per family.

Modern Treasure

Larger profits and higher salaries are accompanied by deeper poverty and greater unemployment. Yet we are so lacking in social morality that corporations and labor generally receive salaries increases in 1936, in spite of the fact that they were already receiving more than they could reasonably consume. The A. P. Douglas Committee on "Survey of Business" says it is "modern treason" when millions are unemployed and still more millions are in poverty. Here are some examples from reports issued by the Securities and Exchange Commission:

<table>
<thead>
<tr>
<th>Company</th>
<th>Salary Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coca-Cola Company</td>
<td>$108,633</td>
</tr>
<tr>
<td>Sun Oil Company</td>
<td>$8,000</td>
</tr>
<tr>
<td>American Tobacco Co.</td>
<td>$65,577</td>
</tr>
<tr>
<td>George W. Hill</td>
<td>$24,173</td>
</tr>
</tbody>
</table>

As long ago as 1758, Rousseau spoke of "men so odious as to dare to have the slogan of selfishness to get all you can and keep all." He said it is "modern treason" when millions are unemployed and still more millions are in poverty. Here are some examples from reports issued by the Securities and Exchange Commission.

A "Perfect Monopolist"

John D. Rockefeller was almost a perfect example of the ideal of our present monopoly system as we have produced or may ever produce. He gained his wealth by predatory greed, by ruthless crushing of competitors. In telling the story of the Standard Oil Company, in "Wine Against Common Wealth", Henry D. Lloyd wrote, "The work is really so distasteful. It keeps me poking about and scavenging in piles of filthy human greed almost too nauseous to handle." Perhaps to absolve these social sins, Rockefeller turned to the task of organizing a scientific method of returning to the people a part of the great wealth he had taken from them. He says he almost became ill in the effort of setting up his philanthropies. He gave away money by the millions and by the billions. He believed that the public was not only able of but in need of changes in the attitude of the public. This is a summarized life story of a modern monopolist, little different from that of a feudal lord or slave owner of older times.

There are young men today, doubtless proof that the administration has also learned something, when it now proposes to take advantage of legal loopholes to evade returning a little of the surplus incomes they receive to the people in the form of wages. They follow the slogan of selfishness to get all you can and keep all. The former President Roosevelt announced an investigation of "tax-dodging millionaires," It should be interesting reading. But why expect anything else? Tax-dodging is only a small part of the social sins of the whole system. Where did their wealth come from in the first place? From war, which is mass murder for profit. From bribery of government officials as a part of fomenting war. From spying and violence, as revealed by the LaFollette Committee in the war of big business against labor organizations.

When the sources of great wealth are...
so corrupt, it is not to be wondered at that equally immoral tactics will be used in attempts to evade returning part of it to the people. The whole trail is an exhibition of the results of a system based on individual selfishness and greed.

Against this, contrast the story of John T. W. Mitchell, the great early president of The Cooperative Wholesale Society of Great Britain. There was every evidence that he could have been a rich private manufacturer. Instead, he gave up his personal business and spent his life in building the greatest non-profit business institution in the world. His income was only sufficient for his simple needs, his estate at his death only nearly nothing. Yet he had enough and also great honor for his integrity. His successors, who are carrying on the business whose foundations he played such a vital part in laying, receive about $5,000 per year, but they have security and superannuation. They do not receive and are not their entire employees. They have their own self-respect and that of the people. It is possible for leaders of business to be honest and upright, if they can build brotherhood into the structure of business, as they do when they organize themselves into consumers cooperatives. As fast as we do, the prediction of Charlotte Perkins Gilman will come true:

But, oh! some people, cold and angry, some renouncing a cent of money, the simple common Human Race, chosen to improve their own place. They had no use for millionaires; they calmly said the world was theirs; they were, so wise, so strong, so many—The millionaire? There wasn’t any! I.C.A. Asks Aid for Spanish Cooperators

The International Cooperative Alliance has issued its third call for aid to cooperators who are victims of the rebellion in Spain. French cooperators are already feeding 2000 Spanish children who are refugees from Madrid and Bilbao, but the need is very great. Although $50,000 has already been contributed by organizations affiliated with the ICA, the amount is "wholly inadequate to meet the great needs of the Spanish cooperators in the tragic situation in which they have been placed—without fault of their own." The message from the ICA reads in part as follows:

The Central Committee, therefore, appeals more strongly than ever before to the cooperator of every country to recognize the obligations of humanity, to provide co-operative brotherhood, by coming without delay, to the aid of their fellow cooperators in Spain who are not only risking their lives and all they hold dear for the entirely justified purpose of saving their country, but are also engaged in a struggle which may well have in its issue the preservation of civilization itself.

Considerable funds have been raised by American cooperators but there are many who have not yet done their bit to help the Spanish people in their hour of need. Funds should be sent to the International Cooperative Alliance through The Cooperative League of the U.S.A., 167 West 12 Street, New York City.

Cooperative Education and Recreation Committees

The most important single element in a local cooperative association is the Board of Directors, the officers or the manager, important as they all are. The most important group is the "Educational and Recreational Committee," if it functions as it should. This committee, which is still non-existent in many American co-operative associations, should be the real insprialional and informational nucleus behind the association. A Board of Directors and a manager who are wise enough to encourage genuine participatory membership to become active on such a committee will find that "constantly greater success in cooperative business follows a sound education and recreation program," the report of the study of the Cooperative League of the U.S.A. indicates. They believe that "the real secret of a great cooperative movement is upon the attitude and activity of such a nucleus that the inner life and real progress of any social movement depends."

In Sweden another writer says that "our study circles is "important enough to influence the creation of general opinion among the 550,000 members of the Cooperative Movement." The cooperative associations in America are now beginning to sense these facts and to appoint such committees and provide them with ample funds from the savings of the cooperative movement to carry on educational and recreational programs."

Comments by European Cooperative Leaders On Their Visits to America in 1936.

HENRY J. MAY, General Secretary of the International Cooperative Alliance, wrote in the January, 1937, issue of the Review of International Cooperation: "There is little doubt but that the Congress at Columbus will mark a milestone in the way of the Cooperative Movement in America towards its integral development. This is evident not only in the intensive activity and enthusiasm of the delegates for the co-operative idea, but also in the realization of the complexity of the economic problem with which its leaders are confronted, and above all, because Cooperation in the U.S.A. has, at long last, found itself."

Sir Fred Hayward, Chairman of the British Cooperative Union, said in an article in the October, 1936, issue of The Cooperative Review: "What one may call a cooperative ferment seems to be now general throughout the United States . . . There seems to be no doubt that the events of recent years have extended the vision of the American people to lands across the sea. They are probably more international in their outlook than ever before, and their readiness to learn the cooperative lessons of the old world for application in the new is a practical piece of cooperation with which it is a privilege to have been associated. The day may not be far distant when we may be able to appeal to America for advice on our cooperative problems."

Hugo Vasan, Managing Director, S.O.K., Finland, wrote in reactions to the American movement in the December 1936 issue of the Review of International Cooperation: "The Americans have, however, gradually come to realize that education is a vital dis- advantage both for the producer and the buying public. In this respect, American distribution has developed in the wrong direction. Agricultural Cooperation, the men of science, the economic research institutions, the educated classes and the press have come to realize that the Consumers' Movement must be set up in order to reduce trading costs and the immediate profits of private enterprise. The forms of enterprise and the organizations now existing cannot be relied upon for this purpose; presumably they are either incapable of doing anything, or have no wish. The Cooperative Movement has become a subject of lively interest in all circles. Agricultural Cooperation is, as we know, strongly developed. The Consumers' Movement, which was really started by Fins, is only just beginning, though it is satisfactory to note that it has recently got fresh wind in its sails."

Robert Murray, Director of Scottish Cooperative Wholesale Society, commented in the January, 1937, issue of The Producer: "Whilst cooperation was forging ahead in Britain and in parts of the continent of Europe, it had vanished almost completely from the minds of men, and sons of men, who had left the Old World to settle in the New. And now, with a kind of startling suddenness, the explosive economic doctrines of cooperation have burst through into the general body of American thought, today they constitute a large element in all public and private discussions relating to social conditions. On this point abundant evidence was presented to us on a recent trip across the continent, from New York to British Columbia and back again. Cooperation was being written about and talked of everywhere. In educational and ethical circles it seemed to be the principal topic of the moment."
FROM GASOLINE TO GROCERIES

Iver Lid
Associate Editor
Midland Cooperator

SUCCESS IN GAS AND OIL

Petroleum sales advanced by surprising leaps at first, then more slowly but still steadily. In the first quarter, 1933, gasoline, kerosene and distillate sales amounted to $322,311 gallons, or about 24 per cent of such sales in Cambridge. The next year, 1934, the volume passed 821,000 gallons, or over 41 per cent of Cambridge sales. In 1935 and 1936 the percentage of all petroleum business remained approximately the same, in spite of advances in gasoline to 704,000 and 812,000, respectively. In the entire county the cooperative handles approximately 35 per cent of all the petroleum products sold.

Moving Into New Fields

The policy of the association has been to expand into new lines and activities whenever the members demanded new commodities or services, and finances permitted. Thus batteries, tires and tubes were added to the line before the beginning. Twine and salt have been handled in large quantities. Some over a year ago a line of farm machinery was added, a particularly valuable addition in view of the total machinery volume of $50,000 in April, 1937.

However, despite the impressive success and advancement made in the lines so far mentioned, the real success of cooperation in Cambridge is evidenced in Department B—the Co-op store.

Their experience in the oil association has been the same, in spite of advances in gasoline to 704,000 and 812,000, respectively. In the entire county the cooperative handles approximately 35 per cent of all the petroleum products sold.

Continuous Cooperative Expansion

The Cambridge co-op has answered these questions merely by succeeding in doing what the theory of continuous expansion implies cannot or should not be done. It proceeded from gas to groceries within two and a half years of its beginning, and it has succeeded in spite of local merchants and chain stores.

In this environment the Isanti County Cooperative Association of Cambridge, Minnesota, practice and theory march hand in hand, and this particular example shines like a beacon for the guidance of other cooperatives.

Moreover, the Cambridge example proves many points about which there has been some doubt and dispute even among cooperators.

Continental Cooperative Expansion

The Cambridge co-op has answered these questions merely by succeeding in doing what the theory of continuous expansion implies cannot or should not be done. It proceeded from gas to groceries within two and a half years of its beginning, and it has succeeded in spite of local merchants and chain stores. Also, "Can a cooperative store succeed without the homogeneous national group which in other localities has provided a definite and dependable clientele from the start?"

Meeting an Urgent Need

Cooperation originates and grows where and when the need is consciously felt. Thus it was at the bottom of the depression in 1932, when the farmer was receiving close to the lowest returns for his labor in the history of American agriculture, that a group of Isanti County farmers, inspired by the success of cooperatives in nearby Mora and Princeton, decided to organize one of their own.

F. J. Linnell and Andrew Boline directed the drive for members. The goal was 300, and an indication of good management. Mr. Linnell served as manager until he was called by the Midland Cooperative Wholesale Association of Cambridge to become manager of its warehouse in Milwaukee. Since then Victor Ericson, one of the original incorporators, has managed the business in addition to serving as secretary of the board.

In this environment the Isanti County cooperators, in the short space of five years, have built a cooperative enterprise which during 1936 reached a business volume of $214,000, upon which they saved over $22,500. In four years and five months they sold themselves $55,762 worth of goods and saved $68,423.

What is perhaps more important, they have built the spirit of cooperation which is becoming more and more manifest in the associations of the people of the whole community.

Diesel sales have grown as follows: 1933, $53,525; 1934, $107,600; 1935, $123,437 (not including the store); 1936, $148,731 (not including the store).

Assets have likewise grown. Total assets were $55,953 as of January 31, 1937. Capital had grown to $13,280 in fully paid shares and $6,107 in partly paid shares. Reserves exceeded $6,000, making the total net worth in excess of $25,000. This much has been accomplished in less than five years.

The association has service stations or pump outlets at twenty points throughout the county. In addition three tank trucks deliver to farmers. The Cambridge headquarters is equipped to give complete service to cars, trucks and tractors.

Dollar sales have grown as follows: 1933, $8,086; 1934, $20,127; 1935, $24,137 (not including the store); 1936, $30,637 (not including the store); 1937, $34,721 (not including the store). Store sales in the first year were $1,200, a creditable amount and an indication of good management.

Each year since then progress has been rapid, and sound also, for the management has been hard-headed and aggressive. Mr. Linnell served as manager until he was called by the Midland Cooperative Wholesale Association of Superior, Wisconsin, which supplies the greater part of the groceries handled. It was in May, 1936, that Mr. Linnell became a member of the Midland Cooperative Wholesale Association, and was in addition an agent for the American Farmers Mutual Auto Insurance Company and a member of the Cooperative Insurance Association, a brokerage organization.

Cambridge cooperators have also organized their own credit union, with membership open to members and patrons and open to the general public.

In opening a store department of the Midland Cooperative Wholesale Association, the Cambridge co-op became a member of the Central Cooperative Wholesale of Superior, Wisconsin, which supplies the greater part of the groceries handled. It was in May, 1936, that Mr. Linnell became a member of the Midland Cooperative Wholesale, and was in addition an agent for the American Farmers Mutual Auto Insurance Company and a member of the Cooperative Insurance Association, a brokerage organization.

The credit union is just beginning to function properly, having 126 members as of May 1, 1937.
COOPERATIVE BURIAL

Editor's Note: Mr. Reuben Schakel, the author of the following article, is President of the Iowa State Federation of Cooperative Burial Associations, Pella, Iowa. This Federation includes ten cooperative burial associations in the State of Iowa, as follows: Pella Cooperative Burial Association, Pella; Fremont Cooperative Burial Association, Fremont; Sioux County Cooperative Burial Association, Sioux Center; Gilman Cooperative Burial Association, Gilman; Benton and adjoining Counties Cooperative Burial Association, Keystone; Winneshiek County Cooperative Burial Association, decorah; O'Brien County Cooperative Burial Association, Sanborn; Lyon County Cooperative Burial Association, George; Whiting Cooperative Burial Association, Whiting; and Decorah Cooperative Burial Association, Decorah.

In September, 1929, a group in and around Pella, Iowa, met together to consider what could be done about the high cost of funeral service and caskets wherever there was a death in their families. It seemed to them that they were being taken advantage of at a time when their bargaining power was at its lowest ebb. After a canvass it was found that very good caskets could be purchased reasonably, and after finding this to be a fact, it appeared to them that embalmers charged an excessive price for their professional services, and were charging that the cost of the caskets was so great that they must charge excessive prices for a complete funeral.

First Steps

As a result, this small group organized themselves and started out to get five hundred families to pay a membership fee of ten dollars per family, and if this were possible, to organize a cooperative burial association under the cooperative law of the State of Iowa. After a few months, 350 families signed up and this group was then called together to incorporate and open up a place of business. A board of nine Directors was elected to fill terms of one, two and three years, and to elect three Directors each year. The Board then employed an embalmer licensed by the State of Iowa, in accordance with the State Board of Health rules and regulations. Oak, metal and cloth covered caskets were purchased from a casket manufacturer, making a complete line to choose from. An up-to-date hearse and all other necessary equipment was purchased, all being paid for out of the membership fees paid in by the 350 families. After three years of operation, a beautiful funeral home was purchased, where it is possible for members to take the bodies of their loved ones and where the services can be held if the family desires. This has proved very satisfactory to both the family and the association. The embalmer has an apartment in the home, and the office of the association is maintained there. The bereaved family can find comfort and quiet in their own funeral home, and their friends can view the remains of their loved ones there.

Burial Without Exploitation

When a death occurs in the family of one of our members, the funeral home is called. The undertaker and one of the Directors, who is appointed by the board, go to the funeral home, and the undertaker, take complete charge of the service.

The family comes to the funeral home and selects a casket of their own choice. Each casket is plainly marked as to price, which ranges from $50 to $125 for the most beautiful oak, mahogany or metal caskets. To this is added $35 for professional services and $12 for the use of the hearse, making a total cost of $97 for the lower price funeral, which is the one used in most cases, up to $172 for the most elaborate one. To this can be added $65 for a metal or concrete vault, which is quite often used.

The membership fee of $10 is not part of the funeral cost, but becomes the property of the association when the last dependent member of the family passes away.

The cost of the funeral is paid to the manager of the association, who is the undertaker, and in any given year the savings on the operation of the cooperative are paid back proportionately to the families who have had funerals in that year.

It has been proven, to be profitable from the beginning, an association must have 500 family members. The Pella Cooperative Burial Association has now 869 family members and is progressing very satisfactorily.

There are ten cooperative burial associations in the State of Iowa which are grouped together into a State Federation for legislative purposes, and for promoting the organization of new associations. As soon as enough associations have been organized in the state, the federation will probably go into the manufacture of caskets and funeral supplies.

The cost of funerals in the localities where the cooperative burial associations operate has been materially reduced, and the Cooperative Movement has rendered another service to the people of these communities of which the Cooperative Movement may well be proud.

NOTE—The following figures have also been supplied by Mr. Schakel for the benefit of groups who may desire to organize Cooperative Burial Associations.

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<th>Original Investment Required</th>
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<td>Assets</td>
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<td>House</td>
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<th>Estimated Year's Operating Budget</th>
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<td>Income</td>
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<td>50 Funerals @ $75 per Funeral</td>
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<td>Operating Savings</td>
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THE BRITISH COOPERATIVE CONGRESS

(Editer's Note: Lionel Perkins has been a student at the Co-operative College, Manchester, dur- ing the past year and extended the greetings of The Cooperative League of the USA to the Con- gress of the Cooperative Union).

The international importance of the Cooperative Movement was stressed by many speakers at the Sixty-Ninth Congress of the Cooperative Union of Great Britain held in Bath, May 15-19. Overseas delegates were present from Belgium, Czechoslovakia, France, Sweden, Canada, and the United States. Our British friends do not conceal their pleasure in hearing how the torch has been carried from that once feeble flame in Rochdale to the ends of the earth. And so this year, according to long pursued custom, the British Congress listened at its first session to fraternal greetings from overseas delegates.

Eighteen hundred and eighty-nine dele- gates presented themselves at the beautiful new Forum Cinema in historic Bath, famed for its hot mineral springs which have brought health to many since the early Roman occupation of England.

A British Congress sits throughout the sessions in one body, and in this respect differs from the American Congresses which are sectionalized after the first general meetings.

The delegates are asked to vote upon the report of the Central Board of the Cooperative Union, to which have been added resolutions and amendments by individual societies.

Cooperation and Politics

Early in the Congress it became evi- dent that closer accord between the Co- operative Movement and Party and the Labor Party was not only desirable but necessary if consumer interests were to be best served. Although but few British Cooperators would deny that political af- filiation is vital for protection of the movement, there still remains the question of its place in the national life. The Cooperative Party (with nine M.P.'s at present), the Labor Par- ty, or a more harmonious working ar- rangement between both parties.

Of equal interest to the delegates was the resolution of the Portland Island So- ciety asking that a committee be formed to work out a method of co-ordination between the C.W.S. and the productive societies which are often competing with each other for the retail societies' trade, offering the same commodity lines. Efforts have been made towards co-ordination before, but have in each instance failed because of the inability of the C.W.S. to guarantee the output of the productive societies, or to absorb their trades.

The resolution was carried.

President Haskins called upon cooper- ators to support to the fullest their Ten Year Plan and, in realization of the great- ness of the Cooperative Movement, to shake off the inferiority complex that grips many cooperators.

The Fruits of Cooperative Production

Perhaps the most interesting occur- rence in Bath during the Congress was outside the meetings of the delegates, was the great Cooperative Exhibition which attracted thousands of people to see the products of the C.W.S. Cooperative Productive Federation and Cooperative Printing Society. Surely no more forcible demonstration of the vast- ness of Cooperative Production has been shown, certainly not more attractively.

Many encouraging statements were made during the week concerning the in- ternational possibilities of cooperative trade in the United States and Britain. Negotiations which were already consummated between the Consumers Cooperative Association, North Kansas City and the S.C.W.S., were also dwelt upon.

The British Cooperative Movement's international policy builds upon the League of Nations and collective security. Delegates' declarations at Bath show the way to securing peace. If cooperators both in England and the United States propagate the cause of peace, then per- haps, we shall have governments bent upon maintaining peace instead of building up a war policy as a means to eco- nomic and social salvation. Mr. George Fiddle, director of C.W.S., wished especi- ally that we in the United States would direct the whole of the cooperative move- ment's sympathy toward peace and the League of Nations, which then would be- come a real world force with the united energies of the English speaking peoples directed toward a common objective.

COOPERATIVE HOUSING

COOPERATIVE housing in America is assured under the terms of the Wagner-Stegall Low-Rent Housing Bill (S-1685 - HR 5033) now pending before Congress.

Although the bulk of the funds pro- vided under the terms of this Bill will be available to local housing authorities for the construction of low-rent housing, cooperative housing societies can receive a total of $100,000,000 in loans during the next four years, beginning with July 1, 1937.

Wagner Act Provisions

The value of the cooperative projects possible under this Bill will be consid- erably higher than the amount of appro- priation; however. In the first place, the maximum which can be loaned to any one cooperative project is 85% of the total development cost—thus the projects built would total at least $118,000,000. In the second place, it is not to be expected that every cooperative project will need the full 85% loan from the United States Housing Authority. Many projects will be able to secure loans from banks, insurance companies, and other private in- vestors, since third party loans (financing in addition to the capital of the coop- erative) are senior to loans by the U.S. Housing Authority.

Demonstration Projects

The Bill also authorizes construction of $25,000,000 worth of demonstration projects during each of the first five years of the program by the U.S. Housing Au- thority, and carefully stipulates that these projects shall either be sold to local hous- ing authorities, or leased to public hous- ing authorities or cooperative housing societies. This provision was included be- cause a few States have not passed the necessary legislation to permit local groups to initiate projects, and it means that cooperative housing is possible in every State.

An Opportunity and a Responsibility for Cooperatives

The Wagner-Stegall Housing Bill is only the beginning of a housing program for the United States, but it creates the definite framework for a continuing na- tion-wide program on a permanent basis. Though the present financial provisions are modest, they can be expanded as ex- perience and needs develop. The coop- erative housing societies of the country have a tremendous opportunity to build houses under the terms of this Bill. And if cooperatives are successful, additional provision will undoubtedly be made for them when the program is expanded.

While the Senate Committee on Edu- cation and Labor recently held public hearings, and indicated its intention of issuing a favorable report in the near future, active support will be vitally im- portant when the Bill is up before the House.

The cooperatives of the country will want to add their approval of this meas- ure to the large number of national and local organizations which are now urging immediate passage. Official resolutions and personal letters to the President and members of Congress are the way to ex- press interest.
CONSUMERS' COOPERATIVES IN ACTION

Springfield, Mass. — Preparations of the new Springfield Consumers Cooperative to take over a gas station on a lease for five years, caused such a rush of trade that three directors of the co-op had to take off their coats and help the old owner pump gasoline. The station opened as a cooperative June 1. The co-op was organized in February with 316 members and pledged share capital of $2,400.

Amarillo, Texas—Consumers Cooperatives Associated added 3,000 individual members to the consumers served through local cooperatives affiliated with the co-op wholesale in 1936, and added $87,229 to its volume of business. The total volume in 1936 stood at $324,124 as against $236,895 in 1935—a gain of 36 per cent.

New York—In August, 1936, Eastern Cooperative Wholesale abandoned its role as broker for a few of the eastern co-ops and set up its own wholesale for the distribution of co-op label products. At its annual meeting May 31, L. E. Woodcock, manager, announced that the wholesale is now serving 157 cooperative stores and buying clubs, as compared to 30 a year ago, 155 products are being distributed under the co-op label and business the first four months of 1937 totaled $160,900 as against $85,492 in the same period a year ago—a gain of 86 per cent.

Eastern Co-op Wholesale has opened a Boston office to serve cooperatives in New England, while the New York office has expanded to occupy three floors of the warehouse building at 112 Charleson Street.

The 150 delegates to the annual meeting took steps to increase capital by voting that all organizations purchasing through the wholesale must affiliate within four months and each retail cooperative shall pay 4 per cent of its annual purchases toward the capital of the wholesale.

Harrisburg, Pa. — The Harrisburg Cooperative Wholesale Association, which for a year had its headquarters in the basement of the Farm Bureau Building, moved downtown early in June and established a store in the main business section.

Chicago—The board of directors of National Cooperatives, meeting here May 18 voted to take further steps to safeguard the co-op label by registering its use on electrical appliances and requiring unanimous approval of member organizations in National Cooperatives for the exclusive use of the trade mark to any outside organization. The right to the use of the label is owned by National Cooperatives.

The Cooperative Wholesale, Inc. of Chicago was voted into membership and will now handle Co-op tires, radios and electrical appliances which are purchased for member organizations of the national cooperative business federation.

National Cooperatives has launched an intensive program on electrical appliances and has held Appliance Shows in Columbus and Kansas City, and plans others in Minneapolis, Superior and Indianapolis.

North Kansas City, Missouri—Howard Cowden, president of Consumers Cooperatives Association, has been invited to address the Congress of the International Cooperative Alliance in Paris in September on the possibility of establishing an International Cooperative Oil Wholesale.

Columbus, Ohio—Twelve hundred farm youth, cooperative managers and employees, county farm bureau and co-op presidents and farm women are expected to attend summer camps and institutes which will be conducted by the education division of the Farm Bureau Cooperative Wholesale, in Chicago this summer. The camps will include six youth camps, three for farm women, three for managers and three for office employees and publicity directors. The camps will range from three to five days in length and will make use of more than a dozen of Ohio's scenic beauty spots.

Maywood, Illinois—Clarence W. Salter, a co-op manager and agricultural research worker, is making a survey of personnel and labor policies in cooperatives. The survey should bring light a wealth of valuable information and has the support of National Cooperatives.

Milwaukee, Wisconsin—A Cooperative Institute sponsored by the Milwaukee County Cooperative League brought together representatives of Midland Cooperative Wholesale, Cooperative Insurance Mutual, West Allegheny Consumers Cooperative, the Peoples Cooperative, the Milwaukee Consumers Association, the Federated Cooperative and the Christian Cooperative Fellowship for a full day session.

The meeting was called to acquaint the people of Milwaukee County with what the co-ops are doing locally. Besides educational addresses, the consumers were treated to a display of cooperative products and services of all kinds.

Lake Elmo, Minnesota—the directors of the American Farmers Mutual Auto Insurance Association took official action to move the main office and annual meeting place to St. Paul, To increase income of the cooperative from $4,000,000 in 1936 to more than $100,000 in 1936. With the move to St. Paul and increasing cooperative business, the chairman expects a double this year again.

Chicago—The Evanston Consumers Cooperative (described in detail in the April issue of Consumers' Cooperative) pushed its sales up from $3,400 in December to $6,300 in April while Consumers Cooperative Services Hyde Park, boosted its sales from $6,700 in December to $7,038 in April.

The joint buying service on vegetables is now doing $1,500 a week in business in Chicago co-ops, and 60,000 a week in the Chicago area at 6,100 with 139 employees and business estimated at $1,450,000 a year. The average of the ten best contracts the union has with competitors of the cooperative is 24.5 per cent above the hourly rate paid by an average of the ten best contracts the union has with competitors of the cooperative.

North Kansas City, Mo. — Ignoring protests from the Ministerial Alliance, local cooperatives and other civic groups, the Board of Education of Kansas City, Kansas refused to reconsider the dismissal of C. O. VanDyke from the faculty of the Junior College. Mr. Van Dyke, a popular and talented professor, was dismissed for his participation in the organization of the local cooperative union.

Labor organizations and the American Civil Liberties Union also protested against the dismissal and 245 out of the 350 students in the school petitioned his reinstatement. But President Frank Rushton of the Board of Education dismissed the protests with the pitiant, "Some of the members of the board have prayed to the Lord that our decisions have been right. The matter is closed."

Washington, D. C. — Cooperation forged forward with the opening May 5 of the Rochdale Restaurant, a cooperative formed to serve government employees and other members of Washington cooperatives.

The business of Rochdale Stores has topped $630,000 each week for more than a month. In the week ending May 8 it was over $720. From January 9 to April 27 the cooperative store did a business of approximately $8,711. An essential part of the Rochdale plan is an assistant manager, with the assistance of a number of volunteer committees are handling the growing business.

Konsum, the gas and oil cooperative reported that gasoline sales reached 1,700 gallons a week in April.
Washington consumers are also operating a Co-op Fashion Shop. The consomers club is buying coal, milk, men's clothing, books, etc. on a collective bar-bargaining contract. And early in May a cooperative housing project was officially organized.

New York—Dr. J. Raymond Walsh, Harvard economist, was elected president of Cooperative Distributors, national mail order cooperative, at the meeting of the board of directors following the annual election May 24. Business of the cooperative increased 30 per cent during the fiscal year totaling $130,652 in 1936 as against $99,726 in 1935. The annual meeting voted to set up special membership committees on education, membership, finance, quality and service check-up and club work to increase the effectiveness of the organization during the coming year.

Brule, Wisconsin—Dr. R. C. Williams of the Resettlement Administration declared high and at a Healthy Farm School, which will make loans of $40 to farmers who can qualify and who desire such loans to enable them to become members of the cooperative. A panel of experts of the Resettlement Administration have urged all to take advantage of the health benefits of cooperative living. The cooperative has increased 30 per cent during the fiscal year totaling $130,652 in 1936 as against $99,726 in 1935. The annual meeting voted to set up special membership committees on education, membership, finance, quality and service check-up and club work to increase the effectiveness of the organization during the coming year.

Madison, Wisconsin —The Madison Consumers Cooperative reports that the cooperative dairy distributed 62,887 points of dairy production in March, a gain of fifty per cent over the quantity handled in the same period last year. The cooper is now using seven trunks and has eleven full time employees.

Marshfield, Wisconsin —Representatives from over 100 cooperatives of various types met here May 27 and completed organization of the Marshfield Cooperative Agency, which will place bond, liability and fire insurance for member cooperatives. Large savings are expected to result from cooperative action in inspecting and ratifying risks and by consolidating purchases in the insurance field. Any bonafide co-op may join by paying a membership fee of $25, of which $15 may be accumulated through patronage dividends.

Oakland, California —Spurred on by the example of cooperatives in other sections of the country, a number of retail cooperatives in Northern California have organized the Cooperative Wholesale Association. The Association will act as a buying agent for retail cooperatives until it builds sufficient volume to establish its own warehouse.

The Seaboard Consumers Cooperative, a national mail order cooperative, opened a general store and service station.

THE COOPERATIVE INSTITUTE

A training course in Consumer Cooperation, both academic and practical, is offered in New York City by the Cooperative League to acceptable students who wish to prepare themselves for service in this field. The first academic course of eight weeks will extend from October 11 to December 3, 1937. It will be followed by eight weeks of field work with cooperative societies. Preliminary requirements to the course, that the R. A. A. degree is preferred, are essential. Students with a college degree are preferred. Aptitude tests must be passed. Students desiring to take the course for its cultural value are also admitted.

The lectures will be held at the New School for Social Research, 66 West 12th Street. Quizzes and discussions will be held at the Cooperative League Home. Dormitory facilities will be found at the nearby YMCA and YWCA. The 10th Street cafeteria of Consumers Cooperative Services offers meals.

The courses cover the sociology and economics of cooperation, the history of cooperative philosophy and principles, and also the administrative aspects of accounting, and as methods of cooperative organization and administration. Cooperation in action will be studied as found in the various kinds of cooperative business. The course will be intensive and will require the full time of the students. The mornings will be devoted to lectures, and the afternoons and evenings to research, reading, observing and working with cooperative societies, and in conferences, round table sessions, and writing and presenting notes on subjects discussed. The fee for the complete course is $50.

Among the teachers in the Cooperative Institute are the following: Arthur E. Albrecht, Mary E. Arnold, Lerry E. Bowman, Winston Carlton, Dr. M. M. Oakes, James C. Drury, Herbert E. Evans, Horace M. Kallen, Lionel Perkins, Werner E. Legi, Dr. Kingoey Roberts, Robert L. Smith, Dr. James Peter Warbaase and Leslie E. Woodcock.

BOOR REVIEWS

Cooperative Enterprise, by Jacob Baker, Vanguard Press, 266 p. $2.50.

(Reviewed through The Cooperative League)

Jacob Baker has long been known as a liberal, interested in social problems. He was assigned by President Roosevelt as the inquiry into the Cooperative Enterprise in Europe, which has recently issued through the government printing office, a full report of its investigation.

Few people have read this report thoroughly, but it is certainly fitting that a popular book on the subject of "Cooperative Enterprise" should come from the press written by Mr. Baker.

The publisher says that it is "not only a primer but a Baedeker on cooperation." It is an intelligent, interesting book which gives the uninitiated a good description of cooperatives in Europe and also point to American sources of information. The book contains a useful list of books and pamphlets on cooperatives.

The author covers, in the first chapter, a discussion of the cooperative idea; a discussion of the motivation behind "cooperative enterprise." These cooperatives might well be published in a small pamphlet for wide distribution. After reading this book, one will feel that many of the inherent sympathy and allegiance of the author to the cooperative movement, and his fairness in fully describing all difficulties the movement is meeting in Europe and America.

Enthusiasts will not like this book. Cooperatives who are the new day coming into being over night will be disappointed in the statement that cooperation in Europe has not harmed private business. Enthusiasts among business leaders will be convinced from the reading that a very dangerous philosophy is upon us and will fervently hope to prevent Mr. Baker from continuing his position in Washington.

Propagandists for and against cooperatives will pass sentences and phrases in this book which they will readily use to advance their own purposes and ideas.

This book should be discussed widely and is so arranged as to be useful for study groups who can use many profitable hours of discussion on its many chapters.

Discussing the place of cooperative enterprise in our economic structure, he says that private enterprise is particularly adapted to those segments of economic activity in which the cooperative element is not large. He feels that government enterprise is requisite in those economic activities in which public security and convenience functionaries are imperative, and says that it is safe to conclude that both private and governmental enterprise will develop their legitimate places, and that cooperative enterprise has an equally legitimate place beside them, though the different scope of each is not susceptible of precise limitation. He feels that "cooperative enterprise is in certain respects different from each of the others, and in some respects like each of them," for "government enterprise rests on sovereignty; private enterprise on contract; cooperative enterprise on the continuance of agreement."

A year ago Mr. Baker's book was predicted as a best seller, and it is hoped it will not be neglected as the cooperative movement continues in its steady work after a great burst of publicity and discussion.

Herbert E. Evans, Vice-President Consumers Cooperative Society of Distribution Cooperation.

THE SHORTEST WAY HOME


Whatever one's conviction about the nature of capitalist decline and the inevitability of a struggle for power with a ruling class, it is a fact that in certain small countries of Europe major trends have in many instances run counter to those in larger Western nations which still have a democratic form of government. The cooperative farm tenancy in Denmark, as the authors of these books show, has been rapidly reduced during the past three or four decades until today only about five per cent of all Danish farms are operated by tenants. In contrast the percentage of tenant-operated farms in this country went from 28.1 in 1890 to 42.4 in 1930.

And in ways that are less susceptible of statistical proof the trend of life has been in a different direction. There has been little or no evidence of

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July, 1937
COOPERATIVE COMMENT ON CURRENT NEWS

The Cooperative Movement is itself a natural agency of peace. The Cooperatives promote peace by promoting cooperation. —Dr. J. P. Warburge.

The profit system only operates under conditions of scarcity. There is no profit in plenty for everybody,—N. R. Benjamin.

Cooperation is a spiritual force which throws up great individuals. —C. H. Grilling of Great Britain at the 1934 Congress of the International Cooperative Alliance.

We would say "Amen" to this announcement of a cooperative picnic at Mineola, Kansas. "You won't be bothered to listen to a speech, just cats and fun and you make the fun." Our observation is that while there are places for speeches, it is doubtful if they are of much consequence at picnics.

In an article in Common Sense Prof. Harry A. Overstreet quotes the comment of a friend of his on the rapid organization of consumers' cooperatives throughout the Middle West as having this significance: "The declaration of political independence was signed in the East; the declaration of economic independence is being signed in the Middle West."

Midland Cooperative Wholesale has a striking sign in its office, which other wholesalers as well as retailers might well copy:

"Both Capitalism and Cooperation Are Built from Patronage. Which System Does Your Patronage Help Build?"

Producers, whether farmers or labor, cannot have their economic rights unless they are also possessors — individual owners of farms and homes, and cooperative owners of industries, utilities and finance. The people must first solve the problem of just distribution of ownership as producers and consumers before they can solve the problem of just distribution of incomes and jobs.

Secretary of Agriculture Wallace charts the course of future social progress in these words, "The land beyond the new frontier will be conquered by the

THE PRESS BOOSTS CONSUMERS' COOPERATION


Business Week, May 15, "Co-op Sales Grow.

Canadian Unionist, April, "The Cooperative Movement in Canada.


Consumers Guide, April, "Cooperating for Better Food.

Cooperative Merchandiser, May, "President's Consumers Cooperative Report.

Eagle Magazine, May, "Spending at a Profit.


Our Times, February 11, "Knocking Profits Out of Price.

Printers, March 25, "Mr. Filene Stays in Case," "Reply of Edward A. Filene to The Cooperative Scene.""Public Welfare News, April, "Cooperation among the People.


Railroad Transportation, May, "Cooperative Progress of the "


New York Post, April 11, "Cooperative Families Build Own Lighting Plant Here.

Consumers' Cooperative
continuous social inventions of men whose hearts are free from bitterness, prejudice, hatred, greed and fear; by men whose hearts are ablaze with the extraordinary beauty of the scientific, artistic and spiritual wealth now before us, if only we reach out confidently together."

"Perfectly Legal"

The close connection between corporate and individual morality is revealed in recent Congressional hearings. General Motors, U.S. Steel, Continental grain, among our largest corporations, were revealed as employing spies and establishing arsenals in the way of guns and gas, surely immoral practices. Now Myron C. Taylor, chairman of the U.S. Steel Corporation and Alfred P. Sloan, Jr., chairman of the General Motors Corporation are revealed as incorporating family residences and yachts and deducting expenses from their income tax statements, likewise surely immoral practices. It matters not if all of these corporate and individual practices are "perfectly legal" as claimed. The American ideal stretches out beyond legality into the realm of morality. But so long as we permit a business system based on "greed for gain" just so long will we have similar illustrations of both corporations and their officers involved in such immoral or unsocial actions.

Common Cause

As a concise statement of what is happening to farmers, workers and dealers we submit the following, "We submit the following: "The technique of industry has reduced the small businessman, the average farmer and the individual industries to a vast machine which operates as a unit with control never having this control. We have seen, in consequence, the small business man being crushed under the wheel of concentration, with customers then only will workers enjoy both decent working and living conditions. Cooperators could not easily do better in phrasing the issue but they could as he did not, present the answer which is the vital necessity today. Mr. Young spoke as follows:"

"We have taken accumulated purchasing power from those who have an excess ever present need and redistributed it among having little or none. By that method we maintained a reasonable minimum production of consumer goods and have restored the production of capital goods. It was an effort to maintain a low standard of living during a great depression. "Now that the emergency is over, we face squarely the question of how to get a better living than we have ever had. Are we to try to get it by cooperation and persuasion through peaceful evolution or by force and revolution? That is the challenge to the science of better living."

The Farm and the Factory

Henry Ford is right that "the farm and the factory are natural allies. One is incomplete without the other. They never should be separated, for each has the power to heal the very economic ills that may fell." Likewise that "with one foot on the land and one in industry, America is safe." These are true words indeed. However, once the economic depression so that workers can have gardens and flowers, so that their feet will not have to pound the pavement continuously from slum to shop. Electricity makes possible the wise distribution of power for production and the quick transportation of workers. But a correct theory and the mechanical possibility are not enough. Before industrial decentralization can be accomplished to any great extent the ownership of industry must first be decentralized. Then and only then will workers enjoy both decent working and living conditions. Furthermore industrial ownership will only be decentralized by consumers cooperative organization. Consumers are the common denominator of farm and factory producers; they are the only means of bringing about their alliance.

Consumers' Cooperation

August, 1937

Owen D. Young States a Problem But Gives No Answer

Speaking on the subject of "The Science of Better Living," at Purdue University, Owen D. Young, chairman of the board of the General Electric Company clearly described the methods we have used to restore a minimum of purchasing power and then stated the problem ahead of us. Cooperators could not easily do better in phrasing the issue but they could as he did not, present the answer which is the vital necessity today. Mr. Young spoke as follows:"

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"A Plague on Both Your Houses"

Thus President Roosevelt detours a discussion of the current labor-capital conflict. Perhaps it may be "good politics" to do so, but the American people cannot as easily wash their hands of the problem.

The excesses of labor, no matter how much they are, are largely induced by the prior excesses of capital. Gridler's expression "Sure, we've got 'em" epitomizes the facts revealed by the LaFollett Commission committee that modern industries today are armed arsenals with private armies and spies. Read the stories of the Republic shootings on Memorial Day (think of such things happening such a day). Police reports are flatly contradicted by unimpeachable eye witnesses and by still less impeachable moving pictures and still photographs. The Police Commissioner, who admittedly he had never read the coroner's report that the victim were shot in the back or side, offered the lame excuse that "you cannot do that when you are on the ground" when there was no evidence that the policemen were on the ground.

From the days of the Tolpuddle martyrs, who were courted and banished to banish deep sea tows for bettering their common interests as producers, as well as from the days of the Rochdale pioneers who organized to better their common interests as consumers, the struggle has been continuous one of the property rights, of the few vs the human rights of the many.

The blood of millions has been spilled in political and economic wars. What amounts to a struggle for re-organizing to better their common interests as producers, in order to better their common interests as consumers, the struggle has been continuous one of the property rights, of the few vs the human rights of the many.

The Golden Opportunity Still Exists

An editorial comment on the death of Frank Vanderlip with this hopeful suggestion to young men: "Looking back at that career, there seems no reason to suppose that his meteoric rise would be any more impossible than it was then to a man of Frank Vanderlip's rare qualities." We are in no wise disparaging the career of Mr. Vanderlip when we ask whether America wants to produce any more of its young men, whether or not any other young man of equal qualities wants to follow in his footsteps.

For America the question is the advantage of leaving capital for organizing consumers and producers cooperatives. Such conflicts as are now having should accelerate the realization of this fact on the part of all workers and the more rapid organization to that end. Only by such action can these last sacrifices of human beings be properly commemorated.

CONSUMERS COOPERATION IN CHICAGO

CONSUMER cooperation is going in Chicago. Listing only the newer co-operatives there are now 11 groceries, 3 meat markets, 2 milk delivery routes, a bakery, 4 credit unions, 4 recreational clubs, 3 women's guilds and 2 youth leagues, a newspaper and a restaurant. The society recently declared a 5 per cent rebate to members on their 1936 purchases of $709,735 (631,408 in 1935).

The society has had varying fortunes but have shown definitely that they aim to do business at the rate of $425,000 a year. None of the above figures include the co-operatives in Waukegan, North Chicago and Gary. Including them the grand total Chicagoland co-op membership is 6,000, the employees, 138, and the business $1,460,000 a year.

Early Chicago Cooperatives

Grandaddy of the movement in the Chicago area is the Cooperative Trading Company of Waukegan, now managed by J. Lucki. Brought out of a milk can in 1910 by Finnish leaders, the society now has 2,250 members, operates 6 grocery and meat markets, a bakery shop, retail bakery, ice cream department, milk pasteurizing and bottling plant and a service station. The society recently declared a 5 per cent rebate to members on their 1936 purchases of $709,735 (631,408 in 1935).

Second oldest co-op society in Chicago is the Consumers Cooperative Society of Waukegan, 3206 Wilton Avenue, Chicago. Started in 1920 by the society of the same name. This Swedish-American enterprise was born in 1913. Since its reorganization in 1934 along strictly Rochdale lines (previously membership had been limited) it has been stepping up the business in its restaurant and bakery at a great rate, and its "smorgasbord," or buffet supper, meals are becoming co-op famous throughout the city. The restaurant and bakery together, owned by 200 members, did a business of $74,000 last year, a jump of $5,750 over 1935.

Next to appear on the Chicago co-op scene was the Workmen's Cooperative Mercantile Association, 2659 South Pulaski Road, founded by Bohemians. It will celebrate its 20th birthday this fall, and its manager, John Koncny, has been with the society ever since it was born. The society has had varying fortunes but in the last two years its 560 members have shown definitely that they aim to go places. Sales last year totaled $31,700, reached $8,700 in the first quarter of 1937.

Three years after the Chicago Bohemians started being their own grocers, the Slovenians in North Chicago and the Slovenians in North Chicago and the Slovenians in North Chicago and the Swedes at the Idrott, and the Bohemians on Chicago's west side survived. The society now has 1,626 members who operate two groceries and 2 meat markets and a service station. The society recently declared a 3 per cent rebate to members on their 1936 purchases of $63,000 from the depression low of $117,000.

For 12 years after 1920 co-ops came and went in Chicago. But only the Fins in Waukegan, the Slovenians in North Chicago, the Swedes at the Idrott, and the Bohemians on Chicago's west side survived. Three years after the Chicago Bohemians started being their own grocers, the Slovenians in North Chicago and the Swedes at the Idrott, and the Bohemians on Chicago's west side survived. The society now has 1,626 members who operate two groceries and 2 meat markets and a service station. The society recently declared a 3 per cent rebate to members on their 1936 purchases of $63,000 from the depression low of $117,000.

Second Generation Co-ops

It was in 1932 that J. L. Reddix and other colored citizens, starting with $24 in shoe string, created the Gary Cooperative Trading Company now owned by 470 members who operate two groceries and meat markets and a service station. There are also a youth league and a credit union. The 1936 volume of business was $35,000.

Then came Consumers Cooperative
done by the public libraries in providing adequate literature for cooperative and educational groups in the study of this subject.

Education in cooperatives was a point of vital concern. Jack McLanahan, of the Evanston Consumers' Cooperative, presented an educational program based on functional educational committees. The Evanston Co-op divides its membership into committees so that all members of the cooperative have an opportunity to participate in the proper functioning of the association.

Cooperative membership meetings were discussed by Glenn W. Thompson of the Midland Cooperative Wholesale, who described the manner in which cooperative membership meetings are conducted among the leaders of the cooperatives of that territory.

The part of the program devoted to the education of cooperative members through guilds was discussed by Elsie Olsen, of the Consumers' Cooperative Association, while Gladys Talbot Edwards, of North Dakota, reported on the Farmers' Union educational program for junior and juvenile groups.

The three wholesalers that have done most in developing adequate employee educational programs were represented by Oscar Cooley of the Central Cooperative Wholesale, Geo. W. Jacobson of the Midland Cooperative Wholesale and H. W. Smoots of the Ohio Farm Bureau Cooperative Association. These three men related the various activities of training cooperative employees in four and eight weeks' schools and week-end institutes and conferences.

Dr. C. A. Olsen, president of Grand View College spoke to the educational directors on "Cooperatives, A Way of Life," describing the social effect of economic cooperation in the creation of co-operative personalities and freeing individuals for leisure and cultural activities which must eventually be the foundation of the new civilization.

The social phases of cooperative were discussed and demonstrated by Carl Hutchison of Ohio, who led discussions on folk games and singing games, while Miss Neva L. Boyd of Northwestern University and Miss Ruth Chairperson of the Theatre Guild, New York, discussed and demonstrated the possibilities of the use of social drama in educating the membership of cooperative institutions.

The Publicity and Educational Committee members held a short meeting at the close of the Conference and decided that the program of the Conference in 1938 should be limited to fewer topics to be determined by a questionnaire which will be sent to the members of the committee to ascertain the nature of the problems that are of primary importance to the cooperative groups at that time. This type of a program will not only give the cooperative educators greater opportunity to exchange ideas on various types and methods of cooperative education, but will also give these representatives an opportunity to think through the solutions to some of the problems now facing the Consumers' Cooperative Movement in America.

E. R. Bowen, in summing up the results of the conference, said that for the first time in the history of the American cooperative movement education and publicity directors of the major cooperative associations had an opportunity to spend three days on a comprehensive program of cooperative education. Annual conferences of educational and publicity directors will make it possible to build a significant foundation for cooperative expansion.

STATE'S EVIDENCE

An Advertising Man Looks at the Co-ops

(Editor's Note: When one of America's outstanding advertising magazines publishes an article by the following "State's Evidence" appeared in the June 19th issue of Printers' Ink. We are reprinting it here not only because it is an interesting article in a advertising journal, but because the article itself is one of the best which has come to our attention on Cooperatives and Quality. In the box on this page the editors of Printers' Ink tell their own story.)

I am, when you come to think of it, a strange animal, but not stranger than millions of others. I am both producer and consumer. What I produce happens to be advertising and its allied services. What my family and I consume is everything that a normal A-class family of six consumes, day in and day out, in treat and expensive and variegated quantities and qualities.

As a producer-consumer, I have something to tell off my chest about this so-called consumer movement.

A Depression Conscience

In the first place, it appears to me that it is not so much an aggressive movement on the part of the consumer as it is a spasmodic guilty conscience on the part of the producer. As a consumer, I have had my doubts. I have read that one opportunity is to spend three days on a comprehensive program of cooperative education. Annual conferences of educational and publicity directors will make it possible to build a significant foundation for cooperative expansion.

In a letter accompanying his article he explains that he is making this confession, if you can call it that, not for pecuniary reward (although of course Printers' Ink will pay him regular space rates), but to get some things off his chest. Possibly he thinks that an honest recital of his experiences as a member of a cooperative buying group will ease his conscience— that is, if his conscience is bothering him, which we seriously doubt. Anyways, this is his story, not ours. So why not let him tell it in his own way and his style, if any, be upon his own head?

Some of the delegates to the National Cooperative Publicity and Education Conference, Grand View College, Des Moines, Iowa, June 18 to 20.

Consumers' Cooperation

August, 1937

Anonymous

STATE'S EVIDENCE

An Advertising Man Looks at the Co-ops

(I'm an advertising man, I have a conscience. I am a consumer and an advertising man. I have a State's Evidence. I don't want it to be used against me. I want it to be used against me."

The gentleman who wrote "State's Evidence" is an advertising man and a good one at that."

In a letter accompanying his article he explains that he is making this confession, if you can call it that, not for pecuniary reward (although of course Printers' Ink will pay him regular space rates), but to get some things off his chest."

He honestly thinks that an honest recital of his experiences as a member of a cooperative buying group will ease his conscience— that is, if his conscience is bothering him, which we seriously doubt."

Anyways, this is his story, not ours. So why not let him tell it in his own way and his style, if any, be upon his own head?"

PRINTERS' INK

The Mrs. and Four Little Consumers

For several weeks my family has been saving around a couple of dollars each seven days as a result of purchasing the major portion of our groceries at this co-op. We also buy there such things as carrots, spinach, oranges, bread and other lives. When we try to analyze why we are doing this, we come to the simple conclusion that it is because we believe it to be good business for our clients, not because we fear the consumer.

The Mrs. and Four Little Consumers

What I really want to get off my chest is this: As the result of joining a cooperative buying organization, I have discovered what the so-called consumer movement is all about.

An advertising man in a cooperative buying organization is a fish out of water, or perhaps more accurately, a very conspicuous person.

Theoretically, as a producer of advertising and an upholder of capitalism, he doesn't belong in one. As a consumer, however, I am buying consumers' goods for Mrs. Consumer and four little Consumers, I am justified if he can buy goods legally for less money than he pays in the regular stores. At least that is what I postulate, and if you consider me a traitor to the profession of advertising and an upholder of capitalism, I don't belong in one either.

This particular cooperative is small but growing fast. It owns a modest grocery store in a suburb of Boston. Its membership consists, not of down-and-out proletarians, trying to save pennies, but of middle-class business and professional men and women who are trying to save dollars and, in addition, to secure something else, which I hope to prove to you is the real object of the alleged consumers movement.

For several weeks my family has been saving around a couple of dollars each seven days as a result of purchasing the major portion of our groceries at this co-op. We also buy there such things as carrots, spinach, oranges, bread and other..."
From our pantry shelves are gradually disappearing packages, bottles, cans and cartons of famous, nationally advertised brands of commodities, and in their room stand packages, bottles, cans and cartons, many of which bear a neat little twin pine tree symbol, or the name of some wholesale or farmers’ cooperative. This is indeed treason, but before you believe me, hear me.

Co-ops and Quality

As a producer of advertising and also as a consumer of foods for some fifty years, I have sampled many entablables and I know good canned peaches from indifferent ones; first-grade bread from airy dough; uniformly juicy oranges from artificially colored and ripened pulpy oranges; and so on. In short, take my word for it when I say that without a single exception every item of food purchased from the Co-op possesses quality. Furthermore, these quality entables can be had at prices that are, as a rule, somewhat under the market prices for similar weights and quantities of standard, nationally advertised competitors.

When I cash my hypothetical “patronage dividend” the price will be still lower.

I shall neither insult nor bore you by telling you in detail how many more ounces of corn flakes we get for each co-operators spent cent than we do when we purchase a package of the best known national brand. I shall in all probability strain your credulity when I say that the cooperative corn flakes, said to be prepared in accordance with a formula worked out at Cornell, are better eating than the national brand which is sold to consumers, and produced in our private laboratory (the dining-room), on four typical young American consumers, demonstrate this to be an unquestioned fact.

The same is true of all the cooperative groceries that we buy. It is strikingly true of the cooperatively manufactured soaps—the toilet cakes, the floating competitor of Ivory, and the chips for the washing machine. They are harder, better, more soapy, more efficient and less initially costly than any of the standard brands we have hitherto used. The same is true of cooperative competitor of an extremely popular cleansing powder, the one that is put up in a shaker and can be seen in eight or nine of every ten bathrooms in the United States. And the same is true, lastly, of the superlative cooperative canned tomato juice that my family buys.

Why We Cooperate

So much for the facts of this experience. What do they mean? I think I know what they mean in the case of my family, but to make sure that we were not too abnormal, I have checked with some dozen friends who are students of the consumer movement and current beneficiaries of cooperative buying. And we all agree that:

While we are glad to save a couple of dollars or more a week (that isn’t a trivial economy in any woman’s budget; it’s $100 a year, which is the income on an investment of $2,000 at 5 per cent)—what delights us with our Co-op is the fact that we are getting better quality.

We are not only getting better quality in one particular item, such as soap, but we are getting better quality in corn flakes, breads, jams, string beans in and out of cans, preserves, canned soups, canned fruits—everywhere. Of course, because of the Co-op we no longer shop around at various different stores—going to Jones because he has good this and then down the block to Smith because his that is the best in town. At the Co-op establishment we get 100 per cent quality no matter what we purchase.

Unless you are a woman feeding a family, you cannot realize what this means. The quality of the food on the table is the woman’s responsibility, no matter whether she cooked it herself after a recipe handed down by her mother, or simply poured into a can and heated it. Every woman wants the food on her table to be good, because if it is, she is a success. And every woman is hounded constantly for the better, tastier food, usually, to be sure, for less money. But irrespective of cost, she wants it right.

Hence every woman who once gets into her head that cooperative quality is better quality, is going to go cooperative. I am witnessing this phenomenon among highly individualistic, Boston-suburban, Landon-Republican neighborhood.

From all reports, the same phenomenon is occurring throughout the nation.

Price, of course, is part of the current cooperative popularity. But as people’s incomes improve, price will not continue to be so important. Quality, however, is a problem with which people, conscious or unconscious consumers, are coping for. Millions of people have been educated by advertising to pay more for quality because in the long run quality is cheaper. Printers’ Ink readers will agree with this statement.

Fighting Quality With Quality

These considerations lead to the simple conclusion for the production of which I hope that my treason will be forgiven: Americans must see that it is possible for the great soap manufacturers to turn out a soap that is as good as or better than the cooperative soap. They ought to be able to make such soap, and they ought to be able to sell it at retail to compete directly with cooperative soap. To accomplish this feat, of course, much more difficult than to advocate it. It means that the capitalistic business to admit the facts of life, face them, act on them, and come out on top.

The job is everybody’s job—manufacturers, distributors of every type, selling experts and, not least of all, advertising men even as you and I.

NATIONAL COOPERATIVE RECREATION SCHOOL

ANY game is played to most of us, but students of the second annual National Cooperative Recreation School, which ended a two-weeks’ session at Grand View College, Des Moines, June 18, discovered that games and dances are as varied as the materials used in the construction of a modern skyscraper, and that a faulty application of them may be just as disastrous to the mental, emotional and social development of an individual as the mistaken use of materials may be to the stability of a building.

As students of cooperative recreation, the fifty educational leaders who were enrolled in this year’s school were interested in learning how to build recreational programs which not only will bring the greatest development of the individual’s own interest and personality, but also will prepare him for enthusiastic participation in group action.

Participation in constructive group action.

Miss Neva L. Boyd of the sociology department of Northwestern University lectured on the philosophy and leadership technique of education through play, on the basis of many years’ study of hundreds of children’s and adults’ games. She also led classes in which students themselves learned the varying patterns of parlor and field games and American and European folk dances.

Recreation—A Basis for Cooperation

Classes sought to learn just why it is that strongly competitive and individualistic games with prizes and rewards tend to make people naturally sympathetic with the competitive profit economy, and just how cooperative education workers can help develop an emotional preparation for democratic group action. They found the answer to lie largely in careful study and selection of games and dances with an eye to patterns which will bring out the desired character development.

Carl Hutchinson of the Ohio Farm Bureau Federation also discussed the philosophy of cooperative recreation in lectures. Social values are almost completely
Consumers' cooperation as it affects both the city and farm consumer received a greater share of attention at the American Institute of Cooperation at Ames, this year than it has at any of the previous sessions of the institute. The meetings this year were held on the beautiful campus of Iowa State College, June 21 to 26. More than a thousand representatives from marketing and purchasing cooperatives in 37 states and Canada took part in the meetings.

Paul H. Douglas, University of Chicago: "There is need for greater unity in the cooperative ranks and for recognition that organizations of both sellers and buyers may take major steps to diminish the wastes of distribution and to organize those processes in the interests of the broad masses of the people. The cooperative movement has a great part to play in preserving the American system of free enterprise against fascism and communism. We can purify our democratic way of life against the attacks of these philosophies only if the progressive forces of our country are energized and work for a sound program."

Joseph G. Knapp, senior economist, Farm Credit Administration: "Cooperative purchasing may be expected to play an increasingly important role in building up a more democratic home life where every man has a larger part in the life of his community."

E. G. Cort, manager, Midland Cooperative Wholesale: "Midwestern farmers are recognizing not only their needs but their strength as consumers. Local cooperative associations are the basis of the entire cooperative development and the federation and expansion of those associations is a step that must be taken if the cooperative movement is to survive and succeed."

E. G. Nourse, director of the Institute of Economics, Brookings Institution: "Marketing cooperatives must explore the newer and more constructive devices for enlarging the growing importance of the cooperative institutes and training camps; the general increase of leisure time; the importance of building cooperative loyalty through close association and the extension of the cooperative movement; and the working of a "family economy" more increasingly apparent the importance of recreation as a basic part of cooperative education.

Several cooperative wholesales, regional organizations and retail co-ops sent delegates to the recreation school; this and the greatly increased attendance this year were evidence that the cooperative movement will eventually take leadership in substituting creative non-profit for commercial recreation.

CONSUMERS' COOPERATIVES IN ACTION

New York—Sydney Elliott, editor of Reynolds News and author of "The English Cooperatives" will arrive in New York July 26 for a brief visit in America. During his trip he will speak in New York, Harrisburg, Washington, Columbus and Chicago.

Mr. Elliott plans to visit as many of America's major co-ops as his one month stay in this country will permit. His itinerary at press times is as follows:

New York, July 26-29
New Haven, July 30-Aug. 1
Hartford, Aug. 2-3
Washington, Aug. 4-6
Columbus, Aug. 9-10
Chicago, Aug. 12-13
Buffalo, Aug. 16-17
New York, Aug. 18-25

Superior, Wisconsin — Total business of Central Cooperative Wholesale for the first five months of 1937 was $1,380,549 or 40.3 per cent more than in the corresponding period in 1936. If business continues at the same rate its 1937 volume will be slightly under $4,000,000.

North Kansas City, Mo.—Since January 1, fourteen cooperative associations have joined the Consumers Cooperative Association, bringing the total number of retail cooperatives holding membership in the association to 356. Six of these are city co-ops in Springfield, Mo.; Lawrence and Wichita, Kansas; Boulder and Denver, Colorado; and Lincoln, Nebraska.

The other eight co-ops are at Hoven, Vermillion and Java, South Dakota; Englewood, Delta and Fort Morgan, Colorado; Almens, Kansas and Highview, Iowa.

Minneapolis—America's first cooperative oil wholesale closed its tenth year of operation with a volume of business ten times that of its first year. E. G. Cort, manager, reported at the Eleventh Annual Meeting of the Midland Cooperative Wholesale here, June 8. With 37 affiliated cooperatives in 1927, Midland's volume stood at $254,000. Ten years later it was serving 160 associations and sales were $3,033,000.

During the past year, Midland established a branch warehouse and oil company's plant at Milwaukee; added electrical appliances to the commodities handled; joined two other co-op wholesalers to take the complete output of a large, modern oil refinery in Oklahoma; assisted the organization of two insurance cooperatives; added 19 retail co-ops to its membership and increased its volume of business 25.16% over the previous year.

Headlining the speaking program were Minnesota's Governor Elmer Benson who praised Midland's ten years of progress as a major factor in the growth of cooperative enterprise and understanding in the Northwest; and Jacob Baker, chair-
man of the Inquiry on Cooperative Enter-
prises in Europe, Carl Thompson, sec-
tary of the Public Ownership League of
America, spoke at the Annual Meeting of
the Federated Electric Cooperative
which was held just before the Midland
meeting.

Important decisions of the meeting in-
cluded a change in the basis of voting to
provide additional votes to larger coop-
eratives in proportion to their purchases
as required by the Minnesota State Law.
The limitation of indebtedness was raised
from $150,000 to $500,000 to facilitate the
handling of Midland's $400,000 a month
volume. Savings on the operation for the
wholesale totaled $71,500. Of this $15,-
000 was placed in reserve and $48,000
and preferred stock.

Salt Lake City, Utah — Forty-one
WPA Adult Education Teachers are at
work on a summer research program to
prepare a Handbook on Cooperative
Medicine, a Manual on Cooperative
Education, Self-help Cooperatives and
Cooperative Housing.

Superior, Wisconsin — The Northern
States Cooperative Women's Guild, at
its annual convention here May 22 and
23, made an extensive program of
education for the coming year. The guild
will place a great deal of emphasis on
supporting youth education and plans to
hold a Women's Vacation Camps which
will combine educational and recreation
features.

The convention welcomed the forma-
tion of a national Cooperative Women's
Guild, passed resolutions condemning
war, fascism and the liquor evil; planned
to extend the use of libraries; arranged to
schedule lecture courses throughout the
territory; and recommended that The Co-
operative League and the cooperative
wholesales affiliated with The League
consider plans for a permanent National
Guild office.

Oakland, California — Following sev-
eral months of negotiations by the Man-
agement Committee, the Board of Direc-
tors of the California Cooperative
Wholesale has signed a contract with an
oil distributor which will make it possible
for co-ops in Northern California to ex-
 pand their service to supply members
with gas and oil.

Washington, D. C. — Since the passage
of the federal law three years ago pro-
viding for ratings for credit un-
ions more than a thousand cooperative
credit organizations have been chartered
by the Farm Credit Administration. In
these three years, loan totals of $11,-
000,000 have been accumulated and mem-
bers have lent to themselves more than
$25,000,000.

Saskatoon, Saskatchewan — The Uni-
versity of Saskatchewan conducted its
first intensive short course for coopera-
tive employees July 12 to 16. The course
which was offered free of charge for co-
operative employees and prospective employees
treated both the broad social significance
of the movement and practical informa-
tion to assist those assuming positions of
responsibility in cooperatives.

Detroit, Michigan — Dr. Horace M.
Kallen, professor of Philosophy at the
New School for Social Research and
author of "The Decline and Rise of the
Progressive Era" spoke at the Michigan
And Radio Station and "The Consumer"
addressed the 75th Annual
Convention of the National Education
Association here July 1st.

Speaking on "Consumers Cooperation
and the Future of Liberty" Dr. Kallen
declared:

"The record of consumer cooperative or-
ganizations in different parts of the world
shows them accomplishing what free coop-
oration was supposed to accomplish but did not.
Consumers cooperatives are run as closely as possible to costs and tend
to reduce cost. It ensures the users the quality of the goods and services they buy. It mul-
tiples varieties and increases quantities with-
out exposing the consumer to the risk that
faces him even with the protective policy of a benevolent government."

Superior, Wisconsin — Central Coop-
erative Wholesale has announced a Co-
operative Training School for pro-
cutives and employees which will open in Superior, September 27 continu-
ing through November 20. Only 35 stu-
dents will be accepted and applications
are limited to residents of the area serv-
ed by The Northern States Cooperative
League and Central Cooperative Whole-
sale.

New York — To meet the needs of peo-
ple who are not eligible for clinics
and yet can not afford the expensive fees of
private physicians, the Cooperative
Health Association of New York has
been organized and a drive for members-
ship is under way. The new health co-op
is working with the Bureau of Coopera-
tive Medicine of The Cooperative
League.

Madison, Wisconsin — With the pas-
sage of the state "TVA" bill which sets
Wisconsin Power Cooperative, a
federation of REA co-ops completed plans for a large generating plant to furnish
power for cooperative distributing lines
in the central and western
part of the state. Private profit power
companies have consistently refused to supply co-ops with power at low whole-
sale prices.

Washington, D. C. — The Rural Elec-
tric Administration has granted loans
to two cooperative federations in
Iowa and one in Virginia for the installa-
tion of diesel-powered electric generators
to supply cooperatively produced power
for cooperative distribution lines already
under construction. More than 11,000
customers will be served by these plants.
This step marks a definite trend of elec-
tric co-ops into the production as well as
the distribution of power.

Brule, Wisconsin — One of the features
of the Cooperative Youth Course in ses-
sion from June 14 to July 12 was to play
host to the annual convention of the
Northern States Cooperative Youth
League. The Rally was held at Co-op
Park here July 3 and 4 and drew youth
leaders from the northern sections of
Minnesota, Wisconsin and Michigan.

For the students were registered at the Youth Course, an annual affair which
gives preliminary training to the coming
generation of cooperative leaders.

New York — Flint Garrison, former
director general of the Wholesale Dry
Goods Institute has been appointed ex-
ecutive vice-president of Consumer Dis-
tribution Corporation. CDC was estab-
lished a year ago by Edward A. Filene
who is now sponsor the organization of a chain of
coop cooperative department stores.

Portland, Oregon — With nearly 200
members enrolled and a successful coopera-
tive institute completed, the coopera-
tive store reported sales small but grow-
ing steadily.

The Lane County Consumers Coopera-
tive Association in Eugene with 125
members enrolled and incorporation com-
pleted hopes to open its store early this
fall.

Denver, Colorado — Denver's first con-
sumers co-op gas and oil station is un-
derway. Organized by the Consumers
Cooperative Association, Incorporated
to serve Denver consumers and will arrange
to serve members of farm co-ops in the
surrounding territory when they are in
the city.

Logan, Utah — The Cooperative Edu-
cation Conference sponsored by the
WPA Cooperative Education Staff drew
together cooperative leaders in the state
July 7 to 10. The conference was held on
the campus of the Utah State Agricultural
College.

Racine, Wisconsin — The bogey that
the farmer and city worker are natural
enemies was blown away at the Racine
Cooperative Milk Producers Association's
Annual Rally at Racine College.

The Rally was held at Co-op Park here July 3 and 4 and drew youth
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BOOK REVIEW

“The Doctors’ Seven Years of Conspiracy to Destroy the Cooperative Community Hospital at Elk City,” by Dr. Michael Shadid, Medical Director.

“All my life I had been a rebel against the iniquities of the economic order,” says Dr. Michael Shadid, whose rebellion broke out in the organization of the first consumers’ cooperative hospital in America at Elk City, Oklahoma. “I perceived,” he says, “that it is as much to the interest of the doctors to promote cooperative medicine, as it is to the interest of the people. Both have much to gain and nothing to lose.” But while the people heave shown by their increased patronage that they recognized cooperative medicine was to their interest, the “press” in Oklahoma have as yet failed to do so. Dr. Shadid tells the story in this pamphlet of their opposition during the past seven years. He challenges them that “the fight you are making for Mammon is a losing fight. The cooperative movement is bigger than any man or any set of men. . . . The cause of the people will prevail . . . The day of individualism in medicine and industry is past.” “Cooperation” he says, “is the order of the times.”

For his pioneering work Dr. Shadid has just been awarded an “Acknowledgment of Achievement” by the Oklahoma chapter of Sigma Delta Chi at the University of Oklahoma.

His strong appeal to the Legislature to prevent the passing of restrictive laws to cripple the cooperative, concludes with, “I plead for the American people, for their economic rights, for their self-determination, for their privilege to escape from the domination of special privilege, which is hindering this country toward dictatorship and chaos!”

Most of the so-called battles the consumers’ cooperative movement has had to fight have been sham battles. But this is the story of a real one. Yet Cooperation marches on by the process of peaceful persuasion. Those who wish to read this pamphlet can secure a copy by sending a ten cent postage stamp to Dr. Michael Shadid, Consumer Hospital, Elk City, Oklahoma, or to The Cooperative League.

THE PRESS BOOSTS CONSUMERS’ COOPERATION


These two articles describe the stimulating program of education and recreation being carried on by cooperative organizations for the youth of the country in camps and institutes.


Dealing with the Cooperative Hospital, Elk City, Oklahoma, under the direction of Michael Shadid, both Mr. Rorty and Mr. Fowler present vivid and dramatic accounts of its progress and struggles the hospital is going through.


An advertising man, member of a cooperative, “confesses” in a frank article that the quality of Co-op products is not equalled in profit business. It is just the article to convince your profit-hungry friends that the co-op and quality go hand in hand. (Reprints will be available.)


Mr. Watson outlines several limitations of the consumers’ cooperative movement and gives his reasons for believing that, “There is no assurance of cooperatives in the United States will be able even to survive, let alone expand.”

 Nation, June 5 and June 12, “Consumers on the March,” Colston E. Warnie.

Mr. Warnie traces the growing interest in the cooperative and its fulfillment in the consumers cooperative movement.

AMERICAN COTTON GROWER, February 19, “Cooperative Medical Care,” R. C. Williams.


AMERICAN GUARDIAN, April 16, “Taking the Sting Out of Sickness and Doctoring,” Oscar Aminger.


“NO!” J. B. Mathews.

COMMONWEAL, June 18, “Catholics in Cooperatives,” letter in Communications column.


MONTHLY LABOR REVIEW, June, “Membership and Business of Farmers Cooperative Purchasing Associations, 1935-36.”


PUBLIC WELFARE NEWS, June, “Consumers Cooperation.”


Rotarian, May, “Consumers Cooperation.”


Consumers’ Cooperation

THE COOPERATIVE COMMENT ON CURRENT NEWS

No one should be an owner without being a worker, and no one should be a worker without being an owner.

Ramsay MacDonald once asked, “What sinister thing is it that keeps us all from having plenty?” Edwin Markham wrote, no doubt answer, “The world’s blind greed.”

“You must hitch the wagon of cooperative business to the star of the new social order”—Hall and Watkins in “Cooperation.”

In summarizing the results of the National Recreation Institute held at Grand View College, Des Moines, in Miss Neva Boyd of Northwestern University, Instructor at the Institute, made this striking statement: “We have been getting so much here because we have been getting for others—we have recognized that we were acting as channels through which to pass on to the membership of our cooperatives the inspiration and training for cooperative non-profit recreation.”

What happens in cooperative associations which formerly handled feed, seed and fertilizer or petroleum products, when they take on home supplies as well as farm supplies, is indicated by the election of Mrs. J. B. Edgerton, wife of the County Farm Bureau President of Columbiana County, Ohio, as the first president of the Columbiana County Consumers Cooperative Club, which is now beginning to handle groceries. Two significant things are happening in this country among cooperatives: the Cooperative Movement is evolving from farm supplies to home supplies, and women as well as men are being brought into the movement. Rapid progress is likely to take place along these lines.

Such letters as the following help to stimulate the editorial staff to endeavor to still better interpret the present situation and possible future events from a cooperative standpoint: “Your Boom and Bust editorial in the June number of Consumers’ Cooperation seems to me to be the best thing I have seen along that line for a long time. It is a clear and simple exposition of economic problems.”
New Social Security Legislation

At the time this editorial is written two important pieces of legislation in the social history of America have passed the Senate and are to be considered by the House. One is the Black minimum wage and maximum hour bill and the other is the Wagner Housing Bill. These bills start the United States more definitely along the road of providing a minimum standard of living for everyone as the previous unemployment insurance and old age pensions bills have done. All such legislation has been cooperative with cooperatives in other countries as well as in the United States as a palliative to bridge the gap until such time as the people will train themselves in the carrying on of a self-help and self-contained economic program without the intervention of the political government.

Since the House has not yet passed on the bills at this moment, it is impossible to know as to the form they will finally take. It can be safely said, however, that they will be in both cases a weak beginning. The Nation says that the wage and hour bill "reminds us of Lincoln's remark about soup made by boiling the shadow of a pigeon that had been starved to death." If the amendments adopted by the Senate to the housing bill remain in after it has passed the House, such as the requirement that the cost per room should not exceed $1,000, a real housing program in large cities will be greatly hampered.

The Cooperative Movement took no position as regards the wage and hour bill. There was, however, included in the amendment as presented to the Senate a provision calling for the financing of limited dividend and cooperative housing. This clause was voted out on an amendment offered by Senator Wagner. It is clear, however, that his effort was to maintain the bill in its present form with the amendments made. That is the fundamental difficulty. If we overcame this we could increase their incomes by a more fair distribution of the wealth of the country, we would not have any slums.

Mr. BORAH. Mr. President—

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. Certainly.

Mr. BORAH. Is the Senator going to discuss the question of causes of slums? Why do we have these awful degraded conditions?

Mr. WAGNER. I think that is a simple matter. It is because of the low incomes received by the individuals who live in the slums. That is the fundamental difficulty. If we could increase their incomes by a more fair distribution of the wealth of the country, we would not have any slums.

Mr. BORAH. I am not saying this in opposition to the bill. I ask the question for the reason that it seems to me that we will continue to have slums, no matter what we do at any particular time, unless we do increase incomes. And, the Senator will permit me to say, we will have slums as long as we have private corporations fixing prices on everything the slum dweller has to have in order to eke out his miserable existence. Our system calls for just such things as slums and economic slavery.

The big question before the American people is as to just how much the political government should do to eliminate slums and economic slavery, and how much we should do by self-help cooperative economic organization. The existence of economic slavery is being more and more realized, which is the first necessity. Social political action is a necessary palliative, but cooperative economic organization of the people themselves is the only real remedy. If too much dependence is placed on political solutions the eventual result will be the elimination of one form or another. Only by cooperative economic organization will democracy be preserved and economic slavery be finally eliminated.

Consumers' Cooperation

September, 1937
higher prices for the food they produce, industrial workers want higher wages for the goods they produce. In the struggle to force up prices of both food and goods, there is a natural conflict of farm and city workers as producers.

There is only one way by which this conflict can be resolved—that is by the joint action of laborers, employers, farmers and others. Whether living on the farm or in the city, on the basis of their common interests as consumers. The real cause of the farm-city conflict today is in the fact that both the individual grain owner and the individual manufacturer are made intermediary in the form of corporate monopoly. Monopoly processors and distributors force down the prices they pay to producers and force up the prices they charge to consumers. It is this double toll-taking by the goods they produce. In the struggle to win a fair share of their resources for raising the peoples' standard of living offered by modern science and invention. Instead of allowing its possibilities to develop fully, production is limited by an inadequate use of capital. It is a custom to form cartels in commerce and industry. As for the cartels the prices of products are so regulated that all members are permitted to conduct a profitable business. This means that the least effective of the members determines the price. Such price-fixing only lowers the general standard of living. It is based on the false notion that production is a purpose in itself, whereas it exists for the purpose of serving consumers in other words, occupy a serving position. From this arises the need. If people started with the self-evident truth, that the production apparatus must be used for the purpose of serving consumers, then it would be done. They control both the price the producer receives and the price the consumer pays. It will not be until the milk producer will receive what he should for his milk and the consumer will pay what he should. The same mistake is often made in regard to raw materials from the colonies and from other countries which produce raw materials. That is, the production of raw materials seems to have a special mission to fill for those who own the source of supply, and not for those who will consume the products. A typical example of this is the agreement between Dutch and British interests regarding the world's output of rubber. The owners refuse to utilize the productive capacity of the plantations for the purpose of serving the consumers. The same condition obtains in other countries, in which the rubber producing countries receive less raw material for the price they pay for the rubber, and this increased price benefits the capitalist. This procedure, which is fraught with danger of international antagonisms, does not mean that the Negro, laborer or the workmen at the plantations receive higher wages; neither that the steamship lines make more money, nor that the crews are better paid, nor that...
The sources of savings through cooperative local distribution might be regarded as a discussion of a certain percentage saved and returned to the consumer on the basis of his patronage; and a consideration of the subject would then involve only the immediate factors which result in those savings. But these savings are part of a process which produces tremendous social change. Let us consider first, however, the fact that such savings do result from the cooperative local distribution of petroleum products and the sources of those savings are important.

The immediate sources of savings in the local distribution of petroleum products may be roughly classified under two heads: (1) those affecting the increased efficiency which is inherent in the cooperative method; and (2) those which result from the elimination of the overcharge which is made in non-cooperative retail selling.

Increased Efficiency

Increased efficiency results from several factors. Generally speaking the operating costs of a cooperative are lower than those of private business of a similar nature, and these lowered costs are a direct outcome of the application of cooperative principles. The report of the Inquiry on Cooperative Enterprise in Europe, which was made after two and a half months' study by the committee appointed by the President and headed by Jacob Baker, contains a discussion of the factors which result in lowered operating expense. To quote from that report: "To save money, every cooperative manager and member will go a long way to trade at a cooperative store. This helps the cooperative to maintain a large and steady trade, which is a factor in keeping down costs. Volume of goods sold per employee is usually considerably greater in a cooperative than in a private store. It is generally agreed that in rush periods service is slow in cooperative stores. People stand around and wait. So in order to avoid these rush hours, the members come in more steadily throughout the day. In England, we were told a cooperative store can handle 1,000 lbs. of trade a week with 8 shop assistants, while a private store would need 20. Output per man in cooperative warehouse and trucking service is also said to be higher. A cooperative official in Switzerland, quoting statistics of the Basle society showing that each employee cost the enterprise 1,000 francs a year more than the average for private business, said that the cooperatives are able to carry this higher labor cost because they have a bigger average turnover. According to an official of the Swiss Cooperative Union, the annual turnover per cooperative employee in Basle averages 42,500 francs as against 20,000 in private retail stores. A Turner per employee in the cooperative stores in Sweden is 50% greater in private trade."

This increased volume per employee is not confined solely to Europe; it is also characteristic of our local oil cooperatives here in the United States. Loyalty and interest of the members in a business that is really their own, as in America as in Europe, the chief factor which makes this volume possible.

Cash Without Ballyhoo

Another factor making for lowered operating costs is the prevailing cooperative policy of selling for cash. Although this policy is not followed as consistently as it might and should be, the saving which it represents when it is followed is considerable.

Smaller advertising expenditures constitute a major factor in lowering costs. One needs only to consider for a moment the structures which result from the promotion of petroleum products: the magazine, newspaper, and bill-board advertising, to realize how great a part of the cost of those products is a result of competitive advertising. Cooperative business it is returned to those who created it and to whom it actually belongs, the consumers—either in the form of patronage dividends or in the form of the financing of expansion of cooperative activities. The saving made by the elimination of unearned profit which results from the overcharge is made to consumers, a loyalty and interest of the members, a loyalty which results from the increased efficiency of cooperatives dependent to a greater or less extent on loyalty of members, a loyalty which results not only from a confidence and faith in cooperative principles, but also from the fact that the members own and control the organization. They naturally want an enterprise which they themselves own to succeed. They have confidence in the value and quality of their products, because there is no incentive to cheat themselves, and they know that in purchasing through their cooperative they are saving the so-called profit for themselves.

Savings made by cooperatives through increased efficiency and the consequent lowering of overhead costs are considerable. But the greatest source of savings in the local distribution of petroleum products results from the margin of profit, the difference between the cost and the market selling price of the products themselves. That brings us to our second heading—the elimination of overcharge.

Elimination of Overcharge

This margin of profit, which results from the overcharge made to consumers, represents unearned profit, and in private business is used to supply exorbitant salaries to higher executives, to advertise petroleum products and a free exchange of good will, to pay the cost of those advertisements which result in lowered operating expenses. Overcharge made to the consumer is the unearned profit which results from the increased efficiency of cooperatives dependent to a greater or less extent on loyalty of members, a loyalty which results not only from a confidence and faith in cooperative principles, but also from the fact that the members own and control the organization. They naturally want an enterprise which they themselves own to succeed. They have confidence in the value and quality of their products, because there is no incentive to cheat themselves, and they know that in purchasing through their cooperative they are saving the so-called profit for themselves.

Savings Building a New Economic System

The implication is this: that on the basis of the savings of cooperative local
distribution there can be built—a new economic system, a
system which aims at a higher standard of living for all, and which
seeks to attain its aim through voluntary action toward
the elimination of unearned profit.

Those who would contend that this is a too ambitious and far-reaching
step—this step which ties local coop

Cooperative savings with a new economic
order. It is true that the step is a great one.
It is so great and so significant that
if it is not realized and if its importance
is not understood, the savings made by
local cooperative effort will be futile.

Men have always throughout the his
tory of economy sought to improve
their economic status. They first
sought as individuals, but with the in
creasing complexity and interdependence
of modern life necessity forced them to
seek any change they desired by means
of organized groups. At the present time
there are numerous movements with
varying methods and aims, all trying to
improve an economic system which has so
greatly grown past its bound to the masses
of people the goods and services
which science and technical development
have made possible.

Cooperation is one of these methods. In his recent book entitled “Whose Con
sumers Cooperation is relatively
new in America because people are only
beginning to become aware of their in
terests and their power as consumers.
Farmers have been most conscious of
their role as producers. Workers organize
nation of progres

progress, even as individual societies, if
they follow and sound cooperative principles.
As Charles Gide has written: “No coop
operating organization that violated the Roch
nendeprinciples has ever permanently suc
ucceeded; and no cooperative organization that
adhered strictly to these principles has ever failed.” But one of the coop
operating principles is federation and extension of
activity. Retail cooperatives banded
cooperatively wholesale can
make greater progress. Eliminating
profit in one more phase is not the only
gain. The practical business advantages
of increased volume are too obvious to
need further comment. The
organization of the cooperative whole
seller makes possible more expert assist
ance in the solution of common technical
problems, and a program of education
without which no cooperative movement
can hope to accomplish its aims.

The logical and natural expansion into
cooperative wholesales cannot stop there.
For if our ends are to be reached, demo
cracy to survive, as it cannot do alone; it
must face the problem of eliminating
the dictator-state aspect of Communism
and Fascism is to develop the genuine coop
eration and the possibility of unearned
income, which we call overcharge.

This, then, is the way by which the
Cooperative Health Associations. The
Wage Earners’ Health Association, in St.
Louis, Mo., was formed in April
1936, by a group of social workers of St.
Louis. While similar to the Elk City Plan
in outlook and purpose, the organizational
approach was entirely different. Where

THE WAGE EARNERS’ HEALTH
ASSOCIATION

Ss

Elk City started with an Association
moderate in size, the Wage Earners’ be
gun with a group of only 30. Where Elk
City placed immediate emphasis on hos
pitalization, the St. Louis Association
stressed the care to be rendered by medi
cal practitioners and did not include hos
pitalization. Where Elk City has a stock
subscription plan, St. Louis charges an
initiation fee of $1.00.
Cooperative Health Service

The medical services which are procured for the members through contracts with physicians include a complete physical examination with the necessary laboratory work and regular checkups every six months if desired by the member or deemed necessary by the staff, all medical and obstetrical care that the member may require with only five exceptions. These exceptions are: treatment provided under the Workman's Compensation Act, treatment to which the member is entitled under any insurance policy, obstetrical care where conception was before admittance to membership, venereal diseases contracted before membership, and mental diseases. The plan does not include drugs, medicines, hospitalization, mental care, X-rays, visual laboratory work, or electrical therapy. But in these cases an effort is made to obtain these items for members at reduced rates until such time as they can be included in the plan. An unusual feature of the plan is the coverage of chronic diseases. Such medical care is furnished so long as the member is employed and for variable periods thereafter, the duration being dependent upon length of membership.

Assuring a Competent Staff

The medical staff is carefully selected with the aim of securing for the members the best medical care that can be obtained. The following criteria are used in selecting physicians. First the doctor must have membership in or be eligible for the American Medical Association. Second, he must have membership on the staff of a hospital of recognized standing. Thirdly, he must have affiliation with a recognized medical school. The result is a competent medical staff that includes the following specialties: internal medicine, surgery, dentistry, ophthalmology, obstetrics, gynecology and obstetrics, genito-urinary diseases, pediatrics, with additional specialists available for consultation as may be required.

Efforts are constantly made to make the most of the excellent staff. Thus the advantages of group practice of medicine are obtained so far as is possible in a small group.

The advantages of preventive medicine are constantly kept in mind and a real effort is made to promote it. In January, 1937, the association began the issuance of a monthly bulletin for the members which includes in every issue an article by the medical staff. The first issue contained an article on physical examinations and examining the patient. When the patient understands what the doctor is trying to do and is educated to cooperate so that the doctor can make full use of his art, that is the first step in the practice of preventive medicine.

Larger Membership—Greater Service

The members have received more service under the plan than they would have received under the usual system of practice and for a fraction of the usual cost. With a membership that had grown steadily from the original group of about 30 to approximately 250 members by June, 1937, the following services were rendered to the members between April, 1936 and April, 1937, showing how well the Association is trying to do its work: 172 physical examinations were given, 967 office visits made, 14 home calls, and 36 hospital calls. The number of consultations indicate the integration of the plan and the adequacy of the care given. For example, ear, nose and throat 253, gynecology 142, eye 9, surgical 46, pediatric 29, dental 16, urogenital 4. This point is further borne out by the number of laboratory procedures done—serum 167, Wasserman 177, blood count 13, Schilling 172, blood chemistry 10, basal metabolism 4, X-ray and fluoroscopy 20, sputum 2, special treatments included—endocrine 18, vaccine 10, allergic 105, physiotherapy 205, surgery 6, and tonsillectomy 2.

Included as a part of the monthly bulletin is a section devoted to answering the questions of the members. Points covered include the availability of medical records to others besides the doctors, questions on the management of the association and the scope of service.

The Technique of Operation

Where the people realize the benefits of cooperative health associations and where the association does such splendid work, it is not all surprising that it should succeed. The growth of the association has been steady and carefully planned. Members are now located in many different offices, factories, and stores. Where the members join as part of a group of fifteen persons the dues are a maximum of $3 per month for the entire family. Where the family joins on a non-group basis the dues are a maximum of $5 per month. For individuals, group members pay $1 per month and non-group members pay $2 per month. Two factors make such low dues possible. All administrative and promotional work is on a voluntary basis and the doctors have cooperated with the Association to make it possible to extend the benefits of such Associations to the greatest number of people.

COOPERATIVE INSTITUTE TO OPEN IN OCTOBER

Plans are completed and many applications already in for the Cooperative Institute which will open this fall. The Co-op Institute will be a full-time college for the training of prospective cooperative executives and educators who want to fit themselves for positions of responsibility in the cooperative movement. The first term will open October 11 and run eight weeks, through December 3. Following this course, students will be placed with cooperative associations for eight weeks of field work so that they may supplement their academic training with practical experience. The curriculum will provide specialized training in education and business methods to equip students for a specific type of work as cooperative executives or educators. In addition a one-month practical course will be open to all who are interested.

The Faculty of the school will be comprised of cooperative leaders, professors in educational institutions in New York and experts who will give special lectures on technical phases of the movement. Among the instructors announced to date are Dr. Arthur E. Albrecht, College of the City of New York, Mr. Leroy Bowman, director of the United Parents Association, Professor James C. Drury, New York University, Dr. Horace M. Fallan, New School for Social Research, Dr. E. M. Coady, extension division, St. Francis Xavier University. Prominent cooperative leaders who will be members of the staff include Mary E. Arnold, R. N. Benjamin, Herbert E. Evans, W. N. Reigl, Dr. Kingsley Roberts, Robert L. Smith, Dr. James P. Warbasse and Leslie E. Woodcock. Dr. Warbasse will direct the Institute with Lionel Perkins as registrar.

Many of the classes will be held at the New School for Social Research: field work will be done in New York and other eastern cooperatives and the facilities of libraries, universities and other cultural institutions in New York will be at the disposal of the cooperative students. Headquarters of the Institute will be in The Cooperative League House, 167 W. 12th St., New York City.

Consumers' Cooperation

September, 1937

Cooperative League House
CO-OP LEGISLATION KILLED

In almost every state in which laws designed to facilitate the work of cooperatives were introduced in the 1937 sessions of the legislatures these laws were side-tracked, buried or killed.

In the state of Washington a Grange-sponsored bill to provide for the teaching of cooperation in the public high schools was defeated by a reactionary bloc in the senate.

In Pennsylvania, Senate Bill No. 485 to provide for the teaching of cooperation in the public high schools was referred to the Committee on Agriculture and had the model bill introduced. It too was killed when the Senate refused to receive new bills by the time the model bill drafted by representatives of cooperatives and the United States Department of Labor had been put into final form. The Kansas cooperators, however, went to the Committee on Agriculture and had the model bill introduced as a Committee bill. The House Committee, however, felt that the bill could not be passed “without antagonizing the party leadership.” It was felt that since the measure was introduced as a Committee bill it would be re-introduced at the beginning of the session of 1939 and would have a much more favorable opportunity for passage.

The Wisconsin legislature killed a bill providing for the organization of cooperative medical associations, although it did pass an enabling act establishing the Wisconsin Development Authority which will be of material aid to the rural electric co-ops.

Co-op legislation in Minnesota met a last minute reversal in the rush of business and the legislature failed to pass any of the important cooperative bills.

Early in the session of the legislature a joint Cooperative Committee was set up to determine what measures should be drawn up and to guide such measures through the two Houses. Several bills were considered or introduced to improve the legal position of cooperative organizations. Several general amendments to the cooperative law were combined into House File 1137. This measure passed the House without dissenting vote, showing that the subject matter was such as aroused no objection even outside of cooperative ranks. In the Senate, however, the bill was referred to the Committee on Cooperatives and buried there until the end of the session. In the last week it was raised from the committee on a round robin signed by six members. The cloture rule, however, was put in force in the last few days of the session and seven reactionary senators voting against consideration of the bill postponed Senate action until 1939.

A bill permitting cooperative associations to invest in corporations as well as cooperatives was delayed and killed. A cooperative education bill providing for the teaching of cooperation in the schools was acted upon intelligently by the educators in both House and Senate. It too was killed when the Senate refused to act.

House file 1017 which proposed a re-organization of the agricultural extension program to include cooperatives was lost in the confusion of the early morning hours of the last session.

Two bright spots in the legislative season were the successful efforts on the part of the Cooperative Steering committee in the Minnesota legislature to strike out sections of the burial law which would have impaired or killed the existing burial co-ops. The chain store tax which was passed provided for the exemption of cooperatives and enabling legislation on rural electrification was passed which is of considerable importance to the cooperatives.

CONSUMERS' COOPERATIVES IN ACTION

Indianapolis, Ind. — United Cooperatives, Inc. is on the way to a 1000-carload distribution of steel fence, wire and metal roofing for 1937. From January 1 to March 31 United purchased more than 600 carloads of copper-bearing galvanized steel fence, barbed wire and galvanized roofing for its members. This makes it one of the largest purchasers of high quality steel fence and galvanized roofing in the United States.

Harrisburg, Pa. — Up on the “rooftop garden of Pennsylvania” the Somerset County Farm Bureau Cooperative Association is making a glowing record. For the first six months of its fiscal year its business volume touched $75,000 plus. The first quarter of the fiscal year, when the Co-op depended principally on the distribution of feeds, the patronage ran $15,000. The second quarter, ending May 31, showed a distribution of farm supplies, including petroleum products of $60,000.

Maynard, Mass. — The United Cooperative Society, which will this year celebrate its 30th anniversary, enjoyed a trade volume for the first half of the year of $393,813, or $27,169 more than for the first half of 1936. The Co-op now owns a co-op gas station, a branch store of modernistic design, with a soda fountain and luncheonette, and the main store at the main street of Maynard, carrying meats, groceries, paints, hardware, radios, electrical appliances, bakery products produced in the Co-op’s own bakery, and co-op dairy products. Coal and feeds are also distributed.

The dairy department attracted great attention when the society protested to the state milk control board against a proposed increase in the retail price of milk. The co-op pointed out that despite the fact that it was paying the farmers a price 29% higher than they received from private dealers it could still create a substantial margin, and therefore the price increase was unwarranted.

The society’s membership is 1,046. It has debt-free assets of over $100,000. It has paid back about $240,000 in patronage refunds. Full-time employees number 52. The salary schedule is about 10% above that of similar private concerns in the vicinity.

Superior, Wis. — Total volume of the Central Co-op Wholesale during the first half-year was 36.8% higher than in the corresponding period of 1936. The volume totaled $1,647,660, as compared with $1,204,581 for the first half-year of 1936.

New York — A series of cooperative bonds will be sold here to raise $15,000 for financing the expanded operations of the Eastern Cooperative Wholesale. Co-operators are urged to subscribe for the bonds, which pay 5% interest and are in small denominations ranging from $25 up.

They will be callable at face value after one year and will fall due in 1940, 1941 and 1942. The money will be used by the Wholesale largely to buy additional merchandise, to keep pace with the rising demand from the co-op societies and clubs of this area.
Paris, France — The Fourteenth Annual Congress of the International Co-operative Alliance will convene here September 6 for four days. Representatives of cooperatives in 39 countries are expected to participate.


A one-day conference on Cooperative Education and a similar conference on the Cooperative Press will draw together co-op editors and educators from all sections of the globe immediately preceding the I.C.A. Congress.

North Kansas City, Mo.—J. W. Cummins, formerly director of information for Farmers National Grain Corporation at Chicago, has been selected as editor of The Cooperative Consumer, official paper of Consumers Cooperative Association, North Kansas City, Mo.

Mr. Cummins left commercial newspaper work in 1924 to become director of information for the Kansas Cooperative Wheat Marketing Association and editor of The Wheat Growers Journal. In 1933 he went with Farmers National in Chicago, where he edited The Co-op Reprint.

Mexico City.—A special course in the theory and practice of cooperative organization was given to school teachers throughout the city in August. The Department of Education is encouraging the organization of student cooperatives which give the students experience in managing their own affairs. At the end of the last school year 129 student cooperatives with 17,000 student and 814 faculty members were already functioning in the capital district.

New York.—In her syndicated column, "My Day," appearing in the World Telegram July 31, Mrs. Roosevelt described a three-month period of co-operative experimentation with Sidney Elliott, editor of Reynolds News, Sunday newspaper published by the British co-operatives. Declaring that she was "extremely interested in what she had to say," Mrs. Roosevelt wrote:

"I went to the station yesterday to meet a young English couple, Mr. and Mrs. Sydney Elliott, who are over here because of their interest in the cooperative movement. We are leaders in this movement in England, largely responsible for the great increase in membership there during the last few years.

"The co-operatives support the trade unions in England but have far outdistanced them in membership. Their cooperative bank is a flourishing concern and I was tremendously interested in all they had to say.

"Mr. and Mrs. Elliott feel we have done too much theorizing in this country. I was glad to find that they believed, as I do, that the way to learn about anything is to do it, to work at it, to make mistakes perhaps, but through them discover better ways of accomplishing the desired end. They tell me that they are much interested in the work which some of our consumer cooperative groups have done in England.

"They also are interested greatly in peace and have established international affiliates with cooperatives in other countries."

Mr. and Mrs. Elliott sailed August 25 on the Queen Mary after spending a month visiting America and speaking to cooperative audiences in Harrisburg, Washington, Columbus, Chicago and New York.

San Jose, California.—The Women's Cooperative House at San Jose State College has made an enviable record in cutting the costs of education. The co-op house was organized in April, 1937, and in the first 10 weeks of operation provided room and board, telephone, laundry and other services at a cost of $15 a month and at the end of spring term returned a patronage dividend of $630 per person for the ten weeks. Two similar houses will open this fall.

Racine, Wis.—Consumers throughout the city of Racine benefited to the amount of $8,000 since June 2, on which date the Consumers' Cooperative cut the price of regular leaded gasoline to correspond with reductions in wholesale prices.

"Without the Co-op's action, other dealers would have continued taking a margin 1 cent larger than they took six months ago."

The Racine Co-op operates four service stations, a garage, and a store and has opened its own bulk plant. The co-op, which has a labor background, nearly doubled its volume in the seven months ending May 31. Average monthly savings also showed an increase, being $1,089 per month for the 7 months' period ending May 31, as compared with the $557 monthly average for the year ending last Oct. 31.

Virginia, Minn.—The Range Co-op Federation has bought out the leading undertaking business in Virginia and will begin operating it on the co-op basis Sept. 1.

It will provide burial service for some 50 families affiliated with the 15 member co-ops of the Federation, and refund whatever savings are made.

Indianapolis.—A constant program of education stressing the importance of the organization of credit unions in connection with credit unions is undertaken by Mrs. Roosevelt, the secretary of The Cooperative League, of the U.S.A. Under supervision of N. Y. State

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THE PRESS BOOSTS CONSUMERS' COOPERATION

The average middle class consumer views the cooperative movement. Whether he makes it a "middle way" within capitalism or a "middle way" out remains to be seen. The author feels that the answer lies largely within the type of leadership he finds within the movement.

Tide, July 1, "Co-op Appliances"
A brief account of the REA development and the recent expansion by National Cooperatives in the line of electric appliances under the Co-op label.

Free America, July, "Ownership Returns to Nova Scotia" Bertram B. Fowler.
A vivid description of the transformation of typical communities in Nova Scotia thru cooperative action growing out of the adult education program under the direction of St. Francis Xavier University Extension Department.

Machineists' Monthly Journal, July
Railway Clerk, July, "Storm Warnings for Young Cooperatives," Harold V. Knight.
A valuable and timely article dealing with "do's" and "don'ts" which are valuable for young cooperatives as well as older ones. Illustrations and specific examples add to the value of the article. This is the third in a series of articles which has been published in seventeen labor publications.

American Observer, July 12, "Cooperative Medicine", news item.
Business Week, June 26, "Gives Facts on Co-ops" July, "Co-ops Eye Big Store"
Consumers Guide, July 12, "Six Americans Look to European Cooperatives.
The Living Age, August, "Sweden: A Long Way to Utopia," Seved Apegholm, translated from VI.
NEWSPAPERS
American Guardian, June 25, "Be Your Own Banker.

FEATURING THE CO-OP RALLY

Recap, August, "German Cooperatives Today," Dr. Otto E. Ruhmer.
Solidarity, July, "Consumers Cooperation in the U.S.A.
Leonard P. Dinesse.

COOPERATIVE CHRISTMAS CARDS

Three Greeting cards are available with Cooperative verses or conventional greetings. One of them is a special Christmas message from Kagawa.

Send $0.10 for sample packet of the three cards and the three alternate verses.

To

COOPERATIVE DESIGN SERVICE
167 West 12 Street, New York City

CONSUMERS' COOPERATION

OFFICIAL NATIONAL JOURNAL OF THE CONSUMERS' COOPERATIVE MOVEMENT

PEACE • PLENTY • DEMOCRACY

Volume XXIII. No. 10

Ten Cents

EDITORIALS

"You may destroy the industries by legal interference, and plunge the nation in disaster and chaos, but you cannot restore competition. It is dead, just as dead as the feudalism of the Middle Ages. Cooperation is taking its place."
Charles P. Steinmetz

Hail and Farewell
During October and November it will be the privilege of American cooperators to meet a distinguished member of the cooperative family, Anders Hedberg, Mr. Hedberg, Secretary for International Questions of the Cooperative Union of Sweden, refers to himself as Kooperativa Forbundet’s “international office-boy.” He is a founder and director of the Luma factory in Stockholm with which the cooperatives broke the international light bulb trust. He is also a director of the Scandinavian Cooperative Wholesale, the British Luma Society which is now building a factory in Glasgow, and a member of the Central Board of the International Cooperative Alliance. In addition he has written several pamphlets and books. His itinerary appears on another page.

Sydney Elliott, dynamic young editor
of Reynolds News, has just completed a one-month tour of the United States, speaking to cooperative, general and radio audiences, advising cooperative editors and managers on the techniques of cooperative journalism and business, and visiting wholesale and retail cooperatives. High spots in his swing around the country were interviews with the New York press, Mrs. Roosevelt, and John L. Lewis; a nation-wide tour, address over N.B.C.'s "Farm and Home Hour" and local radio addresses in New York and Columbus; and a conference in Chicago with the editors of more than half a dozen cooperatives.

Before Sydney Elliott arrived his book, "The English Cooperatives," recently published in this country, and his newspaper, Reynolds News, which today serves more than a half million British Cooperators, had created a favorable impression. His American tour built his prestige because Mr. Elliott and his charming wife were human, helpful and tremendously cooperative.

The World Cooperative Congress

As we go to press the International Cooperative Alliance is completing the sessions of its Fifteenth Triennial Congress in Paris, E. R. Bowen, general secretary of the Cooperative League of the U.S.A., and editor of Consumers Cooperation, is attending the Congress and will write a complete report of it for the November issue.

Highlights of the World Congress of Cooperators, as reported by Howard A. Cowden in a broadcast from Paris, September 8, were:

the creation of an International Federation of Cooperative Youth; establishment of an international cooperative purchasing agency in London to facilitate the trade of member associations of the International Cooperative Wholesale Society; a proposal by American delegates for the formation of an International Cooperative Petroleum Wholesale; and the adoption of the recommendations of the Committee on Rochdale Principles. Guiding stars of the movement as set forth by the committee will be (1) open membership, (2) democratic control, (3) limited interest on capital, and (4) distribution of savings in proportion to purchases.

Cooperative Month

Moving from an idea to a precedent and from a precedent to an institution, Cooperative Month has gained momentum as an important part of the cooperative movement in the United States. Cooperative stores in the Lake Superior area "dress up" for the new season, launch social and educational meetings for the old members and make new drives to "convert" new members.

Co-op Month brings new trade and new enthusiasm to the cooperative. Realizing the effectiveness of Central Co-op Wholesale's October festival, other cooperatives have curtailed to the custom and made Cooperative Month a feature of their fall program. Midland Cooperative Wholesale and National Cooperatives have mapped out programs for the occasion and other major co-ops will help to make it a national institution.

New co-op goods, new co-op literature, new co-op members and a spirited program for old members — these are essential features of Cooperative Month.

Cartoonist R. O. Berg has captured the spirit of international cooperation in the accompanying cartoon symbolic of the I.C.A.'s commitment to democracy and peace.

BRITISH COOPERATION AND STATEISM

J. P. Warbasse

WHEN the state is strong enough, we shall need a cooperative movement. This statement was made in 1937 by a prominent leader of British cooperative education, an educational secretary of a large English cooperative society. This was the opinion of socialists fifty years ago, and yet today's cooperative movement differs from the old movement. I have heard it often stated, British cooperation has been particularly influenced by this doctrine. The philosophy of stateism has penetrated British movement from its beginning. And while the British people have built up a great cooperative structure, that structure can scarcely look forward to greatness as its destiny if all of this effort has expended itself in rolling up a large and luscious monopsony to be fed, in due time, to the political state and to make its contribution to the fitness of that monstrous aggregation of mechanized autocratic power.

The Socialist Concept of Cooperation

The time was when British socialists, who were promoting cooperation, insisted that large scale distribution, warehouses, factories, flour mills, milk distribution, housing, medical service, and everything else except small retailing should be carried on by the state, and this idea is still dominant except in so far as the inexorable force of circumstances has compelled its relinquishment.

Not long ago the socialist demand was that the British Government go into the flour milling and bread baking business. But despite this insistence the British Government has no flour mills nor bakeries. In fact it has taken over and absorbed by the state. Although the Webbs have written voluminously of cooperation, and have made cooperation seem an alluring concept, the discerning cooperator have made cooperation seem an alluring concept, the discerning cooperator has understood when treated from the standpoint of the hungry political state waiting its time.

The Webbs have never succeeded in clarifying in their writings the differences between consumers and producers in cooperation and between voluntary cooperation and the political state. And there is a difference, even though many lack the understanding to follow it through. The Webbs mix these divergent subjects together and leave the matter quite confused. And people who read their writings, reflecting this misunderstanding, are found in all parts of the world adding to the universal confusion. They fail to see that the consumer philosopher is something unique and different from the producer philosopher, and can only be understood when treated from the standpoint of consumer interest with service and not profit as a motive, with abundance as a prerequisite, and with production until now about one-fourth of the milk distribution is by these societies. Incidence of this sort are to be found in many fields.

The Fabians and the British Cooperatives

However, the influence for stateism has registered great victories. These have been due largely to the writings and teachings of that relic of the old Fabian socialists which still influences British cooperative thought. Sidney and Beatrice Webb are the outstanding exemplars. Had it not been for this influence, the extent to which cooperation might have expanded in Great Britain is beyond the imagination to conceive. The Webbs have insisted that cooperation must be limited to the intimate personal and household needs. The political state was their ideal of the organ to carry on the large functions for society. And, in the end, whatever cooperative business was developed, the Webbs hoped to see it ultimately taken over and absorbed by the state. Although the Webbs have written voluminously of cooperation, and have made cooperation seem an alluring concept, the discerning cooperator has understood when treated from the standpoint of the hungry political state waiting its time.

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Consumers' Cooperation

The Rochdale principles are properly looked upon as the foundation of the Consumers' Cooperative Movement, even though an examination of the practices since the days of the Pioneers reveals marked variations from the original.

The principle around which probably all other principles revolve and the one which makes cooperation the target of dictators and bureaucrats, is the democratic principle of neutrality and cooperation. The reason for democratic control. The principle around which probably all other principles revolve and the one which makes cooperation the target of dictators and bureaucrats, is the democratic principle that cooperation is to use cooperation as a tool to give it strength, and if the state is to cast out cooperation when cooperation has served its purpose in making the state dominant, then cooperators should give themselves pause and reflect upon the futility of their efforts.

As for myself, I am in the cooperative movement because I see in it a way to circumvent the mighty state. I believe that cooperation can build a free and non-political society, with its spring in the economic field, and that this cooperative movement offers the world its best hope of escape from the coercive state.

Without this faith our efforts are futile. In this faith we can go on building toward a cooperative democracy. Certainly the American cooperative movement is strong in its resistance against the alienation of the principle of neutrality and continues to be the ground upon which people of all political parties, religions, and races may unite.

Meyer Parodeck

One would naturally expect to find something on cooperative housing in an article on housing in a cooperative magazine. Not a word. The article is devoted to municipal cooperative housing and gives no indication that there is anything such as cooperative housing.

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CCW: TWENTY YEARS OF COOPERATION

In the 17th century French Huguenots, English, Catholics, Quakers, and Puritans migrated to America in search of greater religious freedom. The institutions they founded here bore the mark of their passion for liberty and democracy. Three centuries later, Finnish Social-Democrats, harassed by the oppression of Russian Czarism, likewise migrated here in search of a wider political and economic freedom. It is but natural that they too founded institutions based on their social philosophy. Socialism in politics, trade-unionism in production, Rochdale cooperation in consumption—such was their program.

For the first two they found the ground fertile, but the third, Cooperation, waxed strong and sturdy. Obedient to what seemed to be the current of natural development, the liberal Finnish-Americans have turned their energies more and more into cooperatives.

Gersiticus is the Central Cooperative Wholesale of Superior, Wisconsin, which on September 5 celebrated its 20th year with a festival and Rally attended by 1,500 people.

The Wholesale had its origin in 1917 when 20 Finnish societies of the Lake Superior region, feeling the need for a central buying agency, sent representatives to an organization meeting in Superior. These delegates chipped in $15.50 from their own pockets and voted to form a wholesale buying agency.

Free office space was found in the office of a Finnish radical newspaper and the manager of the co-op store at Hancock, Michigan, was told to take the risk and make his salary if he could. His first achievement was to secure a discount of 40 cents a barrel from local flour millers by offering them the pooled volume of the cooperative stores. In the first four months he bought $25,000 worth of goods for the stores. At the end of this period, only $480 of pledged share capital had been paid in.

In the following September, the wholesale's first warehouse, a three-story brick building, was purchased. This served until 1935, when the present building, the largest warehouse in Superior, was built.

Total volume for the year 1918 was $132,423. Two full-time workers were employed.

Eight years later, the volume passed the million mark. In the same year, the bakery, which had been operated since 1919 in the main building, was moved to its modern quarters, and the "Cooperative Pyramid-Builders," antecedent of the present "Cooperative Builder" was first published.

In 1935 the $2,000,000 volume mark was passed, and a modern coffee-roasting
and warehouse. An addition to the co-op building will provide room for a modern warehouse and store which will be opened in the half year.

The wholesale's directors — still all Finnish—early realized their movement must be Americanized fully as fast or faster than the Finnish people themselves. Hence the establishment of the English-language paper, the "Builder." A Finnish weekly, "Osustointimaltahti," is also published in the interest of the elder generation of Finns.

In the words of Dr. John Barton, of the University of Wisconsin, speaking at the 20th anniversary rally, the Central Cooperative Wholesale has come to be looked upon as “the heart of consumers' cooperative America.” This entails a responsibility, he said, "to share the experiences and lessons involved in a cooperative community with cooperative groups which are less mature."

CONSUMERS' COOPERATIVES IN ACTION

Harrisburg, Pa.—Montgomery County Farm Bureau Cooperative Association wound up the first half of the current calendar year with a volume of $71,549.67.

A conservative prediction of Manager O. S. Allebach for the whole year is between $160,000 and $175,000.

The Montgomery unit, chartered last October, got its real start only last December. Today they have an A 1 set-up in Soudbert, right along the main thoroughfare, with ample railroad siding, four large tanks and five trucks.

In these six months 245,000 gallons of gasoline, 4,000 bbl. of fuel oil, and 6,700 bbl. of coal have been distributed; not to mention about 320 tons of feed, 170 tons of fertilizer and varying amounts of fencing, tires, twine, and so on.

Dillonvale, Ohio — The New Cooperative Company is planning a new main warehouse and store which will be departmentalized. A 20 by 200 foot fire-proof building to be erected this fall. The building will provide room for a modern grocery and meat market, grain elevator and warehouse. An addition to the main meat packing plant has just been completed. The sales volume of the co-op increased $60,000 during the first six months of 1937 and stood at $347,000 for the half year.

Chicago, Illinois — The Cooperative Wholesale, organized about a year ago, took another forward step to keep up with its expanding business by authorizing the opening of a branch warehouse in Pontiac, Michigan. The branch wholesale will be under the supervision of the Eastern Regional Council of the Lower Michigan Cooperative Federation.

Indianapolis — National Cooperatives, Inc., became in reality an international organization when Harold Currie, president, and R. J. Scott, vice-president of the United Farmers of Ontario, were invited to the board of directors of the national co-op wholesale. The quarterly meeting of the board was held in the new $150,000 oil compounding plant of United Cooperatives which was completed in July.

Columbus, Ohio—Rural electric co-ops which are already serving more than a thousand Ohio co-op members and which will serve 50,000 when the Farm Bureau electrification program is completed, have taken another step which may lead to additional economies in electric power. The board of directors of the Ohio Farm Bureau have petitioned the Tennessee Valley Authority for a transmission line to bring low priced electricity from Norris Dam. The co-op is electrifying a number of homes and farm buildings in the area.

New York — Eastern Cooperative Wholesale ordered its first complete carload of soups from the Columbia Conserve Company, Indianapolis, late in August. Soups, manufactured in a producers cooperative, distributed by a cooperative wholesale and sold in cooperative stores, have been on the market for the past 10 years. This was a gain of 50.1% over sales for the first half of last year when $2,941,656 worth of commodities, the record volume at that time, checked through the Columbus office.

Consumers' Cooperation

by the success of the program of adult education and cooperative organization in Nova Scotia, the Department of Rural Reconstruction has launched an aggressive program of education which is expected to lead to the organization of hundreds of cooperatives in Newfoundland in the next few years.

Leaders, trained by St. Francis Xavier University, Antigonish, have been put in charge of the work. A summer school to train additional leaders and field workers drew 70 men to St. John's in July and August and already more than 300 study clubs have been organized. Credit unions, cooperative stores, cooperative fisheries and mills will be organized as the educational program progresses.

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St. Louis — Doctors in Missouri, demanding not only the right to fix fees for service but also the right to change and withdraw their payment, are planning to launch an attack on cooperative medicine which is designed to destroy the Wage Earners Health Association in St. Louis. The cooperative was organized in April, 1936, and is providing medical service to its 300 family members for $3 to $5 per family per month. The physicians serving the members of the association and the service offered under the plan are above criticism. In spite of the fact that this plan makes it possible to provide adequate medical care to the people who need it, the St. Louis County Medical Association is threatening to
bring legal action against the cooperative. The Journal of the American Medical Association for July declared, "It is hoped in Missouri to bring this matter to a test in the Supreme Court of Missouri in the very near future, to eradicate once and for all this problem which has been growing and eating at the vitals of the medical profession."

New York — A comprehensive annotated bibliography of the literature available in various New York Libraries pertaining to the cooperative movement is now being prepared by the local WPA.

The second phase of the undertaking will be to compile a cooperative digest or encyclopedia consisting of abstractions from selected publications. The project was initiated by V. Tereshenko, former assistant secretary of Cooperation at the Institute of Agricultural Cooperation in Prague, Czechoslovakia. Headquarters of the project, which will employ 65 workers, is 10 West 20th St., New York City.

Washington, D. C. — America's first "model town" will be run without profit. Greenbelt, Maryland, will swing into operation with its Main Street lined with cooperatives. Members of the community will elect members of the board of directors of Greenbelt Consumer Services and the community co-op will manage a cooperative general store, a self-service food and meat market, co-op drug store, motion picture theatre, barber shop, beauty shop, garage and service station and any other services that the community of 900 families needs.

Greenbelt is the first of three planned communities now being built by the Farm Security Administration (formerly Re-settlement Administration) to provide housing accommodations for people of moderate incomes.

As it will be necessary to have stores in operation when the citizens of Greenbelt move into their new homes, the Consumer Distribution Corporation which was organized a year ago by Edward A. Eilene, will make the necessary arrangements for the management of the operation of the enterprises. CDC will provide the necessary capital for the operation of the businesses until such time as the citizens of the community are prepared to operate their own enterprises.

The stores will be run without subsidy from the government; a percentage of the gross sales will be paid to the government as rent for the properties; goods will be sold to members at market prices and all savings (profits) will be returned to the consumers, building up capital until the members have complete ownership of the enterprises. Flint Garrett, executive vice-president of CDC, will be in charge of the Greenbelt development, with Herbert Evans, vice-president, acting treasurer.

Antigonish, Nova Scotia—Members of the First Annual Tour of Nova Scotia Co-ops which ended with the Rural and Industrial Conference on the grounds of St. Francis Xavier University here August 21, voted to take steps to assure the success of a similar tour next year. Final registration for the tour included 91 persons from 18 states, provinces of Canada and 5 provinces of Canada who studied the educational program of St. Francis Xavier University and visited credit unions, study clubs, cooperative stores, lobster processing factories, fisheries and mills in Nova Scotia. Rev. J. Henry Carpenter, director of the tour, reported that after all bills for the trip were paid there was a saving of more than $400. The tour was operated on a cooperative basis and savings were to be returned to the members of the tour but they voted to give their refunds. A grant of $100 was voted to establish a traveling library for the people of Nova Scotia and the remaining $300 voted to the Cooperative League as a special tour fund for the development of similar tours.

Oxford, England — The Universal Cooperative Conference, which drew together delegates from churches throughout the world for its deliberations here July 12 to 26, arranged a trip to the Oxford Cooperative Supermarket, a typical British co-op, as a feature of its economics section. The party included over forty American churchmen and was led by Rev. Allen Chalmers of the Broadway Tabernacle, New York.

The churchmen went through the grocery, butcher shops, furnishing and other departments and then assembled in the Board Room where the general manager addressed them. Many questions were asked and answered about both the methods of operation and the social consequences of the cooperatives and the delegation came away impressed with this concrete illustration of the British Cooperative Movement.

Columbus, Ohio — The Cooperative Life Insurance Company of America added over a million dollars worth of life insurance to its books during the month of June.

Superior, Wis. — With the lowest operating expense in its history, the Central Cooperative Wholesale handled its greatest volume of business in its twenty years of operation during the first six months of 1937. Business jumped almost half a million dollars above last year's record as sales for the first six months of the year totaled $1,647,660. The gain was more than 36 per cent.

Accounts and notes receivable were smaller in proportion to volume than last year and operating expenses were cut from 5.45 per cent to 4.81 per cent. This is a degree of efficiency equalled by few of the major chains in the country.

Madison, Wisconsin—The Wisconsin Power and Light Co. was thwarted in its attempt to skim the cream of the rural power business in Rock County when the state public service commission decided that the Rock County Cooperative had prior rights. Under the Rush law when a cooperative files a map of a territory it intends to serve the state public service commission decides whether it is serving the majority of the customers in that area, no private profit utility may do construction work in that territory for six months.

Detroit — The largest steamship on the Great Lakes was chartered to take care of the floating convention of co-op tank truck drivers September 10 to 12. More than 750 drivers of co-op oil trucks operated by cooperatives affiliated with United Cooperatives in Ohio, Indiana, Michigan, Pennsylvania and New York took part in the two day convention-cruise on Lake Huron.

Rochdale, Mississippi—This message comes to you in the first mail from Rochdale, Mississippi, new post office of the Delta Cooperative Farm, producer-consumer cooperative started with 28 families 18 months ago as English Rochdale Consumers Cooperative started a century ago.

The cooperative store has just paid a 5 per cent patronage refund after deducting 3 per cent on bank charges and 3 per cent on repayment of principal. The store sells gasoline, groceries, dry goods, drugs; and the milk from the dairy, vegetables from the garden and chickens and eggs from the poultry farm operated under the producer cooperatives.

ITINERARY OF ANDERS HEDBERG

September 27-28, New York.

September 29, Cleveland.

September 30, Detroit.

October 1-2, Chicago.

October 4, Milwaukee.

October 5, Madison.

October 6-9, Superior and vicinity.

October 11-12, Minneapolis and vicinity.

October 20-26, Kansas City and vicinity.

October 27-29, Harrisburg.

October 31, New Haven.

November 1-6, Columbus and Indianapolis.

November 8-14, Washington, D. C.

November 10-13, New York.

November 15-17, Chicago.

November 19, New York.

November 20, Seattle.
Cooperative Recreation

The cooperative movement strives toward the development of life for every individual. Believing that this enrichment depends to a large extent upon creative leisure time activities, a section of Consumers’ Cooperation will be devoted each month to cooperative recreation.

The following article by Carl Hutchinson is condensed from the Annals of the American Academy of Political and Social Science, May, 1937. Mr. Hutchinson is a member of the Educational Department of the Ohio Farm Bureau Cooperative Association, and President of Cooperative Recreation Service.

COOPERATION has been defined as an educational movement which employs economic action. Since an educational program of a voluntary association must engage some of the free time of the people, leaders have become vitally interested in the whole question of leisure time. The very machines that have created many of our industrial problems have also made possible the leisure time which education may use to help find a solution. Leaders of the cooperative movement realize that leisure time is the raw material out of which cooperatives and cooperators must be developed.

In whatever commodity we deal as consumers we are concerned with the service and values received. When farm cooperatives purchase fertilizer, they are not interested in tons but in plant food. When they purchase lubricating oil they are not interested in quarts but in performance. The same stress on value takes place in the provision of shelter, food, clothing, and services. In thinking of recreation as a commodity, cooperators quite naturally inquire, “What do we get for our recreation dollar?” In thinking of recreation as an educational force, they may ask, “How can recreation develop cooperative personality?”

Consumers’ Cooperation

Cooperative Recreation

The Profit Motive Captures Play

It has been estimated that expenditures for recreation absorb approximately one-eighth of our national income. According to studies made by J. F. Steiner, our total cost of recreation in the United States for the years 1928, 1929, and 1930 amounted to more than ten billion dollars per year. The very technology that has increased our leisure has produced many of the instruments of leisure activity. The control of these instruments and institutions of leisure is usually in the hands of producers of play who are not so much concerned with the social and personal effects of recreation as with earnings of the enterprise as an industry.

In testing the quality of commercial recreation the consumer is finding much of it cheap and lacking in lasting satisfaction. He is beginning to wonder if he may not better serve his needs here, as in other lines, through consumer action. Recreation in many of our rural areas, as well as in urban areas, is a luxury available only to those who can pay the price. But play is so essential to normal development that it should be treated as a human right, and not as a class privilege.

What is Cooperative Recreation

Since the conscious use of recreation in cooperative education is a recent development, an attempt to define cooperative recreation would be hazardous. At this stage a discussion of some of the objectives of recreation in cooperative education would be more appropriate. In its broader aspect, the most activities, in a collective experience. Cooperative recreation will welcome a variety in expression as essential not only to the needs of the individual but also to the enlivening of the social group. No form of activity is more conducive to freedom of expression than a stimulating play situation, where individuals reflect their feelings and motives more readily than otherwise. Because of the interest of cooperatives in the development of human personality, there will be greater stress on amateur expression and less on professionalism and commercialism in arts.

We may look to organized consumers to subdivide the competitive elements in play to that of group achievement. Socially creative forms of play gleaned from the rich cultures of the past will be revived. As people develop freedom and imagination new forms of expression will naturally evolve. Thus the foundations of a richer national life and culture will be laid.

Since cooperatives are essentially self-governing social units, recreation as education will be administered in the interests of voluntary group discipline. It is not enough to stress the value of recreation as a cooperative force. Decision do as much. Cooperative recreation is concerned with the cooperative method of social control, and to this end stresses the elements of self-government through truly democratic procedure.

Cooperative Play Prepares for Cooperative Action

The problem of developing cooperative personality must take into account the character of play life from younger childhood to maturity. Games tend to unify a group through shared experience and frequent social response. This contributes to the development of the social being. In play, the members often achieve a direct social experience which is stimulating, revealing, and organizing. Thus the tendency to cooperate and create definite habits of action in terms of others is built up through the child’s play life.

The process of cooperative education is facilitated by group play, in which individuals share more completely than in most activities, in a collective experience. Mutual participation in spontaneous expression prepares the members of the group for a more complete sharing in cooperative discussion, cooperative planning, and cooperative economic action. In all these processes the members increase their capacity to think, feel and act in terms of others.

Use of Recreation in Cooperative Education

In the twenty-four cooperative conferences conducted in 1936 by the Ohio Farm Bureau, social recreation engaged from two to three hours of each day’s schedule. Generally a considerable portion of this recreation which is expressive and rich in cultural content. In connection with the play activities, lecture and discussion were employed to develop an apprecia-
tion of play values and an understanding of methods best designed to develop cooperative personality through play.

Cooperative recreation has become a movement within the consumer movement, in which folk games, dramatics and music, floor games, board games, and handicrafts, to mention a few, are being used as a means of the stimulation of development of individual character and group life. Under the leadership of The Cooperative League, the Cooperative Society for Recreational Education conducts an annual cooperative recreation school for the purpose of helping leaders to define objectives, discover methods and develop techniques. Regional institutes in various states also provide training for recreation leaders.

People's School brought together young state agents. Carl Hutchinson, president of Cooperative Recreational Service, and H. S. Agster, manager, of the Pennsylvania Cooperative League, were prominent among the speakers.

Students from eight sections of the Arrowhead district were registered. A special series of public lectures at the People's School gave the students opportunity for meeting many prominent, active workers in the movement. Among these were Sydney Elliott, managing editor of Reynolds's News, British Co-op weekly; Mrs. Elliott, who is active in the Women's Guild; C. R. Bowen, General Secretary, and W. R. Campbell, Assistant Secretary of The Cooperative League of the U.S.A.; Mrs. Cedric Long, manager of Consumers Cooperative Services of New York; Roland N. Benjamin, President of the Pennsylvania Farm Bureau Cooperative Association; Robert Smith, Educational director of the Eastern Cooperative League; Ira Cottin, Manager Cooperative Distributors and Meyer Pardeck, Member of the Board of Directors of C. D.; Martin Brown, secretary of the Bureau of Cooperative Medicine; James Mydans, Industrial Secretary of the Federal Council of Churches; and William A. Hyde, of the CLUSA Insurance Service.

The students visited cooperative restaurants, grocery stores, a milk route, co-operative credit unions, the settlement, labor organization, and political action. All four are mutually interdependent. This conception is presented with special respect to those who see cooperation simply as a way of saving pennies and those others who see it as the single solution for ourills.

In some measures, the duet falls out of harmony. Although Laidler specifically mentions the limits of the cooperative movement, Campbell disagrees. The enrollment of 70,000,000 members in the cooperatives of the Soviet Union because it is the closed shop of the trade union, membership compulsory. Laidler also cites the Webb's summary upon the human situation of the industrial process where the voters, because of their unwieldy numbers or their scattered location, can not learn the character of their problems or of their representatives.

Swedish author E. C. Keboch, R. N. Benjamin, president, and H. S. Agster, manager, of the Pennsylvania Cooperative Association; L. J. Bennett and H. W. Smoots of the Ohio Farm Bureau, and T. W. Allnutt, assistant state agent. Carl Hutchinson, president of Cooperative Recreational Service, was in charge of all recreation.

New York—The recent summer course in cooperative leadership at the American People's School brought together young people from eastern and central states for two months of study and field work under the direction of Anthony B. Lehrer, former Educational Director of the Indiana Farm Bureau Cooperative Association.

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THE PRESS BOOSTS CONSUMERS' COOPERATION

Articles on Cooperative Medicine


A discussion by one of the founders of the Bureau of Cooperative Medicine of the necessity of providing medical services for the "suffering Third" and a survey of what present Cooperative Health Associations are doing to help solve this problem.

Commonweal, August 27, 1937, "Cooperating for Medical Care," E. L. Chincaten.

The author describes how different Canadian communities are meeting the problem of providing adequate medical services, including the cooperative hospital at St. Andrews, Antigonish County, Nova Scotia.

Survey Graphic, September, "And Now, a Co-op Hospital," Aviva D. Carlson.

This is the dramatic story of the struggles of the Cooperative Hospital at Elk City, Oklahoma, its growth and its trial-and-error in health education. Well illustrated, this is one of the most complete and readable articles on the Elk City development.

Articles on Greenbelt Cooperative

News Week, September 13, "Co-op: RA's First Community Becomes a New Deal Guinea Pig.

New story about the cooperative businesses in the Greenbelt Community which will be run under the direction of Consumer Distribution Corporation.

Time, September 13, "Greenbelt.

A typical spicy Time story on the cooperative aspect of the Greenbelt Community.

Business Week, September 11, "Government Backs Cooperatives.

The title of this article is an indication of its tone in telling of the Greenbelt cooperatives.


Other Important Articles


A description of the cooperative activities of the Park Place Cooperative apartments in Philadelphia.


Tennessee Valley Farmer, August 12, "Cooperative Development Among Farmers Growing Throughout United States," Louise Bills Hill.

A description of the cooperative movement in the Tennessee valley.


Tennessee Valley Farmer, August 12, "Cooperative Development Among Farmers Growing Throughout United States," Louise Bills Hill.

A description of the cooperative movement in the Tennessee valley.


Cooperation Is On the Air

During August and early September, Consumers Cooperation reached several million American listeners. In addition to several important local broadcasts, the following were broadcast from coast to coast:

Let's Talk It Over, a women's program released by the National Broadcasting Company 3:30 to 4:00 p.m. EDT, August 13. Featuring Mrs. William W. Brink, author of "Not By Bread Alone." The program is from 7:30 to 7:45, EDT on the Mutual Broadcasting System.

"Breaking" the Oil Trust

In 1911 the U. S. Supreme Court found one of America's largest trusts guilty of combination in restraint of trade. On that verdict, John D. Rockefeller's Standard Oil Company was divided into 37 "autonomous" companies in order to "restore competition" in the petroleum industry. A gigantic trust had been "broken.

Early in October, thirty-six years later, in the quiet city of Madison, Wisconsin, a battery of attorneys for the government and defense lawyers for 18 major oil companies, 6 subsidiary companies, three oil publications, and 46 individuals, squared off for another battle of the century which is expected to last from three months to two years. Mellon, Morgan, Rockefeller, Dawes, Sinclair and Royal Dutch Shell interests are involved. The issue is again "combination in restraint of trade." The weapon used against it is the same "big stick" of legal action threatening dissolu-
What Price Peace

While twenty-three countries were uniting to condemn the Japanese atrocities in China and the national administration led a move to call a Nine Power Conference to deal with the Far Eastern situation, American oil interests supplied fuel to intensify the Sino-Japanese conflict.

During the first week in September, a group of oil companies active in the west coast market combined to sell 25,000,000 gallons of high grade aviation fuel to Japan. Japanese purchases of oil and oil products were so great she had to lease 32 American oil tankers to carry the cargoes.

The Packers Boost the Cost of Living

Using a war scare and a partial meat shortage as an excuse, the American packers have forced up the price of meat to the point where city consumers have had to become involuntary vegetarians while farmers are unable to get cost of production for their cattle.

"The large packing companies piled up huge inventories during the period of drouth liquidation and are now reaping the dividends," declares Farm Research, Inc., in Washington.

While American business and consumers suffered during the depression, the ten largest meat packers averaged net profits amounting to 7,24 per cent on their investment for the fiscal year. An investigation of the Federal Trade Commission.

"The packers' cut" in the consumers' dollar has been skyrocketing. In 1913 the farmer got 80 cents of each dollar spent by the consumer for pork. In 1929 it had fallen to 65c. Today it is 40c. Three large packers market 84 per cent of all veal sold in the U. S.; 56 per cent of all beef; 36 per cent of all pork, processed or cured.

A paragraph of the Federal Trade Commission's report on agricultural income from which these statistics were taken was deleted in final publication. The删s to a practical solution:

"For the consumer, the heavy cost of distribution cannot expect to be kept in satisfactory checks without consumer cooperatives, and the increased consumption that might thereby be obtained for the great masses of the people would also be of substantial benefit to the farmer."

Dead End

In the richest city in the richest country in the world last month a hundred mothers went on strike. They refuse to have any more children as long as their children are condemned before birth to an inevitable career of poverty or crime.

Housing conditions in New York are exactly as pictured vividly and truthfully in the motion picture "Dead End" which is now playing in theatres in every section of the country. The inevitable harvest of this squalor is a constant horde of gangsters and society racketeers which the country has created to prey upon itself.

Every major American city is faced with this spectre, yet Congress, in its dozy hours, emancipated the Wagner-Steagall Housing bill which as previously drawn would have made a start toward the correction of these evils. The provisions for loans to consumers to build cooperative apartments and model housing projects were dropped completely.

Government loans to cooperatives to electrify the farm have brought comfort and efficiency to the farm. Government loans to cooperatives to build decent houses for their people and free them from landlordism are just as important.

EDWARD A. FILENE

"The Robert Owen of America"

Edward A. Filene was one of those unusual men who have enough courage to pioneer and to break with old friends and long-established connections in order to do the pioneering. His high interest in consumers' cooperation was the logical outcome of his many ventures in support of the credit union movement and of his interest in mass purchasing power, in labor organization, in economic democracy. He had a strong sense of social justice. And his idea of education was that it included both thought and action.

I suspect Mr. Filene was one of the best examples we have had in recent years of a man who stood out and who dared to educate himself. And, make no mistake about it, wealth in good quantity is daily a hindrance to the growth and self-education of numerous men and women in the United States. It would have been much easier for Mr. Filene to have rested on his oars and to have held his tongue and pen.

He wanted his last contribution to be to the consumers' cooperative movement. And he made it, as we might have expected, in an unconventional way. He was pragmatic about it. He searched for a new technique. He didn't have to break with old friends. He wanted to do what the American scene demanded something different from that of other nations. He was impatient with the slowness of the established methods of building consumers' cooperatives. He wanted to speed up the process. So he set up the Consumer Distribution Corporation to organize cooperative department stores and he made cooperation known in quarters where it was unknown.

Because Mr. Filene was so much the pragmatist, he did not bother much about the "ultimates" in the relationship of cooperatives to capitalism. But if he died a capitalist, he was certainly the most peculiar capitalist I ever knew. For he said that the wealth that he was lucky enough to have did not belong to him. He gave most of it away when he lived. He will give the rest to institutions that are to carry on many of his interests. His whole life demonstrated the promise that still is in American life.

Benson Y. Landis
Department of Research
Federal Council of Churches
FIND YOUR LOBSTER

COOPERATION IN NOVA SCOTIA

SOMETHING is happening in Nova Scotia. You can see it in the tangible evidences of credit unions, stores and lobster factories.

You can watch it take form in meetings where the people come together to organize study clubs and credit unions.

You can hear it in the casual talk of people on the farms, in the kitchens or on the street corners of the industrial towns.

It is under the leadership of the men and women of St. Francis Xavier University that the people are awakening to the possibilities of building for themselves a better life.

It was in the gymnasium of the University that we heard the story of Cooperation in Nova Scotia and learned something of the idea that is responsible for making Cooperation a living force in the daily lives of the people.

"Organize people to take advantage of their opportunities," said Dr. Coady. "Education enables people to realize their opportunities, but they must have faith in humanity . . . We must believe that people can be made worthwhile men and women."

"Ideas," said Dr. Tompkins, "have hands and feet. They will work for you. But you must choose your ideas . . . You must go to the people to learn. If you are discouraged, go to the people and you will be rewarded with inspiration. We want to restore the solidarity of the human race—maybe by promoting a lobster factory."

In Cape Breton Island and the three eastern counties of the mainland of Nova Scotia there are 106 credit unions with a membership of 20,000, 25 stores doing a business of two and a half millions a year, and 35 lobster factories. Last but not least there are 1400 study clubs.

We asked Dr. Coady, director of the Extension Division of St. Francis Xavier University, how this had been done. "We tried to harness up the free, idealistic people in this country," he said, "Clergymen and school teachers. If we didn't have the priests and clergymen behind the movement it wouldn't have gotten anywhere. It is free men and women who make institutions that can pioneer. In addition to the staff we have a hundred people working for them. They are the local leaders. They are free people and can say what is on their minds. Without these we couldn't have gotten as far as we did, not in even fifty years."

As Dr. Tompkins said, "We didn't want to make this sectarian. There is no Methodist or Catholic way of cutting coal or marketing fish."

Find Your Lobster

"People are great," continued Dr. Coady, "in proportion to what they do. If people won't win things for themselves they don't deserve them. We start with the study club. No organization is effective that does not split itself up into groups to study.

"You must find a sure thing in the beginning. You must convince people that their thinking pays. We began with credit unions. Then came lobster factories. The lobster is a natural monopoly. In the Cooperative districts lobster brought 2c more a pound than in the unorganized districts. If you are going to make cooperation succeed you must find your lobster."

"Our fathers possessed America. Now we have lost effective ownership. It is the job of Cooperation to restore it to the people."

The Lobster Factory

When we asked how the whole idea started everyone told us, "Father Tompkins started it in Dover with a lobster factory."

It was in 1923 that Father J. J. Tompkins went to the parish of Canso. In his charge was the fishing village of Dover with a population of 300 people. The people were very poor and it was hard to make a living. They were discouraged and hopeless. No one knew until the end of the season what he would make on his catch of lobsters and when there was an accounting there would only be trade at the store.

But Father Tompkins believes in people and when he talked to the people in power they listened. At first it was only three or four who were interested in talking things over but by degrees groups began coming together and sometimes they talked among themselves and sometimes they listened to Dr. Tompkins or heard someone from the outside.

"I got everyone I could to come talk to," Dr. Tompkins told us. "It got so I had only to wave my hat in the village street to get an audience."

It was a long time before the people woke up to the possibility of doing things for themselves and it was seven years before they built their lobster factory. They went out with axes on their shoulders and felled trees and put up a building. Then they had to have $1000 for equipment. They couldn't get any credit but finally someone loaned them $1000. They had been getting 3c a pound for lobsters. The first year they were able to pay themselves a cent a pound more and pay back the $1000.

We saw our first lobster factory at Baddeck. It was a long time before the people there knew what they were doing. They had to have $1000 for equipment. They couldn't get any credit. But it started one winter night with a meeting of the people, and in the industrial districts a mixture of Scotch, Irish and English. But for the most part it is a Scotch tongue that talks the language of Cooperation.

The land is fertile. The ground sloped up from the road into soft rolling fields. Hay is the main crop with occasional fields of oats and plantings of potatoes. And everywhere there is spruce.

The Cooperative Store

It was in Sydney that we stopped to buy supplies at the Cooperative store. The store was just one year old today, they told us as we stood before the counter. "We started with 157 members and now have 350. Last month our sales had mounted to $9000. We are doing fine. $2000 was rebated back to members at the end of the first six months. Most of their members worked in the steel plant and when times were good a large family would spend as much as $25 weekly."

Sales had more than doubled in the six months of the New Waterford store. "We know that in Cooperation and in Cooperation alone lies the economic salvation of the people," wrote the Board of Directors in their semi-annual report. "Their membership has grown to 455 in the three years they have been operating. At Baddeck, farmers, instead of steel workers and miners, are the stockholder. They have a hundred members and the total sales for nine months were $1,700. But it started one winter night with a meeting in the library of Nelson MacDonald, Pastor of the United Church. Six people came to the meeting and before they left they had formed a study club. Then some neighbors heard of what had happened and so they got together a study club. And then there was another and another. When they needed capital to get going they borrowed their own money from their own credit union to start their store. They only had 157 members at the start but now they are doing so well that their net earnings for the past nine months amounted to $1885."

Consumers' Cooperation

November, 1937
At Mabou the manager was ready to quit the day they opened the store. He only took in $4.44. But they grossed $7600 during the first four months and another $5000 later at Brook Village. Volume of business for the month of July, 1937, was $4546. Some of the farmers drive fifteen miles to trade at their stores. While the mileage for Brook Village is at the station the members load it on their wagons and drive through Mabou, twenty teams of them, one after the other, singing Gaelic songs. That saves 10c a bag for delivery.

Organizing a Credit Union

We had gone to Bay St. Lawrence. On one side of us was the headland of Cape St. Lawrence and on the other the mountains of North Cape, the northernmost point of Cape Breton.

They were going to organize a credit union that night. The Rev. Nelson MacDonald was coming from Baddeck to speak and then there was to be an organization meeting. Outside the parish hall stood a group of women and girls who had brought their baskets of knitting and boys sprawled on the grass on the other side of the fence. The Rev. MacDonald drove up as we came down the road. He had to drive over the mountains to get here. Mr. Beaton was the chairman of the meeting. He had been here a couple of months telling the people at Bay St. Lawrence what they are doing in other parts of Nova Scotia and why they should organize a credit union.

We went into the hall with a little knot of people and pretty soon the building was filled up. Before it was time to begin there were nearly a hundred people. A secretary was elected from the floor and then Mr. MacDonald was called on. He told us that first we must have education, then organization and finally the people must want to organize. He spoke of the different types of the study clubs, the importance of the chairman, the members of the Board of Directors and the Credit and Supervisory Committees and we voted on them. The newly elected committee members went up on the platform to sign the application for a charter.

We had a chance to talk to Mrs. McNeil and Mrs. Mc Dougall who were sitting next to us. They had sons who were interested in the credit union. Father McNeil came over and talked to us. Father McNeil is the priest of that parish. It was at his invitation that the Rev. MacDonald, who is a minister of the United Church, was here to organize the credit union.

Everyone now went onto the platform and formally signed his name as a member of the new credit union. We were organized. Another credit union has been added to the 106 in Nova Scotia.

Credit Unions

It was Saturday afternoon when Alec McIntyre took us to see the credit unions. "Cooperation is giving back to people the control over their own lives," he told us. "They come out of the drift and go behind the counter and become their own bankers." We stopped before a neat, small building. It was the Reserve Mines Credit Union. In 1933 it started with 26 members who had a membership of 590 and share capital of $20,000. The building is 24 feet square. To the right as we came in was a door leading into the room where members go to make application for a loan. At the back another door opens into the space where the books are kept and to the left behind the wickets are the cashiers. They are busy. There are fifteen or twenty people making their 25c deposits. The credit union has done well, Mr. Labin, the Chairman, said today. We have twenty-five in our group and they were heart and soul in this thing. All they wanted was to get on the right footing. Mr. Cochrane said theirs came out in the back lands. Everyone was enthusiastic. They had all been waiting for this meeting. Mr. Gouthreau said theirs was a small club, only eight, but they were just as interested in the movement as though they were larger. Mr. Simpson had nine in his club and he thought the boys had done pretty well. They had studied the pamphlet, "Be Your Own Banker," Mr. McEohen said his group was beginning to understand what a credit union is about and they wanted to know when they could begin.

That, it seemed, was what they all wanted to know. There was general talk of people making their 25c deposits. The credit union has done well, Mr. Labin, the President, tells us. They loaned $26,000 last year and there has never been a single default to be paid from the guarantee fund.

The Study Group

It was a piping hot Sunday afternoon. As we drove over from Reserve Mines every beach was crowded with people stretched out on the sand or splashing in the water. The parish house where the meeting was to be held was hot and the chairs were hard. Mr. Gouthreau, the secretary of the meeting, told us that they don't often hold meetings in the summer but North Sydney had been hard to get started and now just you couldn't hold them back. This was a meeting of associated clubs. It was the first meeting and the chairman of the different clubs were there. Mr. McDonald was going to report. Dr. Tompkins had been asked to talk to them. They want to get a credit union started and they hope he will tell them how to go about it.

There were about thirty-five men in the room. Most of them miners. They were Scotch and Irish and French. Mr. McDonald, the chairman, called us to order. He was glad to see so many come out on a hot Sunday afternoon. Now we would all want to hear from the chairman of the study clubs. They were all there except those on night shift. Would Mr. Wilkie tell us about his club? Mr. Wilkie said his group started three weeks ago. They have had three meetings. Most of their members are here today. He didn't think there is anything more to report. Mr. MacDonald said he hadn't much to report either. They had twenty-five in their group and they were heart and soul in this thing. All they wanted was to get on the right footing. Mr. Cochrane said theirs came out in the back lands. Everyone was enthusiastic. They had all been waiting for this meeting. Mr. Gouthreau said theirs was a small club, only eight, but they were just as interested in the movement as though they were larger. Mr. Simpson had nine in his club and he thought the boys had done pretty well. They had studied the pamphlet, "Be Your Own Banker," Mr. McEohen said his group was beginning to understand what a credit union is about and they wanted to know when they could begin.

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Consumers' Cooperation

November, 1937

What the People are Saying

We were sitting around the kitchen stove after supper. The women had been busy cleaning up but now were just getting to sit down and begin to talk. "So we had just come from a credit union meeting? Well, the credit union was a fine thing. My son borrowed $30 last spring to buy a suit of clothes. He needed the suit pretty bad and there wasn't much chance of his getting paid any cash money for a couple of months." They were all putting in 25c every week. They'd be surprised at how much money they had. Why before you knew it there would be $5 or even $10.

"There is a long way to go," said Father McKimmon, "but we have made a start. The people used to be discouraged. In the evenings they sat around the fires. There was nothing to do. Now there is hope. They are enjoying and planning how they will go ahead."

Or as Alec McIsaac put it, "We have got a long way to go yet. But we know what we have to do. We know where we are going."
THE TRAINING OF COOPERATIVE OFFICERS AND EMPLOYEES

"T" it is no longer necessary today to plead the case for vocational training of cooperative workers. No responsible cooper is unaware of the risks of entrusting the movement's business to untrained or self-trained employees." This statement by Mr. W. P. Watkins of the International Cooperative Alliance, reflects the trend in the leading cooperative countries of the world. As cooperatives grow into larger spheres of influence, development of both officers and employees becomes a matter of increasing concern. Consequently when one hears from competent business authorities that the Swedish cooperative organization is the best managed business in the world, one is prepared to accept the statement made by Professor Goodwin Watson of Columbia University that, "The cooperatives of Sweden have worked out a plan for training their personnel which outdistances any vocational school I have seen in America." A small business may acquire a competent personnel or may "convince away" from someone else. But a large progressive business must develop its own people. No business of any nature which has a vision of a great future can rely upon other agencies for the essential business training of its officers and employees.

How Cooperative Training Differs

In many respects the problem of training cooperative employees resembles that found in any business. In two particulars, however, cooperative employment is distinct from the usual business employment. The first of these is the larger meaning of the cooperative movement, that is, something to achieve beyond the efficient conduct of a business enterprise. All cooperatives are in a sense a reflection of the spirit of the movement, that is, should understand its history and implications and should be able to assist in some way in the extension of cooperative activity in the communities in which they live.

The second consideration which distinguishes cooperative employment from other employment is that cooperatives today have their great growth before them. A substantial proportion of those now employed in cooperatives will be needed for purposes of larger responsibility, whereas the reverse is true of most business employment today. Then, in addition, a cooperative has only one ultimate competitor, that is, the standard of the best service and quality of product that it is possible to supply. Therefore the cooperative movement is challenged today by the need for thorough and extensive employee training which no ordinary business has ever faced.

Four Methods Used in America

How have American Cooperatives responded to this challenge? One has only to peruse the publications of the various wholesales to find that these organizations are increasingly aware of this challenge and are engaged in meeting it. One of the most encouraging signs of the times is the extensive and well recorded experience with different methods and approaches to this question. It is impossible not to complete enumeration of all of the officer and employee education programs which are being carried on in the United States. However, a review of them suggests a classification into four categories, under which several examples will be discussed, as follows:

1) Full Time Schools.

In November of 1936, Central Cooperative Wholesale in Jamestown, North Dakota, last year conducted a five weeks course for 27 young men and women who will make some form of cooperative activity their life work. The course studied cooperation but they practiced it, as is the case in most cooperative training ventures. Through cooperative effort the cost of the school was kept at a low figure and it was centered in a limited fund to attend and assure a small surplus for the educational reserve fund for future programs.

2) Special Courses Arranged in Cooperation with Universities.

From November 16 to December 12, 1936, Midland Cooperative Wholesale in cooperation with the Center for Continuation Study at the University of Minnesota conducted their first Institute for Cooperative Management. The Institute was held in the new Center for Continuation Study building, which has facilities for both instruction and living accommodations. Eighty students from five states, largely from associations affiliated with Midland, attended. The staff of the Institute consisted of six professors from the University and seven from Midland's staff in addition to many special lecturers. The emphasis of the Institute's program was on training officers and employees of cooperatives and embraced the following courses: History and Principles of the Cooperative Movement; Organization and Administration of Cooperative Oil Associations; Products and Merchandising; Keeping of Cooperative Records; Kansas State College in cooperation with Consumers Cooperative Association of North Dakota, conducted in 1936 their short course for Training Cooperative Managers. The course occupied seven weeks and utilized the services of eight professors from the College and a number of cooperative leaders. The course consisted of: The Nature of Our Economic System; The Principles of Cooperation; Business Organization and Management for Cooperative; Accounting and Problems of Cooperative Enlargement. This course, conducted on the same basis as other College instruction, was available at a fee of $5 to all who cared to enroll.

3) Two or Three Day Conferences.

The Ohio Farm Bureau has during the past two years been carrying on a program of week-end camps which reached a total of 1000 persons in 1936. A substantial number of these week-end camps were for employees and officers. The first camp held in 1935 was for local society presidents and their wives. Later came camps for managers, publicity men, secretaries and other categories of employees and officers. The program of the camps centered around discussion periods in which the discussion leader made a thirty minute presentation. Then the group, which generally numbered about forty, is divided into four or five sections for active discussion, starting with the question previously raised. Upon returning to the Assembly each small group reports its conclusions and another question for discussion. The program of the conferences may be selected from a variety of such topics as: Development of the Cooperative Movement, Cooperative Recreation, Discussion Leadership, Cooperative Electrification of Homes, and Cooperative Principles. Midland Cooperative Wholesale has for six years conducted week-end conferences for Directors, Managers and Employees at both Minneapolis and Milwaukee. These conferences, which are closely related to the current problems of local cooperatives, occupy a space of three days usually in midwinter.

4) Circuit Method.

Several of the wholesales, notably Indiana and Ohio Farm Bureau Cooperatives, and Midland, have used effectively a technique of circuit schools. This method consists of a program of six evening sessions which are conducted each night in one week or once or twice each week in several locations which are fairly close together so that one staff leader may cover a different locality each week and Midland, have used effectively 750 people in 23 localities by this method. Discussion leaders are especially equipped for this work and comprehensive outlines are prepared for each evening's discussion. The Ohio program covered four evenings and dealt with the following main subjects, each of which was subdivided into as many as ten subordinate questions for discussion: (1) Relationships of Ohio Farm Bureau to affiliated organizations; (2) What Are Cooperatives Differ from Private Business. (3) Shall We Finance Our Own Busi-
ness? (4) Looking Into the Future with Cooperative Education

Cooperative Education may not be reached by other formal procedures which may be useful for training of this type. Correspondence courses, evening school courses, and full-time school courses, in which the expense, may be useful for training of this type.

4) Training in the administration of business and personnel problems should be provided for all officers and managers who are assigned to positions which call for the exercise of executive or supervisory functions.

The training of managers and officers presents a different problem. The administration of material problems, accounting and keeping of records, may of course, be taught much as any specific vocational subject. But it is often presented that this nebulous quality called the executive ability is not susceptible to training. Not much has been done to develop this trait by training and, as with any specific trait, many people are limited by their inherent capacities and early environmental influences from becoming skilled administrators. It may be argued with reason that all training is essentially development of latent abilities. Whatever the fact may be in this regard, it is evident that one who has evidenced leadership tendencies may be greatly strengthened through training. The methods, however, are different. Instead of the learning of the more routine procedures of the average job, we are now concerned with the development of judgment in situations which vary, and in which all of the information which one might want as the basis of a decision may not be available. One may acquire this judgment through material courses if he lives long enough, but a great deal may be done to develop it both by exercise on selected problems of the type usually encountered and by the learning of relevant facts concerning advanced methods and procedures which are the groundwork for judicious conduct in administrative positions. Lectures by qualified experts are useful, but most important is the conference procedure whereby an experienced leader presents problems and cases for group discussion among administrative people and directs their consideration so as to compel careful analysis, examination of possible conclusions or solutions, and testing of the agreed upon principles in the office. The increasing importance of wise leadership as co-operative societies grow and the scope of executive action becomes more extensive makes it imperative that executive groups take every opportunity to develop their knowledge, to perfect their administrative technique and to increase the accuracy of their judgment on the practical problems before them.

The Unending Job of Education

In conclusion, one must recognize the progress that has been made in all of these fields by the co-operatives in this country. Effective training of officers, managers, employees, and workers is not normally undertaken with valuable results. It is hoped that the next step will be a more extensive appraisals of this experience and the methods used so that the generalities here discussed may be improved by the detailed procedures which can be readily adapted to the local need. One final caution is pertinent. It is an unending process. The job is never finished. To know the essence of our civilization and the men and the jobs they perform are not static. Training is not a program to be applied once or at rare intervals and forgotten. As long as there is life in this co-operative movement there must be concerned minds which are seeking to better, through training, the individual and collective service of its employees and officers.
COOPERATIVE RECREATION SERVICE

COOPERATIVE Recreation Service was started as a study club by a group of students from graduate schools of religion who met for the study of recreation standards, leadership and the interchange of ideas. They organized in Boston in the spring of 1925 with 108 members from 23 states and launched a quarterly publication, called the "Handy Kit."

Four years later the membership had scattered to their homes and the original organization had become Church Recreation Service, with headquarters in Chicago. The Kit had grown to 60 pages in size, with a circulation of 10,000 with two of the original officers as editors. Many of the original group continued to contribute to its pages. During the depression, however, the circulation of the Kit shrank to a few hundred copies and it was moved to a farm to cut down overhead and have room to expand.

1937 finds the Kit in its twelfth year, now published by Cooperative Recreation Service (a merger of Church Recreation Service with the Recreation Cooperative League, Inc.) The emphasis has changed from party programs, games and stunts to "creative activities, folk arts, crafts, music and hobbies which give lasting satisfaction." Cooperative Recreation Service operates on a 90 acre farm, four miles from Delaware, Ohio. The large colonial house has been modernized for living quarters, office and library; a large barn provides space for shop, club room and for leadership meetings of cooperative groups from a large area.

C.R.S. has adhered rather closely to the program laid down by the study group a dozen years ago on high standards, leadership training and usable publications. It has been the policy to select materials which have inherent value, and are consistent with the best standards for character development, and have elements of permanence and beauty. Fads have been avoided; emphasis on competition has been played down; gambling eliminated. When folk dances were first introduced some years ago, there was criticism by conservatives; but their wholesome and popular appeal has won almost universal approval.

The Cooperative Recreation Service stands against the misuse of recreation as "bait" and the exploitation of play for some other end. Recreation is valuable for itself. To employ it as a means of getting people to "cooperate" or "come to church" is self-defeating. Our job has been that of adult education, rather than merchandising. Many of the best Kits worked out by the first hand, didn't begin to sell for several years. Quick popularity has been passed up in favor of a long range process of developing tastes for the activities with real worth.

Leadership Training

C.R.S. was instrumental in setting up a series of recreation institutes, the first being held in Chicago in 1926. Regional institutes were later set up and by 1937 several of the regional institutes had outstripped the original group in size. Most of them continued the democratic set-up of the first group, and selected a steering committee at the close of one session to convene the next. These institutes aim to train leaders for recreation work, develop new techniques and popularize high-class materials. The next steps are in the direction of selecting better calibre leaders, providing better training or more specialization with adequate relation to educational method and social change.

Research and Publication

C.R.S. takes credit for digging out and making available in usable form many of the most valuable play activities in current use. Authentic, reliable materials were edited for amateurs and for the first time published for use, not for profit, in twenty-five cent manuals to fit the pocket, rather than $2 books to ornament a shelf.

Ten of the Kits have been bound in loose-leaf form and published as "Handy" and a second edition, "Handy II" has recently come out. These have been very popular, having gone through 23 editions of 10,000 copies and have been used all over the world.

Crafts and Game Making

The first venture in cooperative purchasing came from the demand of leaders at the last Waldenwoods Institute to get a few thousand inexpensive booklets of activities with which to play the hand-made games. With a single order it was possible to go to the factory instead of the "5 and 10" and buy inexpensive booklets for the purpose; to order in paste blue shades in fifty thousand lots. In 1937 the project of "making your own games" had caught fire and more than a hundred shops were set up at summer schools and camps. Several thousand feet of seasoned walnut has been secured. C.R.S. has specialized in the finest hardwood available; much of the satisfaction has been from making beautiful equipment which will be treasured and used for years to come.

Cooperative Relationships

C.R.S. is primarily an educational rather than a merchandising agency. At first C.R.S. was operated on a Rochdale basis but the attempt to keep patron's records of thousands of small, casual orders from 40 states proved a tragic waste of resources and was abandoned. We purchase everything possible through cooperative channels; participate fully in local cooperatives and are related directly to The Cooperative League. Our staff of four full time and several part time workers receive fair wages, well above the prevailing level. In numerous Leadership Institutes and conferences we find opportunities to exhibit cooperative literature and discuss the tremendous importance of the cooperative movement as a cultural asset and a force for peace and democracy.

Looking Ahead

About fifteen per cent of our national income goes for recreation, mostly of questionable value. Consumers have little legal protection from adulterated amusement, on the screen, in the yellow press, or from the highly exploited and therefore very profitable book, comic and comic book vending services which profit-begging little chips up to our people. Action must be taken from the consumer end; both by ceasing to patronize the commercial exploiter, and by investing our own money in cooperative types of recreation and working with all character agencies in the community to provide more opportunities for satisfactory leisure living.

It is a pleasure to note that, in sharp contrast to the commercial exploiter of youth's search for fun, the Cooperatives are actually devoting funds from their patronage savings to a wide variety of educational, cultural and recreational interests, libraries, summer camps, discussion clubs, music, folk dances, clubs, craft and game shops. These cooperative savings are being used to build the foundations for a more abundant life.
CONSUMERS' COOPERATIVES IN ACTION

Cooperative displays at county fairs were centers of interest in six or eight states this year. Exhibits of cooperative products attracted hundreds of prospective members and showed other visitors that the co-ops are doing things.

Cloquet, Minnesota — The Northern States Cooperative League, meeting here September 20 and 21 for its 16th Annual Convention, made a major change in staff, cut its membership dues and approved a resolution calling for closer coordination of cooperative activities in the Northern States territory.

V. S. Alanne, secretary of the Northern States League since its establishment in 1922, resigned to take charge of Central Cooperative Wholesale's Training School. Cecil Crews, assistant secretary since 1934, was appointed secretary.

Speakers at the convention included Elmer Benson, Governor of Minnesota and J. T. Hull, secretary of the Manitoba Cooperative Conference. Two hundred visitors and delegates attended the sessions.

Jamestown, North Dakota — Members of the staff of the Farmers Union Education Service have assisted the State Department of Education in the preparation of study outlines, source material, bibliographies and other educational material for use in the public schools this winter.

A law providing for instruction in Consumers Cooperation and Cooperative Management was passed by the state legislature this spring.

Columbus, Ohio—The Ohio Farm Bureau Cooperative Association increased its volume of business for the first eight months of this year by $1,500,000 over the same period last year. The total sales of the co-op wholesale were $3,601,610 from January to August 31, as against $3,163,376 for the first eight months of 1936. This was a gain of 14.5 per cent.

North Kansas City, Mo. — Two new services have been added by Consumers Cooperative Association which are designed to strengthen the work of local co-ops: a Coopers Insurance Association has been set up to pool the insurance needs of affiliated co-ops in order to get better protection at lower costs; and an advertising and salesmanship service department, which will assist local co-ops with grocery advertising, and special campaigns. Eight local cooperative associations have signed up for membership in Consumers Cooperative Association in the last five weeks.

New York—Cooperative Distributors, a four-year-old mail-order cooperative, has opened headquarters at 116 East 16 Street and early in September selected Miss Olga Pourwich as general manager to succeed Ira Cotins, who resigned to go into private business.

Miss Pourwich was a member of the planning division of R. H. Macy and Company, New York's largest department store, from 1924 to 1929 and associate buyer for the same organization from 1929 to 1936. Ira Cotins, retiring manager, will continue to act as management consultant for the cooperative.

Superior, Wis. — The Central Cooperative Wholesale's thirteenth resident training school for cooperative managers opened October 4 with 30 men and 5 women students enrolled. The course last year was so popular that those in charge this year found it necessary to restrict enrollment to the territory served by CCW.

New York — The Cooperative League Institute for prospective cooperative executives opened its doors to students from 13 states and one foreign country enrolled. Thirty-five prominent educators and executives in the cooperative movement will deliver special lectures during the course of the Institute.

Combining both practical and academic training, the opening four months course calls for two months of lectures, discussions, seminars, research and cooperative observation, followed by two months of field work with co-ops in various sections of the country. Students will return to New York for a short final session after the field work. Several students already have positions in the movement waiting them at the completion of the course and several co-ops have arranged for students to do field work with their organizations.

The twenty carefully selected students represent states far apart as Massachusetts and California. One student is a German refugee educated at the University of Berlin. Seven have degrees from American universities.

Washington, D. C. — The District of Columbia Cooperative League, a federation of cooperative associations in the city, has hired a full-time educational director to take charge of activities beginning November 1. Three years ago the city, which in those days was without a consumers cooperative, today has a cooperative grocery service, a cooperative filling station, a Co-op Fashion Shop, a cooperative buying club with a large business in coal, laundry and milk, and several other projects are in operation.

Denver — The executive council of the American Federation of Labor, in its report to the Annual Convention of the A. F. of L. early in October, reaffirmed its endorsement of Consumers Cooperative Movement and urged its members to organize cooperatives as an effective way to meet price profiteering.

"Rapid increases in the cost of living are forcing labor to consider problems as consumers. In the recovery from depression, American workers have found that 78% of wage gains were cancelled by increased living costs, with the result that today the average living standard of employed workers is only 8% higher than it was a year ago; and the average working month of depression. Higher prices are due only in small part to higher labor costs. While in two years wage costs in manufacturing rose only 1%, prices rose 7.2% (January 1935 to January 1937). There has been much price profiteering in industries where powerful combinations made price controls possible."

We heartily endorse Rochester Consumers Cooperation in principal. Experience has proved, however, that certain safeguards need careful consideration if wage earners in this city are to put the co-op wholesale in $5,601,610 in a position to continue its Consumers Cooperation as a means of protecting themselves from price exploitation . . . Cooperatives must recognize trade unions, bargain collectively with them and patronize the union label. The union should undertake cooperative enterprises without studying the principles of sound business management.

The Executive Committee report pointed out that trade unions have been influential in establishing cooperatives in the following cities: Racine, Wisconsin; Oak Park, Illinois; Uniontown, Pennsylvania; Des Moines, Minnesota; and Marvin County, California. In Cleveland and Akron, Ohio, unions are also running cooperative enterprises; plans for cooperative stores, gasoline stations, credit unions and health centers are being considered in Superior, Wis.; Warren, Ohio; Tacoma, Wash.; Nashua, New Hampshire; Phoenix, Arizona; Oak Park, Illinois; Uniontown, Pennsylvania; and elsewhere.

COOPERATIVE LITERATURE


Here is a booklet on the Swedish cooperatives which takes an important step beyond the description of the growth of the modern co-ops which have made Sweden a haven for socially-minded tourists. Mr. Hedberg, from his years of experience in the organization department of the great Cooperative Forbundet, has drawn together important material on organizational methods, administrative structure and the facts of operation of a cooperative which distinguishes it from its private business and in which many instances set the standard for the American co-op apart from their less attractive or less efficient brethren. The strategy and policy followed by K.F.'s trusty budgeting campaigns are described by the man who helped create those campaigns, and who is now completing a lecture tour of the U. S.

A Primer of Bookkeeping for Cooperatives, by Werner Regil, director of the Accounting Bureau of The Cooperative League, 40 pages, sample copy 10c, all others 35c.

I have read carefully "A Primer of Bookkeeping for Cooperatives." It impresses me as an intelligent, well-organized, and useful book. I particularly liked the first section which bookkeeper feels as growing out of a definite situation, not as a dream from the sky. It is a fair piece of work and one of great importance to the cooperative movement.

Stuart Chase.

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November, 1937

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THE PRESS BOOSTS CONSUMERS' COOPERATION

Big Business Looks at Consumers Cooperation

Food Industries, September, "Why Grocery Cops Have Little Chance in the United States."
The success of cooperative retail food distribution as revealed by the Report of the President's Commission in Europe has given the food industry jitters and they attempt to assure themselves that it can't happen here.

Printers Ink, August 19, "To Halt Consumer Cops." Gordon Cook.
Mr. Cook tells private business that the way to "beat" the co-ops is to use the co-op technique. He urges that private retailers organize "quasi-co-ops.

The second of a series of articles on the cooperatives as viewed by a private-profit retailer.

Retailing, August 16, "Adopt the 'Co-op Strategy,'" Gordon Cook.
Mr. Cook, who is editor of the Voluntary and Cooperative Groups Magazine, has recently studied the cooperative movement in Europe.

Cooperatives In Nova Scotia


Cooperative Medicine

American Federationist, October, "How to Pay for Adequate Medical Services," Editorial comment of the consumer cooperative movement.

Health and Hygiene, September, "Medical Cooperation in Minnesota," A. R. Rathert.


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COOPERATIVE COMMENT

The Way to Peace and Good Will to Men

Dorothy Detzer, who is credited with having been the individual primarily behind the idea which resulted in the Senate munitions investigations, says, "Much is being said and written about saving the democracies. But the wisest way to save our democracy is to use it."

She urges action in the political democratic field to preserve peace. But political action alone will never prevent war. It is democratic economic action in voluntary cooperatives and public utilities which eliminates "private profiteering" and establishes ownership by the people who will eventually lay the necessary economic foundation for world peace.

"Price Announcement"

When we reached home the other night, we were handed an innocent piece of paper reading "Price Announcement—Milk, Grade A, 17c; Grade B, 16c. The family budget balances at 77c. Two days later we received a shocking note: "June 30th the price for Grade B milk will be 11c, now on. 8th it is 14c."

Seven quarts per week at 11c is 77c; seven quarts at 14c is 98c; an increase of 21c. The family budget balances at 77c per week for milk; how is the 21c to be saved? Drink a quart and a half less per week or three quarts less in two weeks. So the order goes out the back door to the milk driver, "Skip two days one week and one day the next week." Our reply is that milk must be sacrificed to the "price profiteering" of a wasteful and greedy distributive system.

Rochdale Principles After 90 Years

The International Cooperative Alliance at its Congress in Paris agreed that there are four basic Cooperative Principles:

Open Membership
One Person, One Vote
Limited Interest
Patronage Dividends

The first two of these spell "Democratic Control"; the second two spell "Economic Justice." Lincoln's great Gettysburg address describing America might...
Collect More or Spend Less

As Congress opens, the big battle is on again between the "have-littles" and the "have-littles" as to whether to collect more taxes or spend less for relief.

The perversity of human nature is indeed a strange thing. It is no wonder that the poor are poor. The Book describes the difficulties of those whom society allows to accumulate riches, by using the illustration "It is easier for a camel to pass through a needle's eye."

When stagnant savings are taken from the rich by the comparatively painless process of taxation and distributed to the poor by a well organized system of social services, both the rich and the poor are benefited. This is not theory any more. The Brookings Institution studies have proven statistically that the primary difficulty in 1929 (and it is as true now as it was then) was that the Few were saving too much. Specifically, the report shows that approximately 2% of the families saved ten billion dollars after spending all they could. The five billions of savings of the 98% were enough to finance the necessary additional investments to increase our production facilities. But the ten billions saved by the 2% were not only unnecessary, but were the primary cause of the stoppage of production and the resulting unemployment. They went "roaring around Wall Street" met because they had no other "place to go."

Where they should have gone was into the hands of the "have-littles", where they would have been used for increased consumption, and the wheels of industry speeded up to supply the demand, rather than be shut down. "To take away by taxes the surplus savings of the "have-littles" and distribute them to the "have-littles" is not only justice but practical economics."

Of course the "cracker-on-the-end-of-the-whip" of this editorial would be to add that society makes a fundamental mistake in the first place in permitting the Few to ever get too much, which the government can only alleviate by taxation and distribution. And furthermore, that there are practical ways of preventing "profit-on-price which the people can and should employ and which are a permanent solution—namely, voluntary cooperative industries and obligatory public utilities, whereby "private-profiteering" is eliminated.

Farmers and Workers Need Help

When Secretary of Agriculture Henry A. Wallace went to Washington he made the statement in an address that the government proposed to chart the course of production upward and keep all the varied interests in line. Well, what are these varied interests? Primarily they are—finance, industry, farmers and workers.

Why must the government help the farmers and workers? For the simple reason that they are no longer owners to any great degree. Since finance and industry have become the owners of America, the farmers and workers have become the market place on unequal terms. At present the only means of helping to tip the scale a little more justly is for the one national power we have organized, namely, the government, to do two things: first, by any necessary legislation to encourage farmers to organize themselves into marketing cooperatives and workers to organize themselves into labor cooperatives, increase the bargaining powers of both producer groups; second, by any necessary legislation to establish minimum incomes below which no one can fall.

Of course, such action through the government as citizens, is ineffective at best, even though it is immediately necessary. Only when all the people are organized as consumers into cooperatives will we have developed the real power to balance the scales. As fast as we take over the ownership of finance and industry we will be able to increasingly do justice between farm workers and professional producer groups.

Incidentally, don't forget that the Swedes have not only thought this through but have worked it out into definite contractual national agreements between producers and consumers by setting up a joint board of both groups. Micrographed copies of this agreement are available for $5 from the office of the Cooperative League. While you are following the course of temporary legislation this winter, you might well be studying and advocating the permanent solution.

Notable Support for Cooperatives from Church Groups

Two events which, we believe, are historical in the Church world, have taken place recently. The first is the adoption by the "Oxford Conference," an international church body, of a resolution which states: "The church in the next five years will produce a complete plan of cooperative organization."

The second event of importance is the appointment of a "Church Committee on Cooperatives" by the Industrial Division of the Federal Council of Churches of which the well known cooperator Rev. James Myers is Secretary. The Committee is fortunate in having as its Chairman Dr. J. Henry Carpenter, who directed the Kagawa Tour in 1936 and who likewise was the Director of the successful Cooperative League Tour of Nova Scotia this summer.

Tracing the genesis and development of specific thinking about cooperatives in the Federal Council of Churches is interesting. It would probably be agreed that the first event was the Conference on Consumers' Cooperation at Indianapolis at the beginning of the Kagawa Tour in 1936. He reported that the cooperatives promote peace, security and democracy. Another step was the publication of a pamphlet in 1926 more particularly relating to marketing cooperatives and written by Benson Y. Landis. The third great step took place when the Federal Council of Churches issued a report on "Planning for a Cooperative "Kagawa Tour in 1936 and who likewise was the Director of the successful Cooperative League Tour of Nova Scotia this summer.

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THE INSIDERS UNLOAD

Why did the stock market "bust" come? We were asked this question continuously in Europe. In replying we referred to the chart and article which appeared in the June issue, under the title "The Control of Prices." Our readers might well get their back copies and read the article and study the chart. If you were not a subscriber then, you can send us a copy.

The primary reason why stocks go up or down is that the stock market is not so much a place in which to invest as to speculate. The "bulls and bears" are always playing the market to get in or get out at the right time and leave the "lamb" to hold the bag. There is no conscience in a stock sale. If every share of stock had in it the name of the purchaser and the price at which it was sold, the "lamb" would be far wiser and warier than they are now. John Flynn, than whom far wiser and warier than they three ways that Wall Street for fortunes are made "the opportunity for insiders to trade in their own shares."

Know? Well, they knew long be recession in orders had begun. They knew that new orders were not coming in, and they knew that not only were they not coming in but were instead piling up at the factories, notably textile and steel mills, because orders had been operating largely on backlog orders during the past four months. The "insiders" knew that when this information got to the "outsiders" the price of stocks would fall because of the prospects of declining earnings. So naturally the "insiders" started unloading again.

That's easy thus far. But the hard nut to crack for most people is why new orders started to decline. Well, the reason is likewise a simple one. A business analyst, Dr. Viva Booth of Ohio State University, who is a prophet without the appreciation she should have in her own country, once drew a line on a piece of paper and showed us why such things happen. The chart here shows the line of industrial production from 1917 to 1937—or twenty years. Note particularly that, after the close of the war and the drop in 1920, production started to go up. What caused it? Where did the orders come from? From foreign countries. Where did they get the purchasing power? We, in America, made loans to them. In other words, after the war we started our production machine again based on foreign loans. Then look at the chart again and see how production started to lag in 1925. What did we do then? We "primed the pump" with more loans—but this time they were installment selling, as we call it. By these two methods of credit, foreign and installment, we kept the production machine going until 1929. And then what happened? We got scared and began to slow up in buying again. And we got scared when we have too much debt—when we have loaned and borrowed too much.

Well, what happened in 1937 which caused the buying orders to again begin to slacken? The answer is that since 1930 we have again built up our production on the false foundation of credit—this time domestic government credit instead of foreign credit, and even a larger amount of installment credit than in 1929. So as government and private debts mounted, we again got scared and began to stop buying. This is what the "insiders" knew and why they started "unloading" on the lambs.

All this, you might admit, reads like a simple and sound as the analysis of the cooperative answers? They are just as simple and sound as the analysis of what happened. The prices of investments and commodities must be stabilized. How do the Cooperative movement stabilize prices? First, it stabilizes investment prices by taking the speculative elements out of them. Cooperative stock prices did not decline when private stock prices did. The reason was because of the "limited-interest" principle of the cooperative movement. Second, the cooperative movement tends more and more to stabilize commodity prices by buying on credit, preventing profiteering and enabling people to buy for cash instead of on credit. This results from the "patronage-dividend-on-purchases" principle. When profits do not pile up in the hands of the few but are distributed to the Many, they are able to pay as they go. They buy for cash which builds production increases on a solid foundation of cash instead of on a false foundation of credit.

In another article we will discuss still further this great economic theory of cooperation—the control of the price level—and contrast its effectiveness with the comparative ineffectiveness of our present attempts to start at the other two of the three ends of the economic system, that of controlling production and money. The above, however, we believe is the real answer as to why the stock market boom ended in another "bust," which the June issue of Consumers' Cooperative warned. We warned to prepare for by reducing credit, increasing reserves and conservative inventories.

COOPERATION IN AUSTRALIA AND NEW ZEALAND

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Colston E. Warne

influenced by the immigration of British cooperators who sought to launch cooperative enterprises and to emancipate themselves from the capitalist system. Both Australia and New Zealand were swept by the enthusiasm of the Owenite, the Chartist, the Rochdale cooperative, the Henry George and the Bellamy movements. In both, a land-hungry population was forced in the early days to develop cooperative tendencies to survive. But looking at the situation on the eve of the 1929 depression, the cooperative movement in Australia and New Zealand dwindled to minor proportions, and was limited to deeply-rooted growths in mining communities and to the sideline activity of the agricultural marketing co-operatives which had grown to colossal size.
Obstacles to Cooperative Progress

Inquiries as to the failure of cooperation to develop in a populace, almost purely British, well aware of the English and Scotch developments, reveal answers which will sound familiar to American cooperators. "Those who settled our country were speculators. They went into agriculture or the pastoral industry to advance their incomes. They were little interested in social reform or in the long term gains to be secured through cooperatives. The workers in our cities have always been seeking higher incomes. They have been loyal union members and have generally voted for the labor ticket, but they have not had the patience to develop cooperatives." Now and then an enthusiastic group would start an effort, but with the coming of depression it would fade out.

Labor and Consumers Take A Hand

Since the last depression the cooperative situation in both Australia and New Zealand has rapidly altered. Today, especially in New Zealand, cooperatives are flourishing. New stores are being opened. The movement has taken on a dynamism that is astounding. A part of this growth is to be credited to the election of a labor ministry. The New Zealand Labor Party, which is exceedingly sympathetic to the cooperative movement, achieved power in 1935, the first time in New Zealand history. The cabinet has issued frequent statements endorsing the cooperative movement.

An Australian Parallel

In Australia the headquarters for consumer cooperatives is in Newcastle, a mining and steel town of New South Wales. There, the Newcastle and Suburban Cooperative Society has gained a dominating position. It has today 8600 members and capital of $500,000. It pays 10% on purchase rebates after allotting dividends to share capital of 5%. It is affiliated with the Cooperative Wholesale Society of Australia which has for some time been New Zealand agency for the sale of its products, assisted the New Zealand Cooperative Alliance, headed by Mr. D. Von Sturmer, in establishing new stores and in extending the activities of older enterprises. The New Zealand Cooperative Alliance has a live publication, The New Zealand Cooperator.

Excellent educational work is undertaken, especially among the women. The Alliance is interested in launching consumer testing as a means of extending cooperative growth. It has also suggested to the labor government the desirability of government loans for cooperatives as a better method of checking price rises than the passing of anti-profiteering acts.

Social Basis for Cooperation

New Zealand has always had a considerable amount of socialism. Public utilities are governmentally owned. The government has extended substantial loans for agriculture and for housing, has owned coal mines, and has long regulated wages, hours and working conditions. The new socialist ministry is today interested in taking further steps toward the building of a socialist and cooperative commonwealth. It has instituted the 40-hour week, has regulated prices, has drastically advanced wages and unemployment relief, and has started substantial governmental housing projects. Some New Zealand municipalities are now taking over milk distribution. The trade union movement, embracing as it now does practically the entire working populace, thanks to compulsive unionism, has taken a considerable amount of interest in cooperatives and will undoubtedly in the future make cooperative growth a phase of labor activity.

THE NEW ZEALAND DAILY COOPERATIVE

December, 1937

THE educational program of the Ohio Farm Bureau has three prime motives, namely, first, to develop a virile functioning local leadership to man the Cooperative Movement in Ohio; second, to inform members of cooperatives regarding the philosophical, cultural, and practical sides of democratic, economic organization; and third, to bring about a thorough understanding between rural and urban consumers of the problems and opportunities in which both are vitally concerned.

The Product of Profitering

Leaders of both rural and urban cooperatives in Ohio are rethinking clearly the economic order in which they find themselves. They are mindful of the fact that they are living in a world which has brought the抱着的 machine to relieve man of drudgery and provide him with more leisure, then uses the machine to deprive him of the opportunity to earn a living, the kind of a world that allows factory smokestacks to rust and workers to remain idle while human beings suffer for want of things which factories could and workers are eager to produce; that destruction has been the lot of one-third of the people, who are shabbily clothed, undernourished and ill-housed; that seeks to cure the ills of past wars by actually preparing for a larger and far more disastrous human conflict between nations in what seems likely to be the near future.

In addition to working with our local cooperatives, we are in contact with those in urban areas, as well as with other state-wide and local organizations interested in adult education. It is our conviction that the adult education program of any organization is not complete unless it includes a thorough analysis and study of both the social and economic phases of everyday living of men and women. Cooperatives are urged to appoint general committees with sub-committees having defined re-spnsibilities, and for respective parts of their educational programs. Other groups are encouraged to add sub-committees on the study of Cooperation to their regular educational committees.

Method of Financing

Educational programs of all organizations must be adequately financed. We have found through experience that the most practical and efficient method of financing cooperative education is for the local cooperative to contribute a percentage of its gross retail sales, regularly each month to the educational fund. The amount in our own locals is one per cent. While on the records this is an expense, it is in reality an investment in the future security of the cooperative from the inroads of malicious propaganda against the movement. A percentage of the net savings set aside for education results in there being no funds for education, and when savings may be lacking and education most needed. A stipulated sum each month to finance education is not flexible enough to be practical in expanding cooperative program. For some time it is essential that the amount spent for cooperative education increases pro-
Cooperative educational activity to be far reaching and effective must be carefully planned and intelligently directed. These must be done on a voluntary or paid basis. Our local cooperatives are at present largely directing educational activities through their educational committees and directors. Many such groups will eventually have full time educational directors as funds permit and qualified persons can be found. Several local associations have already taken this step.

Discussion Circles

Cooperative discussion groups or circles comprise our largest educational project. No other educational medium offers such possibilities for democratic study and discussion. Five types are now under way. In all cases the Educational Department discovers or prepares discussion materials on a variety of topics from which members then form their own discussion. We also train the leadership of such groups in organizing for group discussion, in conducting discussion, in parliamentary procedure, and in the leading of many types of cooperative recreation.

Advisory councils are adult groups composed of twelve leader families around our local cooperatives and consist of board and committee members who meet once each month. These groups are a result of our Cooperative Youth Conferences. Employees are now forming their own discussion groups in connection with monthly personnel meetings. Practically all cooperative buildings will again conduct a series of five or more weekly discussion meetings this winter during January and February. In many instances members form discussion groups in local communities. Religious, labor, civic and professional groups are to a greater or lesser degree embracing "Golden Rule" economics and in many instances cooperate in the discussion of cooperation in their regular adult education programs. The Ohio Farm Bureau is consulted regularly and frequently for advice in discussion organization, procedure and study materials.

District Conferences

Cooperative conferences, as sponsored by the Ohio Farm Bureau and local cooperatives during the past two years, are designed for leaders, employees, and youth. Additional training in both the philosophical and practical phases of cooperation. Twelve hundred persons will be reached this year in twenty district conferences of three days' duration. Leader, manager, and employee conferences have programs planned in advance from suggestions coming from the respective groups. Two students are assigned the responsibility of briefly presenting the subject matter on each topic. Key questions to start discussion are given to the group by the resource leader. The group then divides itself into small discussion circles for an hour. Discussion circle reports are received by each circle for further discussion, summaries made and conclusions reached under the direction of a resource person or staff member. We do not believe in speeches at cooperative conferences. In the case of youth conferences the subject matter is presented by staff members as the young folks are nearly all entirely unacquainted with cooperative operation. There is discussion in small groups, reports follow presentations, summaries are made and conclusions are agreed upon.

We have youth conferences that an understanding of cooperative principles and practices on the part of young men and women gives them a sense of adequacy and self-reliance. They instill the worth while purpose. They realize that there is a "way out" for them to realize the things desired by them. Through the Cooperative Movement they envision a society for themselves and those whom they love. After all, life in its fullest sense is simply an adjustment to one's environment. If cooperative conferences do nothing more than assist people in finding themselves, they will have achieved a definite and worth while purpose.

Cooperative Recreation

Leisure time activities on all conference programs and in discussion groups always receive emphasis. While baseball and other well known competitive sports are included in the recreational program, we specialize in the non-competitive type of group games, folk and singing games, as well as quadrilles, are enthusiastically received by all groups composed of both men and women. Equipment games are always available. Cooperative recreation develops group consciousness which is so essential to success in all cooperative work. All conferences last for three days. Entertainment of an educational character is made available for all groups.

Library

The Ohio Farm Bureau has a Cooperative Library which is an integral part of its Educational Department. A full time librarian is in charge. Two thousand volumes of cooperative and closely allied literature are used by the 2,100 employees of the state office and by local cooperatives in the field. Three hundred cooperative and other liberal magazines may be found in its reading section. Vast quantities of books, pamphlets and magazines are sold at both wholesale and retail. Local cooperatives provide awards for the Ohio Farm Bureau and by local cooperatives of national scope. Scholarships may also be used to study the Cooperative Movement in Europe or in any approved college or university.

Pamphlet Club

The Cooperative Pamphlet Club, which was started this year, had approximately eight hundred members. A new club will be organized in connection with each district conference. Pamphlets and magazines in quantity are sold at both wholesale and retail. A limited number of special pamphlets are offered for sale to local cooperatives at reduced rates. Pamphlets and magazines are sold at both wholesale and retail. Respondents may purchase, at reduced rates, pamphlets and magazines in quantity. Local cooperatives shall be organized in connection with each district conference. Pamphlets and magazines in quantity are sold at both wholesale and retail.

Consumers' Cooperation

The Verna Elsinger Scholarship Award was made available for the first time in its present form during the 1936-1937 school year by the Ohio Farm Bureau Foundation. The opportunity it gave young people for advanced training in cooperative leadership and the generous awards which were declared to make possible college training for those who desire to participate in the less strenuous types of recreation. Group singing and song appreciation receive special attention throughout each conference on an equal basis. Cooperative recreation develops group consciousness which is so essential to success in all group action.

Essay-Oration Contests

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be organized and started within the next few months. Under this plan members of the club receive a new, carefully selected pamphlet once each month on a non-profit basis until the membership fee of one dollar is exhausted.

Films

We are planning to add to the visual education part of our program. At the present time we have two films pertaining to the Cooperative Movement in Europe. These films are scheduled by cooperatives, churches, and other organizations, who are using round trip transportation. We have found that the use of these films, with an accompanying lecture, is very effective for use by either local speakers or those visiting cooperatives. These films are scheduled by cooperative groups from this office. In the near future we expect to purchase equipment for the taking and making of our own films. We are also making use of film strips and slides with excellent results.

Tours

During the past two years we have assisted cooperatives and other groups in organizing one and two-day cooperative tours, both within our own state and in some cases extending into neighboring states. We believe such tours afford groups a splendid opportunity for first hand observation of both rural and urban cooperatives. In all cases leaders of such groups are asked to be at their cooperative headquarters when the visiting group arrives. We plan to continue our contacts with the Cooperative Movement through educational institutions toward the embracing of the cooperative idea. We believe such tours afford groups a splendid opportunity for first hand observation of both rural and urban cooperatives. These tours will be planned particularly to rural groups.

Fair Exhibits

Exhibits at county fairs and the Ohio State Fair are considered a valuable part of the educational program. M模- and diagrams are supplied to local organizations. At the State Fair we have an elaborate exhibit of the Verna Elsinger Scholarship Award as a part of the Junior Fair, showing all farming activities and district winning essays in relation to their counties on a large state map. The regular Educational Department exhibit, set up as a part of the Ohio State Fair exhibit, demonstrates the relationships which we have with all departments in our organization, as well as elaborates on our three main projects, namely, discussion groups, conferences.

Education Towards a Cooperative Economic Society

Throughout its entire educational program the Ohio Farm Bureau attempts to forecast a new concept of society. It believes that the "long way round" of building a sound foundation for the Cooperative Movement through education will in the end be the short way to sound, well-managed, efficient economic order.

College Courses

We have been pleased during the past two years with the progress made on the part of educational institutions toward the embracing of the cooperative idea. We plan to continue our contacts with such institutions as rapidly as possible, with the hope of eventually a large number will add courses in Cooperation to their curriculum. Antioch College is our most noted example of a liberal arts college which has added courses as well as a chair in Cooperation.

Survey

We are now in the midst of making an intensive survey of the operation of cooperatives in Ohio. A member of the staff has obtained from the office of the Secretary of State a complete up-to-date list of all rural and urban cooperative organizations that have been incorporated. These are being classified and information obtained regarding each. It is interesting to learn the reasons for success or failure of each. Lack of education in Cooperation is the main stumbling block to achievement on the part of all backward groups.

COOPERATIVE PLAYS

CREATIVE dramatics is one of the highest types of cooperative effort. Petty and personal interests are submerged in the broader and more complete goal of mutual cooperation and work and thought and action together, self is forgotten. Capacities of each individual, moreover, are enlarged through the interaction of the group. Group dramatics offers an unusual opportunity to stimulate people to think for themselves and it should be the responsibility of every cooperative society to use this medium to the fullest. We are reviewing this month several plays which will be of interest to cooperative societies. These can be secured at the places indicated.

"Two One-Act Cooperative Plays," by Ellis Couling, published by Central States Cooperative League, 2301 S. Millard Avenue, Chicago, Ill.

Lough—1930. One 3 men, 1 woman. A pleasant and moving play concerning an unemployed couple on Christmas eve. Utterly disheartened, their attempts at Christmas festivity on their meager relief funds only make them more discouraged. A "charity basket" means extra food but doesn't bring joy. A Co-op Co-operative Society takes a share of stock in the store which the partners have created and a small check. The Marx family has a new home and courage and vision that will not pass with the Christmas season. An excellent play, particularly for this season of the year. It is easily staged. Powerfully written.

Weren't We.

Once set. 3 men, 1 woman. The Marxes have put up a losing farm to save their farm but with the price of farm land up, the mortgage company is no longer to foreclose. Mr. Marx has been moved to throw. His son, bursting with enthusiasm, tells the farmers that the farmers have organized a Co-on and he will move ahead. His father, Perceiving the sacrifice that John has made to make the Co-op possible, Reichers his enthusiasm and determination to help build this new cooperative. The contrast between cooperative and competitive ways of life is brought out clearly in the characters and the action. The play is well written and carries a message which will appeal particularly to rural groups.
operative activities in this section of the United States.

The decision followed a general discussion of the present situation by Mr. Anders Hedberg, executive of the Cooperative Union of Sweden, declared that Swedish cooperatives are operating entirely on a cash basis after finding credit "wasteful and expensive."

Twenty-one cooperative associations listed CCA during the last fiscal year, bringing the total number of member associations to 363. Sales for the first 8 months of 1937 totaled $3,090,116 as against $2,707,509 during the same period last year. This was a gain of $382,607 or 14%. During the past year the co-op wholesale set up auditing, sales, insurance and bonding services for member co-ops and extended the paint, twine and grocery lines as well as adding a full line of electrical appliances.

Superior, Wisconsin — A first index of the popularity of co-op electrical appliances was the announcement that more than 2,000 co-op radios have been sold in the CCW territory since the wholesale began distributing them in 1936.

Chicago — The Cooperative Wholesale Inc., which was organized a year and a half ago to serve cooperative stores and buying clubs in Chicago and vicinity is now serving cooperative retail grocery stores and meat markets in Chicago and vicinity. The store sales topped $11,500, the largest month to date. Cooperative stores in Hyde Park and Evanston sections of Chicago, organized three years ago, have more than doubled their sales in the past 8 months and are now selling 5,000 a month mark.

While the Cooperative Trading Company in Waukegan exceeded its $75,000 a month record and opened its seventh store store and meat market. The sale of Waukegan co-op is 26 years old and is the largest co-op buying through the Chicago Co-op Wholesale.

To increase the efficiency of retail cooperatives, the Central States Cooperative League and the Cooperative Wholesale are sponsoring a technical training and development program for cooperative employees and prospective members.

Consumers' Cooperatives in Action

Washington, D.C. — The first cooperative gasoline station in the nation's capital was officially opened by Konson, Inc., and the co-op paid its members an 8% patronage dividend. Encouraged by this, an agent group can easily adapt "Fill Er Up", for presentation on a stage before an audience.

The National Service Bureau, Federal Project No. 38, New York, publishing a great number of lists and synopses of various one act, and full length plays, variety sketches, marionette shows, musical plays, etc.

These are listed under such helpful groups as community plays, rural plays, patriotic plays, war plays, etc. These are easy to present—no sets, no costumes. The audience will be standing and cheering at the auction bridge game, Potomac River, and the blending plant is sold to the "Cooperative Wholesale Company of the Midwestern." If the technique of presenting a radio play is of interest to any group, they can secure from the Scholastic Bookshelf, a "Handbook for Student Broadcasters." An inquisitive group can easily adapt "Fill Er Up" for presentation on a stage before an audience.

The Cooperative Union of Sweden is larger than the old-line company to put the co-op out of business.

An exciting, thrilling play dealing with the organization of a gas and oil co-op, the efforts of the owner to put the co-op out of business by a price war, the refusal of the private-profit wholesale to sell to the co-op, the organization of the co-op wholesale and the final triumph of the co-op as it purchases the private-profit wholesale building and land, as the author points out, "the incidents in this play are based upon the true history of several oil cooperatives in the Midwest. Names, places, and characters, however, are wholly fictitious." Radio plays are modern novels. They are easy to present—no sets, no costumes. The audience will be standing and cheering at the auction bridge game, and the blending plant is sold to the "Cooperative Wholesale Company of the Midwest." If the technique of presenting a radio play is of interest to any group, they can secure from the Scholastic Bookshelf, a "Handbook for Student Broadcasters." An inquisitive group can easily adapt "Fill Er Up" for presentation on a stage before an audience.

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owed the example of St. Francis Xavier University in its program of cooperative organization through adult education. DeVinmini's college called a meeting of government, religious, educational, agricultural and fishing organizations to discuss a program of action. The Adult Education League was formed to carry out a definite program during the winter of 1936-37. The St. F. X. technique — (1) public meetings to acquaint the people in the community with the idea; (2) the organization of small study clubs and (3) general meetings of associated study clubs—was followed as closely as possible. Beginning in November study clubs were organized at the rate of 25 a week. At the end of March, 1937, there were 338 study clubs with 4300 members.

New York—Following the example of cooperatives in large European cities which have been formed through amalgamation into a single city-wide organization, representatives of New York cooperatives have taken a preliminary step which may lead to the amalgamation of all co-ops in the city.

There are now 15 cooperative grocery stores, 11 cooperative eating places, two cooperative laundries, 4 cooperative milk routes and a garage. Four cooperative housing projects, a cooperative power plant, and 9 cooperative buying clubs in the process of forming co-op grocery stores. Setting these organizations are the Eastern Cooperative Wholesale, the Eastern Cooperative League, the Cooperative Book Club, and Cooperative Distributors, a cooperative mail order house which operates a miniature department store for its New York members.

The retail volume of business of consumer cooperatives in the city will probably exceed $1,486,000 this year. Early in October members of the boards of directors of New York's co-ops were called into a special session by the Eastern Cooperative League to discuss problems of urban organization with Anders Hedberg, representative of the Cooperative Union of Sweden, Mr. Hedberg described the growth of Stockholm's 16 cooperative societies which were finally merged at the suggestion of the Cooperative Union to form the gigantic Stockholm Cooperative Society with more than 350 stores in the city. He spoke of the increased efficiency of management, increased purchasing power and organizational strength of a unified cooperative. At this session, the organization of a co-op representative formed a new organization, and set up a special committee to investigate the first steps in that direction.

Madison, Wisconsin — Gas and Oil Co-ops in Midland's District 10 are working out a system of dividend payments so that a co-op member can buy co-op gas as he travels and still get his patronage dividend.

Stone Church, Pennsylvania—The Northampton County Farm Bureau, already operating a very successful farm supply cooperative, organized an educational program last winter. Out of the discussion circles grew two consumer co-ops which increased the efficiency of business under conditions almost as modest as those at Rochdale. The co-op took over an old established store in Stone Church that had never previously passed the $70. Today the co-op has opened a branch at Tatsamy and started van service for cooperators who can not get in to town. The co-op's business is now more than $2,000 a month.

New York — The Cooperative Book Club, a consumers cooperative for the distribution of books of all types for its members, and expects to begin making monthly book selections from the field of important fiction and non-fiction next month. All books will be sold to members at market price with a patronage dividend to be returned to members at the end of each year. Permanent memberships will be $2.00. The members will own and control the organization in addition to benefiting from co-operative purchasing. It is an independent organization, with no religious, political or commercial affiliations.

Columbus, O.—The educational department of the Ohio Farm Bureau Cooperative Association conducted 20 educational conferences in 1937. More than 700 persons attended one or more of the co-op camps during the year.

Nine of the camps were for rural youth; three were set up specifically for cooperative employees and secretaries, three were for co-op managers, four for adult leaders and one for insurance managers and their wives.

New York — Knickerbocker Village, one of New York's several housing projects built by a limited dividend cooperative in 1934, is the home of one of the city's most progressive co-ops. About 240 families in Knickerbocker Village are members of the co-op. Milk is distributed regularly to 175 families; 140 are taking co-op laundry service. The co-op has a one-room store in the basement doing $129 a month business. Three full time employees are necessary to take care of milk and laundry distribution and grocery service.

Ithaca, New York — The Cornell Cooperative Dining Club opened for business in November 1936 and served about 350 persons daily during the remainder of the school year. When college reopened this fall 170 students signed up as co-op members for 1937-38 and 34 other students are on the waiting list anxious to join. As soon as the co-op can furnish accommodations.

The current weekly expense for meals outside the Cooperative Dining Club is about $6.70 to $8.00. The cooperative charges $4.75 a week with an annual membership fee of $5.00. The co-op has become an important social center for non-fraternity students.

Yellow Springs, Ohio—Antioch College, in cooperation with the Ohio Farm Bureau is giving two courses in cooperative economics this winter. The introductory course is for students who have taken the elementary course and for co-operative employees. The courses are open to both resident and non-resident students.

Eugene, Oregon—The Consumers Cooperative Association of Lane County started as a discussion club two years ago. It now has 100 fully paid members and early in October opened "the most centrally located grocery store in town."

Bricelyn, Minnesota—Farmers who grew tired of selling their good fat steers to the packers and then having to go to the meat markets in town and buy old tough cows that the butchers picked from the packers rebelled in the summer of 1936. They organized a co-op, hired their own butcher, cut the prices to themselves as consumers and sold the meat to themselves as producers more for their meat. The town has a population of 508; the co-op a membership of 800, some of whom come from communities as far as 40 miles away.

Cooperative Movie A three reel (1,000 foot) moving picture of Nova Scotia cooperatives taken during the Nova Scotia Tour last summer is now available. The cost is $5.00 for 3 reels. It may be rented for $3 per showing plus $1.50 for each additional day. For complete information write The Cooperative League, 167 West 12 St., New York City.
New Co-op. Literature

Cooperation: A Middle Way for America, by Dr. Paul H. Douglas, published by The Cooperative League, 16 pages, 10c.

An address delivered before the American Institute of Cooperation, Ames, Iowa, in June, 1937. The pamphlet sets forth the Role of Cooperation in American Life, The Limitations on Cooperation, What Cooperation Can Do, and the Need for Unity in the Cooperative Movement. The pamphlet will be reviewed in an early issue.


Anders Oerne got his early practical training fighting with labor. He went through the great strike in Sweden in 1909 and learned that labor could not solve its problem by the general strike. A man of education and background, with a degree in philosophy from the University of Uppsala, he applied his mind to economic questions. As a result, in 1910, he entered the service of the Swedish national cooperative league. It was largely through the influence of Oerne that the Swedish cooperative movement has become the strongest in economic unity of any in the world—neutral not only in matters of politics and religion but in labor matters as well.

This is one of the most important books on cooperation. Oerne does not write as a socialist in trade unionist or reformer, but as a cooperativist, discussing cooperation as an economic system. Naturally socialists, laborites, and farmers, not grasping economic fundamentals, attempt to oppose some of Oerne’s ideas. His book has caused much controversy in Sweden, just because of its cooperative nature.

Oerne’s early socialist training still affects his thinking. While he no longer entertains the fantastic notion that the state can solve the problems of society, as he once did, still he retains a tender spot in his heart for compulsory government. The reviewer thinks that Oerne is in an untenable position in his statement that a compulsory organization, such as the state, is indispensable for the protection of rights and justice, for education, and for the care of the sick. This very admission contradicts itself. However, the education and the thinking of cooperatives goes on, and advance with the advancement of cooperation and Oerne is among the most advanced.

Dr. J. P. Webber

Industrial Conflicts—Strikes, by Charles C. Webber, National Council of Methodist Youth, 740 Rush Street, Chicago, Ill. 15c plus 3c postage.

This is a four section study unit written by the Secretary of the Methodist League for Social Service. It is primarily intended for church youth groups and includes a worship service in connection with each of the four lessons which cover (1) Why do workers go out on strike? (2) What happens when strikes take place? (3) How are Strikes to be eliminated? (4) What can young people do in strike situations?

The Consumers’ Cooperative Movement is suggested as one of the means of eliminating strikes. The author is becoming well known among co-operators for his strong advocacy of the Consumers’ Cooperative Movement in his addresses and writings.

These books and pamphlets may be ordered thru The Cooperative League, 167 W. 17 St., New York City.

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