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Build Cooperatives Stronger and Faster

Follow These Successful Examples

Let's Get The Cooperative Movement Together

Davis Douthit

Here's An Idea on Publicity

Jack McLanahan

Circle Pines Center

Viola Jo Kreiner

Cooperative Highlights of 1940

Wallace J. Campbell

Reviews:

Dorothy Kenyon and T. Warren Metzger

January

1941
"THE CONGRESS ISSUE IS A MASTERPIECE"

So said a prominent educator after reading the November-December Special Congress Issue of Consumers' Cooperation.

"I want fifteen copies to give to members of the board of our co-op" said the president of a flourishing midwest co-op food store.

"In our opinion every cooperator should study the Congress Issue of Consumers' Cooperation, for it gives a clear concise picture of the four cornerstones of cooperation and the major problems and accomplishments of the American cooperatives today," This was the unsolicited advice of a New York Cooperator.

The Eastern Cooperative League has prepared an advisory council study outline based on the Congress issue which will be used by a hundred co-op study clubs in the East as the basis for their January discussions.

Order your extra copies today while they are still available. This 64-page report of the 12th Biennial Congress of The Cooperative League of the U.S.A. is a bargain at 25c. Five copies for a dollar. Special prices on larger quantities.

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Consumers Cooperative Association
Consumers Book Cooperative
Cooperative Distributors
Cooperative Recreation Service
Eastern Cooperative Wholesale
Farm Bureau Cooperative Ass'n
Farm Bureau Mutual Auto Insurance Co.
Farm Bureau Services
Farmers' Union Central Exchange
Grange Cooperative Wholesale
Indiana Farm Bureau Coop. Association
Midland Cooperative Wholesale
National Cooperatives, Inc.
Pacific Supply Cooperative
Pennsylvania Farm Bureau Coop. Ass'n
United Cooperatives, Inc.
Workmen's Mutual Fire Ins. Society

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Indianapolis, Ind.
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The Producer-Consumer
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Readers Observer
Consumers Defender
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E.C.L. Cooperator
Ohio Farm Bureau News
Ohio Farm Bureau News
Farmers' Union Herald
Grange Cooperative News
Hoosier Farmer
Midland Cooperator
Pacific N. W. Cooperative
Penn. Co-op Review

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Associated Cooperatives, So. Cal.
Associated Cooperatives, N. Cal.
National Cooperative Women's Guild
Southeastern Cooperative Education Ass'n

FRATERNAL MEMBERS

Credit Union National Association
Madison, Wisconsin

The Bridge

CONSUMERS' COOPERATION
OFFICIAL NATIONAL JOURNAL OF THE CONSUMERS' COOPERATIVE MOVEMENT

Peace • Plenty • Democracy

BUILD COOPERATIVES STRONGER AND FASTER

This is an enduring cooperative slogan for 1941 and the future. It summarizes the double challenge of Cooperation to members and employees. It is expressed by Dr. G. Fauquet, member of the Executive Committee of the International Cooperative Alliance and former Director of the Cooperative Division of the International Labor Office, in these words:

"Two tasks are imperative: within the Movement—to administer the enterprises with diligence and also some inventive spirit, at the same time to train and instruct cooperators and to instill in them a sense of individual and collective responsibility; outside the Movement—to give Cooperation the radiance that it deserves, and to manifest to those who are ignorant about it—what are its principles and methods, and the goal towards which it leads mankind."

No greater or more permanent goal was ever set before the Cooperative Movement.

Build Cooperatives Stronger! Stronger recreationally, so that every cooperative association will mean to its members a pleasurable place to play together, as well as to learn together, buy together, and bank together. Stronger educationally, by member discussion groups and employee and directors schools. Stronger commercially, by greater efficiency of operations and diversity of lines. Stronger financially, by the elimination of credit and by increased capital and reserves.

Build Cooperatives Faster! Cooperators hold the key to the door of economic democracy. We must persuade others faster to become active members. We must "give Cooperation the radiance it deserves" as Dr. Fauquet urges. It is the Economic American Dream—it is economic liberty; it is economic equality; it is economic fraternity.

Every Cooperative and every Cooperator should adopt this as their principal motto, "BUILD COOPERATIVES STRONGER AND FASTER."

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. Published monthly by The Cooperative League of the U.S.A., 167 West 12th St., N. Y. City. E. R. Bowen, Editor, Wallace J. Campbell, Associate Editor. Contributing Editors: Editors of Cooperative Journals and Educational Directors of Regional Cooperative Associations.

Entered as Second Class Matter, December 19, 1917, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Price $1.00 a year.
FOLLOW THESE SUCCESSFUL EXAMPLES!

The Consumers’ Cooperative Purchasing Movement in the United States has now reached the place where successful illustrations have been developed in many fields. Further rapid development of the movement is primarily a matter of other groups patterning after these examples.

Much pioneering has been done during the past two decades in both the rural and urban fields. However, there is still too much time lag in adopting successful methods elsewhere after the initial pioneering has been done, even though we are speeding up the process through increasing national contacts between regional and local representatives.

Every local and regional cooperative Board of Directors should divide itself into three major committees: Education, Business, and Finance, whose duties should be not only to supervise the present activities of the cooperative in each of these fields, but also to constantly investigate other projects which might be adopted. By subdividing the work, more rapid progress can be made. There is no necessary limit until the members both distribute and produce for themselves cooperatively everything they desire in the fields of recreation, education, business and finance.

To help every local and regional cooperative to profit by the successful examples of other cooperatives and to speed up the process of duplication everywhere, we are listing here some of the major examples of successful cooperative pioneering in the fields of Education, Business and Finance. It goes without saying that no such list can be altogether complete and we are only including illustrations of some of the better known examples to stimulate investigation in each field by every other cooperative.

Follow These

Successful Examples in EDUCATIONAL Activities

Central Cooperative Wholesale, Superior, Wis., has an Architectural Department which is modernizing store buildings and equipment. Write them for their folder “Trends in Cooperative Architecture.”

Consumers Cooperative Association, North Kansas City, has developed its second Five Year Plan by democratic discussion. Write them for their folder “Second Five Year Plan.”

Local cooperatives in Cambridge, Massachusetts, Schenectady, New York, Harrisburg, Pennsylvania, and others have modernized their stores into Self-Service Food Markets. Write Consumer Distribution Corporation, 420 Lexington Avenue, New York, for illustrations and information.

The State of Wisconsin has a Co-op Week officially designated by the State Administration. During the week more than 100 radio broadcasts are made and hundreds of cooperative meetings are held. Contact your State Administration.

The States of Wisconsin, Minnesota and North Dakota have developed programs to Teach Cooperation in the Schools. Write the State Departments of Public Instruction.

The Michigan State Federation of Labor has appointed a Committee on Cooperatives. Write the Co-op and Labor Committee of the Cooperative League.

Cooperative Services, Minneapolis, Minnesota; Racine Consumers Cooperative, Racine, Wisconsin; Konsum, Washington, D.C., and others have Union Contracts with their employees. Write the Co-op and Labor Committee of the Cooperative League.

Minneapolis and St. Paul have a Twin-City Co-op Labor Council. Write the Co-op and Labor Committee of the Cooperative League.

Successful Examples in BUSINESS Activities

The Ohio Farm Bureau Cooperative Association issues a Weekly News Service to local papers. Write them for a copy.

Floodwood, Minnesota, conducts a 12 Weeks Co-op Forum sponsored by the Community Adult Evening School. Write Central Cooperative Wholesale, Superior, Wisconsin for a copy of their program.

Eastern Cooperative Wholesale has a colored film “Consumers Serve Themselves.” Write the Cooperative League for rental prices.

Midland Co-op Wholesale, Central Co-op Wholesale and the Ohio Farm Bureau Cooperative Ass’n have Educational Fieldmen in every district, as well as commodity fieldmen. Write their Educational Departments as to their programs.

The Ohio Farm Bureau Co-op Ass’n, Midland Co-op Wholesale, Consumers Cooperative Association, Eastern Co-op Wholesale and Central Co-op Wholesale are organizing their members into Study Circles. Write their Educational Departments for samples of their discussion outlines.

Central Co-op Wholesale and the Pennsylvania Farm Bureau Cooperative Ass’n conduct Directors and Employees Circuit Schools. Write their Educational Departments.

Central Co-op Wholesale, Midland Co-op Wholesale, the Farmers Union Central Exchange, Consumers Cooperative Association, Eastern Co-op Wholesale and Ohio Farm Bureau Cooperative Ass’n hold regional Employee Training Schools. Write their Educational Departments.

Central Co-op Wholesale, Midland Co-op Wholesale, Consumers Cooperative Association and Central States Cooperatives, have organized Women’s Guilds. Write the National Women’s Guild, care of The Cooperative League.

Central Co-op Wholesale, Ohio Farm Bureau Cooperative Ass’n, Midland Co-op Wholesale, Central States Cooperatives and Eastern Co-op Wholesale have Youth Leagues. Write their Educational Departments.

Central Co-op Wholesale and Farmers Union Cooperative Education Service have organized Junior Groups. Write their Educational Departments.

Central Co-op Wholesale and Central States Cooperatives have Co-op Parks. Write their Education Departments.

Central Co-op Wholesale and Farmers Union Cooperative Education Service conduct summer Cooperative Youth Courses. Write their Educational Departments.

Ohio Farm Bureau Cooperative Ass’n, Midland and Eastern Co-op Wholesales are actively promoting Cooperative Recreation. Write the Cooperative Society for Recreational Education in care of The Cooperative League.

Local co-ops in Washington, D.C., Evanston, Ill., and Great Falls, Montana, have Co-op Book Stores. Write The Cooperative League.

Some States have good Consumers’ Cooperative Incorporation Laws. Write the Cooperative League for a copy of the Department of Labor Bulletin with the text of all State Laws and for a copy of the new District of Columbia Cooperative Law.

Follow These

Successful Examples in RECREATIONAL AND EDUCATIONAL Activities

Central Co-op Wholesale, Eastern Co-op Wholesale, Central States Cooperatives, Midland Co-op Wholesale and Consumers Cooperative Association are handling Groceries. Write them.

Indiana Farm Bureau Cooperative Association, Consumers Cooperative Association and others are handling Building Materials and Coal. Write them.
Ohio, Indiana, and Pennsylvania Farm Bureau Cooperatives and other own Fertilizer Factories. Write them.

Consumers Cooperative Association and Indiana Farm Bureau Cooperatives own Petroleum Refineries. Write them.

Consumers Cooperative Association and United Cooperatives own Paint Plants. Write them.

Consumers Cooperative Association owns a Grease Plant and Oil Wells. Write them.

Indiana Farm Bureau Cooperative Association owns Chick Hatcheries. Write them.

The Range Cooperative Federation, Virginia, Minnesota, unites 18 local cooperatives for recreation, education and business activities. Write them.


Local cooperatives in Minneapolis, Madison, St. Paul and New York have Cooperative Housing Associations for individual homes and apartments. Write them.

The Cooperative League, Iowa and Minnesota and other States have Cooperative Burial Associations. Write them.

Groun Medicine is developing in a number of places. Write the Bureau of Cooperative Medicine, 1790 Broadway, New York City.

New York City has eight Cooperative Cafeterias. Write Consumers Cooperative Services, 433 West 21st Street, New York City.

Follow These Successful Examples in FINANCE Activities

Waukegan, Illinois; Elkhorn, Wisconsin, and other cooperatives require each member to own a minimum number of shares before receiving dividends. Write them.

Consumers Cooperative Association is actively promoting Cash Terms on both farm and home supplies. Write them.

Midland Co-op Wholesale is using a Condensed Comparative Balance Sheet to help build capital. Write them.

Ohio Farm Bureau Cooperative Association, Central Co-op Wholesale and Midland Co-op Wholesale have organized Finance Associations. Write them.

Consumers Cooperative Association and Farmers Union Central Exchange, are building up Loan Capital. Write them.

Indiana Farm Bureau Cooperative Association has a Co-op Bank. Write them.

Central Co-op Wholesale and Midland Co-op Wholesale publish Year Books. Write them.

Cooperatives in Washington, D.C. have organized Cooperative Properties to own and rent land and buildings. Write them.

Learn from Others Experience

There are just two ways to learn—from your own or others' experience. The more we can learn from others, and thereby avoid the trial and error method, the more rapid progress we can make. These are some suggestions for action. Their success should encourage others. Build Cooperatives Faster! Follow these Successful Examples.

Consumers’ Cooperation

January, 1941

LET'S GET THE COOPERATIVE MOVEMENT TOGETHER!

If ever cooperative leaders received a mandate to set about collecting and tying together the various loose ends of the cooperative movement in this country, they got it at the 12th biennial congress of The Cooperative League in Chicago last October.

"LET'S GET TOGETHER!"

It was implied by some speakers, touched upon by others, and finally it was shouted right out loud by the rank-and-file delegates themselves.

It is becoming trite to say that the most effective brake on the consumer cooperative movement has been the failure to get together, to cooperate. American cooperation, despite local and regional headway, has not yet to ring the bell as a genuinely national movement. It consists, in large part, of sprawling, provincial cooperatives, each movement unto itself. True, these cooperatives do associate together educationally in the League and for occasional joint publications in National Co-operatives, but the association is somewhat polite and uneasy. The regional leaders (who are also national leaders) appear to find it advisable to keep a wary eye on each other to see that no tricks are pulled which might affect their own special provinces.

"You Can Lead a Horse to Water" Important strides have been taken nevertheless, toward getting the movement together. Uniform dues to support educational and legislative activities have been agreed upon; the League and National Cooperatives, though still separate organizations, now have the same address, interlocking directorates and a common blueprint for the future. Cooperative leaders have, one might say, led themselves to the headwaters of a truly national stream. Will they drink, or will they kick up their heels and gallop for each of his own pasture? The answer to this question is tremendously important. It may determine whether consumer cooperation matures in this country, or whether it is destined to wind up in the barnyard, a sort of rural "dead-end kid." If the former, time's "a-wastin'", for these are blitzkrieg days, and the stream may, before long, be sucked dry by the whirl of events.

A "truly national" movement is an all-together movement. It consists of parts or units, none of which is bigger or more important than the whole, and all of which are headed, like the cars of a train, for a common destination. Such a movement must have, of course, democratic control from the bottom up. The passengers must have the right to decide where and how they want to go and what engineer they want to take them there. But this "truly national" movement also must have management coordination from the top down. The passengers, unless they're more interested in playing train than in getting somewhere, really ought to let their engineer run the train, and he really should have only one locomotive to attend to, not one for each car, going off in all directions at once.

Gils Picture of Hen with Head Off

Too many cooperators, saturated with literature based on 1844 theology, pre-chain and pre-monopoly, have given their attention to democratic control from the bottom up, none whatever to coordination from the top down. Yet, if the cooperative technique is to survive chains, trusts and monopoly fascism, such coordination is absolutely essential. A just-beheaded hen is tremendously important. It may deter-mine whether consumer cooperation matures in this country, or whether it is destined to wind up in the barnyard, a sort of rural "dead-end kid." If the former, time's "a-wastin'," these are blitzkrieg days, and the stream may, before long, be sucked dry by the whirl of events.
A similar weakness, it is now being realized, afflicts the British movement. Carr-Saunders and other British economists, in their important research volume, "Consumer Cooperation in Great Britain," put it this way:

"A movement which consists of a large number of completely autonomous units, subject to no unifying authority, bound to no common policy even as trading units, cannot effectively work out a common will. Carr-Saunders and other British economists, in their important research volume, "Consumer Cooperation in Great Britain," put it this way:

"A movement which consists of a large number of completely autonomous units, subject to no unifying authority, bound to no common policy even as trading units, cannot effectively work out a common will.

These articles aroused such enthusiasm that they were followed up with two national conventions organized by the Cooperative News to discuss and promote the proposals. One statement at the second convention in support of the Barnes plan is especially noteworthy, for it applies to the United States as well as to Britain. It was made by J. J. Worley of the Cooperative Press.

Co-ops Challenged by New Capitalism

"This country," he said, "is passing through what I regard as another industrial revolution which threatens to undermine the new capitalism, new because it marks a distinction between competitive capitalism and corporate capitalism. If the cooperative movement shrinks from the inevitable challenge of the new Corporate State tendencies, its progress will be arrested and the movement will be gradually merged into statutory schemes for industrial rationalization and in that process will lose its identity and autonomy."

The conventions, reported the Cooperative News, revealed a "unanimous recognition of the urgent need for cooperative reconstitution." Now if a movement as huge and well-founded as the British is finding its urgency necessary to coordinate and centralize its government and operations to meet modern conditions, how much more imperative it is that cooperators in this country read the handwriting on the wall.

Co-ops With No "M.A."

Have Little Chance

American cooperatives have succeeded best so far in lines such as petroleum products and fertilizer and feed, where the retail margins have been large. Cooperatives in such fields required no great amount of efficient management or capital, and they saved their members money. They had "mass appeal." But cooperatives, in this country or elsewhere, have not been generated on a wide scale where margins were narrow and where considerable capital, purchasing power and efficient management were necessary to successful competition. In such fields—and their number is increasing swiftly—and cooperatives lacking those necessary qualities have been unable to develop mass appeal and they have not flourished. They never will until they, like their competitors, pool their money and brains, coordinate their operations and develop efficiency and expertness in serving the public.

Full merger of two existing or British co-ops, and it's ten to one a big majority will say they are cooperators, not because cooperation is a "new way of life" or "the label tells the whole truth," but simply because the co-op stores are nice looking, inside and out, they have good stuff, and you save money there. They have, in brief, "mass appeal." Perhaps Swedish or British co-ops, and it's ten to one a big majority will say they are cooperators, not because cooperation is a "new way of life" or "the label tells the whole truth," but simply because the co-op stores are nice looking, inside and out, they have good stuff, and you save money there.

Most People Still Remain Folks

The sales management survey, which found that most members of urban co-ops belong because the CO-OP label tells the whole truth, may be more significant for its indication that few members belong because they save money. This, it is possible, explains why co-ops don't have more members than they do. You can shout the virtues of cooperation as a new way of life at people until you're blue in the face, but in the end most of the people will still be folks and they'll still belong to the co-op only when and if they think they can save money or get better stuff by doing so. And it is only through centralization and coordination of capital and purchasing power and management brains on a large scale as possible—locally, regionally, nationally—that co-ops are likely in the small-margin, big-capital, fields, to make it possible for folks to do those things.

Now it's all very well, of course, to be writing about a genuinely national movement and saying that cooperative leaders ought to drown their professional jealousies and personal ambitions in a sea of unselfish cooperation, but it's quite another thing to "rare back" and pass such a miracle.

Perhaps the most cooperators can do is to keep right on repeating and repeating that the miracle just must be passed, or else—and to keep drumming away on the tune that if only we did have more coordination and unity this American cooperative movement would be going places nationally in grocerici, gasoline, tires and other commodities, in insurance, public education, loan, recreation and in Lord knows how many other categories at least 100 per cent faster than it is going now. Certainly it is that as cooperatives plunge into production they're going to need all the national coordination of purchasing power and management they can get. And they must go into action if they expect to do a halfway decent job of controlling quality and costs.

Warns Against Wreck of Whole Train

It might help, too, to point out that if the cooperative movement doesn't develop some sturdy, centralized machinery pretty danged soon, shrinking retail margins, increasingly stiff competition from vast industrial aggregations of capital and the encroachments of American Fascism are apt to strip the movement of the mass appeal it now has and wreck the whole co-op train.

Yes, the American cooperative movement needs desperately to get together. It needs to get together on a coordinated insurance program; on a coordinated production program; on a coordinated educational program. "Union Now" ought to be the slogan of the day for co-ops as well as for nations; union of retail co-ops, union of wholesale co-ops. Co-ops exist to serve the people. Very well, then, if one large wholesale can serve the people better than two medium-sized ones, why not add one and one and get ONE? And so on.

Bigness, or coordination, or centralization?
tion, do not in themselves, of course, spell efficiency. All machinery requires human care and operation, and you know these humans. Nevertheless, other things being equal, an intelligently coordinated cooperative movement, with its educational and economic gears meshing in a single-purposed mechanism-of-the-people, would be the most powerful agency we can think of for the defense of America, for the extension of American freedom and democracy, and for the elevation of the American standard of living.

Unite Before It's Too Late

This article, then, is an appeal to American cooperative leaders to achieve regional and national unity in these unpredictable times by building as quickly as possible regional and national organizations with enough authority, derived democratically from the bottom up, to coordinate the management and operation of a strong, united movement from the top down.

Cooperative leaders have "within their own hands" the power to make consumer cooperation a tremendous influence in the life of the country "in our time." They also have the power to doom it to a piffling, hand-to-mouth existence, scorned and derided by its rivals, apologized for by its friends.

HERE'S AN IDEA—ON PUBLICITY

T WICE within the week I've heard people stand up in a co-op meeting and ask why it was that they had not heard about the cooperative in that community. In both cases they and the co-op had been there longer than two years. A third man put it this way, "Don't the co-ops believe in telling the public what they are doing?"

Whether this does or not seems to depend on the particular co-op being referred to, but the point is that co-ops in general haven't made a real effort to tell people about their commodities and their organization. Compared to the clever and imaginative methods employed by competitive private business the co-ops are not even a voice crying in the wilderness. Truly we have had our light under a bushel. Perhaps it is time to reveal it to a waiting world.

Here are some ideas that are being used to get news about cooperatives into the press. With a little thought others will come to mind. The Cooperative League of America, for example, has been printing and sending out news releases every week, two or three pages of well written concise articles that can be lifted in toto week, two or three pages of well written articles that can be lifted in toto by editors of newspapers and magazines. The Cooperative League of America provides this service for all its member papers in the state.

Someone recently told me, "We haven't made a real effort to tell people about our cooperative in this community. Out of this pioneering venture has come to cut wood, to do preliminary cleaning work, and to learn that here was a camp operated by its friends."

The Cooperative League of America has presented Thomas to a realization that the cooperative in that community. From the viewpoint of recreation, Circle Pines Center in the space of a short column is an assignment too great for this writer. Suffice it to say that in the Lower Central Michigan a cooperative camp that is challenging many a farm believer in cooperation and many a disillusioned student to a realization that the cooperative way of life means more than activity in the field of economics. This unique recreational and cooperative venture started three years ago when a few far-sighted members of the Central States Cooperative League dared to gamble the rental of one of the National Park Service camps for a summer vacation and educational center. The season passed with people from a dozen states coming to learn that here was a camp operated by the people, set up to satisfy the need for family vacations at a cost available to working people, where elbows could be rubbed with people of all races, creeds, and stations of life, where "learning by doing" was the watch-word, and cooperative living the goal.

Out of this pioneering venture has grown the Circle Pines Center Association, a Rochdale cooperative that has purchased a 283 acre farm on Stewart Lake at Cloverdale, Michigan. Enthusiastic members from several states are building this property into their ideal of a cooperative vacation camp and educational center. At their farm house, which is kept open for winter sports and which was reconditioned last summer by members of a Friends' Service Work Camp, the Board of Directors met a few days ago. From three states they came to cut wood, to do preliminary cleaning work, and in the face of many discouraging moments to hold faith, to give up nothing, to always keep your eyes on the alert for the things in your own community that ought to be set down in black and type.

CIRCLE PINES CENTER

Viola Jo Kreiner

8. It is sometimes better to write up the news and give it to a local manager or member. These persons may have a right of way with the local paper not open to an outsider.

5. Be brief and be certain that the article is well written. Busy editors don't like to take time to rewrite and may assign your contribution to the wastebasket.

People read the daily papers and they are perhaps impressed by what they read; then when they realize co-ops should not overlook the possibilities. In the face of a new year it is a good time to resolve that we are going to get our story before the public. If yours is a regional, send news releases regularly. If yours is a local, send in articles of your activities as often as there is something worth reporting.

You can find plenty to write about world shaking cooperative events are in the making. There is hardly a single paper in a community with a co-op oil station that would not have carried an article on the CCA refinery and oil wells if properly presented. Follow Consumers Cooperation, the national magazine and the regional papers for such news and then keep your eyes on the alert for the things in your own community that ought to be set down in black and type.

Consumers' Cooperation January, 1941
COOPERATIVE HIGHLIGHTS OF 1940

Wallace J. Campbell

During the past year the pine trees have been growing so rapidly it is hard to see the forest.

It is safe to say, however, that the year was marked by a concerted drive toward cooperative production of goods distributed through cooperatives; that important steps were taken to modernize and standardize co-op food stores; and that the democracy of the movement was made more effective by the expansion of the discussion group method of cooperative education.

Greater Organization Strength

For The Cooperative League, the year marked the close of the first quarter century of organized cooperative activity. At its 12th Biennial Congress held in Chicago in October, The League's membership was reported as 1,115,000 patron-members. Two new organizations, the Southeastern Cooperative Oil Wells Association and Associated Cooperatives of Southern California were admitted to membership in The League and since that time the Associated Cooperatives of Northern California have applied for membership. During the year the Central States Cooperative League and The Cooperative Wholesale, Chicago, were merged into a unit organization, Central States Cooperatives, Inc.

At the co-op congress steps were taken toward the creation of a National Cooperative Finance Association which will act as a financial clearing house for the co-operative movement. Already three cooperative banks or finance associations, Chicago, were merged into a unit organization, Central States Cooperatives, Inc.

The year 1940, the first co-op oil refinery in the U.S., an $850,000 plant at Phillipsburg, Kansas, began operations. Early in May, 25,000 co-op members and their friends took part in dedication ceremonies. Ten days later profit oil interests were responsible for cutting the co-op's source of crude oil and protests to the Governor of Kansas assured the cooperatives a constant and dependable source of supply.

Co-ops Move Into Production

The big news of the year, of course, was the very dramatic progress of the co-operatives in producing goods for distribution through the retail and wholesale co-ops already established. A dozen milk and meat factories and refineries and a coal mine were built or purchased during the year, and the world's first consumer cooperative oil wells began production.

By producing goods for use the cooperatives enlarge their field of service, cut the costs of goods by eliminating one extra profit and increase efficiency by producing at peak capacity for a known demand. More important than these factors, however, is the fact that productive enterprises assure the cooperatives a constant and dependable source of supply.

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The cooperatives' accomplishment in reducing artificially maintained price levels in fertilizer may be rated as a first evidence of their power as American trust busters.

Streamlining Grocery Distribution

In the field of grocery distribution, 1940, was marked by a concerted drive for drastic reform. The cooperatives set up an architectural service for designing new stores and opened a testing kitchen to check the quality of goods packed under the co-op label as the consumer cooperatives led the field in introducing government ABC grade labeling.

The cooperatives' accomplishment in reducing artificially maintained price levels in fertilizer may be rated as a first evidence of their power as American trust busters.

Gain 23 Million

In May, co-ops in Indiana opened a $330,000 refinery at Mt. Vernon, Indiana, and in July the Consumers Cooperative Refineries, Regina, Saskatchewan completed a modern quarter-million dollar refinery to supplement its other plant. Cooperatives in Ohio, Indiana, Pennsylvania, New York and a few southern states built five co-op fertilizer factories and in Ohio alone saved the farmers $700,000 on their fertilizer purchases. A modern paint plant in Alliance, Ohio was built to supply an already sizeable business in co-op paints. In Superior, Wisconsin a new co-op printing plant started its presses rolling. Feed and flour mills in Pennsylvania, Indiana, Wisconsin, Minnesota, Saskatchewan and Washington state were built or enlarged during the year. Canadian co-ops, moving into coal production, purchased a substantial interest in a 1,000-ton-a-day coal mine in Drumheller, Alberta, marking the first step of co-ops in the Western Hemisphere into coal mining.

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Co-op Farm Supply Purchases Gain 23 Million

Cooperative purchasing of farm supplies jumped $23,000,000 ahead of its volume for the previous year according to statistics just released by the Farm Credit Administration. During the 1939-1940 fiscal year cooperative purchases of farm supplies totaled $448,000,000—an all time high. Nine hundred thousand farmers were members of 2,649 associations. Buying operations are responsible for 17.2 per cent of all farm business.

Cooperative insurance reported remarkable progress. The Farm Bureau Cooperative Insurance Services, Columbus, Ohio, reviewed their progress from a $10,000 business in 1926 to its present $10,000,000 a year premium income, providing auto, life and fire insurance to 380,000 consumer members in 11 states. During the year Minnesota and Wisconsin cooperatives established Cooperative Insurance Services, backed by Central Cooperative Wholesale, Midland Co-op Wholesale and local cooperatives in those two states to coordinate the life and auto insurance program carried on by Cooperators Life and the Cooperative Insurance Mutual.

Rural Electric Cooperatives, set up with the assistance of long term loans from the Rural Electrification Administration were reported to be handling 92 per cent of the new developments.
ment under the REA program. At the end of the year more than 600 co-ops with 483,000 members were operating well over 200,000 miles of power lines. More rural homes have been electrified by co-ops in the last five years than were supplied power by all agencies in the previous fifty years.

Cooperative burial associations in five midwestern states served more than 30,000 members through 40 societies. The average cost of a co-op burial was reported to be $166 as compared with an average of $363 per burial in private profit mortuaries, according to a study made by the U.S. Bureau of Labor Statistics.

Other Cooperative Services Grow

Cooperative housing associations in Minneapolis, St. Paul, Madison and Nova Scotia completed about a hundred new houses in the year's end, members of the amalgamated Cooperative Apartments in New York City voted to erect a new building consisting entirely of small apartments.

Cooperative Education and Recreation

Cooperative democracy is dependent upon intensive cooperative education. In the state of Ohio alone 667 discussion groups or advisory councils were in action at the close of the year. More than 8,000 families were meeting regularly in the groups. Inspired by the results accomplished by the Ohio Farm Bureau Cooperative Association, the Consumers Cooperative Association, Midland Co-op Wholesale, Central Cooperative Wholesale, Eastern Cooperative League and the California cooperatives launched similar adult education programs reaching more than 800 study clubs with 10,000 members.

Employee education, spurred on by the rapidly increasing demand for trained personnel, reported its most successful year. Rochdale Institute, in cooperation with the Council for Cooperative Business Training, made up of representatives of Eastern Cooperative Wholesale, Midland Co-op Wholesale, and Consumers Cooperative Association and the National Consumers' League, graduated its sixth class of trainees. Central Co-op Wholesale ran a ten-week training school in Superior, Wisconsin. Ohio Farm Bureau Co-ops made a part of the Cooperative Congregational Training School so a high of 125 student trainees. Central Co-op Wholesale ran a ten-week training school in Superior, Wisconsin. Ohio Farm Bureau Co-ops made a quarter of the Cooperative Congregational Training School.

The Cooperative Education and Recreation Association; annual meetings of cooperative wholesales took turns in singing and folk dance as part of their program; the annual congress of the National Recreation Association had a special session on Recreation in Cooperatives for the first time; and local cooperatives from California to New York began to discover the values of group play in building the cooperative way of life.

Employee Education

Among the important national organizations which grew or renewed their endorsement of the cooperative movement were the National Education Association, Federal Council of Churches, American Federation of Labor, Congress of Industrial Organizations, the National Grange, the Farmers Union and the American Farm Bureau Federation. Many individuals in the field of political action endorsed the movement. Among them were: Vice-president-elect Henry A. Wallace, Senator-elect George D. Aiken, Congressmen Jerry Voorhis and James C. Oliver; candidates for presidential nomination Thomas Dewey, Robert Taft, John Bricker, Burton K. Wheeler, Norman Thomas and others.

During the Cooperative League Congress the major press associations and news radio services carried stories on the Congress. Metropolitan newspapers in the fall, while Midland and CCA ran short news stories. Youth camps and institutes were run by half a dozen regionals.

For the first time group singing, in both dramatic and folk dancing, was made a part of the Cooperative Congress program, thus reflecting the growing interest in all sections of the country.

More than sixty important magazines in the following the Congress. Evidence of this interest of interest in the Cooperative Recreation. Evidence of this interest was shown in many ways: the enrollment in the National Cooperative Recreation.

School reached a high of 125 students. Regional recreation conferences were conducted by Midland Cooperative Wholesale, Eastern Cooperative League, Central Co-op Wholesale, Consumers Cooperative Association, and the National Cooperative Recreation.

Among the new motion pictures on the cooperative movement completed during the year were: Consumers Serve Themselves, produced by the Eastern Cooperative Wholesale and Consumer Distribution Corporation describing the co-op wholesale, testing kitchen and model store, and Traveling the Middle Way in Sweden, a 6-reel movie in color, including a two-reel unit on Consumers Cooperative in Sweden, produced by the Harmon Foundation and The Cooperative League.
ORGANIZED LABOR AND CONSUMER COOPERATION, by James Myers. Published by The Cooperative League of the U.S.A., 167 West 19th Street, New York City, 40 pages, 15c.

This booklet is addressed not to cooperatives but to labor. And a good and challenging statement to organize workers in the labor movement is certainly is. The labor movement in this country needs to know much more about the cooperatives, as Dr. Myers points out, not only in its idealistic aspects but also as a plain matter of dollars and cents. If it is the practicality of our idea that Dr. Myers is modern, this connection no one will be likely to quarrel with him. For while men cannot live on bread alone they also cannot live without a dollar in the pay-envelope goes further by giving the ready at hand in the cooperative movement the goose that lays the golden eggs.

Organized labor, says Dr. Myers, has found one means of raising living standards, the trade-union. That device has proved highly effective in putting dollars in the pay-envelope of trade-unionists. But, as he points out, it is not only in its idealistic and political aspects but also as a plain matter of dollars and cents. If it is the practicality of our idea that Dr. Myers is modern, this connection no one will be likely to quarrel with him. For while men cannot live on bread alone they also cannot live without a dollar in the pay-envelope goes further by giving the ready at hand in the cooperative movement the goose that lays the golden eggs.

And, as a final challenge of our own, let us assume the role of missionaries and see to it that this booklet gets everywhere into labor's hands.

—Dorothy Kenyon

THE SOCIALISTIC TREND AS AFFECTING THE COOPERATIVE MOVEMENT, by Dr. James F. Warbasse. Published by The Cooperative League of the USA, 32 pages, 15c.

This brochure, Dr. Warbasse's latest, renders a signal service to the Cooperative Movement in America. It is a matter for all, whether we are for or against it. The premise the Doctor builds an argument that if the organized consumers do not prevent the amazing developments of the last few years in England, the Scandinavian countries and, most recently, here. Its relation to the Cooperative Movement is that lead us away from democracy. And here will come, says the author, "the conflict of the future—between a growing state-trust and the cooperative movement itself." And thus we go, step by step, toward the amazing developments of the last few years in England, the Scandinavian countries and, most recently, here. Its relation to the Cooperative Movement is that lead us away from democracy.

AND here will come, says the author, "the conflict of the future—between a growing state-trust and the cooperative movement itself." And thus we go, step by step, toward totalitarianism, and all its damage to democratic rights. . . . and this is Socialism in effect, if not in pure theory.

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CO-OP SONG BOOK
This song book, which was prepared for use at the Cooperative Congress, contains a selection of old American tunes, Negro spirituals, patriotic songs, songs of social meaning, and European and American folk songs. It is excellent to use whenever cooperators get together. Edited by Alta May Calkins, it is published by the Cooperative Recreation Service and available through the Cooperative League for 10c.

CO-OP LITERATURE

- Novels and Biography
  Fresh Arrow: Burris Jenkins (Special) 2.00
  The Brave Years: Winnie Heyliger 1.20
  My Story, by Paddy the Coop: Co-ops in Ireland 2.75
  A Doctor for the People, Michael Shadd 1.25
  special edition
- Textbooks on Cooperation
  Consumers’ Cooperatives, Julius E. John- son, Debate Handbook 1.50
  When You Buy, Trilling, Eberhart and Nicho- las, High school and college, two chapters on consumer cooperatives 1.50
  Cooperation, Hall and Watkins, Official British Textbook 3.00
- The Consumers Cooperative as a Distribu- tive Agency, Elin H. Hurley 3.00
- Windows on the World, Kenneth Gould 3.00
- Student Cooperatives
  American Students and the Cooperative Movement 0.25
  Co-ops on the Campus, Bertram E. Fowler 0.50
  Campus Co-ops, William Moore 0.50
- Cooperatives and Peace
  Cooperatives and Character Building 2.00
  Cooperation—A Way of Peace, J. P. War- borne 3.50
- Cooperative Recreation
  The Consumer Consumed, Josephine Johnson, a Puppet Play 0.50
  Cooperative Recreation, Carl Hutchinson, reprinted from The Annals 0.50
- Two One Act Plays, Ellis Cowling 0.35
- The Answer, 3-act play, Ellis Cowling 0.20
- The Spider Web, 3-act play, Ellis Cowling 0.25
- Let’s Play, Frank Shulster 0.20
- All Join Hands, Edwards and Pausch 0.10
- Education Through Recreation, L. P. Jacks 1.50
- Fun for All, two spinning games, Midland Co-op Wholesale 0.10

Leaflets to Aid You:

- Cooperatives—They Form a Gigantic Democratic Business, Pathfinder 0.02 1.00
- How a Consumers Cooperative Differs From Ordinary Business 0.01 0.50
- I Saw a People Rising from the Dead, Rev. Ignatius W. Cox, S. J. 0.02 0.50
- Learn About Consumers Cooperation 0.02 0.50
- Sure Way is the Quick Way 0.02 0.50
- The Burden of Credit 0.02 0.50
- What Cooperation Means to a Depression Sick America, Cooley 0.02 2.50
- Answering Your Questions About the Cooperative 0.02 0.50
- What Attracts Members to the Cooperative Store Movement 0.02 0.50
- Building a Brave New World 0.02 0.50
- A $600,000,000 Business With 2,000,000 Customers, Richard Giles, Printers Ink 0.02 2.50
- Union of Church and Economics is Dramatized as Co-ops Revolt Rapid Progress, P. H. Erskine, Jr., Printers Ink 0.02 2.50

FILMS

- Traveling the Middle Way in Sweden, 16 mm. silent, produced by the Harmon Foundation, Unit I, Land of Sweden, 2 reels. Unit II Cooperatives and Peace, 2 reels. Unit III Agricultural Cooperatives, 2 reels. Rental per unit: color, $5; black and white, $3; additional showings, $2.50 color and $1.50, black and white.
- The Lord Helps Those Who Help Each Other, a new 3 reel, 16 mm. film of the N e t s Scotia adult education and cooperative program, produced by the Harmon Foundation. Excellent photography, $4.50 per day, $25 additional showings, $15.00 per week.
- Consumers Serve Themselves, 1 reel, 16 mm. Kodochrome, shows how cooperatives on the eastern seaboard are providing themselves with tested, quality CO-OP products. $2 per day, $10 per week.
- A House Without a Landlord, a new 2 reel, 16 mm. silent film on the Amalgamated Cooperative Houses in New York City.
- Chasing Horses, 16 mm. silent, two reel film shaping how cooperation is taught in the schools of France.
- When Shackled is Wifiting, a 16 mm. silent, three reel film, with English titles, of cooperative stores, wholesale and factories in France.
- A Day With Kagawa, 3 reel, silent, 16 mm. Kagawa and his co-ops in Japan.
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Consumers’ Cooperative
25 YEARS OF COOPERATION

On March 18th the Cooperative League will celebrate its 25th birthday, by looking back over a quarter of a century of organized Cooperative education and looking forward to the job of post-war reconstruction. “Nothing is so powerful as an idea whose time has come.” As America turns into a new period of its economic history, the Cooperative Movement is destined to an important position of leadership.

In recognition of this 25th Anniversary, the March issue of Consumers’ Cooperation will be a special number, dipping into the past and laying out a partial blueprint for the future.

We urge you to place your order now for extra copies of the March issue, or for subscriptions to Consumers’ Cooperation, $1 per year, 27 months for $2.

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FRATERNAL MEMBERS

Credit Union National Association Madison, Wisconsin

The Bridge

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

GET GROCERY Minded!

When will every cooperative leader answer the expressed and unexpressed demand of the members to get into groceries? When will we all answer the challenge of Sir William Dudley, late president of the Cooperative Wholesale Society of England, that feeding human stomachs cooperatively is more important than feeding animal and tractor stomachs cooperatively?

The consumer need is here. The statistics show that even farmers buy more food than any other commodity. Fortune magazine gave these figures for one year of the distribution of farmer purchases: for the farmer, 57½%, for the farm, 42½%.

The economic requirement is here. Margins in farm supply lines into which the cooperative movement has entered are declining as a result of cooperative competition. It is necessary to broaden the base of cooperatives with home supply lines to insure economic success for the future.

The member demand is here. The Cooperative Reporter, published by the Ohio Farm Bureau Cooperative Association, challenges leaders to lead out in these words, “Instead of searching for facts in their field, with a view to extending the range of their services as quickly as possible, cooperatives are inclined to hold back until forced by an impatient minority to take some forward step. It is the exception and not the rule, it seems, to find an association that does not have to be almost driven to subscribe to the wiser ideals of the cooperative movement.”

The evidence of success is here. The bogey of chain store efficiency is cracked. The Harvard study proved that even in their early stages cooperative stores have been able to equal chain stores in percentage of expense. Market basket test purchases show that cooperative stores can and do equal chain store prices and give higher quality. A cooperative store has the precious ingredient of business which no
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never so long as we permit finance and industry to be owned by a few middlemen for their own profits.

Speed the organization of farmers marketing cooperatives and labor unions! Speed the organization of consumers cooperatives in every field of industry and finance! This is the road to plenty. This is the next and final step for democracy.

In the meantime, until these voluntary democratic producers and consumers cooperatives can take over, the government should base its relief program for all groups on the principle of stimulating consumption instead of restricting production, as it has largely done thus far. The two things most necessary are, first, to make every effort to reduce consumers prices and second, to tax away the excess savings from the few. Taxation of excess incomes, inheritances and profits is the most important function the government could perform to stimulate consumption, instead of continuing to borrow the excess savings away and paying interest on them. The two greatest mistakes in government policy in recent years are in encouraging price fixing at higher levels and in borrowing instead of taxing. It's high time for the government to encourage consumption rather than reducing production.

**COOPERATIVES AND CHARACTER BUILDING**

There is always the temptation, whenever one speaks of an organization with which he is identified, to find in it the elements of virtue and to assume that competing or parallel organizations are "not so good." In time of war or preparation for war this temptation is stronger. Our country is the best in the world, our institutions perfect. Hence, cooperators should be on their guard right now not to claim virtue for cooperation merely because it is their organization. We should be objective and critical of ourselves, in order to know the truth which is in itself a satisfaction, and in order to know where we should improve. It may be well to admit, therefore, at the outset, that while there are many ways in which cooperation builds character, a brief survey of the movement may reveal limitations which should be stimulii to efforts to supplement its operation, by other activities that will round out its character forming potentialities. There may be gaps in the practices of cooperatives that should be filled by adoption of other or changed practices.

What is Character Building?

"Character building" is a loose phrase, made up of "weasel" words. I shall not attempt to define it, because I do not believe definition important here, nor conducive to harmonious thinking. There are several generally accepted attributes of human beings which are affected directly and vitally by cooperative practices. It is these that furnish the most fruitful basis for consideration.

First and of greatest significance is the question: is character building essentially a function of consumers' cooperation? To maintain that the movement is a business and the job of building character belongs to other agencies, is to preclude any real opportunity to build character. For, it is in the direct connection, even the essential identity, of practical day by day affairs and ethical considerations that character depends. To separate business methods from goodness, from unselfishness, and from ideals, is to relegate these flowers of the human spirit to the vacuum of abstract considerations. Nothing happens to the character of those who only in home, or church, or school are instructed to deal justly with their fellows, and who regard business transactions outside the moral realm. Character grows in exercise of important functions. It may have been true in by-
gone days that personal relations were the important channels of ethics. In face of contact one was just or unjust. But, after it has all been said, several questions present themselves. The first is: do consumers want to know the truth? Are not some of them better satisfied that the cooperative movement is given more credit for democratic organization than it deserves. And the effort on character of getting more praise than is due; it detracts from character.

Practically there are but two conclusions to come to: (1) to build character, all cooperators should be ruthless in telling the truth about the degree of democracy they possess; and (2) if the character building in cooperators and in any given enterprise is necessary in the sense of using every means constantly to make the organization democratic. To try once and sit back defeated because the members in other organizations have become habitual to the goody-goody is to be untrue to the highest challenge of the movement.

I would like to dig deeper. One of our essential principles concerns neutrality. We are all one family, all faiths, races, political persuasions. But are we? Do we believe in this principle? To answer one can say without fear of contradiction that the effect of cooperative experience is broadening. But we are not free of prejudice. That much could be taken for granted; if we are improving we can not be criticized too severely. The awful thought pops up, however, that we are as neutral as we pretend. And pretending is not building character.

Weed Out Prejudice

There are cooperatives in which one kind of people predominate, whereas the community contains many other kinds of people. Who would profit from membership even to the extent, on the other hand, are these members responding merely to the opportunity to get things more cheaply than from competitive enterprises. Those who are solely or chiefly motivated by the latter desire surely are not being betedier ethically by "buying-co-op." To the extent that cooperative education is carried to each member, to that extent the principles and practices of the movement have an uplifting influence on the members.

Learn to Demand Democracy

Do the leaders in the cooperatives give to the members the amount of democracy that the advocates of the cooperative movement say they do? Do the members demand and practice as much democratic control as the statement of our principles would indicate? The answer is obvious: in most cooperatives, no, altho they vary greatly. Further, it takes time for democracy to develop in any group. Nevertheless the inescapable fact remains that the cooperative movement is given more credit for democratic organization than it deserves. And the effect on character of getting more praise than is due; it detracts from character.

Furthermore, the usual development of a local cooperative (which I am not adversely criticizing here), beginning with a few and spreading to their friends, is quite often conducive of a closeness of understanding that is fine, but also a snugness that is bad. The fact is the modern "one-vote," but there needs to be a much more positive reaching across racial and other barriers on economic relations that is inadequately furnished by local cooperatives. Here, too, the question is not one of satisfying the consumer demands in the matter of commodities alone. Character building is needed in the extension of understanding, appreciation, application of common interests, even fellowship. Usually in the long view, cooperative business interests are to be served by the extension of group consciousness in cooperative members.

Double-Edged Sword of Leadership

Is the cooperative movement rigidly honest in one other particular, that of the reward given the leader? This is a two-edged sword. Sometimes the leader sacrifices much and is rewarded little. Sometimes a leader, even in the cooperative movement, becomes entrenched. The emphasis has been rightly on "one-man-one-vote," but there needs to be a much more conscious and concerted effort to think through the problem of leadership. It is primarily an ethical one. The relationship of leader and group is contractual in nature, even though money never is mentioned. If a leader or a manager stays too long, and shuts off the chance of others in the local group there is sure going to be resentment, and lack of initiative on the part of those who might become more important leaders. Such a situation is stiflingly, not character building. Some leaders are not growing

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in character in their position any longer. For their inner ethical development often times a change, even a disappointing one, is necessary.

The exhibitionism of most leaders is insatiable. They could listen to themselves make speeches forever and think the world was being led onward and upward so long as they talk. There is more development of cooperative character in them and surely in the membership when speeches are short, as well as widely distributed, and when discussion is led well and is participated in generally.

Is the Social Drive of Cooperation Intense Enough?

Ethical evaluation of a person can be made not alone by seeing what he is, but how he relates his acts and himself to others. So, too, with a movement.

Today cooperation faces the greatest responsibility it has ever seen in this country. It is the one unquestioned answer to the need for a business system that returns its benefits to the many consumers and not the few owners; that teaches an understanding of the whole economic process that has been stretched out and specialized beyond the imagination of 95% of those it serves; that trains individuals in democracy; that helps spread things and services to those who need them; that stabilizes business in a world in which crazy depressions follow cock-eyed periods of prosperity. These are days that demand courage, daring, initiative, national vision.

We should be intense, we should be devoted, we should be single in our efforts. Cooperators are taking their organization too casually. We should be relating what we do to the crisis we are in. We should be showing that in the philosophy, the effects on people, the economic results, in short, in its national significance, cooperation is of vital moment—NOW! We can’t stop war perhaps; it is already melting in this early stage some of the finest metal of our democratic ideals. But we could give cooperation the place it deserves and build for the day when normal relations again must be established.

I am urging less devotion to inconsequential organizations, and more to cooperation. Sociability, recreation, culture, and all other things for which Americans organize hundreds of good but ineffective organizations that clutter up communities, these should be built into the movement. We need to change our lives that they may count for the things that are important. To do so takes courage. Not to do so in the light of what is happening in America and in Europe may mean that they will be changed for us.

In substance I am saying that cooperators cannot now live up to the demands on them from the times in which we live unless they do two things. One is to have the bearing of cooperation on national economics and national politics explained and discussed, with scientific charts and research experts, but discussed by every man, woman and child in the movement. The second is to concentrate our social contacts on human or social drives two or three rather than a score of organizations. One of the two or three is the cooperative. It is too often a store when it should be a community force driving at the establishment of a dynamic democracy in the face of totalitarian threats.

Does Cooperation Affect the Human Side of People or Just Do Business?

For any organization or institution to gain a hold on its members, or to extend its influence widely and permanently, it is necessary that the organization relate itself clearly to human or social drives in all the people it affects. It is in this respect that competitive business fails most completely and makes its most farcical efforts to remedy its defect.

To the cooperative on the other hand is open practically all the avenues of approach to people as humans, and all the opportunities of associating the members as active, interacting persons, interested in each other. To take advantage of these opportunities in no sense lessens the appreciation of economic advantages of cooperation. It adds to such appreciation. It is impossible to build character except through vital, interesting give-and-take between people.

Many will think immediately of the meeting. Usually the meeting can be humanized a great deal. Give-and-take should be the ideal. Instead of a long and dry presentation of figures or a set of facts, discussion could be induced among all the listeners about what they want in the matter in hand, and the facts and figures brought in to feed this give-and-take. Graphic material is social, believe it or not. The reason is that a chart, or a diagram, or a graph of any kind, maybe a picture, held up before a crowd gives a feeling of oneness, of something they all can look at together, of an object that is common for discussion.

The important points in any meeting should be few. If they could be gotten across to all the audience it would lift the interest in almost every organization.

A skit, or an original song, a poem said in unison, or the activities of a cooperative might be more effective than mere talk. Let us cooperate in all of the cooperative organizations. One of the two or three is the cooperative. It is too often a store when it should be a community force driving at the establishment of a dynamic democracy in the face of totalitarian threats.

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FROM CONSUMER TO CRUDE . . . .

In the saga of cooperative history in America it will be recorded that Consumers Cooperative Association of North Kansas City pioneered the road in petroleum products all the way from consumer to crude. What this will mean in the long future as others follow down the same road is scarcely imaginable. Even now many cooperators and others are only beginning to grasp the significance of this true far-reaching event.

The log of the CCA cooperative ship records the following dates: 1929, the organization of the cooperative wholesale owned by retail cooperatives which in turn were owned by consumers. 1938 the organization of a cooperative trucking service hauling from refinery to wholesale and retail cooperatives. 1940 the starting of the cooperative refinery. 1940 the flow of crude in a cooperatively owned pipeline. 1940 the drilling of the cooperative oil wells. At last it can be said in America, the consumers cooperative movement has gone all the way—from raw material production, to transportation to the processing plant, to processing, to trucking to retail cooperatives, to retail distribution to consumer members. But the consumer story must be told in reverse—the steps were from (1) retailing to (2) trucking to (3) refining to (4) pipe-lining to (5) production.

We hasten to say, lest there be unwise conclusions drawn, that while a hundred years of history show that consumers can go all the way cooperatively in the distribution, transportation, processing and production of industrial commodities, the same hundred years show that consumers largely fail when they try to go all the way in agricultural commodities—agricultural producers must come part way and meet the consumer to achieve the greatest success in lower prices for consumers and higher pay for producers. We also add, to make the record complete and accurate, that producers generally fail in the long run when they try to go all the way to the consumer in agricultural commodities—they must let the consumer come and meet them part way.

COOPERATION ALL THE WAY

A prominent cooperative leader said recently in an executive session that cooperatives should perform the maximum number of practical operations on a commodity. He illustrated this in farm products by discussing the possible savings from the producer to the consumer in marketing, in transportation, in processing, in warehousing, in containers, in distribution.

The commodities into which cooperatives enter should be decided upon only after careful research into margins, etc. The widest margin and simplest and bulkiest form of consumption commodities should be the first. This was the great decision that transformed the cooperative purchasing movement from failure to success when it entered into feed and fertilizer and petroleum products after the war.

How much of the total volume shall cooperatives do, is constantly asked. Why set any limit? Let time and not theory determine. We feel like George Russell, when someone says the cooperative movement should only do some certain percentage, "I would like to exile the man who would set limits to what we can do, who would take the crown and sceptre from the human will and say, marking out some petty enterprise as the limit, 'Thus far can we go and no farther, and here shall our life be stayed'." In Finland cooperative distribution has reached 36% and has been gradually absorbing private-profit business at the rate of 1% per year. Who can say where the limit should be? Of course, the immediate necessity is to grow large enough in every line to become an effective yardstick. But then? Well, who knows? There should be no theoretical limit. Practical results alone should determine the answer.

The moral of the story we started out to tell is—now we will in time have a yardstick of costs all the way in petroleum products from crude production to petroleum consumption—the end results of which are beyond comprehension today.
TEN THINGS WHICH COOPERATIVES SHOULD DO UNDER WAR-TIME CONDITIONS

1. Increase Membership. A cooperative is alive only when it is growing. Membership drives should not only be put on at periodic times, but every day should be a new member day, with every employee and every member soliciting new members as they meet them.

2. Increase Services. New services should be added as rapidly as possible, after thorough investigation, both in order to better serve the members, and also to offset the constantly reducing margins on the older lines handled.

3. Increase Capital. The capital of a cooperative is out of debt and the members are full owners, and then should be increased still further to provide for the financing of additional new services. There is no other investment equally as sound today as investment in a cooperative.

4. Increase Reserves. A large percentage of the savings made by a cooperative should be retained, rather than paid out in patronage returns. They may be retained in the form of general reserves to provide against emergencies, and as patrons equity reserves to more rapidly supply additional capital.

5. Increase Education. Increased education of both present and prospective members is necessary to build strong cooperatives. The best way to provide the necessary funds is to appropriate a definite percentage of volume monthly as a part of current operating expenses. One per cent of the volume of a local cooperative is recommended by the Directors of The Cooperative League for education and recreation.

6. Decrease Receivables. A cooperative business institution should not endeavor to be also a credit institution. Where credit is necessary it should be provided by a separate cooperative credit association. However, members should educate themselves to save and put their budgets on a cash basis as rapidly as possible.

7. Decrease Payables. The Swedes say that cooperatives should neither give nor accept credit. No cooperative is free so long as it is in debt.

8. Decrease Inventories. Efficient operation requires a constant increasing rapid turnover of inventories or a reduction in percentage to volume. Increases in inventory values should be set up as reserves against possible future declines. A cooperative cannot gamble on the stock market—it should not gamble on the commodity market.

9. Decrease Investments. Care should be exercised in making additional investments in facilities at excessively high prices to prevent later heavy depreciation.

10. Decrease Expenses. Economy in operations is not a matter of underpayment of employees, but of elimination of waste and unnecessary expenses and the increased efficiency of everyone's efforts.

While these recommendations are urgent for war-time conditions, they apply—war or no war. Cooperatives cannot go wrong in following them at all times.

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HERE'S AN IDEA — ON FORM LETTERS

As it ever been your job to sit down and try to write out a form letter? Sooner or later every co-op makes use of them, for everything from collecting bills to interesting the housewife in buying co-op groceries. Such letters make it possible to handle many situations quickly and easily and there is a clear cut place for them in publicity and educational work.

Now, along comes the occasion when it is your responsibility to put such a letter. You sit down to make a draft. You scratch your head, go over all the past experiences you've had, try to remember a point here and there and that you thought was good. You realize that a form letter must ring the bell. After several hours, perhaps late into the early morning, you come up with a letter. It may be good, but it is not checked against experience. You can only hope it will do the job.

Wouldn't it be a good idea to make a collection of form letters you know have been successful. Then, when it is your turn to draw up such a letter, you could just use the one that seemed to meet your needs. Below are listed excerpts taken from successful form letters:

Dear School Teacher: We are taking the liberty of sending you the enclosed literature on Consumers' Cooperation. In view of the interest in and support of this movement by the National Education Association we believe you will find the subject of interest. Now is the time to begin working for practical social ideals; your local Cooperative is an integral part of a better future—help it grow!

Dear Housewife: Isn't it confusing to try to decide what brand or label of canned goods to take from among the many different kinds in a modern grocery store? How is the consumer to know what is inside the can? Come down to the store and look around. The store manager will be glad to help you and to answer questions you have.

Dear Minister: As times grow harder and the world is torn by war, we all wonder just what may be a solution to it all. And surely the ideals that were among the people in our own community must cause suffering to one who is preaching the Christian faith. . . Churches everywhere are beginning to realize the necessity of supporting some movement . . . There is already a cooperative store organized on the Rochdale principles in . . . Why not drop in some time soon to see what the people are actually doing for themselves?

Dear Farmer: A long time ago the farmers in the U.S. and other countries found that they could benefit by owning their own businesses. They bought feed and fertilizer together to save money. . . And the best news of all is the fact that there is a real co-operative food store in . . .

Dear Union Member: The national labor organizations have officially endorsed the consumer cooperative movement and encouraged union members to support the movement.

Announcing an annual meeting: Another year has come and with it many problems that need our attention. Have you told us how we might make your store better, and make it all that you wish it to be? . . . If every stockholder will make it his business to buy at least one-half of his grocery needs at his own store, the premises will have to be expanded in a few months.

To New Members: We wish to welcome you as a new member of our Cooperative Association and we hope that you will not only enjoy the products in our store, but will get the same pleasures as we do in building up the whole cooperative movement.
probably have many questions in your mind about the movement and about our local association. We are enclosing a pamphlet. . .

Possibly the League, acting as a clearing house, should make a collection of form letters, sift out the poor ones, and make the model letter. Then when a co-op is faced with the problem of writing a form letter the collection could be referred to and the proper form selected. No doubt changes would have to be made, but the local co-op could feel pretty safe that the chief components of the form letter were tested and would fill the bill. What do you think?

(Complete copies of the form letters mentioned above may be had by writing Jack McLearnan, Midland Cooperative Wholesale, Minneapolis, Minnesota.)

**RECENT ARTICLES ON COOPERATIVES**

**ADVERTISING AGE, October 21, 1940, “Co-op Heads See Movement Replacing Economic System”**

**AMERICAN MAGAZINE, October, 1940, “North Woods Miracle,” John F. Gogswell**

**BUSINESS WEEK, October 12, 1940, “Co-ops Organize Financing Unit”**

**CANADIAN FORUM, July, 1940, “Cooperatives Push New Construction”**

**CHRISTIAN CENTURY, October 9, 1940, “Are Housing, Games, Dramatics and Discussion at Oscelos, Wisconsin. Frank Shilston and Wilbur Leathermen, Midland fieldman and members of the board of the National Recreation School, headed the conference. The group unanimously decided to hold similar week-ends in future, and a volunteer committee was set up to work out plans. In Ohio, 25 former students gathered for “Fun and Frolic” at Marion, Ohio, January 24-26.**

**FRIDAY, October 18, 1940, “Miracle of Men of Peace.”**

**FREE AMERICA, October 1940, “Quiet Miracle.”**

**HAYWOOD and Cooperation,” Justus Ebelt**

**INDUSTRIAL WORKER, December 14, 1940, “Co-ops Getting Anywhere?” George H. Tichenor**

**TWO REGIONAL RECREATION CONFERENCES HELD DURING THE FALL.”**

**THE NEW YORK TIMES, JANUARY 9, 1941, “Co-op Units More Active.”**

**PARENTS’ MAGAZINE, October, 1940, “Youth Finds a Way to Get What It Wants.” Helen Buckler**

**PAI’S WEEKLY, January 5, 1941, “Fast Growing, Cost-Saving U.S. Group.”**

**PRINTERS’ INK, October 25, 1940, “Union of Church and Economics is Dramatized as Co-ops Revive Rapid Progress.”**

**PRINTERS’ INK MONTHLY, November, 1940, “A $600,000,000 Business With 2,000,000 Owners.” Richard Giles**

**PROTESTANT DIGEST, October-November, 1940, “When the Philosopher Comes”**

**PUBLIC AFFAIRS, August, 1940, “The Cooperative Movement in Newfoundland.” H. B. Mayo**

**READERS’ DIGEST, November, 1940, “Main Line to Recovery,” a reprint of “North Woods Miracle,” from The American**

**SOCIAL FORUM, October, 1940, “Co-ops Give Concrete.” George Boyle**

**SUMMARY OF COOPERATIVE BUSINESS FOR THE YEAR 1940”**

**TIDE, November 1, 1940, “Co-ops—They Meet the Challenge.”**

**WELCOME NEWS, September, 1940, “Producers Cooperatives.”**

**WELFARE NEWS, January 2, 1941, “Cooperatives Push New Construction.”**

**PRINT, December 31, 1940, “Cooperative Plans NFU.”**

**NEW YORK WORLD TELEGRAM, January 9, 1941, “Co-op Units More Active.”**

**ELLEN EDWARDS**

**FEBRUARY, 1941, “CO-OP BASKETBALL TEAM TO INVADE NORTH.”**

**RECREATION NEWS NOTES**

Two regional recreation conferences were held recently by former students of the National Recreation School. The last week-end of the old year, 30 students in Minnesota and Wisconsin and others in that area interested in recreation got together for a week-end of fun, dancing, games, dramatics and discussion. A $600,000,000 Business With 2,000,000 Owners,” Richard Giles

The February issue of the OHIO FARM BUREAU NEWS features an article on the Washington County (Ohio) Youth Council. A picture of the group doing “Bow Belinda” makes a striking cover. There are more than 70 young people active in the Council. After many discussions the group decided that cooperative action is the best way to solve the serious problems facing them and their fellow citizens, that only through mutual education can that cooperative action be effective, and that both education and action can be best developed through the spirit of group understanding resulting from playing cooperatively. Consequently the group has chosen for one of its jobs during the coming year the leadership and training of other groups interested in folk dancing and other forms of cooperative recreation. A group of fifteen, headed by Chairman Jim Wagner was chosen to meet frequently, plan programs and arrange for engagements to be filled from week to week. Judging by demands from various organizations in the county, the group will be kept busy.

An enthusiastic crowd of one hundred and thirty attended the first party given by the Consumers Cooperative Society of Leonia, New Jersey late last month. Games, and European American folk dances, under the direction of the Play Co-op, New York, were enjoyed by the group.

To meet the increasing demand and interest in cooperative recreational activities throughout the Central Cooperative Wholesale area, a Cooperative Recreation School is planned for the week-end of March 1-3. The school is sponsored by the District Education Committee of the Northern States Cooperative Youth League and will include instruction in folk games, dances, singing, crafts and dramatics as well as an opportunity to discuss recreation problems. Chester Graham, educational director for the Madison Cooperative Council and Frank Shilston, Midland fieldman and director of the National Recreation School will be the instructors.
WHAT'S NEWS WITH THE CO-OPS

On the New Store Front

During the last six weeks co-op store modernization has been moving rapidly in the Eastern Co-op Wholesale area. Cooperative societies in Hempstead, L. I., Staten Island, New York, mid-Hudson, Philadelphia, Port Washington, L. I., Reading, Pa., Weymouth-Brantree, Mass. and Rockville, Conn. have opened full-time cooperative food stores or moved from small stores into large ones. The Maynard Cooperative Society appropriated $50,000 to make its store into a streamlined supermarket. Co-ops at Madison and Ridgewood, New Jersey and the Co-op Trading Association in Harlem, New York City opened new produce and dairy departments.

Among the co-op self-service stations built by cooperators in important cities in the last few months were the Konsum Service Station in Washington, D.C., and co-ops in Berkeley, California and Columbus, Ohio.

Institutes and Training Schools

Central Cooperative Wholesale's ten week employee training school this fall was followed by the first employee training institute to be sponsored by the Ohio Farm Bureau Cooperative Association. Shortly after the first of the year, employee training schools were opened at Midland Co-op Wholesale, Consumers Cooperative Association and North Dakota Farmers Union. Rochdale Institute, national training school in consumer cooperative working with the Council for Cooperative Business Training, will open its spring term, February 24.

Labor and Cooperatives

As we go to press, 1941's first Institute on Organized Labor and Consumer Cooperation is being held in North Kansas City, Missouri with labor, farm and cooperative representatives participating. During the fall, the A. F. of L. and C.I.O. conventions renewed their endorsement of consumer cooperation.

Oil

The cooperative refinery at Phillipsburg, Kansas ended its first fiscal year in the black although it had been in operation only six months of the fiscal year. It paid interest dividends totaling $13,000 to 7,000 co-ops and individuals.

A seventh co-op oil well supplying crude oil for the co-op refinery 'came in' in January 26.

A report on oil distribution in the state of Minnesota prepared by the Division of Agricultural Economics and Agricultural Extension of the University of Minnesota showed that the volume by gallons of light oils handled by cooperatives in the state of Minnesota has tripled in the last seven years and that the co-op percentage of oil handled in the state had grown from 6.1% in 1933 to 10.6% in 1939. Kanabec County reported that 62.2% of the light oils distributed in the county was handled by cooperatives.

Consumer Cooperative Refineries in Regina, Saskatchewan took a revolutionary step forward in its annual meeting in December when the co-op voted to post its own prices for petroleum products disregarding those posted by the major companies. The move is designed to eliminate the inequities of the present price structure controlled by the large companies.

Record Business

Midland Cooperative Wholesale reported an all-time high volume of $4,426,536 in 1940 including grocery sales amounting to $246,492. Business volume not including groceries showed an increase of 11%. Since the grocery department was launched in mid 1939 no comparable grocery figures are available.

Eastern Cooperative Wholesale reported an increase of business of 45% over 1939 promising forward to a record business of $1,335,000.

Central City Cooperative Wholesale reported a business of $3,883,658 in 1940, an increase of $457,000 or 13.34%.

New Warehouses

The Pacific Supply Cooperative with headquarters at Walla Walla, Washington opened new branch warehouses in Portland, Oregon and Pocatello, Idaho in December to handle the rapidly growing volume of the six-year-old co-op wholesale serving 60 co-ops in the North-wester states.

REVIEW

What We Ought To Know About Credit Unions

This pamphlet, although written particularly for rural cooperative groups, contains much information which will profit everyone to read. It will, however, be especially useful to rural groups which need credit service just as badly as the urban industrial worker.

"Credit Unions among farmers can and do function successfully whenever we really want to make them function."

The writer of "What We Ought to Know About Credit Unions" strongly recommends that Credit Unions should (1) Set aside a portion of their earnings and allocate them to an educational fund which should be used to acquaint the members and others thoroughly with the services and benefits of their Credit Union, to explain to them how it operates and to make them understand they share in the responsibility of managing it. (2) Credit Unions should affiliate with their State League and the Credit Union National Association.

This pamphlet, although written particularly for rural cooperative groups, contains much information which will profit everyone to read. It will, however, be especially useful to rural groups which need credit service just as badly as the urban industrial worker.

J. ORRIN SHIPLE, Executive Director Credit Union National Association
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An index of CONSUMERS' COOPERATION for 1940 will be sent to subscribers free on request.

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Consumers' Cooperation

MARCH, 1941

DOCTOR JAMES PETER WARBASSE
TWENTY-FIFTH ANNIVERSARY ISSUE
25 YEARS OF COOPERATION, James P. Warbasse


A NATIONAL MAGAZINE FOR COOPERATIVE LEADERS

POSTCARDS
"Like the Blooming of a Rose"

"The beginning of The League did not occur per saltum, but is something more like the blooming of a rose," thus wrote Dr. Warbasse when he described the first days of organized consumer cooperative education under the guidance of The Cooperative League of the USA.

So it was! For our national magazine *Consumers' Cooperation* first saw the light of day in May 1914 almost two years before The Cooperative League was formally organized. While we are celebrating, The Magazine bids its younger brother a happy 25th Anniversary and takes a couple of extra bows itself.

In keeping with this occasion *Consumers' Cooperation* bursts forth with a new cover format and with sixteen extra pages under its belt.

Send a subscription for a friend, or have other members of your co-op subscribe. And if your own subscription is about to expire, renew it today so you will not miss an issue of the *Consumers' Cooperation*—$1 per year, 27 months for $2.

Send your subscriptions today to:

THE COOPERATIVE LEAGUE OF THE USA
167 West 12th Street
New York City

**THE ROCHDALE PIONEERS SALUTE THE AMERICAN PIONEERS**

Today we of the present generation of cooperators, salute the American Pioneers who formally organized the Cooperative League 25 years ago on March 18, 1916. We also salute those American cooperators whose still earlier pioneering efforts laid the groundwork on which the League was started. But, much as we of today honor those who laid the groundwork for a national organization of the Consumers' Cooperative Movement in the United States (of whom many, happily, are still among us), we are moved to suggest that, since the pioneering spirit goes marching on, it may not be amiss to imagine that the Rochdale Pioneers today salute the American Pioneers with even greater joy.

Yet the dreams of the Rochdale Pioneers and our own American Pioneers are far from being realized. Today, it seems that they are even being discarded in many countries. But "the Light knows the need, and the way." And the Light never fails to draw the souls and minds of men on toward the truth, though the economic and political clouds may seem at times to hide it. So while we salute the Pioneers of the past, we also challenge the Pioneers of the future to struggle on in the unfinished task of freedom, as Marie de L. Welch said in the New Republic:

"There is much space still to explore and conquer,
Between these old seas, on this well-known ground;
Has been discovered but is not yet charted."

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.

Published monthly by The Cooperative League of the U.S.A., 167 West 12th St., N. Y. City. E. R. Bowen, Editor, Wallace J. Campbell, Associate Editor. Contributing Editors: Editors of Cooperative Journals and Educational Directors of Regional Cooperative Associations.

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"THESE ARE TIMES THAT TRY MEN'S SOULS"

So challenged Thomas Paine during the Revolutionary War in "The American Crisis." Today we are in the midst of the third great American crisis. Men's souls are being tried again today, as perhaps never before.

This issue of the national magazine is largely given over to the history of 25 years of the Cooperative League. But in such trying times as these, we cannot forget the problems of the present. The following editorials are accordingly directed toward these immediate problems. After you have read these few pages, you will then find many interesting pages from the history of the past 25 years.

THE SILLINESS OF SUBSIDIZING SCARCITY

There is no other possible word to accurately describe our economic illiteracy than "silly." When a people become imbecile they place themselves in the hands of the State. That is what we are increasingly doing. One of the latest and most definite evidences of our mental aberration is illustrated by the application of the "stamp relief plan to cotton, which will give to cotton planters, in payment for not planting cotton, stamps entitling them to cotton sheets, pillow cases, table cloths, napkins and underclothing. For the producer to get finished cotton through political government hands after it has passed through private-profit manufacturers and distributors hands, in return for not raising raw cotton, is the height of mental economic illiteracy. The producer of raw cotton should deal directly with himself as the consumer of finished cotton. He can do so when he organizes in his cotton field the market raw cotton and purchase finished cotton cooperatively. Then he will bypass both the political government and profit business, which will drop out of the economic picture as they should.

It was explained as a clerical error when a cranberry farmer received a government AAA check for $1,000,015.25. But there are more than one million dollar keys punched in error in paying for the waste in the present political relief and profit system of getting raw products from the producer back in finished form to the same producer as a consumer.

THERE ARE NO HALF-WAY STOPS ON A GREASED TOBOGGAN

Yesterday it was said that "A nation cannot continue half slave and half free." Today we are in the process of demonstrating that "a nation cannot be half at war and half at peace." The Special Peace issue of CONSUMERS COOPERATION, published in October 1939 immediately after war was declared in Europe, recited the four steps leading to war as (1) Materials, (2) Munitions, (3) Money, and (4) Men. Today we have reached the third step of supplying Money.

Tomorrow, when the present world's war insanity of destruction is over, we and we start again at the age old task of building a world of plenty, may we have also learned the lesson that an economic system cannot be half regulated and half free. It will either be all regulated by the political government or all a free economy. There is no permanent half-way stopping place.

We repeat the profound observation of Dr. Philip Cabot of Boston who declared that a government and an economy in a democracy are creatures of a free society. Neither can control the other in a free society, nor can either control this one.

"WE MUST TEACH IN SPECIFICS—"

A group of British churchmen have published a joint letter advocating that "extreme inequality in wealth and possessions should be abolished." The Pope's Christmas eve prayer was for "victory over economic maladjustment." President Roosevelt's annual message set as a goal "freedom from economic want."

The people of the world are becoming skeptical of such generalities. They want specific action and results. One reason we do not have definite action is that definite thinking is lacking. At times we hear some one say "I know what I want to say, but I cannot express it." Yet if he really knew, he could express what he knew. So leaders speak vaguely because they have not yet thought their way through to specific methods of action and can accordingly only express high-sounding general goals.

Dr. M. M. Coady, the famous adult-education cooperative-organization leader of Nova Scotia, says in his book, "Masters of Their Own Destiny," that "We must teach in specifics . . . We preach and teach in the abstract. We expect the common man to transfer these abstract doctrines into concrete actions. We perpetuate the old educational fallacy that abstract knowledge is sure to transfer to the realm of practical life. We might as well try to teach piano by lecture."

An outstanding evolution of thinking from generalities to specifics is illustrated by two succeeding year's resolutions adopted by the annual conference of the Northern Baptists. At their 1934 annual conference generalized goal resolutions were adopted which read, "we believe our churches should study the cooperative commonwealth." In 1935 they had thought their way through to specific action and urged, "we recommend to our churches that they study consumers cooperatives and credit unions."

It is necessary to set forth general goals, but it is even more necessary to advocate specific steps toward those goals.

COOPERATORS SHOULD NOT BE FOOLLED BY GOVERNMENT PRICE REGULATION

Cooperators should be the "salt of the earth" in clearly explaining the reason why a profit-system will not work; in opposing government intervention leading to dictatorship; and in advocating the various elements of a cooperative economy. Just now we are concerned lest cooperators allow themselves to be fooled by government price regulation.

When all the shouting is over—cracking the whip of legal prosecution by the Department of Justice—threats by the members of the Defense Commission that government might take over business—when it is all over it will be found to be little more permanently effective than Teddy Roosevelt's big stick, which

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prove to be less effective than a toothpick in strength, or than the NRA blue eagle’s claws, or the world-war’s price decrees.

Once more consumers are going to be milked by higher prices, no matter how bombastic may be the threats of prosecutions or taking over. If the government does fix any prices it will be for the producers and not for the consumers. All government regulation of private business results in higher prices than would otherwise be the case, rather than lower prices. The reason is simple—when the government tries to enter into price fixing it must always fix prices that will take care of the high cost producers. They would be eliminated by normal competition, but under government regulation they get a lease on life by higher prices fixed by the government. As an illustration, witness the Coal Law. The consumer pays more for coal since the law was put into effect, not less. If the government did fix lower prices it could only do so by converting itself into a dictatorship.

When the Vice-President went to Washington he spoke of the government taking hold of the heads of finance, industry, labor and agriculture and keeping them in line. This follows the Locke theory of “government ringmaster.” But no political government can itself overcome “capitalist sabotage” and remain free. If the government did fix lower prices it could only do so by converting itself into a dictatorship.

The only way the government can really help the consumer is by promoting cooperative and public ownership of non-profit yardsticks which will act as automatic regulators of consumers prices. As an illustration, the Attorney General has announced a suit against electric light bulb manufacturers. He should have left this to the cooperatives to take care of in time, as they did in Sweden, and as the government cannot do unless it takes over bulb manufacturers.

Cooperatives should develop a long memory and learn from the past failures of government to regulate prices in the interest of the consumer, as well as learn from following the course of the present ballyhooed efforts, which we predict will end with the same futile results.

SAVE-SPEND COOPERATIVELY FOR SECURITY

If the people of the world had learned to Save-Spend Cooperatively we would not be discussing today Lease-Lend Preparedness. We would already be secure—secure from war, as well as secure from want. Unfortunately we are apparently not willing to learn as yet except in part through destruction—rather than construction.

Yet, “it is all so simple,” as Kagawa said. First, we must learn that cooperation, not competition, is the life of trade and is willing to cooperate. Second, we must learn to save our money cooperatively—to mobilize our money in cooperative credit unions, cooperative finance association, cooperative banks, cooperative shares. Third, we must learn to spend our money cooperatively—in cooperative stores, oil stations, cafeterias, medical and burial associations, and so forth.

The biggest thing right now we need to learn is to mobilize our money cooperatively and get out of debt, both as individual cooperators and as cooperative enterprises. For, after this war is over, there will be no end of Humpty-Dumpty cooperatives that will fall and cannot be put together again, unless they increase their reserves and capital and decrease their receivables and payables to a fair degree. As a “watchman on the wall” we urge you to heed this warning and get cooperatives down on solid ground financially while there is yet time.

THE FIRST TWENTY-FIVE YEARS OF THE COOPERATIVE LEAGUE

BEFORE 1916, there was no integrated cooperative movement in the United States. There had been scattered cooperatives—more than a hundred years. But no national federation had united them into a concerted movement. There was practically no cooperative education. The directors of most cooperative societies were aware of the Rochdale principles. The prevalent educational idea was that of “learning by doing.” The leaders in cooperative promotion organized cooperative societies with the view that the people would learn about cooperation by patronizing and running their own societies. Usually they made fatal mistakes, and failed. Without a central place of information and lacking coordination, leaders of a society that failed, another society would start, make the same mistakes, and perish from the same errors.

Education and Unity

It was obvious that two essentials had to be met in order to create a cooperative movement. The first was education. The second was unity. The Cooperative League was planned in 1915 to meet these needs. Its constitution was adopted on March 18, 1916. It first made a survey of existing societies in the United States and developed the first roster of such societies. It examined into the causes of failure. A voluminous literature in pamphlet form was then issued. This dealt with the history of cooperation, taken largely from the British, French, and German cooperative literature. The failures of cooperative societies were discussed. We gained strength out of these errors by recognizing them and by taking measures for their correction.

During the first twelve years of its existence, The League was financed most

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ly by voluntary philanthropic contributions. It developed contact with the existing cooperative societies. These in turn began to join The League. From the beginning, the societies which came into this federation were the soundest, the most progressive and the societies with the best understanding of cooperation.

This has continued up to the present time; and for this reason The League has been recognized as the center of the best cooperative principles and practices and as the authoritative source of information on cooperation.

Tools of Cooperation

Among the first pamphlets published by The League were “The Cooperative Movement in America,” “How to Organize a Cooperative Society,” “The Distinction Between Consumers’ and Producers’ Cooperation,” “The Cooperative League—Its Aim and Principles,” “Dangers which Threaten the Cooperative Society,” “Cooperation and Labor Organizations,” and “Consumers’ Cooperation during the War.” “Why Cooperative Stores Fail” was published in 1918. The first three books on general cooperation published in America were written by the directors of The League.

After collecting information about the existing societies, the next thing was to provide them with information about cooperation. This was done regardless of whether they were members of The League or not. The pamphlets of The League were widely and freely distributed. A Speakers Bureau provided lecturers. An Educational Secretary functioned during the first twelve years. Lecture courses on cooperation and schools for study were conducted. The labor movement was brought into close relation with The League. A traveling exhibit was sent across the country and in

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1924 it was taken to the Congress of the International Cooperative Alliance in Belgium. The League became a member of the Alliance in 1921, and has had representation on its Central Committee and has sent delegates to each international congress of the Alliance since that time.

The First Congress

The first congress of The League was held in 1918. Since then a congress has been held every second year. The constitution of The League has scarcely been changed since its adoption. The organization is simple. The League consists only of cooperative consumer societies which are conducted according to Rochdale principles. Its membership now is almost exclusively regional federations. Its congresses are composed of delegates from the constituent societies. A board of directors and an executive committee are the administrative bodies. In 1918 there were less than 100 societies in membership. With the exception of a few credit societies and some with general stores, most of the societies conducted only grocery stores. By 1924, The League had 333 societies in membership, with 50,000 members, and a turnover of $15,000,000 yearly. It had published and was circulating 59 different pamphlets and leaflets. It was publishing two magazines—one for executives and teachers and one for the general membership—and was issuing a News Bulletin to 275 newspapers.

In 1928 The League was disturbed by communist dissension in some of its societies. The “prosperity” which had prevailed had caused a decline of interest in cooperation among industrial workers. But a new element was joining The League which in time was to change its character. This was the organized farmers. They had discovered that they were consumers, and as purchasers of farm supplies were proceeding to cast their lot with the consumers’ movement. By 1932 the majority of members of The League were agricultural consumers’ societies. In 1934, there was a membership of 450 societies with 160,000 individual members. When National Cooperatives, the national wholesale, joined The League, the membership rose to 1,498 societies with 500,000 individual members, and with a yearly turnover of $100,000,000. By 1935 the 1,500 societies had 750,000 members and a turnover of $150,000,000.

Nearing the Million Mark

In 1936, the individual membership of the constituent societies was 704,000. In 1938, it was 965,000. In 1940, it was over a million; and the turnover of the 2,000 member societies was $200,000,000. The majority of societies in membership in The League are still agricultural consumer societies. They began by supplying to their members farm essentials such as feed, fertilizer, tools, machinery, and petroleum products. Already among these societies are some large and efficient manufacturing plants for the production of these commodities as well as flour mills, paint factories, and oil refineries. They have been highly successful in the production of lubricating and more recently in the manufacture of fuel oils and fine gasoline. One of these organizations during the past year has built a gasoline refinery with a daily capacity of 3,000 barrels of oil. It has built 92 miles of pipeline connecting a refinery with the seven oil wells which it has drilled within the year. More than $100,000,000 worth of petroleum products flowed through cooperative channels in 1940.

The consumer cooperatives in the United States now represent a highly efficient as well as expanding factor in the oil industry. Since March 1935, they have shipped petroleum products to the cooperative wholesales of Estonia, Bulgaria, Belgium, France and Scotland at lower cost and in superior quality than were available in those countries.

As examples of business expansion during the past year: the Central Cooperative Wholesale, serving 140 societies, increased its turnover 29%; the Eastern Wholesale, with 200 societies, advanced its business 45%; the Consumers Cooperative Association, a federation of 450 societies, increased its turnover 13%; and no wholesale in membership in The League experienced a decrease in business.

National Cooperatives, Inc. formed in 1933, is a federation of 14 regional wholesalers which did a business of over $30,000,000 in 1940. These organizations are becoming dominant factors in many fields. They now regulate the price of fertilizer in several states. The testing laboratories of some of the wholesalers are standardizing certain foods.

Moving Into Production

At the 1940 Congress of The League, delegates from 40 out of the 48 states were present. Progress in every department of cooperation was reported. The greatest progress was that of the oil industry. The year 1940 was characterized by the erection of additional cooperative factories, mills, and refineries. Cooperative banking and insurance expanded. Grocery distribution steadily increased.

Outside of The Cooperative League is a growing number of societies which are influenced by it. There are over 17,000 consumer societies. The rural electric societies have made electric power and light available to 500,000 families; they have built 200,000 miles of lines. There are 9,000 cooperative banks (credit unions) with 2,500,000 members and assets of $200,000,000. Several thousand cooperative telephone societies are highly successful. Cooperative burial societies and housing societies are expanding slowly. The total purchases of the commodity societies in 1940 amounted to about $5,000,000,000. Student cooperatives have developed on the campuses of many colleges and universities for supplying housing, food, and other student needs. The expansion of cooperative health associations is slow. Although there is much interest in this subject and a Bureau of Cooperative Medicine for its promotion, and although the need for cooperative medicine is very great, the nationally organized medical profession in its powerful traction is able to obstruct the advancement of this form of cooperative service. As a result of this obstruction, state medicine such as is developing in Europe, instead of voluntary cooperative medicine, is the likelihood.

National Training School

Rochdale Institute was started by The League in 1937. This is a national school for the training of cooperative executives and educators. It follows new lines of education based on the idea that education is a continuous process rather than an accomplishment. Cooperative study groups are in action in all parts of the country. The State of Ohio has over 600 such groups. Moving pictures and radio are used for educational purposes.
The League lays emphasis on cooperative education and upon adherence to Rochdale principles. Like the Swedish cooperative movement, the union of societies is being effected in an educational and promotional national organization. Within this league of societies is the national cooperative wholesale. There is no official violation of the principle of neutrality. The Cooperative League resists any tendency toward an alliance with any political party. As a result of this political neutrality, every political party, appealing for the support of citizens, writes into its platform endorsement of consumer cooperation. Because of this neutrality, the churches of all denominations, the great educational associations, and the important social organizations openly endorse and express approval of consumer cooperation.

The cooperative movement in the United States has won the respect and the approval of every organized element in the country excepting the traders' and business interests which fear its competition because of its efficiency. The hostility against cooperation is due to its efficiency as a means of supplying human needs. And that hostility comes from the field of profit business, with a growing consciousness of its own inefficiency in supplying human needs, and a growing realization of its destiny to fade out and pass over into stateism. Stateism—the expansion of the state into a position of dominance over the individual and over property—is seen as the ultimate threat to cooperation.

To Build a Free Society

The Cooperative League of the United States is preparing itself to become the center of guidance and promotion in the evolution of the new economy toward which this country is moving; to avoid stateism; to circumvent autocracy; and to attain cooperative democracy by the consistent policy of building free and voluntary cooperative societies.

25th Anniversary Dinners

Chicago, March 18
An anniversary dinner sponsored by Central States Cooperatives and local cooperatives in the Chicago area. The full Board of Directors of The Cooperative League will be special guests of honor.

New York, March 20
A 25th anniversary dinner, honoring Dr. and Mrs. James P. Warbasse, sponsored by Eastern Cooperative League and a host of old-time cooperators.

Washington, D.C., March 24
A special dinner commemorating the 25th anniversary of The Cooperative League, sponsored by the District of Columbia Cooperative League.

Why.

Just seventy years ago, in a small English mill town, twenty-eight weavers out on strike got together in the tap room of a dingy tavern and organized themselves into a club. Their purpose—but that is an old story and nearly everybody knows it. They were the famous weavers of Rochdale.

Their club prospered and grew in membership. Its ultimate purpose, to establish a world-wide industrial democracy, has not yet been accomplished. But there are to-day ten million people throughout the civilized countries of the world who believe that if ever we are to obtain a higher social order, it must be by the path mapped out by the Rochdale weavers. Each year sees a huge increase in their numbers. In Great Britain alone 116,000 new members were enrolled last year, bringing the total membership of the British co-operative societies up to three million; counting each as the head of a family, they now include more than one fourth of the whole population.

Together with Greece and Turkey and Abyssinia we have been slow to respond at last we are beginning to heed. The cooperative idea, if not yet the movement, has gained a foothold in this country. Not only is cooperation being discussed on all sides but here and there, throughout the land, small groups have organized, as did the Pioneers themselves, and are trying out the idea in actual practice. Forty thousand they number, according to Washington statistics.

In the eastern states alone there are over a hundred such groups, each traveling its solitary way, ignorant of what the other groups are doing or may have accomplished. Surely these groups, each with its own experiences, good and bad, must have much to teach each other.

If there is one thing you can not learn from the text book, it is cooperation. The literature on the subject is scant enough at the best. Co-operative practice can only be learned from many experiences, and this is especially true of those little details which vary with local conditions but which must, nevertheless, be overcome before success can be attained.

It for no other reason than this: the exchange of experiences and ideas, cooperators should get together. It is in the hope of bringing this about that The Co-operative Consumer is issued by a group of individuals devoted to the Rochdale idea. By publishing reports of significant events among the co-operative groups, by serving as a medium through which individuals may tell how
and why they succeeded or failed, we hope to give each group the benefit of the experiences of all.

But there is yet a greater reason why the local groups should come together.

The co-operator who believes that the co-operative store is an end in itself is wasting his time and energy; he might better collect stamps. This much, at least, Europe may teach us. It is not the profits of the small retailer that weigh us down; usually his gains amount to little more than a fair reward for very hard labor. If co-operation is worth working for, it must promise more than the reduction in price of a loaf of bread from five to four cents; the exceptional store that has accomplished so much has given all that it has to offer, by itself.

Before co-operation can influence economic conditions at all, it must reach up into the higher stratas of capitalist trade and industry. If we devote so much time and pains to the management of our store, it is only because we are undergoing the preliminary training that shall fit us for greater tasks beyond. Without its own independent source of supply, without co-operative production, carried on in factories owned and controlled by the organized consumers, as is already done abroad, the co-operative store remains utterly insignificant.

To attempt these bigger enterprises without solidarity of organization would be futile. And here you have the chief reason why we must come together, first through mutual intercourse, then in the bonds of a wide spread organization.

But you cannot build without mortar. Such an organization will only be possible when we all have a common understanding of what our aim is, when we are all agreed how to attain it. Unity of purpose and a clear conception of fundamental principles is the mortar between our bricks. When we say that the time is not ripe for a certain new development in our movement, such as the establishment of a wholesale society, we only mean thereby that the brains of the co-operators are not yet in a condition to put such an enterprise through.

It all comes down to a propaganda of education. By that it must not be understood that we, a few of us who have read half a dozen books or papers on the subject, constitute a select group who are going to instruct the ignorant masses. All we can do is to stir up the debate, through which we shall all learn together. We do not need teachers to hand us out a set of dogmas, to be learned by rote; what we want is stimulation of thought. Lack of thought is the only real obstacle that co-operation has to overcome.

This is the work which The Co-operative Consumer proposes to undertake; stimulate thought on this one subject. The theories it voices editorially may not all be sound; some may be absolutely wrong, but if it stimulates thought and action, it accomplishes its purpose.

Of course, it should not be the sole business of a publication such as ours to propound great theories. Most of our space must be devoted to reporting actual events that have some significance, some instructive value, to all the members of the movement. Then there must be open discussion of the details of actual practice, whether it be how to establish a delivery system for a store or to organize a national union.

But on the other hand we cannot eliminate theory altogether. Theory is only another name for the engineer's blue prints. We are building up nothing less than a new industrial system, and it is perfectly legitimate to discuss the roof, though we are still only at work on the foundation walls. It is the vision of the finished structure, no matter how exaggerated its glories, that gives the worker the enthusiasm to continue building the dull foundations.

However, discussion of theory does not mean a mere indulgence in visions. What we want is to draw our blue prints. The object of a blue print is to guide your work so that you limit your energies to the efforts that count. Theory will help us formulate our thoughts on what we are aiming at. By knowing our aim we shall also know how to distinguish the useless from the real.

That is especially necessary in this country, where countless forms of enterprise travel about under the name of co-operation. There are private corporations with profit sharing schemes, rural banks, building and loan associations, fruit packers' associations. The Co-operative Consumer starts out with the assumption that these enterprises, no matter how beneficial they may be to the actual participants, do not represent the co-operation which shall benefit the whole people. We are aware that there are thousands of sincere co-operators who will not agree with this view. An open discussion will present the evidence on both sides; the majority shall then decide. There is only one principle that we shall not discuss, and that is the principle of democracy itself. That stands, argument or no argument.

Whether The Co-operative Consumer shall sink or float depends entirely on the support it gets from the rank and file of the movement. The dozen individuals behind the publication of this first number are in no financial position to sustain such an enterprise by themselves. And of all the kinds and varieties of publications that apply for second class mailing privileges, a co-operative publication is the last that may hope for support from advertising. Our working capital must come from direct taxation. It is up to you, the individual. Without your direct support there can be no organ for the movement.

WHY? HOW?

In using the word "Why" as the subject of the first editorial written for the national magazine, then called The Cooperative Consumer, in 1914, Albert Sonnichsen led his readers into doing straight thinking. He might well have also added the word "How," since the magazine was started to answer both questions: "Why Poverty"?—"How Plenty"? Read this editorial and see how prophetic of the future it was.

Sonnichsen's story of the life of John T. W. Mitchell was one of the strongest appeals ever written to private business men to transfer themselves over into the Cooperative Movement where they can truly serve the people. John Ruskin says that the principal question in life is "What should a man die for?" He then adds that a business man is not then in the hands of society to die for anything. But John Mitchell, a former business man, discovered the answer—that by transferring over into the Cooperative Movement he had a cause worth dying for—the development of an economy of plenty for all and peace on earth.

Sonnichsen's book "Consumer's Cooperation" should be reprinted and kept in circulation indefinitely. It is one of the clearest interpretations of the Movement ever written, and his style of writing was incisive.

The present editor owes much to the first editor, Albert Sonnichsen, and hereby pays him his deep respects.

Consumers' Cooperation

March, 1941
What Co-operators Are Doing.

The third meeting of the organizers of the Consumers’ Co-operative Union, (Consumers’ Co-operative Publishing Association) was called to order in the evening of April 24, at 394 First Street, Hoboken, N. J. It was unanimously decided to change the name of the society to “Consumers’ Co-operative Union”, as indicating more comprehensively its program, which includes other forms of co-operative propaganda beside publishing literature. The purpose is to make it a federation of the store societies for Consumers’ Cooperation, Marcl> 1914 should be recorded in American Cooperative annals as the day when a small group of cooperators met and formally organized the Consumers’ Co-operative Union. The brief story is reproduced herewith from Volume I, No. 2, of the national magazine published in June, 1914.

For three months The Co-operative Consumer has not been issued. But we, those of us who believe the need for a centralized organization of the movement is the most pressing just at this time, have not been idle. Not unlike the Germans at Verdun, we have gathered together all our forces and resources and have made one strong and determined effort to push ahead. The result is the Co-operative League of America, organized on the 18th of last month.

The Co-operative League is, therefore, a society of individual co-operators who propose to push a general campaign of propaganda until the societies shall be strong enough to undertake it for themselves.

The organizers were: Dr. and Mrs. James P. Warbasse, Mr. and Mrs. Scott Perky, William Kraus, Emerson P. Harris, Ferdinand Foernsler, Hyman Cohn, Charles F. Merkel, Dr. Louis Lavine, Max Heidelberg, W. J. Hanifi, Isaac Roberts, Peter Hamilton, Walter Long, Mrs. and Mr. Ernst Rosenthal, Rufus Trimble, A. J. Margolin, Albert Sonnichsen, most of whom are familiar to our readers as persons who have devoted much energy in the past for the cause and who have graduated through the experiences of local organization.

The constitution and by-laws for the society, which were approved by a general meeting, held on March 18, at 384 Washington Avenue, Brooklyn, N. Y., deserve close consideration. The aim of the League is “to spread a knowledge of the history, principles, purposes and methods of the Co-operative movement; to encourage the formation of consumers’ co-operative societies, to publish periodical and other
forms of literature, to conduct such investigations as shall contribute to the knowledge necessary for the successful operation of co-operative societies, to establish a central office to disseminate information and to serve as a medium for the exchange of ideas and experiences between co-operative societies, and to organize a staff of persons, experienced in the theory and practice of co-operation, to guide newly-formed co-operative groups through the difficulties of their early organization.

The members also express the opinion "that all propaganda for Co-operation should be carried on and financially supported by the co-operative societies themselves, on a democratic basis, as is done in other countries."

To bring this about all co-operative societies should be united into a proper Co-operative Union. Such a union exists in nearly every country in the world.

The Co-operative Movement in America.

For all that, however, the present idea is neither fish nor fowl; a hybrid, in which individuals were herded together in an artificial way, and especially the co-operative societies are herded together. To such persons it may be pointed out that the affiliated societies have each one vote; thus the balance of power remains in their hands.

The representatives of the League are a President, Secretary and Treasurer. In addition, there are members, which comprise the Executive Committee of three members, whose function it will be to carry out all the activities initiated by the committee.

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Sticklers for democracy may object to this form of organization as being neither fish nor fowl; a hybrid, in which individuals are herded together. To such persons it may be pointed out that the affiliated societies have each one vote; thus the balance of power remains in their hands.

The officers of the league are a President, Secretary and Treasurer. In addition, there are members, which comprise the Executive Committee of three members, whose function it will be to carry out all the activities initiated by the committee.

Meanwhile, however, the Executive Committee proposes to give the work a start. Already the copy of some of the literature to be issued is in the hands of the printer. First of all will be published the Constitution of the League in full, and a leaflet explaining its aims. The tentative list of titles of publications to follow, prepared by the committee on literature, is as follows:

The Co-operative Movement Before the War (Illustrated).

The Co-operative Movement During the War.

The Co-operative Movement in America.

How to Organize a Co-operative Society.

Dangers Which Threaten the Co-operative Society.

The Distinction Between Consumers' and Producers' Co-operative Societies.

The Destiny of the Co-operative Movement.

Co-operation and Labor Organizations.

As for an official organ, while the Co-operative Consumer was taken over by the League as such, as practically all the members of the old Consumers' Co-operative Union are now members of the League, it may be said that the two organizations are merged and that thus the Consumer becomes the official organ of the League. The legal formalities will be undertaken at once.

While the Treasurer has not yet issued a report (only ten days having passed since the organization of the League), the applications for membership so far received have been extremely encouraging; already there is enough money in the treasury to make a start.

But, of course, no matter how many individuals may show their enthusiasm by joining, the ultimate success of the League is by no means assured. That depends entirely on the co-operative societies. Quite aside from the question of funds, if the societies show no interest in pushing for a general organization, individuals will soon find their enthusiasm evaporating.

Again we urge members of local co-operative societies, and especially the officers of such societies, to consider the work which the League proposes to undertake, as expressed in its Constitution, and quoted above.

Do you not realize that alone, isolated, your society can never become a permanent success? Is the end of all your efforts to be only a miserable little five or six per cent, dividend on the purchases of your members?

Don't you realize that in all other countries there was no real success until a co-operative union was established?

Don't you realize that the moment a chain store corporation decides to establish a branch in the next street, you are done for?

You are flitting away your time and energy in trying to solve those irritating little problems that confront every isolated co-operative store, believing and hoping that you will finally overcome them.

There is only one solution to all those local troubles: ONE POWER, GENERAL MOVEMENT, WHICH SHALL STAND, ALL FOR EACH AND EACH FOR ALL.
25 years ago the national magazine said, "the dues of the constituent societies shall amount to five cents per member per year". 25 years later the Treasurer reported that the League had paid its own way out of dues of five cents per member for the first time in its history.

26 years ago the first publication by the Cooperative League was announced. 25 years later the League bibliography includes hundreds of books, pamphlets, leaflets, etc.

26 years ago a writer in the national magazine urged, "Why not add insurance to groceries and so build powerful cooperative societies?" 25 years later the question is, "Why not add groceries to insurance and farm supplies?".

26 years ago the national magazine published an article advocating cooperative recreation and said, "we must get the people by the heart strings; those who can be persuaded by logic are too few...It is not enough to hold people by their stomachs. It is also necessary to hold them by their hearts". Evidence was cited from Belgium, "When music and dancing were introduced, the membership expanded rapidly". 25 years later the Cooperative League included recreation as a fourth corner stone of cooperation.

25 years ago the national magazine quoted George W. Russell, "I want to unite countrymen and townmen in one movement, and to make the cooperative principle the basis of a national civilization". 25 years later R. H. Benjamin said, "In our educational program we have answered the call for help from the town as readily as from the farm".

25 years ago the national magazine quoted Justice Brandeis as speaking of chain store "misleaders". 25 years later CO-OP goods were being chosen because the labels told the truth.

25 years ago the national magazine asked, "How shall we begin?" and answered the question, "from study circle, to buying club, to cooperative society". 25 years later L. E. Woodcock said "with our city cooperatives in the east there is repeated again and again the progress from discussion group, to buying club, to small store, to full food market".

25 years ago in the national magazine, John H. Walker, President of the Illinois Federation of Labor answered the question, "Why the Labor Man Should Become a Cooperator". 25 years later Jacob Baker and Mark Starr answered the same question in the same way, "to lower prices and to raise pay".

25 years ago Albert Sonnihsen, editor of the national magazine said, "This world is a hell these days. God speed Cooperation!" 26 years later the present editor says, "The gates of hell are wide open today. Build Cooperatives faster!

26 years ago in the national magazine, Dr. J. P. Warbasse, President, said, "The old competitive system of profits and privilege has at last attained its goal. Its utter inadequacy to solve the great problem is revealed. It has led the world into a cataclysm of death". 25 years later Dr. James F. Warbasse, President, said, "The conflict now raging is due to the decay of the profit system".

25 years ago the national magazine urged "Cooperative production in factories owned and controlled by the organized consumers". 25 years later M. R. Briggs and H. A. Cowden described the factories cooperative associations had built.

25 years ago in the national magazine was trying to educate Americans that "profit is not created by capital, but is an arbitrary overcharge which comes out of the pockets of the consumers". 25 years later the national magazine is still saying the same thing.

25 years ago in the national magazine was discussing the failure of cooperatives. 25 years later cooperatives are so well audited they almost never fail.

25 years ago in the national magazine, Justice Brandeis was quoted as speaking of chain store "misleaders". 25 years later CO-OP goods were being chosen because the labels told the truth.
Twenty-five years ago I received an invitation from Doctor and Mrs. Warbasse for an evening at their home to discuss plans for the promulgation of the Cooperative Idea. At that meeting in the doctor's library every shade of radical opinion of the period seemed to be represented: syndicalists, labor agitators and direct actionists; and a saving number of those who believed in the benignant possibilities in the gradual development of consumer cooperation. Among these last were Albert Sommichsen, my crystal clear thinker, since deceased, and Hyman Cohn, a lover of his fellows, who believed in putting principles into practice and who had had actual experience in organizing cooperatives. That first meeting was a very exciting one with the forceful expression of widely divergent opinions, but I was left with unity of purpose and realization of the magnitude and future value of what they could turn for information and help, and the birth of the Cooperative League was achieved.

There were succeeding meetings under Dr. Warbasse's auspices at which a more moderate temper was displayed and out of these came the definition of the Cooperative League of America with Dr. Warbasse as President, Mrs. Scott Perry, Secretary and myself as the original Treasurer. Hyman Cohn and Albert Sommichsen were on the board of directors and the latter was the editor of the Cooperative Consumer, the League's magazine, the name of which was afterward shortened to "Cooperation." The immediate objective of the League was educational and statistical, essentially a propaganda body, and its financial support was, theoretically, by dues from its members who, in the first instance, were individuals imbued, to a greater or lesser degree, with enthusiasm for the cause. But for many months there was a recurring deficit, always met by a cheque to cover from Dr. Warbasse, so great were the faith, the vision and the zeal of this leader in America of the great revolutionary (evolutionary) economic movement making for true industrial democracy.

The League today, supported by many successful Cooperative societies, no longer needs a good angel to carry a cheque to meet deficits, but has become an endowed institution on a national scale. This was when I became acquainted with the little group who for so long had seen the vision of cooperation in the East, and Cort, Jacobson and Kazan were of a later day.

There is a still earlier day which should not be forgotten, when Albert Sommichsen and Hyman Cohn and Roseenthal and Kraus met in a back room in the Bronx and dreamed of the Cooperative Movement that was to be. Perhaps, after all those years of struggle, when the foundations of the Movement were laid, the meeting that many of us remember best was 1934 in Chicago, when the little group who for so long had seen the vision of cooperation in the United States, met in a great hall filled with new faces, heard new voices talking the cooperative language, found new leaders pledged to carry it on, and realized that the dream of yesterday had become the great Cooperative Movement that we see today.

The friends made in New York and at the many district and national conventions during those first six years, and the contacts since then, are the most cherished possessions of my life. It had been set up through the personal vision, energy and financial contribution of Dr. and Mrs. Warbasse. Some of the personal visionaries of those days? Much the same thing we have discussed many times since. Education. The financing of the League. How to build the movement. Cooperation in new fields. And, a difficult question in those days, who were true blue cooperatives and who were not. Then there was the question which threatened to split the movement. Communists or cooperators? It was foremost in every meeting until the famous meeting in Superior when we resolved our differences and there were only cooperators in the Cooperative Movement.

We have come a long way since my husband Cedro Long started to work in the Cooperative League office in 1921 as General Secretary. His first job was tracking down fake cooperatives, analyzing cooperative failures, teaching the "principles" and sitting through endless board meetings, where he tried to chisel ideas out of the Finnish, Italian, Russian, Jewish and Bohemian tongues. Except for the mention of the names there was no change in methods. The object was the same, to get ideas, and new leaders pledged to carry it on, and realized that the dream of yesterday had become the great Cooperative Movement that we see today.

In those days, the backbone of the Movement lay with the foreign groups. First were the Finns, centering around the "Central Exchange" of Superior, (now Central Cooperative Wholesale) in the mid-West and around Portland, Maine. Then the Polish, Germans and English in the East. Also in the East was the half-dozen Jewish Cooperative Bakeries, two Italian Cooperatives in Stafford Springs and Lawrence. A fourth in those days was "Our Cafeteria" which white collar Americans had started in New York in 1920.

The Bohemians of Dillonvale had many years of sound history behind them; among the farmers just two wholesale were represented: The Farmers' Union of Chicago and Indianopolis Wholesalers, Ltd. From this beginning, the League has seen strong wholesales grow up, and has experimented with its control pass to cooperators themselves. Few realize that in this charge the budget has remained almost stationary. In 1925, $300 came from dues out of a $20,000 budget. In 1940, all of a $25,000 budget came from dues.
My earliest recollection of the Cooperative League centers about a hotel ballroom on South Michigan Avenue in Chicago, where the 1922 Convention was in progress. On the rostrum was the "old doctor", engaged then as now in the defense of consumers' cooperation as an all-inclusive way of life. My first contact was with Cedric Long, an heroic figure among cooperators. He took great pains to introduce me to the delegates as to discuss with infinite knowledge the difficult problems with which the movement was then confronted.

Those with labor affiliations appeared to predominate in the 1922 convention. The destructive downsizing of prices of 1920, coupled with a widespread departure from Rochdale principles, had weakened or ended a large share of the movement, including the premature wholesales which had been launched in Seattle, Chicago, and New York under the aegis of the League. Yet there were in the mid-west and especially in Illinois a considerable number of seasoned organizations backed by miners and railwaymen whose delegates were most active in League work. Then, too, Jack Walker of the Illinois Federation of Labor and his rival, Duncan Macdonald, were potent forces in mid-western cooperation. Cooperation in 1922 was weak, desperately weak. Yet it possessed a force which it has since lost—the genuine enthusiasm of a considerable number of the leaders of organized labor who would do more than pass formal resolutions in favor of cooperatives. Is it possible that in the new imminent upsurge of prices labor will once more actively promote the enduring principles of consumers' cooperation?

My first direct contact with the Cooperative League was made in the summer of 1922. I carried away three or four distinct impressions. The strongest was one of the deep minority of purposes of Dr. and Mrs. Warbasse and their associates. My earliest recollections as a board member, beginning a year or two after my first contact, are concerned chiefly with the struggle for finances to carry on the work, and with the efforts made by some of those associated with the League to inject political issues into the League councils. This was fought out on the issue of endorsing the Soviet Government. It was a real fight which bid fair at one time to disrupt the League. As I look back, I am sure that it was an excellent thing that this struggle came up in the form that it did for the League, for out of it came the clear-cut understanding that the League's activities should be confined to serving the cause of Cooperation; that here was a place where men of various political philosophies could join in working for the welfare of all; that the movement belonged to the worker or farmer no more than to the banker or lawyer; that here we could all meet as consumers on a common ground.

My early recollections are those of working out principles and fighting out issues the hard way, but I believe the foundations were soundly laid.

At that meeting I met Dr. Warbasse, Secretary Long, Ezekiel Honn, E. C. Cort, L. S. Horner, and Mr. McCarty of Nebraska Farmers' Union. The high ideals and broad vision of these men were sufficiently impressive that it gave me a wholesome respect for the organization which before that I had not understood or appreciated.

I have had the opportunity of being associated with Cooperative League activities since the Convention of 1917. At the last Convention in Chicago, I made a check up to find out how many of the old-timers were still active in the Movement. Only Dr. Warbasse, Joe Blaha and myself were present. At the 1917 Convention there were only a few cooperatives represented, and they were mostly foreign groups: Finnish cooperatives from Massachusetts, Jewish cooperative bakeries from New England and New York, and Bohemian cooperatives from Ohio. The Finnish and Bohemian cooperatives are still going strong and prospering.

A few years after the League was organized, a strong consumer movement came into being to combat the high cost of living resulting from the War. Cooperatives sprang up all over the country; unscrupulous speculators took hold of the co-ops and began organizing cooperatives and collecting high compensation for the work they did. Many regional wholesales were started before there were enough cooperatives to support them. It was unfortunate that the understanding of consumers' cooperation was so feeble at that time, for all the tremendous consumer interest went to waste. Very few of the newly organized cooperatives of the post-war period survived. The League was too weak and too small to give enough help and guidance to curb the widespread development or guide them to a sounder growth, so most of them disappeared.

There was one particularly regrettable experience during this period of our cooperative history. The Illinois coal miners started to organize large numbers of cooperatives. They expected to get a cooperative going quickly, to set up a system of centrally-controlled food stores with a central wholesale warehouse, and to finance the venture largely from miners' union funds. They disregarded many of the Rochdale principles, and in so doing, many years later, they failed completely, losing large sums of money.

There was a time for several years after the War when the League was constantly in danger of falling under political influence. A number of influential people among the cooperatives believed that the present political system was going to pieces and radical changes in our economic system were just around the corner. To hasten the change, they were anxious to use the funds of the cooperative and the prestige of the League for political purposes. Fortunately, the leadership in Chicago and around the country and under leadership of Dr. Warbasse and Cedric Long, the League survived this trying period, and those politically minded were defeated.

The League was financed by the Warbasses for many years. This was a source of constant embarrassment to the member societies and probably to the Warbasses as well. Many old-timers were convinced that a democratic movement such as cooperation should not accept contributions from individuals. Year after year attempts were made to raise at least a minimum budget to maintain an office with a secretary. Through the untiring efforts of Mary Arnold, that budget was finally realized.

After Mr. Bowen became secretary of the League, things began to happen in a big way. Great farmer cooperatives began to join the League and within a few years the membership had grown tremendously. After the adoption of a uniform system of membership dues the question of the League budget was solved.

It seems to me that the League is headed for a great future in this great nation of great opportunities.
My pamphlet had been preceded by a paragraph on consumers' cooperatives in the War Council's "Bishops' Program of Social Reconstruction," issued Lincoln's Birthday, 1919. The pamphlet I wrote was based upon it and included an account and advocacy of producers' cooperatives as well.

I kept in touch with the work right along. The first national meeting I attended was the Cincinnati meeting in 1922. Those were pioneering days in the movement in this country. The meeting was small but it was hopeful. I remember particularly the work of Dr. Warbasse at that convention and the close friendships I struck up with Father Reiner of St. Francis Xavier's College in Cincinnati and with Mr. Brockland of the central office of the United German Catholic societies.

In the new age that has come, or we are all destroyed together, consumers' cooperation has to have an important part. And it is part of the transition from the memory of the old era to the actions of the present to record that I am now pushing consumers' representation in the defense industries and pushing also a bill for a commission to study unemployment and post-defense unemployment in which representation from the consumers' cooperatives will be included.

CENTRAL COOPERATIVE WHOLESALE, SUPERIOR

The First Regional Member of the League

Cooperative history during the past 25 years must give an outstanding place to the Central Cooperative Wholesale of Superior, Wisconsin. Organized 25 years ago, only a year younger than the League, it was the League's first regional member. For many years the members of this loyal cooperative group carried on almost alone the struggle to educate the American born citizens to the significance of Consumers' Cooperation. The results of their pioneering efforts and financial support are now in evidence in the present membership of the League. We pay sincere tribute on this anniversary celebration.

The First Building

The first lines handled were coffee and flour. Now CCH handles groceries, clothing, electrical appliances, hardware, building materials, fuel, petroleum products, automotive supplies, feed, etc. It bakes bread, grinds coffee and grinds feed in its own factories.

The First Building

The Present Building

Consumers' Cooperative March, 1941

One of my earliest contacts with and reminiscences of the Cooperative League dates back to the year of 1920. In the spring of that year I started to work for the Central Cooperative Wholesale (then known as the Cooperative Wholesale League of the US) as their first full-time educational director. Chosen as one of the three delegates who represented the CCE at the second biennial convention of the Cooperative League held in Cincinnati, Ohio, November 11-14, 1920, I had an opportunity to attend my first League Congress. Since then, I have attended nine consecutive biennial conventions or congresses of the League (missing only the last one) but I still feel that the Cincinnati convention was one of the most interesting, if not the most interesting to me all.

During the four days, the Cincinnati convention actually held 16 sessions which meant a night session on each of the first three convention days. Delegates attended recent attempts to build cooperation in the United States "from the top down" with the inevitable failure of the attempt, one is tempted to say that "history repeats itself."

There were other delegates at the Cincinnati convention who advocated such unoriginal ideas as that of speeding up cooperative development by inducing labor unions to start cooperative stores, the union furnishing the necessary capital and all union members thus "automatically" becoming members of the local cooperative. This idea was championed by delegates representing the Central States Cooperative Wholesale of St. Louis, Illinois, which organization at that time was at the height of its development, having over $3,000,000 in annual sales, but which a few years later went out of existence. The CCE's delegates also advocated the use of the "cost plus" system, another unoriginal method which undoubtedly contributed to their failure.

In my opinion, the most constructive task accomplished by the Cincinnati convention was the adoption of a new constitution for the Cooperative League which permitted the organization of district leagues as an integral part of the National League. Of the 66 regular delegates taking part in the convention, nearly 40 came from the Ohio cooperatives, most of which were urban societies. These delegates, whose forefathers had been the organizers of the "cost plus" system, another unoriginal method which undoubtedly contributed to their failure, also decided to organize the first district league under the new constitution. Unfortunately this Ohio Cooperative League never actually amounted to much more than a "paper organization." Evidently, the Ohio cooperatives lacked a basic realization of the importance of educational work, and failed to provide enough dues to enable the League to hire a full-time secretary. After a year or so nothing was heard any more of that League and it remained for the CCE in Superior to organize in 1921 the first real league that actually got going and functioning, more or less vigorously, for a period of 15 years.

It is interesting to note that among the 16 directors that were elected to the board of directors of the Cooperative League at the Cincinnati convention, there was a United States senator, a catholic priest, four or five prominent labor leaders and three managers of cooperative wholesalers of which only one, the Central Cooperative Wholesale of Superior, Wisconsin, today is still active. In those times the CCE was a most desperate trying to interest labor unionists in the consumers cooperative movement, but 15 years later that problem still lacked satisfactory solution, and it remained for the farmers cooperatives to make their own independent step into the League, and actually get it functioning independently of the financial and moral support of a few prominent individuals.
On October 14, 1928, at the Congress of the Cooperative League of the USA, a provisional national Women's Cooperative Guild was set up, looking forward to the establishment of a permanent national women's auxiliary of the Cooperative Movement in two years hence and affiliation afterwards with the International Cooperative Women's Guild. After four years of pioneering work by Mrs. Malju Villa, Secretary, and the other members of the Executive Committee in Superior, the first provisional national Women's Cooperative Guild was set up, looking forward to the establishment of a permanent National Women's Cooperative Guild. Last October at the Women's Conference during the Congress of the Cooperative League, an executive committee was appointed from Eau Claire, North Chicago, Waukegan and Chicago, with headquarters in Chicago. Address: National Women's Cooperative Guild, #1 The Cooperative League of the USA, 608 South Dearborn Street, Chicago, Illinois. The officers are: Mrs. Ruth Wright, President; Mrs. Georgia Allbright, Vice-President; Mrs. Anne Spencer, Secretary; Mrs. Charlotte Straton, Treasurer.

A friendly feeling exists between the National Guild and the International Cooperative Women's Guild, and affiliation with it is hoped for in the near future when we become a little stronger numerically and financially. At present, four Regional Guilds - Kansas City, Northern States, Southern Minnesota and Central States - a great number of individual guilds and individual persons throughout the United States and Alaska have joined the National.

To portray the attitude of women cooperators of other countries, a few excerpts from a message by Frau Emmy Freundlich, President, International Cooperative Women's Guild, are given:

"We hope very much that your national organization of Women's Guilds is sufficiently advanced to justify the inauguration of a nationally preparative Guild that could affiliate to the I. C. W. G. We hope that we shall have the great joy of welcoming the U.S.A. to our circle shortly. Such an event would be the greatest possible encouragement to the younger Guilds which are at present facing considerable difficulties, and would give a new impetus to the Guild movement throughout the world. We have followed with the keenest satisfaction the gradual quickening of American women's interests in the Cooperative Movement. But now, many of our national Guilds find themselves completely cut off from their colleagues in other countries we need more than ever the help of women overseas to keep the Cooperative banner aloft and build up for our own women by strenuous efforts to rally to our movement all those who long to see a peaceful and progressive world where the common people of all lands will enjoy security and freedom."

The American continent is now one big nation and the National Guilds are sponsoring youth groups and children's summer camps, promoting discussion circles and aiding immensely in membership drives. One of the Regional Guilds, that of the Waukegan Trading Company, has adopted a baby in Finland, contributing annual to its support and education. The Regional Guilds coordinate and disseminate the activities of the local groups. In like manner the National Guild acts as a clearing house for the regional guilds and for those local guilds and individuals that are not affiliated with a regional.

The Women's of the United States are definitely imbued with the same spirit. Several Regional Guilds are sponsoring youth groups and children's summer camps, promoting discussion circles and aiding immensely in membership drives. One of the Regional Guilds, that of the Waukegan Trading Company, has adopted a baby in Finland, contributing annual to its support and education. The Regional Guilds coordinate and disseminate the activities of the local groups. In like manner the National Guild acts as a clearing house for the regional guilds and for those local guilds and individuals that are not affiliated with a regional.

The National Guild will conduct a Women's Institute at Ames, Iowa, in conjunction with the National Cooperative Recreation School. In unity there is strength. Now is the opportunity for women throughout the United States to get together again to plan and determine how best we can further the ideals and principles of the Cooperative Movement. Further information concerning the Women's Institute may be obtained by writing the Secretary of the National Cooperative Guild.
Medicine
A defense organization has been set up to deal with such questions as hospitalization, medical care and generally the social welfare of persons associated with defense activity—and gradually the defense activity is being extended to reach into practically every home. But as yet, this entire activity is directed entirely along the old channels. This is no break with old traditions and suggestions that cooperative action might be encouraged are only "received" as yet.

War Between "Scarcity" and "Abundance"
In the Department of Agriculture, the war between the advocates of "scarcity" and the advocates of "abundance" and the battle for power continues but with a trend in favor of abundance. In the Department of Labor and the defense organization, efforts to soften the bitterness between the rival forces of organized labor go on from day to day and the inside reports are that some progress is made. In the Security and Exchange Commission and from Wall Street there are reports less activity and less interest—a dying condition—in the fields of stock market speculation.

The best scholars diagnose the conditions and tell you the "proletariat" will organize now to present democracy with power in the people, whether they will be organized by govern-ment and directed into stateism or some form.

The growth of interest in recreation in the cooperative movement has created a need for well equipped group leaders and all over the country the cooperatives are meeting this need by training their own leaders. In addition to one and two weeks' schools, such as the National Cooperative Recreation School, numerous one-end recreation leadership training conferences are being held.

**HERE'S AN IDEA—FOR PAYING PATRONAGE RETURNS**

This is annual meeting season. Many co-ops are closing their books and calling members together to hear reports on the year's business. If the year has been a good one the co-op will pay a patronage return. This may be in the form of more stock or it may be in actual cash.

It is only right and proper that a co-op should pay such a return. It is a basic principle of the movement that the amount above cost of operation should be returned to the customer in proportion to patronage. Some argue that we have over emphasized the "divvy" and that is perhaps true, but on the other hand we should not swing the pendulum too far in the other way and ignore it. We need to give it proper place in the cooperative system.

The patronage return principle is one of the unique contributions of the cooperative movement to economic affairs. One economist has gone so far as to declare it to be the greatest economic discovery of the last 200 years. In any case we've something here and we ought to be able to make it work.

Now, here are some ideas that you might employ in publicizing the principle that "a co-op pays you back on profits."

On checks used to pay returns have the statement printed, "Patronage Refund of $—from Trading at the —— Cooperative." In another part of the check write, "Do You Use Co-op Products?"

Another means of telling the people would be through an ad in the local paper. Here are some excerpts from and by the Kanawha Co-op Oil Company, Iowa. "Two thousand, eight hundred thirty dollars will be distributed to patrons December 12. This money you company kept at home that would otherwise have gone to line the pockets of those who already have too much wealth. Yes, it's a different way of doing business but it is the cooperative way. This money is not hoarded by any individual. It is put right back into circulation in our home community to buy food, clothing, presents or other articles. By all means study this dramatic situation resulting; both to the members who received the cartwheels and to the non-cooperators and business men who received these dollars in the process of trade and exchange. It certainly brings home the fact that the co-op "savings" stay at home in contrast to the "profits" in private business which leave the community.

So, cooperators, when your co-op gets around to paying the returns this year, dramatize the event. Make everyone conscious of the advantage of the co-op; members, non-members, other business people and the entire community. Bring out the fact that both the individual and the community enjoy a better standard of living because of the presence of a cooperative.

**COOPERATIVE RECREATION NOTES**

Ellen Edwards

The growing interest in recreation in the cooperative movement has created a need for well equipped group leaders and all over the country the cooperatives are meeting this need by training their own leaders. In addition to one and two weeks' schools, such as the National Cooperative Recreation School, numerous one-end recreation leadership training conferences are being held.

District Nine of the Midland Cooperative Wholesale held such a week-end conference February 21-23 at New London, Wisconsin. Fieldmen Willbur Leatherman and Carl Eek headed the conference which included folk games and dances, instruction in crafts and discussion circle technique. A similar conference was held February 14-16 at the Co-op Hall at Cambridge, Minnesota. Recreation, crafts, study club technique and a big banquet with Andrew Jensen, secretary of the Midland board, as the main speaker, were the high lights of the conference.

The Northern States Cooperative Youth League held a successful recreation school the week-end of March 1-3 at Superior, Wisconsin. More than 100 students attended from Minnesota, Michigan and Wisconsin. Chester Graham, educational director for the Madison Cooperative Council, and Frank Shilston, educational fieldman for the Midland Cooperative Wholesale, headed the staff. The program included instruction in crafts, dramatics, folk games and dances and singing.

A Recreation Leadership Conference to give intensive training to leaders and prospective leaders in group recreation
with emphasis on technique as well as subjects was held March 8-9 at Saddle River, New Jersey under the sponsorship of the Play Co-op, New York. The subject offered included metal crafts, weaving, paper bag puppets, games, folk dancing, dramatics and singing. The function of each of these in a balanced recreation program was discussed. The staff was drawn from the Leadership Group of the Play Co-op, most of whom have been students or on the staff of the National Cooperative Recreational School.

The value of all of these training conferences is reflected by the enthusiasm for a recreation program which those attending take back to their local cooperatives and by the demand for longer and more intensive training.

Cooperators in the Detroit area will be interested in a series of five Folk Gatherings to be held in that city, March 5, 12, 19 and 26 and April 2. "Singing America" is the title of the first session to be conducted by Augustus D. Zanzig of the National Recreation Association and a staff member of the National Cooperative Recreational School, Lynn Rohrbough, director of Cooperative Recreation Service, Delaware, Ohio and editor of the widely used "Handy" will conduct a session on Traditional Games, March 12. The meeting on March 19 will be on "Recreation As An Art" and will be led by Chester A. Graham, Cooperative Council, Madison. Elizabeth Burchenal will lead the group in County Dances, March 26 and John Jacob Niles will have charge of the last session on Mountain Ballads. The emphasis of the entire course is on songs and dances drawn from various sections of America and is designed primarily for community leaders.

Taking their cue from the fact that "since we are cooperators in theory we should be cooperators in practice," the Rural Youth of Lancaster County, Pa., are developing a leadership group to take charge of the games and dances at their monthly meeting and thus spread the leadership. Other activities of this nature include dramatics, crafts, music club, a photography club, publication of a monthly NEWZETTE and study and discussion groups. Their treasury now boasts a balance of $171.59!

Cooperators who have found fun and fellowship in folk dancing will be interested in a feature story in the magazine section of the Sunday, February 23, New York Times, entitled "Folk Dance Booms" by John Martin. "Everybody has a right to the expression of emotional energy in some form, and nothing offers so efficient an outlet as dancing," he points out. "It is the primary form of play. . . . What could be a more hearted recreational activity is the true field of the folk dance."

**FLASH**

The fifth annual National Cooperative Recreational School will be held on the campus of Iowa State College, Ames, Iowa, June 15 to 28. The program of the school is designed to provide intensive training for leadership students and prospective recreation leaders are urged to hold these dates open and to write to Frank Shilston, director, of Midland Cooperative Wholesale, 71 Johnson Street, Minneapolis for complete details. The full story of the Recreation School, its instructors, courses planned for this year, and information as to how to register will be given in the next issue of Consumers Cooperative.

New Kits

"Games We Like Best," Kit 52, a collection of socialisers, quiet games, active games, games of skill and games for children. Edited by Lynn and Katherine Rohrbough. 25c.

"Children's Play," Kit 50, a valuable collection of recreational activities for children including singing games, fancy painting, mask making, stunts, games and folk songs. Published by Cooperative Recreation Service. 25c.

Consumers' Cooperative

Chicago—The grocery committee of National Cooperative meeting here last month voted to introduce a CO-OP Green Label, a third grade line, to supplement the present Red Label, first, and Blue Label, second, grade lines. The addition of the Green Label will make it possible to save from 15 to 20 per cent on some canned goods thereby speeding acceptance of the co-ops in lower income brackets. The Green Label will not be the lowest grade of commodities available but will be the cheapest meeting uniform specifications for wholesome, nutritious canned goods.

The Green Label line will be introduced in August with the new pack of tomatoes, green beans, peas and a few other lines.

Maynard, Mass.—The first super market in the this New England community was opened here February 23rd when the United Cooperative Society of Maynard dedicated its new store, rebuilt and equipped at a cost of $50,000. Dr. James F. Warwick, president of the Maynard Cooperative League, speaking at the dedication praised the Maynard cooperators for their modern, streamlined store but warned them that "streamlining is not enough." A cooperative should merchandise its products and TV's in a manner that makes the store the "showroom" of the community, he said. "A cooperative should exhibit the ability to meet the wants and needs of the community, not only in the store but also in the home."

Dallas, Texas—A new regional consumer cooperative established here early this year to supply cooperatives in this area with petroleum products and related commodities and will later add electrical appliances and other commodities for use on the farm and in the home as the demand arises. The organization will be known as Producers and Consumers Co-op.

Madison, Wisconsin—The air over Wisconsin crackled with Cooperation as more than one hundred radio programs were devoted to the cooperative movement and its role in the American economy when the State of Wisconsin celebrated its fourth annual Cooperative Week, February 17-21. One of the highlights of the week was a broadcast from WIBA in Madison by E. R. Bowen, general secretary of The Cooperative League and Roy F. Berggren, managing director of the Wisconsin Cooperative Association, on "The Mutual Interdependence of Consumer, Credit and Sales Cooperatives." Professor Henry H. Balken chaired the program.

Kansas City, Mo.—Two hundred labor union, farm and cooperative leaders met here February 7 and 8 to discuss the possibilities of consumer cooperation as a means of increasing the purchasing power of America's wage earners. The Institute on Organized Labor and Consumer Cooperation was jointly sponsored by the Consumers Cooperative Association and The Cooperative League.

Among the speakers were Jacob Baker, former president of the United Federal Workers; Roy Brewer, president of the Nebraska State Federation of Labor; M. R. Miller, secretary of the Missouri Farmers Union; Dora Maxwell of the Credit Union National Association; Howard A. Cowden, president of Consumers Cooperative Association and E. R. Bowen, general secretary of The Cooperative League.

Columbus, Ohio—Nearly 200,000 families in Ohio, both rural and urban, are served by cooperatives organized under the sponsorship of the Ohio Farm Bureau. Auto, fire and life insurance, petroleum products, general farm supplies, farm machinery, home supplies and equipment, electrical appliances and low cost loans are the goods and services handled. One hundred and twenty-four retail service stores operated by 83 County Farm Bureau Cooperatives own the Farm Bureau Cooperative Association which handled $7,500,000 worth of commodities in

March, 1941
1940. The Farm Bureau Cooperative Insurance Services serve nearly 400,000 policy holder members in nine states and the District of Columbia.

New York—An increased demand for co-op store clerks and managers in the fast growing food stores, particularly in the East, has coincided with the heavy inroads the draft and defense program are making on the labor market. As a result the co-ops are hanging out the "help wanted" sign.

Rochdale Institute will offer a three months training program opening April 7th while the Council for Cooperative Business Training has announced a streamlined managers training course for men and young women to be given in New York April 7 to May 31 and a summer course of eight weeks which will be integrated with the Eastern Cooperative League's summer institute at Amherst, Mass.

Philadelphia, Pa.—The Progressive Education Association, meeting here for its annual convention February 19-22 devoted one session to a panel discussion of "Education By and For Economic Cooperation." H. G. Lull, chairman of the National Education Association's Committee on Cooperatives, told the dramatic story of how the co-ops defeated an attempt by Standard Oil to cut off their refining source of crude oil. S. R. Logan of Winnetka, Illinois, Clyde B. Spitzner of the Coatesville High School, Pennsylvania, and Dr. H. Emnet Brown of Lincoln School, Teachers College, New York, served individuals, cooperatives at libraries in all sections of the United States and several foreign countries.

 Amarillo, Texas — Consumers Cooperatives Association reported at their annual meeting here February 18 that six new local cooperatives have joined the organization in the past year. The regional cooperative operating a branch warehouse in Lubbock, Texas, adopted a five-year plan for expansion and reported a sales volume for the year totalling $223,751.

North Kansas City—Consumers Cooperative Association reports that its business for the past six months has shown a 34% ahead of its business for the same period in 1940.

Oakland, California—Consumers Cooperative Stations, operating three service stations, an automobile repair shop, a paint and appliance store in the East Bay area, closed the year with 230 fully paid members and 1,500 who have made partial payments toward membership. The total sales volume for the last year was $101,064. This was an increase of $161,607 over the previous year.

Madison, Wisconsin During 1940 a total of $1,364, new credit unions were formed bringing the number of credit unions in the United States to 9,134. It is estimated there are now 2,500,000 members of credit unions with assets of more than $200,000,000.

* * *

LATEST BOOKS AND PAMPHLETS RECEIVED

(available through The Cooperative League)


Cooperative Rural Electrification in the United States, by Udo Rall, published by the Division of Agricultural Cooperation, Farm Administration, Washington, D.C.

The People's Year Book, 1941, a yearbook of cooperative development throughout the world, published by the Cooperative Wholesale Society, Manchester, England.—Paper, 62 cents, cloth, $1.00.

COMING

TWO NEW BOOKS ON COOPERATIVES

"Introduction to Cooperatives," by Dr. Andrew J. Kress. A book of readings on the cooperative movement including selected excerpts from the important writers and economists of almost a century...

"Democracy's Second Chance — Land, Liberty and Cooperatives," by George Boyle, editor of The Maritime Cooperator. A brilliant presentation of the need for increased property in the hands of all the people, drawing from the cooperative movement practical illustrations of the effect of property and cooperation on the lives of the people...

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Union of Church and Economics is Dramatized as Co-ops Reveal Rapid Progress, F. H. Erbes, Jr., Printers' Ink ................................. 2.50
Brickbats and Boomerangs, E. R. Bowen ............................................................ 1.00

CO-OP LITERATURE

- Novels and Biography
  - Fresh Furrow: Burrls Jenkins ................................................... 2.00
  - The Brave Years: Wm. Heyliger .................................................. 1.50
  - My Story, by Paddy the Cope, Co-ops in Ireland ....................... 2.75
  - A Doctor for the People, Michael Shadid, special edition ............. 1.25

- Textbooks on Cooperation
  - Consumers' Cooperatives, Julius E. Johnson, Debate Handbook .... 0.90
  - When You Buy, Trilling, Eberhart and Nicholas, high school and college, two chapters on consumer cooperatives .............. 1.80
  - Cooperation, Hall and Watkins, Official British Textbook .............. 3.00
  - The Consumer's Cooperative as a Distributive Agency, Orin E. Burley ................................................................. 3.00
  - Windows on the World, Kenneth Gould, high school text, one chapter on cooperatives ................................................................. 3.00

- Student Cooperatives
  - American Students and the Cooperative Movement, Claude Shrubs .... 0.5
  - Co-ops on the Campus, Bertram B. Fowler ...................................... 0.5
  - Campus Co-ops, William Moore ......................................................... 0.5
  - Campus Co-op News Letter................................................................. 0.5

- Cooperative Recreation
  - The Consumer Consumed, Josephine Johnson, a Puppet Play ... 0.5
  - Cooperative Recreation, Carl Hutchinson, reprinted from The Annals ... 0.5
  - Cooperative Recreation Songs, A. M. Calkins ................................. 1.0
  - Two One Act Plays, Ellis Cowling ..................................................... 1.5
  - The Answer, 3-act play, Ellis Cowling .............................................. 2.0
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  - Education Through Recreation, L. P. Jacks ..................................... 1.5
  - Fun for All, two spinning games, Midland Co-op Wholesale .......... 1.0
  - List of recreational materials, songs, dances, games, available from Cooperative Recreation Service, Delaware, Ohio .......... 1.0

- Credit Unions
  - Credit Unions, Frank O'Hara .............................................................. 1.0
  - What You Ought to Know About Credit Unions, Anthony Lehner .... 1.0
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- Leaflets to Aid You:
  - By the People, 19"x28" .................................................................. 5 for $1
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CONSUMERS' COOPERATION

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  - Red-White-and-Blue, 5 for $1 ......................................................... 5 for $1

Consumers' Cooperative

TRIBUTES TO THE COOPERATIVE LEAGUE'S 25th ANNIVERSARY, Eleanor Roosevelt, Thurman Arnold, George D. Aiken, E. Stanley Jones and others.

INVEST YOUR MONEY COOPERATIVELY Jacob Baker

DEBT AND DISASTER E. R. Bowen

THE EVOLUTION OF A CAMPUS COOPERATIVE Albert Rees

IN APRIL 1941 THE PRICE BOOM IS ON, LOOK OUT HOW CO-OPS GROW
An Experiment in Cooperative Confidence

Long have we dreamed of having in the United States the kind of a national magazine worthy of the Consumers' Cooperative Movement. Such a magazine requires a lot of work on the part of the editors. We have not had a special educational assistant on the national staff who could help to do the work. Now the 1941 preliminary budget looks like such a possibility is ahead in a few months. We had to get the publicity job under way until Mr. Campbell took over; the legislative job under way until Miss Edwards took over; and the legislative job under way until Mr. Carson took over. The big job of the Organization of the Movement, which has required so much time is on the way to culmination. We have worked on the Business and Finance matters because of some vitally necessary things being required until additional staff members could be financed.

This is no apology. It is a simple summary by way of background to say that we are now to the point where we are undertaking the publication of a doubled sized magazine as an experiment. We say "as an experiment" truthfully. If it is supported in three ways it will be continued: first with additional editorial and educational assistance, second with your contributions of news and views in every field of cooperative endeavor, third with paid subscriptions.

We believe the first two requirements can be met in case the third is done. But the Movement must recognize that this is its national journal—that it is not the same but a supplement to the regional newspapers—that every cooperative leader should read the national journal for the significant articles and other material which they get nowhere else. Specifically the requirement is that every regional see to it that every one of its local cooperative managers and directors as well as their regional directors and department heads are subscribers to the national magazine. In no other way can the job be done. The Directors of the Cooperative League and of National Cooperatives at their recent meetings voted unanimously to this effect. Now let us put the resolutions into practice. One regional insurant cooperative proposes to subscribe for their 1,700 field representatives. This is the beginning of a large enough subscription list to do the necessary job of supporting a worthy national magazine in the U.S.A. if other regionals will also follow through.

The March anniversary issue was the first sample of what you can anticipate. This is another double issue. Printed in offset which makes illustrations possible. A new front cover with a good illustration. Three or four pages of action-stimulating editorials. At least one leading general article. Departments on general Organization and on the four corner stones of Recreation, Education, Finance and Business. A Capitol-Letter from Washington. Highlights of National and International News. Reviews of new pamphlets and books. All these are illustrated in the contents of this issue. Sometimes we will include a 16-page pamphlet as a center section, for which we have a number of unpublished manuscripts awaiting publication. And all for the same subscription price of $1. We will venture the statement that any cooperative leader who reads a single one of the twelve monthly issues carefully and carries the suggestions into action will receive in return far more than the one year's subscription. At least that's our goal and we are undertaking the experiment. It will win only with your individual support and the support of every regional cooperative. Will you do your part?

Subscribe now. $1 per year. Mail your order to:

THE COOPERATIVE LEAGUE
167 West 12th Street, New York City
Two of the things worth your special watching in the Consumers' Cooperative Movement today are the active-price policies being followed by Ohio and Indian in fertilizer and by Saskatchewan in petroleum. The power of cooperatives to lower price levels for all the people and bust the trusts is beginning to be demonstrated in America.

CO-OP EDITORS SAY:
James Cummins, editor of the Cooperative Consumer, says that "After the gas is all burned up—there's still something left in a cooperative tank—the patronage dividend which starts filling it up again. This is something new under the sun."

* * *
George Tichenor, editor of Eastern Cooperator, says that "Co-ops are Golden Rule Price-Yardsticks."

* * *
James Moore, editor of the Ohio Cooper, says, "We try to sell Cooperation, and let Cooperation sell Insurance and Commodities."

* * *
E. R. Bowen, editor of Consumers' Cooperation says, "Talk with your money for plenty and peace every time you buy or bank."

CO-OP LEADERS SAY:
Monsignor Luigi Ligutti says, "Unless the Cooperative Movement is soundly founded on education, we might as well give up the Cooperative Movement. Don't ever hold a cooperative meeting without having cooperative books and pamphlets for sale."

* * *
Anders Oerne, former Secretary of the K.F. in Sweden, says in the 40th Anniversary number of Kooperatoren, "Consumers' Cooperation alone regards the human being and his needs as the basis of the whole economic system, its driving force and goal. It therefore invests the individual, in his capacity as a consumer, with the supreme right of decision."

* * *
Dr. M. M. Coady says, "Throw up the bulwarks of ownership."

* * *
Ralph Snyder, president of the Wichita Bank for Cooperatives, said "As I empty this vial of fuel from the new refinery into the old tank-wagon, let it represent new ideas, new and better ways, trickling through and permeating and modifying the old structure."

* * *
E. Stanley Jones, world missionary, says, "The guiding principle for the present should be 'To make peace by the creation in himself of a new man out of both parties.'... The emergence of that new man would create peace, a lasting peace. That new man being and his needs as the basis of the whole economic system, its driving force and goal. It therefore invests the individual, in his capacity as a consumer, with the supreme right of decision."

* * *
Francis. If he ever honors you by calling, treat him like a saint and not like a tramp as he might be assumed to be from his weather beaten face and clothes. He is a scholar as well as a saint and has originated a style of writing which will go down in history, we predict, as a method of presenting truth in the language of love in more readable form. Here is one of his prose-poems. We have taken the liberty of changing his word "Farming Commune" into the word "Co-op."

1. The C.I.O. and the A. F. of L. help the worker to fight the boss. 2. But the worker must have a boss to fight the C.I.O. and the A. F. of L. can be of any help to the worker in fighting the boss.

3. But if a worker cannot find a boss to fight, he can always join a Co-op and be his own boss.

4. And if it is a bad thing to exploit the worker, it is a good thing for the worker to exploit himself in a Co-op.

WE SALUTE THE 40TH ANNIVERSARY NUMBER OF "LAND AND FREEDOM"
While we are celebrating the 25th Anniversary of the Cooperative League and the 45th Anniversary of Consumers' Cooperation, we also pay tribute to their contemporary "Land and Freedom" upon its 40th Anniversary issue. Particular tribute is paid to the former editor, Joseph Dana Miller, a true prophet who could see so clearly into the future more than 20 years ago as to write:

"Great God! We are the torch-bearers of an economic world-gospel! We bring balm for the healing of the nations, a message for the oppressed, a new Magna Charta of emancipation for mankind. If rejected, League of Nations, covenants of peoples, are veritable scraps of paper. Again autonomy will challenge the political democracies that even now are shaken by internal revolution. Again the Man on Horseback, a pinchbeck Hohenzollern or a real Napoleon, will over-ride the world. Again on dying democracies, by power of cannon and shot and shell, a modern Tamerlane will seek to fatten."

"We venture the prediction that as the Bolshevist experiment develops, it will be found that its chief contribution to human progress will be its exemplification of the policies to be avoided by nations who wish to improve their social conditions and its complete and triumphant refutation of the sophistries of Karl Marx and his followers."

ECONOMIC NECESSITY—NOT THEORY—DEMADS THAT COOPERATIVES DO THESE SIX THINGS:
1. Cooperatives must deal with and accept all users of the products they handle into membership. Cooperatives cannot eventually succeed in competition if they confine their trade to either rural or urban members when they handle commodities which both use. Trading with patrons and not permitting them to become members is undemocratic and violates the "Open Membership" principle of cooperatives.

2. Cooperatives must constantly expand into additional lines to offset the reduction in margins in the older lines. Cooperatives constantly reduce their savings by acting as yard-sticks and forcing margins down as they should do. They must accordingly constantly add on new lines with larger margins both to keep their margins of saving up and to serve their members better.

3. Cooperatives must not gamble on inventories, as they cannot gamble on
their shares. They have no right to gamble on Board of Trade fixed prices on commodities any more than they have to gamble on Stock Exchange fixed prices on their shares.

4. Cooperatives must constantly improve their financial condition until the achievement of the goal of never giving nor accepting credit. Profit business lives on debt—cooperative business must be debt free.

5. Cooperatives must build capital faster by voting more of their savings reserves and shares instead of paying them out in cash. Increasing ownership rather than immediate dividends should be the constant purpose of the movement.

6. Cooperatives and co-operators must mobilize their money cooperatively; as well as buy together cooperatively. They must pay back to themselves any interest on capital as well as any profits on purchases, in order to free themselves from monopoly financial control as well as monopoly industrial control.

A COOPERATIVE DICTIONARY

There is an insistent need of adopting and defining clearly the phraseology which the Cooperative Movement should use. For the language adopted for the competitive age is not the vital language which will be used in the coming cooperative age. Many words may be the same but their meaning will be largely revised. Many words have been used by the present system as a smoke screen to disguise the fact that business practices were becoming the opposite of the original meaning of the terms being used. For example, the demand for the preservation of "free-competition," when business has become "monopoly-competition" by forming economic combinations and trade agreements which increasingly destroy widespread individual initiative and private ownership.

There is great need that Consumers’ Cooperation use and define its terms accurately. To that end we will offer, from time to time, suggested definitions for consideration and adoption in a cooperative dictionary.

PURCHASING: Consumers’ Cooperatives are the purchasing agents of their ultimate consumer patron-members. Consumers have found that they need to organize and appoint purchasing agents to buy for them as a whole, just as much as industry needs to and does employ purchasing agents. Cooperative employees do not make "sales talks" but "buying-talks." They advise what, where, when, and why to buy, or not to buy at all, according to the needs of their employer consumer. Cooperative employees buy for the consumer-patron-members in front of the counter who are the owners and employers, rather than selling to them.

DECEPTION WILL NOT BUILD DEMOCRACY

How can we ever build a democracy on a barrage of duplicity by political and journalistic writers and speakers? Do we have to be drugged and think that out of a barrage of duplicity the seed of deception the flower of truth will grow? Democracy is dependent upon whole truth-telling more than upon any other foundation. Yet our writers and speakers admit that they deceive the people. The only ray of hope is that today they are admitting it earlier and not after years as a part of the long history of the past. Consider these examples and tremble for our democracy unless and until we can begin whole truth-telling.

President Wilson, in 1919, after a war fought on the slogan: "Make the World Safe for Democracy"—"Why, my fellow citizens, is there any man here, or any woman—let me say is there any child here—who does not know that the seed of war in the modern world is industrial and commercial rivalry? The real reason that the war that we have just finished took place was that Germany was afraid her commercial rivals were going to get the better of her, and the reason why some nations went into the war against Germany was that they thought Germany would get the commercial advantage of them. The seed of jealousy, the seed of the deeply-seated hatred, was not commercial and industrial rivalry."

Arthur Krock in 1941—"The official disposition (is) to look at the case squarely, forget the hopes, promises and political deceptions of the past and provide direct means to meet whatever situation may arise."

William Allen White—"The enactment of the lease-lend bill puts the U.S. economically, morally and officially in the war. . . . We were in the war as deeply as now when we amended the neutrality law to keep out of the war in 1939."

Herbert Agar—after quoting a description of the lease-lend bill as "not a bill to keep America out of war, but a bill to enable the President to fight an undeclared war against Germany," said, "That is precisely what it is. . . . Our side kept saying in the press and in the Senate that this lease-lend bill is a bill to keep America out of war. That’s bunk!" Dr. Virgil Jordan—"It is the accepted custom and the normal manners of modern government to conceal all important facts from the public or to lie about them."

We should tell the whole truth while we can, that we are in an undeclared war, trying to revive a dying economy. The majority in a democracy have a perfect right to go to war if they so desire, after they have determined that war, in their considered judgment, is the way to solve the world's problems. But it is fatal to democracy for a people to let their speakers and writers deceive them as to what they are doing.

GUEST EDITORIAL

We are glad to be able to reproduce the following from the Nebraska Union Farmer, written by J. H. Bolin, an auditor. Without minimizing in any way the significance of a cooperative oil station or elevator, it is more than true that a cooperative store handling household supplies as well as vocational supplies is the principal form of a cooperative as it becomes a cooperative community center. We are gradually, but not rapidly enough, learning this fact. We welcome the assistance of auditors as well as editors and educators and managers in converting cooperators to this fact. "No other kind of a co-operative serves like a co-operative store, as a co-operative center and meeting place. You never see whole families congregate at a co-operative elevator or co-operative oil station. Only a co-operative store is a meeting place and a visiting place. A co-operative store, in this way, ties the co-operators of the community together, and gives them frequent contacts with each other, as no other co-operative does. "It has truthfully been said that we need co-operative stores, handling household supplies, to get the women interested in the co-operative movement. We also need co-operative stores to serve as places for the everyday exchange of information and ideas, and to enable us to keep acquainted constantly with our neighbors and fellow co-operators. "I have been around a lot among co-operatives and co-operators in my 25 years' experience as an auditor, and it is my reasoned conclusion and firm conviction that no other kind of a co-operative is as effective as a co-operative store in bringing the people together, creating co-operative solidarity, and keeping the community keyed up to a good co-operative pitch."
COMMENDATIONS FOR COOPERATIVES ON 25TH ANNIVERSARY OF THE COOPERATIVE LEAGUE

A PIONEER COOPERATOR

The retirement of Dr. James P. Warbasse this week from the presidency of the Cooperative League marks a milestone in the progress of one of the world's most peaceful, most constructive economic reform movements. It is twenty-five years since the League was organized in Dr. Warbasse's Brooklyn home. Two years later he gave up his surgical practice to devote his full time to cooperation and related fields. His vigorous and youthful spirit animated the organization and put enthusiasm into all who had contacts with it.

Dr. Warbasse has always insisted that consumers' cooperation is an impartial agency in this competitive world. It has no religious, racial or class barriers. Working men and farmers may gain by it, but it is not a trade union or agrarian movement. It is essentially democratic, in that it gives each member a vote, regardless of the number of shares he owns. Its savings, except for funds reinvested or used for education, return at stated intervals to the consumers themselves.

It will be a long time before the American cooperatives will rival in influence those of Denmark, Finland and Sweden in the pre-war days. They probably do act as a brake against extremes of doctrine. The Communists have been able to do little with them, except to wreck those into which the Red brethren had intruded themselves.

The New York Times, March 21, 1911

*Cooperation holds within itself the destinies of our race. Let us take new courage as we behold the greatness of our cause, and resolve to serve it with an ever increased fidelity.*

Rev. John Wylye Holmes
Minister Community Church

*And the prospects for the second quarter century period? Giant steps toward a cooperative economy powerful enough both to checkmate the dreadful abuses of American individualistic capitalism and to forestall the encroachment of autocratic European 'isms'.*

Rev. Edgar Schmiedeler, O.S.B
Lecturer in Cooperative School
Catholic Univ. of America

*The cooperative movement is the ultimate democracy and the hope of peace and brotherhood among men.*

Elmer Morgan, Editor
Journal of the Nat'l Ed. Assoc.

*If your curves of growth continue as steeply upward as they have been in recent years the cooperatives will soon represent America's biggest business...*

Alfred Bringham, Editor
Common Sense

*The Cooperative Movement offers a great opportunity to mobilize all the brains of mankind... When we learn to fight out our battles for brains not battles for bullets, we shall become masters of our own destiny.*

M. M. Conaty
St. Francis Xavier University

*The cooperative movement cannot exist if it cannot think. The fascist and nazi regimes destroy the soul of cooperation because they overthrow democracy and abolish freedom of thought.*

Boris Skomorowsky, Editor
French edition Review of International Cooperation
THE PRICE BOOM IS ON! LOOK OUT!

Ever since the declaration of war in Europe in September 1939 we have been earnestly and insistently endeavoring to help cooperative managers, directors and members to prepare themselves to face the certain price boom and bust ahead. Prices of the 28 basic commodities jumped in three weeks during September 1939 more than 25 per cent. We warned first against gambling in inventories. Secondly, we also strongly urged cooperatives to double price their inventories at the close of that year, in other words at the prices prevailing on September 1st and on December 31st and to set up the difference in a reserve against future price declines. Prices held to about the same index figure from September to December 1939 and then because of the dragout of the war during the winter and the collapse of France in the summer they gradually fell until they reached only about 6 per cent above September in August 1940. Since then they have been gradually rising again to 26 per cent above in the middle of February 1941 and from then on they jumped rapidly 12 per cent more to 32 per cent in a month's time from the middle of February to the middle of March when this is written. Surplus factories, surplus labor and surplus inventories are now being rapidly absorbed and barring the miracle of a possible but doubtful early peace they will now continue to rise rapidly.

Cooperatives should PREPARE! PREPARE! The kind of preparation we are talking about should be increasingly clear. PREPARE NOW AGAINST FUTURE PRICE DECLINES. They will surely come eventually. When they do, inventories will fall in value. The way to prepare to meet such declines is to double price your inventories and separate your savings resulting from price increases from your savings resulting from normal operations. Transfer the savings resulting from inventory price increases to a special reserve against future declines in inventory prices. Furthermore when prices eventually decline your receivables (if you have any) will be difficult to collect. The way to prepare against uncollectible receivables is not to have any—to go on a cash basis—like the Swedes say, "Neither give nor accept credit."

TAKE HEED! PREPARE NOW AGAINST THE BUST THAT IS SURE TO EVENTUALLY FOLLOW THE INCREASING BOOM IN PRICES. It's our job to be a watchman on the wall. We shout the warning to cooperatives and operators. Read also with care the article which follows this editorial under the title "DEBT AND DISASTER".

April, 1941

E. R. Bowen

FINANCE

DEBT AND DISASTER

Watch Credit, Business and Prices!!

Having been in business in 1920 and 1929 through two of the greatest booms and busts in the history of America, which awakened my mind to study into their causes, I should be happy if I could contribute some lessons from these first-hand experiences to the Cooperative Movement in order to protect it from the bust of Disaster which is sure to follow the present boom in Debt. It is in the hope of doing so that I am writing this article. The possibility of so doing will be determined by my ability to express these lessons clearly and by the willingness of cooperatives to learn in part from others' experiences and not alone from their own trials and errors.

Commodity Prices boomed during the war period of 1915 to 1920. The wholesale price index figure rose from 100 in the five year period from 1910-14, to 226 at the beginning of 1920. The boom then ended with a bust. The index figure fell within one year to 138, in the business with which I was connected the inventory losses were larger than all the net profits of the previous five years.

I woke up enough to open one eye. But still, since no living person had gone through a war boom and bust, and since we had ended "a war that was to end all wars", I had to go through a second boom and bust in 1929 to get both eyes opened wide.

The 1920 boom and bust came at a time when cooperative purchasing wholesales were generally only in their early beginnings. Many of them were broke and their existence is even forgotten. One which survived had to cut the value of its shares in half on account of the drastic decline in commodity prices.

Commodity wholesales and retail today are far stronger to meet the war boom and after the war bust, but are still in great danger from possible uncollectible credits and declines in inventory values, since the war boom and bust may and probably will be even greater than after 1920. We are fortunate indeed today that our cooperative inventories are largely quick consumption goods, rather than production goods which turn over much more slowly and accordingly cause far more disastrous results in a decline in prices.

Let me call your attention to the fact that Commodity Prices leveled out at about 146 from 1922 to 1929, or about 50% above pre-war prices, which fooled the government statisticians so greatly that they largely discarded the 1910-14 index base of 100 and started a new 1926 base of 100. This was assumed to be a "permanent plateau of prosperity". However, Dr. George Warren of Cornell University never accepted the theory of a permanent higher price level, and accordingly Cornell University statistics continue to be based on 1910-14, which proved to be sound reasoning.

Note particularly that the 1920 boom was in Commodity Prices - not Stock Prices. Stock Prices did not go up on account of the excess profits being taxed away, even though Commodity Prices went way up.

Note also that the 1929 boom was in Stock Prices - not Commodity
Prices. Stock Prices broke through the ceiling in 1924 and flew out of sight to 381 in 1929. Then occurred a double bust of both Stock and Commodity Prices. Both hit the same low in 1932 of about 90.

Note also carefully in the upper chart that the booms and busts in Business correspond to the booms and busts in Prices. Commodity and Common Stock Prices are the most sensitive advance indicators I have ever been able to find as to the probable booms and busts in Business. It was as a result of following these lines of Commodity and Stock Prices that we wrote the editorial and published the charts in CONSUMERS COOPERATION in the early fall of 1937, predicting a "Boom and Bust Again" which occurred shortly thereafter. Both Commodity and Stock Prices began to boom together (a phenomenon I had never seen before) - whereas in 1920 only Commodity Prices had boomed and in 1929 only Stock Prices had boomed. Again we wrote another editorial with charts in the fall of 1939 in CONSUMERS COOPERATION entitled, "Another Bust Ahead - Prepare For It", and the bust followed as you can see by the accompanying chart.

To indicate that other countries' cooperative leaders are alive to the trends of such charts and statistical warnings, let me relate an experience when meeting Mr. Johansson of Sweden in his office in Stockholm. Before I could do more than say "Good Morning", he asked me this penetrating question, "Is it really true that in the United States you have increased your installment credit even more than in 1929?" My answer was, "I am sorry to say, Mr. Johansson, that we have. I wrote an article warning the Cooperative Movement of another Boom and Bust, and then came to Scandinavia where you have economic intelligence to learn more from you." He literally walked the floor in his disturbance over our economic ignorance and asked, "Haven't you Americans learned anything about credit yet?" However, I have never read of a business man in America who was disturbed over installment credit in advance of the bust which followed in 1937, although Roger Babson wrote a book years later, after the horse was stolen again, entitled "The Folly of Installment Buying", which we reviewed in CONSUMERS COOPERATION, and quoted him as saying, "Save first. Buy for cash, and get a good discount. You will thus avoid the installment surcharge and have some money left to buy more of the things so appealingly placed before you."

My first reaction, when I opened both eyes after 1929, was that I, like other Americans was "economically illiterate", as Dr. Warren described us, of in the "kindergarten stage of economics." When a bust occurs we simply change political parties - not economic organizations as we should and as is necessary. After the bust of 1920, we changed from Democrat to Republican; after 1929 we changed from Republican to Democrat. After the next bust - but why draw the moral? As though a change in political parties would solve any real economic problems!

My second reaction was to discover that CREDIT was the "key" - the very foundation - of both booms and busts in Business and Prices. How I learned this can best be told by a brief story of a small part of my own personal experiences and economic awakenings.
In the spring of 1931 I was attending a tractor and combine show at Dodge City, Kansas. Wheat was selling on track there at 45¢, or about half of the 1922-29 price. I was certain that the bottom in wheat was going out from under me a second time and was naturally desperate to learn why. Such desperation may be what is needed to make one up economically.

While there I talked with two men who opened my eyes wider.

First, a large farmer, who, when I asked him what he was going to do with wheat at 45¢ a bushel, said that he thought it would at least be 50¢ when harvest came and that he could raise wheat at that price. When I asked him how he knew he could raise wheat at 50¢ a bushel, he said that he was going to do with 45¢ wheat, told me this most illuminating story.

In the spring of 1920 when everything was boom "rosy" (the bust clouds however were gathering, but as small as a man's hand in the sky), he and his wife had built a boom on the sand foundation of credit - when the credit was shallow. He then went on to tell of the calling of other crop and livestock loans from time to time in the spring of 1920.

This information was also confirmed by John Simpson, late president of the Farmers Union, in his testimony on the Goldborough Bill. Mr. Simpson told of a trip to Washington in the winter of 1920 when he asked the Comptroller of the Currency as to when they were going to call loans. The answer, he testified, was given by the Comptroller with tears in his eyes, that they had voted to call the loans in the summer. Then the bust came. We had built a boom on the sand foundation of credit - when the credit was taut by calling the loans the war boom collapsed as it had to eventually. Andrew Mellon, secretary of the treasury, coldly said in 1921, "Deflation in America is proceeding in a calm and orderly way without strikes or riots of any kind that usually accompany such a process."

A result of the conversations with the farmer and banker at Dodge City, I went to Manhattan and started talking with agricultural economists including Roy Green, now President of the Colorado State College of Agriculture. From there I went on and stopped at Des Moines and spent a half day with Henry A. Wallace, then editor of Wallace's Farmer. I asked him, "Who knows more about why wheat has gone down in price and why millions of men are out of work than anyone else in America?" His answer was to recommend my seeing Dr. Warren in Washington and Dr. Warren in Ithaca - one, he said, would probably talk production and the other price - the answer lay somewhere in the combination of the two. I went to Washington and to Ithaca.

In 1915 private foreign credit, which was later converted into government credit, started business upward. When it broke, installment credit pushed business back up until 1920. In 1922 private foreign credit started business upward, and again installment credit expanded when a break came in 1924 and pushed business upward until 1929. After the break ending in 1932, government domestic credit and installment credit were again expanded and business rose. When it broke in 1937, government domestic credit and installment credit started business upward again.

Today CREDIT is expanding at a speed never before known. Three kinds of credit are being expanded all at once as never before - government Domestic Credit - Private Installment Credit - Government Foreign Credit. DISASTER ALWAYS FOLLOWS DEBT. Production for destruction financed by Debt is the ultimate of unsound economics.
The 1929 peak of business was the highest boom ever reached and was followed by the greatest bust. Now a still greater business boom is on. It is reasonable to assume that it will be followed by a greater bust. The three most dangerous days for business in American history were in 1915 when the first world war foreign loans were made, in 1922 when the after-the-war foreign loans started, and in 1941 when we again began foreign lending.

During the first chapter of the World War, J. P. Morgan and Company unloaded their private foreign loans on the government and were saved from the disaster which was predicted by Ambassador Page unless we declared war and the government took over the Morgan loans. However afterwards, the House of Morgan, after making 47 million dollars in the two years from 1927-29, lost all of it and 18% million more in the next three years. If an insider like Morgan cannot win in extending credit, how can outsiders like cooperatives ever think they can do so?

I have told this story after much hesitation, because I do not like to discuss personal experiences publicly, but have now been moved to do so for two reasons:

First, there were large losses sustained by cooperatives in 1937 and 1940 because leaders did not follow the advice in the editorials in CONSUMERS' COOPERATION to reduce inventories and credit and build up reserves for the bust ahead.

Second, I am concerned lest still greater losses be incurred after the bubble of this present debt boom bursts, as it must and will. I want to see every local and regional cooperative prepare for the boom and bust ahead.

The ways are simple and yet they cannot be learned and put into practice overnight. It takes time to convince people in a democratic organization like a cooperative.

(1) KEEP INVENTORIES AND INVESTMENTS LOW IN RELATION TO VOLUME. Cooperatives cannot speculate on the stock market. They should not speculate in the commodity market. Commodity prices are not yet rising as rapidly generally as in previous credit booms but this is because of idle factories and men and surplus materials.

(2) GO ON A CASH BASIS AND NEITHER GIVE NOR ACCEPT CREDIT. Owe no supplier anything and let no member owe the cooperative anything. Get out of debt. Cooperatives should not build on credit. The result will be disaster.

(3) VOTE MORE OF THE SAVINGS INTO INTEREST FREE RESERVES, INSTEAD OF PUTTING THEM OUT IN SHARES OR IN PATRONAGE RETURNS.

The Rochdale Pioneers were right that "DEBT IS THE INVENTION OF THE DEVIL." It is the Devil of Ignorance. Get the cooperative movement out of debt-devil business methods. Prepare against the boom and bust ahead. Prepare for the washout after the war when private-profit business will collapse with its debt-sand foundation. Prepare as cooperators and cooperatives to be financially strong in order to be able to build a cooperative world, which is the true wave of the future.

BUILD A COOPERATIVE ECONOMY STRONGER AND FASTER TO PERMANENTLY SOLVE THESE PROBLEMS

The above is written as a warning to cooperators and cooperatives to protect themselves by getting their houses in order for the bust that is bound to take place while the present monopoly-capitalistic system is still dominant. However, all of this uncertainty should induce people generally to build cooperatives stronger and faster, while there is yet time, to enable them to take over the control of the economic system as rapidly as possible. Cooperative "yard-sticks" are far more powerful than government "big-sticks" in preventing profit-piling and thus stabilizing business and banking.

A cooperative economy would level out the booms and busts in prices of commodities and stocks. Now increased earnings in private business are reflected in increased prices of common stocks. In a cooperative, however, shares can never be worth more than the original par value, since any increased earnings are not distributed on the basis of share holding. Furthermore commodity prices would also be stabilized in a cooperative economy to their true values on the basis of barter exchange and the law of demand and supply would really function.

Secondly, a cooperative economy would result in the stabilization of credit and business. Production would be geared to consumption, or a known demand, and supply would not be a speculation for an unknown demand as now. Credit would only be expanded to equal the needs of such a stabilized production and consumption economy. Today business is based on the balloon of credit, and credit is based on the gambling hysteria of hope of profits and fear of loss.

Thirdly, a cooperative economy would result in steadily increasing abundance for all, rather than scarcity-poverty for the many and super-abundant riches for the few.

Were all the purchases and savings of cooperators today pooled together nationally in cooperative businesses and banks, they would exercise a powerful stabilizing influence over both the general commodity price level, over interest rates, over production and over credit. We already have a few illustrations of how cooperatives organized nationally can control some commodity prices and interest rates in their territories. Other illustrations have developedsectionally by regional cooperatives pooling their purchasing and borrowing powers together. The time is over ripe for all cooperative purchasing and borrowing to be coordinated nationally and thus enable the Consumers Cooperative Purchasing Movement to take its rightful and necessary place as the stabilizer of the economy of the nation.

While working with one hand towards this greater ideal of a national and international cooperative economy, with the other hand we must baton down the hatches and get our cooperative ships in order for the storms ahead by reducing inventories proportionate to volume, by reducing receivables and payables, and by increasing reserves.

April, 1941
INVEST YOUR MONEY COOPERATIVELY IN COOPERATIVE PROPERTIES

by Jacob Baker

Everyday and everywhere, Co-operatives operate in leased or rented property and add to the value of that property, thus increasing their own rentals as their leases are renewed, and actually building savings for the landlord rather than for the membership. This is an old problem that all of us in the movement are well acquainted with. The co-operatives in Washington, D.C., have attempted to meet the problem and as their plan and experience for doing so may be useful to the movement as a whole, this brief report of it is presented.

In 1936, Konsum, the automobile service cooperative of the District of Columbia, had to move because of the construction of a government building which included the site of its service station. The landlords of the city, having suitable property, all asked rents that were too high to begin with and the terms of lease were usually proposed to be on a sliding scale that would result in the landlord receiving most of the net savings of the members - the greater the volume of business the higher the rent. In the garage business this is written into the lease. In other cases the rent changes from time to time and almost always upward.

To meet this situation some of the co-operators of Washington organized an enterprise known as Co-operators' Properties. Its sole function is to buy land and build buildings for long-term lease for operating co-operatives.

At the time it was set up, the District of Columbia co-operative bill was not yet law, so the organization was incorporated as a stock corporation in Maryland. The organization thus established served as an investment agency for social-minded people who would rather put their funds to work for than to leave them in the stocks and debentures of corporations which may work against them.

Each shareholder in Co-operators' Properties owns one $5 share of preferred stock which carries the voting right. No one may be a shareholder unless he has invested $100 or more in 8% bonds of the organization. The money thus raised on the 8% bonds is used to buy land and build buildings, taking second mortgage obligations on the property, for the operating co-operatives.

Over $22,000 was raised from a fairly small group of investors within a rather short period of time. The investor feels that he has the protection of equity ownership in the event of the failure of the operating co-operative.

While 8% is a low interest rate for second mortgage holdings, it seems to be high enough and the proposition safe enough so that a sufficient number of people invested to meet the requirement for funds. In fact it would appear that more funds are available if the organization should find occasion to expand by providing quarters for additional operating co-operatives.

Konsum, in turn, received a 20-year lease under terms which will amortize the building and will have created an equity for Konsum of the total amount of the amortization, so that at the end of the 20 years Konsum will own the building and only be paying a rental upon the land. Additional plants can be provided under similar terms.

Common stock is issued by Co-operators' Properties to the operating co-operative so that in the event of liquidation all values over and above the face value of the bonds and preferred stock shall devolve upon the co-operative that produced the increment of value. The lease also provides that the operating co-operative may purchase at any time the whole of the property at the exact price paid for it by Co-operators' Properties; or it may buy up bonds by lot from the investors, thus reducing interest burden. A provision is included concerning depreciation and amortization whereby the operating co-operative acquires equity and is protected in all contingencies.

First mortgage money was found, after inquiry and adequate explanation, to be easily available. Some of the District of Columbia investment organizations proved eager for the business. However, to prove the possibility of total co-operative financing and because its deal was as good as any local offer, the first mortgage covering about half the total investment was given to the Farm Bureau Mutual Cooperative Automobile Insurance Company of Columbus, Ohio.

The typical small co-operative, in its early years, cannot spend the time and energy to raise funds for land and buildings. It needs about all the money it can raise for working capital, but there are savings available in the hands of co-operators who want a way to benefit the co-operative movement. Many people of moderate circumstances have from $100.00 to $1,000.00 which they can invest in a co-operative enterprise if the needed vehicle of investment is created. Once created such an investment vehicle becomes a social institution of fundamental value to the co-operative movement.

In time the co-operative movement will develop great investment wings as has been the case in Europe. Regional and national co-operative finance organizations will develop. In the meanwhile, the method here outlined can serve a very useful purpose in many places. Copies of the Articles of Incorporation, By-laws, and Prospectus of Co-operators' Properties can be had from the District of Columbia Cooperative League, 2621 Virginia Avenue, N.W., Washington, D.C. by anybody interested in building up a similar organization.

More important than the details, however, is the broad general idea. It is absurd that people with savings who are vitally interested in social progress and friendly to co-operative enterprise should continue to place their savings in stocks, bonds, and debentures of corporations over which they have no control and the fundamental purpose of which they may greatly oppose.

Of course, no co-operative investment organization can take on the burdens of operation of a merchandising or service co-operative. It cannot create co-operative success but it can create the conditions — adequate plant at reasonable cost — in which success can be built.
WHO IS RESPONSIBLE IN A COOPERATIVE?

There are four major divisions of the people in a cooperative association - membership, directorate, management and staff. Each of these four divisions must carry its own share of responsibility.

The two most necessary requirements for each division of a cooperative to succeed are Education and Organization. A successful cooperative must have an educated and organized membership, directorate, management and staff.

What does successful education and organization mean in the case of each of these four divisions?

**Membership**

Since we, the people, have largely given over the handling of our economic affairs to a few business men and bankers, we are, and we should admit freely to ourselves, largely uneducated in the operations of industry and finance. We cannot hope to own and control a cooperative business or bank successfully unless and until we are willing to get down to hard study. This means listening to addresses by competent leaders and participating in discussions with them. It means extensive reading of both idealistic and practical cooperative literature. It means organizing ourselves into small study circles for mutual discussion. It means visiting successful cooperative associations and attending cooperative meetings. It means, finally, active participation in the work of the cooperative and learning by doing. By these means we can eventually hope to educate ourselves sufficiently to successfully operate our own economic institutions.

The members of a cooperative should organize themselves for action in two ways. First, into committees for consultation and recommendation to the membership meetings and to the directorate as to policies to be adopted. Every cooperative should have at least four major committees, namely, recreation, education, finance and business. As many subcommittees as are necessary to carry out the functions of the cooperative can be set up under these four major committees. Second, the members of a cooperative should organize themselves for action in districts for electing directors and receiving reports from them in order to provide for responsible and active relationships between the membership and the directors.

**Directorate**

Granting that a man or woman who is elected a director of a cooperative may be a successful farmer, worker, professional, housewife or in some other occupation, it does not necessarily follow that knowledge of that one occupation is sufficient to insure their success as a director of a community organization such as a cooperative. Anyone who accepts the responsibility of a directorate should begin studying all of the operations of the cooperative in detail. This means the financial statements, purchasing, production and distributing systems, recreational and educational methods. There is no limit to the education which a director of a cooperative needs.

The directors should also organize themselves for efficiency into four major committees, recreation, education, finance and business. Each committee should be primarily responsible for following out the details of its particular function and for reporting its conclusions to the entire directorate. The directors should be elected by districts and thus be responsible to and for the education and participation of the members of their district.

**Management**

To be successful, a manager should not only be a social idealist but also a practical realist. He must be able to "get along with people" -- the members, the directors and the staff. He must have initiative and executive ability to organize and carry out policies. He must have the respect of all by reason of his character and ability. He must learn thoroughly the details of every division of the operations in order to carry out and supervise them successfully. He must possess the common virtues of honesty, morality, energy and economy.

He must organize his own time for personal efficiency and also organize the duties of the staff to achieve economical results. He is likewise responsible for presenting well thought out ideas to the directors and membership for their decision and for helping them to organize themselves to carry out their share of the operations.

**Staff**

The staff of a cooperative should be carefully selected from co-operatively educated applicants. Advance education is not enough, but the employees should continue to educate themselves individually and in groups as long as they are employed.

They should assist in organizing themselves for the efficient carrying out of their particular occupations and the entire operations of the cooperative.

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Only as every one of these four divisions of the people in a cooperative -- membership, directorate, management and staff -- is thoroughly educated and efficiently organized can the cooperative association achieve its greatest possible social and economic results and the cause of economic democracy be advanced to the highest degree.
Early in 1938 a few students of Oberlin College began to meet as a study group to learn what they could about the cooperative movement. Interested first in the history and philosophy of cooperatives, they soon learned more of the campus cooperatives in which thousands of students are saving money to help themselves through college. They quickly put their ideas into practice. They formed a small buying club, and bought Co-op soap and cosmetics from cases which one of the students kept in a bedroom. By June the club had 25 members, and had done a business of $150.

It was a humble beginning, but the group had seen a new idea, and was determined to go ahead with it.

The next fall, the Co-op began a commission business in laundry, cleaning, and flowers. These services attracted many more students. Local merchants gave the Co-op price reductions which ranged from 15 to 25% and these were passed on to the students as immediate discounts, the organization keeping just enough to cover operating expenses.

By the beginning of 1939 the Co-op had full membership. The total business for the year had been over $1000. But there were grave drawbacks. The organization was becoming too large to be run from a dormitory room, at this location was very inconvenient for the girl members. Also, the discount system gave the organization little money with which to expand. It was not so much a cooperative as a cut-rate agency. The members decided to adopt the by-laws and by the end of the year were investigating the surplus as a patronage dividend, reckoned on the total business regardless of the nature of the items. The Co-op's leaders, afraid of losing business if they did not give large cash savings, guaranteed a patronage dividend of at least 10%.

The Co-op then rented a second story back office in a building in the business section. The two rooms had not been occupied for years. Dingy paper was peeling from the walls, the plaster was cracking from the ceiling, and over everything was a layer of grime. The co-op members set to work on their office. They divided the big back room into two with a partition, and tackled the three rooms separately, as funds and time permitted. Gangs of students worked evenings and holidays, scraping old paper from the walls, painting and papering walls and ceilings, scraping the floors and scrubbing with soap and water. These occasions were more like parties than work, but if there was more joking, flirting, and paint dropped on the floor than union standards permit, there was at least a lot of fun. Girls made curtains for the windows, boys bought and repaired odd pieces of second-hand furniture, and built shelves and counters. From time to time new fixtures were added, including a rebuilt typewriter and a stencil duplicator.

First business in the new office was the furniture exchange. In June, 1938, departing seniors brought the furniture they no longer wanted, and it was sold in the fall to incoming freshmen. The money was returned to the owners less 10% for handling.

The furniture exchange has been continued in the back room. In the middle room the book exchange was opened in December 1938. Here students bring their used textbooks, set their own prices, and are paid 75% of the price.

As book sales mounted at the beginning of the next semester, the Co-op exchanged out of many titles. The Co-op decided to enter the book business. It took orders for used books which it brought from New York and Chicago, and split the discount it received directly with the purchaser. Once again, price cutting proved a failure. A big city book business was more than it had promised and the members decided to continue selling Co-op soap and cosmetics at a 5% discount on the total business. The Co-op again began ordering books, getting cash in advance, charging full catalog prices, and giving members their usual patronage dividend. Once more "those 28 weavers" were right.

The Co-op had 260 members in June 1940. Its business for the year had been over $3000. The By-laws which had been adopted for the little buying club were entirely outmoded. A new set was drawn up, modeled after by-laws of other co-ops, and revised by outside cooperators. These by-laws, adopted by the members in May, provided for a nine-man board of trustees to run the organization and to choose and oversee the business manager. Other provisions conformed to the needs of a large organization.

For several reasons, the Co-op needed to incorporate. It was limited by its students charter to a student membership. It was chartered as an "educational institution" and the college questioned its right to do business. Its activities were large enough to require liability limitation. However, there was no money for incorporation if the promised 10% patronage dividend were paid. At the May membership meeting, someone mentioned that everyone was liable in full for all debts of the organization. An aroused member leaped to his feet. "I demand we incorporate." Others backed him. The officers allowed themselves to be persuaded. They explained that incorporation would mean cutting the dividend to 5%. Overwhelmingly the members voted to cut their dividend and incorporate. Since this time it has been understood that the dividend would vary with the business. On June 11, the Oberlin Consumers' Cooperative, Inc. received its papers under the laws of the State of Ohio.

It is surely one of the most youthful corporations in the state. The
present president is 18, and only two of the eight trustees are over 21.

In the fall of 1940, the Co-op took a great step forward when it began to pay its business manager. Even more important was the first non-student member, who joined in December. The fee for permanent membership was set at $5.00, and the students foresee an organization in which they will work together with town and faculty for mutual good.

During the first few years, education was neglected as the Co-op struggled to get on its feet. More recently, a greater effort has been made to have the members know more of the meaning and philosophy of cooperation. Discussion groups, distribution of pamphlets, articles in the Oberlin Cooperator, and a circulating library of books on cooperatives have helped. In October 1940, Mr. Wallace Campbell, Assistant Secretary of the Cooperative League of the U.S., spoke in assembly to the students of the college. For greater expansion of the educational program is planned.

In February 1940, the executive secretary of the Northern Ohio Cooperative Association visited Oberlin. From this time on the Oberlin Co-op began to work actively with other co-ops in the region. It joined the Northern Ohio Cooperative Association and soon after joined Central States Cooperatives. The store began to stock Co-op brand canned goods for student snacks, and plans to carry staple groceries when permanent membership is larger. Oberlin's business manager was made recording secretary of N.O.C.A. and a member of the merchandising committee of Central States Cooperatives. In November 1940, he left Oberlin for a better job with a community Co-op in Cleveland. The Oberlin Co-op had produced its first career man in Cooperatives.

Luckily, both the Oberlin group and the N.O.C.A. feel that the place for student cooperatives is not off in federations of their own, but as active parts of the regional federations of community co-ops. This philosophy led N.O.C.A. and some Oberlin graduates to help in the formation of co-op buying clubs at Shauffler College and Western College in Cleveland. Other Northern Ohio campuses are being explored for co-op possibilities. A strong federation may soon unite many campus and community co-ops in the region.

What does the future hold for the Oberlin Co-op? Find a member of the board in an expansive mood and he will tell you of plans for spreading the work among the members, for starting cooperative recreation, he may divulge his dreams of a delivery truck, a downstairs store, cooperative dormitories. He may tell of the 100 members of the Lorain County Farm Bureau Cooperative who live nearly, and of a plan for achieving in Oberlin true cooperation between the farm and town cooperatives, so that the Farm Bureau members will be Consumers' Cooperative members also. If you think that all this sounds like pipe dreams, think how little the original study group foresaw the present organization. That group did a swell job. Today they have almost all graduated, but they have passed their ideal and their experience to their successors. Students with that ideal are hard to stop.
The home of CCA, or rather Union Oil Company, Cooperative, in 1933.

The present home of CCA, occupied in September, 1935. It was built to house an old-line oil company which passed out during the depression. The building, costing a quarter of a million dollars originally, was purchased at forced sale by CCA for about 25 cents on the dollar cost of building it. It was slightly larger than the wholesale needed at the time, many believed. Today it's too small and the wholesale is making plans to expand the facilities.

THE 12 YEARS OF CCA’S HISTORY IN STATISTICS

Comparative Yearly Statistics of CCA and Subsidiaries

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* 8 months

Consumers' Cooperation

April, 1941

GRUNDTVIGS CHURCH

GRUNDTVIG OF DENMARK

On few occasions in the world's history a man has become the symbol of a nation. Such a man was Bishop Frederik Grundtvig of Denmark. He lived today and will live always in the heart of Denmark. Everyone conversed we had with leaders of Denmark, whether cooperative, labor, farmer, political, educational or religious, always ended with some tribute to Grundtvig as the inspiration and exemplification of the nation. We worshiped on Sunday in the Grundtvig Memorial Church and saw a baby baptized, whom we hope in later years will realize the significance, as we did, of such a dedication of one's life.

Now the announcement has reached us of the dedication of the Grundtvig church on September 8, 1940 which was unfinished in 1937 when we were there. It was built by the equal contributions of the people and the state. On the Sunday previous to the dedication 740,000 people assembled to sing the Grundtvig songs. The church is built to resemble the pipes of a great organ in order to symbolize Grundtvig's thought of a people lifting their voices and their spirits in song to heaven. It required 20 years after Grundtvig conceived the idea of a folk-school to convert the first leader to start such a school. For many years of his life Grundtvig was almost an outcast because of his independent thinking in church and school. He came into his own before he died and is living today in the hearts and minds of the people of Denmark as never before. No dictatorship can ever crush the democracy he developed in the people. As an example, read this by Judge H. Richter, who is not a refugee but a resident of Denmark today: advising how to treat an “uninvited guest”:

“If an uninvited guest enters your home, receive him and look after him; mere politeness demands that. If his views are different from yours, listen to them and speak with him, but do not alter your own views if they are right. If he comes to you singing, and you are in sorrow, ask him to cease his song; for he is to understand that the home is yours and not his. If he asks you if he may help you, say thank you, if you need help. And you should teach your children and your household to respect the requirements of hospitality but to understand at the same time that hospitality and friendship are not the same.”

We pay our tribute to Grundtvig and his great share in developing the "Dig-nified Danes".
THE Sixth Annual National Cooperative Recreation School will be held on the campus of Iowa State College, Ames, Iowa, June 14 to 27. The school is conducted each year by the Cooperative Society for Recreational Education, which was organized at the first National Co-operative Recreation School held in Columbus, 1936, by members of the school who felt the need of better trained recreational leadership in the cooperative movement.

From the beginning the Cooperative League has sponsored the school and has increasingly emphasized the role of recreation in cooperative education. The staff of the school includes recognized authorities in the various fields of recreation. Miss Neva L. Boyd, Department of Sociology and Division of Group Work, Northwestern University, will lecture on Group Organization and Leadership and teach folk dancing. She will be assisted by Alice Schweibert, graduate in cooperative education.

Songs and Singing in Everyday Social Living and Instrumental Music will be taught by Augustus D. Zanzig, director, Music Service, National Recreation Association. Courses in simple forms of dramatics, such as charades, pantomimes, sketches, etc. and fundamentals of acting and directing will be taught by Ruth Chorpenning, professional actress, New York. James Norris, who has had fifteen years experience in the professional theater in acting, directing and writing, will conduct advanced courses in acting and directing. Metal and leathercraft will be under the direction of Lois Epps and Gwendolyn Fife. Margaret Gardner, assisted by Wilmer Vess, will conduct courses in sketching for beginners, pottery and puppets. "Play Party Games", traditional American folk dances from Ohio, Indiana and Kentucky, will be taught by Darwin Bryan, Ohio Farm Bureau Cooperative Association and Marion Skean, Homeplace, Kentucky. A seminar will be conducted each evening on "Recreation in Cooperatives" by Frank Shilston, Midland Cooperative Wholesale, Carl Hutchinson, Ohio Farm Bureau Cooperative Association, and others. For the third year, Frank Shilston will be director of the school.

Cooperative techniques are applied in the conduct of the courses and in the administration of the school. It is both self-supporting and democratically governed—"the principle of one member one vote applying to all persons alike—whether students or members of the staff. It is more than a training in recreation as a social force in group life. It is an experiment in cooperative living and action.

The school will open promptly at 7:30 P.M. Saturday, June 14th with group singing led by Mr. Zanzig. The total cost per student for tuition, room and meals is $38.50. Any surplus above expenses will be disposed of by vote of the students. Complete information about the school can be secured from Carl Hutchinson, Ohio Farm Bureau Cooperative Association, 246 North High Street, Columbus, Ohio.

RECREATION NEWS NOTES

The recommendations on Recreation drawn up by approximately one hundred representatives of Farm Bureau Cooperative Youth Councils in Ohio apply not only to the rural youth of Ohio but to all groups interested in recreation. These recommendations include: (1) That each Youth Council use every possible means to train recreational leaders from their own group. These means include various county, state and national schools, camps and conferences. When delegates return from such meetings they should be put in positions to use the knowledge and skills gained. (2) That recreational programs at meetings be so planned and conducted as to secure the participation of all those present. (3) That the recreational part of the Council meeting be planned to give a well-balanced program. The following are suggested as possibilities for broadening and varying the recreational program: party and folk games, folk dancing, dramatics (charades, pantomimes, tableaux, etc.).

Film Cooperative

A unique experiment in recreation activities is being tried out in Timmins, Ontario—a Cooperative Film Society, consumer owned and controlled. Their first showing of documentary films was held April 1st. The Society has one hundred members who have paid $1.25 membership fees which entitles them to see the April and September showings and to vote at the general meeting in September. The board of directors for the 1941-42 season will be elected at the September meeting and plans for the season discussed and formulated.

The Timmins Cooperative Film Society grew out of the need felt by members of the Timmins Neighborhood Clubs Association for a film organization in which the consumer could have a voice in the selection of the films he wished to see. Local theater managers have very little choice in the type of film booked, due to blind or block booking. Directors producing for small companies have been unable to present their films to the public because the commercial theatres take their films almost entirely from the distributors linked up with the large studios. After two years of study of the problem, it appeared that the only way in which the consumer of films can make his will felt is through a cooperative society controlled by himself which exhibits to its members films that are artistically made and express the constructive social ideals that cooperators believe in.

Present plans of the Timmins Cooperative Film Society call for the expansion of the membership to two hundred and provide for eight monthly showings of films during the 1941-42 season. The program of five sound films shown April 1 included the well known documentaries, "Shipyard" by Paul Rotha, "The Song of Ceylon" by Basil Wright and a Canadian film, "Rhapsody in Two Languages."
Visitors to the chamber where sits the House of Representatives invariably are amazed at the comparatively few Congressmen who are present. Now and then, when speeches are only being made for the "record" and when there is no important business to transact, it is simple to explain away the absences but when Congressmen are absent during debate on important issues, the danger to true democratic machinery is so great it is frightening.

An example of how the machinery of Congress has broken down was given recently during consideration of the very important bill to extend the Guffey Bituminous Coal Law for two more years. Here was the issue of "price fixing" by Government with all of its implications. Here also was the demand of the wholesale consumer cooperative organizations for equal treatment under the law. But despite the importance of the subject, a maximum of only 82 Congressmen were in the chamber at any time during the debate and it was obvious that not more than a score of those were giving any attention to the debate.

The debate, it is true, justified little consideration. Two speeches were made on the general subject of price fixing which were worthy of any consideration. In one of the speeches, a description of how the coal law was operated was given—given for the benefit of a score of Congressmen. In the other speech, the issue of price fixing was raised and very properly, the question was suggested whether the Congressmen who are present could do efficiently the debaters who were absent.

At present, there is no doubt that a member of the House or Senate has not work, if he is conscientious, than any two or three men could do efficiently. There is much of this "work" left for those in legislative duties. Through political customs and practices which were first indulged and now have become accepted as "necessary to re-election", Congressmen have become representatives before executive departments for their districts and for their constituents. Jobs, contracts, post office sites, claims, pension cases, and a host of similar chores take most of the days of members of the House. Legislation must suffer and does suffer. While the Congressmen are busy with other matters, the lobbyists and representatives of special interests are watching the one thing they want and which they are paid to get. Sometimes their petitions are just, more often the appeals are for special privilege clothed in some "acceptable garments". They succeed most often because Congressmen have no time for legislative work, and the public interest suffers—democracy breaks down.

**First Annual Tour of American Co-ops**

Starting at Columbus, Ohio, July 7, visiting cooperatives in Indianapolis, Chicago, Waukegan, Madison, Racine, Kenosha, Brule, Superior, Minneapolis, St. Paul, Granger, Omaha, and Phillipsburg; closing in Kansas City, July 19.

All expenses for 13 days $88

For complete information write: J. Henry Carpenter, Tour Director The Cooperative League

167 West 12th Street, New York City

Consumers' Cooperation

**What's News with the Co-ops**

Chicago—The Board of Directors of the Cooperative League, meeting here for its quarterly meeting March 17 and 18, accepted with regret the resignation of Dr. James P. Warbasse, who asked to retire from the presidency on the completion of his full twenty-five years as president.

Murray D. Lincoln, general manager of the Farm Bureau Cooperative Association, Columbus, Ohio, and president of the Farm Bureau Cooperative Insurance Services was unanimously elected to succeed him to the office of president. Dr. Warbasse was elected president emeritus and will continue as a member of the Board of Directors and as director of Rochdale Institute.

Mr. Lincoln said in accepting the presidency of the Cooperative League: "The opportunity of America today, even in this hour of uncertainty and war, is to set in motion forces that will help to distribute the abundance that is present in this country—and abandon the practice of subsidizing scarcity and protecting monopoly. "I know of no movement in America that offers more hope to a distressed and bewildered world than the consumer cooperative movement."

The Board accepted into membership the American Farmers Mutual Automobile Insurance Company of St. Paul, the Pacific Coast Student Cooperative League and Associated Cooperatives of Northern California.

Chicago—The Committee on Publicity and Education of the Cooperative League made up of the educational directors and editors of the regional cooperatives held its annual meeting in Chicago, March 13-15.

The committee made plans for the June conference of co-op editors which will be held in Ames, Iowa, June 26-28.

First steps were made toward the publication of a handbook for local education and publicity committees.

Plans for a national film depicting the highlights of the American cooperative movement today were approved by the committee which sent a recommendation to the Board of Directors for financing the film. It also delegated to the assistant secretary of The League the job of selecting the producer and supervising the production. The film proposal was approved by the Board at the meeting which followed.

The committee also gave serious consideration to the possibilities of adding a full-time educational assistant to The Cooperative League staff.

Plans for the first national tour of United States cooperatives were submitted to the committee by Rev. J. Henry Carpenter, tour director and a final itinerary approved. The tour will begin in Columbus, Ohio, July 7 and end in Kansas City, July 19.

Chicago—The annual meeting of National Cooperatives, Inc. meeting here March 19 re-elected I. H. Hull, general manager of the Indiana Farm Bureau Cooperative Association, as president. Other officers re-elected were J. W. Nolan, vice-president, A. J. Hayes, chairman of the board, Howard A. Cowden, secretary-treasurer.

National Cooperatives, which acts as purchasing agency for its fifteen state and regional member-cooperative wholesales reported that the sales volume of its member associations totaled $58,821,107 last year.

The delegates approved a request by the Cooperative League Board to meet at some future date with their Board and the Board of United Cooperatives in joint conference to discuss common problems and possible coordination of the cooperative movement.

Columbus, Ohio—The Ohio Farm Bureau Cooperative Association has launched a new paper, The Ohio Cooper, printed in tabloid size which will appear the 15th of each month. The Farm Bureau will continue publication of the Ohio Farm Bureau News, which appears the first of each month.
North Kansas City, Mo.—The Consumers Cooperative Association has purchased the printing plant which formerly published The Cooperative Farmer. The printing plant will produce its own printed matter as well as handling the work for its affiliated cooperatives. Cooperative printing plants are also in operation in Minneapolis, Superior, and Raleigh, N.C.

Indianapolis, Ind.—The Indiana Farm Bureau Cooperative Association handled $6,310,678 worth of goods and services in 1940. The state-wide co-op wholesale has recently inaugurated a program to assist its county-wide co-ops in the publication of their papers. 32 county papers are being published monthly.

New York—"If plans for voluntary cooperative health service do not become an important factor in American medical service, our only alternative is government control," Dr. Hugh Cabot, eminent Boston physician told the medical advisory board and sponsors of the Group Health Cooperative at a luncheon March 27 at the Hotel Commodore. Dr. Cabot is the first selection of the cooperative enterprise at a regional meeting here March 22 and 23 sponsored by the Eastern Cooperative League of the Philadelphia Area Cooperative Federation.

Harrisburg, Pa.—The Pennsylvania Farm Bureau Cooperative Association completed a record year in 1940 according to general manager H. S. Agster who assembled several thousand co-op members gathered for the annual meeting March 3 that a state-wide co-op wholesale had a business increase of 36 per cent last year. The following figures tell the story of the growth of the co-op wholesale since its inauguration in 1935.

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Dr. and Mrs. James P. Warbase at 25th Anniversary Dinner

25th Anniversary Celebrations

The Cooperative League of the USA wound up its first twenty-five years of organized education with an anniversary dinner in Chicago with members of the boards of The Cooperative League and National Cooperatives as guests; a coast-to-coast broadcast over the NBC network by Dr. James P. Warbase, president emeritus of The Cooperative League; and a 25th anniversary dinner in New York where two hundred guests crowded the upper and lower halls of Consumers Cooperative Services to pay tribute to Dr. and Mrs. Warbase for their quarter century of service to the cooperative movement.

Greetings by wire and letter congratulating the League on its accomplishments in the development of sound, democratic cooperatives came from Eleanor Roosevelt, Thurman Arnold, Senator George D. Aiken, E. Stanley Jones, John Hayes Holmes, the Rev. Edgar Schmiedeke, OSD, Mark Starr, Joy Elmer Morgan, Alfred Bingham, John Daniels and others. A host of personal friends and old time cooperators also paid their respects.

Dr. M. Coady of Antigonish, Nova Scotia, Boris Skomorowsky, editor of the French edition of the Review of International Cooperation, and Miss Germina Rabinowitch of the Cooperative Division of the International Labor Office, brought greetings from the cooperative movement throughout the world. Dr. Warbase made the major address of the evening declaring, "We are confronted by a desperate situation today, which calls for building cooperatives on a firm foundation if we are to save the world."

Other speakers were Mrs. James P. Warbase, who served as educational director for the League's first 12 years; Mary Elliscott Arnold, for 14 years treasurer of The League; R. N. Benjamin, executive secretary of The Pennsylvania Farm Bureau Cooperative Association; Wallace J. Campbell, assistant secretary of The Cooperative League; A. E. Kazan, president, Amalgamated Cooperative Houses; Mary Coover Long, manager, Consumers Cooperative League; A. E. Kazan, president, Amalgamated Cooperative Houses; Mary Coover Long, manager, Consumers Cooperative League; Florence Parker of The U. S. Bureau of Labor Statistics; Werner Regli, director of the Cooperative League Accounting Bureau, and L. F. Woodcock, manager, Eastern Cooperative Wholesale, toastmaster.
## CO-OP LITERATURE

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<td>Novels and Biography</td>
<td><em>My Story</em>, by Paddy the Cope</td>
<td>Co-ops in The Brave Years: Wm. Heyliger</td>
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<td><em>&lt;i&gt;o-o-o&lt;/i&gt;</em>, bypton Sinclair</td>
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<td>Textbooks on Cooperation</td>
<td><em>Consumers' Cooperatives</em>, Julia E. Johnon, Debate Handbook</td>
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<td></td>
<td><em>When You Buy</em>, Trilling, Eberhart and Nicholls, High school and college, two chapters on consumer cooperatives</td>
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<td><em>Co-operation</em>, Hall and Watkins, Official British Textbook</td>
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<td><em>The Consumers Cooperative at a Distributive Agency</em>, Orin E. Burley</td>
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<td><em>Windows on the World</em>, Kenneth Gould</td>
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<td><em>All John Hands</em>, Edwards and Smith</td>
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<td><em>Education Through Recreation</em>, L. F. Jackson</td>
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<td><em>Fun for All</em>, two spinning games, Midland Co-op Wholesale</td>
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<tr>
<td>Credit Unions</td>
<td><em>Credit Unions</em>, Frank O'Hara</td>
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<td></td>
<td><em>What You Ought to Know About Credit Unions</em>, Anthony Lehner</td>
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<td><em>Credit Unions: The People's Banks</em>, Maxwell Stewart</td>
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<td><em>Cuna Emergent</em> (Credit Unions), Roy Bengough</td>
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<td><em>Credit Union North America</em>, Roy Bengough</td>
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## FILMS

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<tr>
<td><em>Traveling the Middle Way</em> In Sweden, silent, produced by the Harmon Founding Unit I, Land of Sweden, 2 reels. Rental: Each of four above $3 per day, $10 for each additional showing</td>
<td>$2.50 per day, $10 for each additional showing</td>
<td>$4.50 per week</td>
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<td><em>The Burden of Credit</em>, 16 mm. silent film, produced by the Harmon Founding Unit I. Excellent photography. $1.10 per day, $10 for each additional showing. $15.00 per week</td>
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<td><em>Building a Brave New World</em>, George Tichenor, silent, produced by the Harmon Founding Unit I. Excellent photography. $1.50 per day, $12 for each additional showing. $20.00 per week</td>
<td>$1.50 per day, $12 for each additional showing. $20.00 per week</td>
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<td><em>A $000,000 Business With 2,000,000 Customers</em>, Richard Giles, Printers' Ink Monthly Film, 16 mm. silent, produced by the Harmon Founding Unit I. Excellent photography. $1.50 per day, $12 for each additional showing. $20.00 per week</td>
<td>$1.50 per day, $12 for each additional showing. $20.00 per week</td>
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<td><em>What Attracts Members to the Cooperative Movement</em>, from The Cooperative Houses in New York City. $2.50 color and $1.50 black and white. Excellent photography. $4.50 per day, $30 per additional showing. $50 per week</td>
<td>$2.50 color and $1.50 black and white. Excellent photography. $4.50 per day, $30 per additional showing. $50 per week</td>
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<td><em>What You Ought to Know About Credit Unions</em>, Anthony Lehner, 16 mm. silent, produced by the Harmon Founding Unit I. Excellent photography. $1.00 per day, $10 per additional showing. $15 per week. Rental: Each of four above $3 per day, $10 for each additional showing</td>
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## POSTERS

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<tr>
<td><em>Organize Cooperatives</em>, 19&quot;x28&quot;</td>
<td>Green, 5 for $1.00, Blue, 5 for $1.00, Red-White-and-Blue, 5 for $1.00. Excellent photography. $1.00 per day, $10 for each additional showing or $15 per week.</td>
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<td><em>Cooperative Principles</em>, 19&quot;x28&quot;</td>
<td>Blue, 5 for $1.00, Red-White-and-Blue, 5 for $1.00. Excellent photography. $1.00 per day, $10 for each additional showing or $15 per week.</td>
<td>$1.00 per day, $10 for each additional showing or $15 per week.</td>
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<td><em>Cooperative Ownership</em>, 19&quot;x28&quot;</td>
<td>Blue, 5 for $1.00, Red-White-and-Blue, 5 for $1.00. Excellent photography. $1.00 per day, $10 for each additional showing or $15 per week.</td>
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<td><em>Malbry</em>, 5 for $1.00, Red-White-and-Blue, 5 for $1.00. Excellent photography. $1.00 per day, $10 for each additional showing or $15 per week.</td>
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<td><em>Cooperative Stores</em>, 19&quot;x28&quot;</td>
<td>Green, 5 for $1.00, Blue, 5 for $1.00, Red-White-and-Blue, 5 for $1.00. Excellent photography. $1.00 per day, $10 for each additional showing or $15 per week.</td>
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<td><em>March On, Democracy</em>, 19&quot;x28&quot;</td>
<td>Red-White-and-Blue, 5 for $1.00. Excellent photography. $1.00 per day, $10 for each additional showing or $15 per week.</td>
<td>$1.00 per day, $10 for each additional showing or $15 per week.</td>
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## SPECIAL OWNERSHIP ISSUE

**How Should Cooperative Insurance Be Organized?**

E. R. Bowen

**How Finland Solved the Farm Tenancy Problem**

J. Hampden Jackson

**Your Work Is Prized**

Ruth Broan Farnsworth

**Co-op Division of I.L.O. Carries On**

Janet Coert

**Restoration of Property, A Review**

Edward Skillin, Jr.

**The First Consumer-Owned Oil Refinery in the U.S.**

**May, 1941**

*National Magazine for Cooperative Leaders*
CONFIDENCE REQUIRES ACTION

Consumers' Cooperation has blossomed out for three issues in a sprightly front cover, with the usual number of pages and with more pictures than ever before. The first was our 25th Anniversary issue; the second on "Four Cornerstones"; this third, a special "Ownership" issue.

But if we are to keep it up, we need more subscriptions. A thousand new subscriptions will assure this 32 page size. Renew your subscription now; send gift subscriptions to your friends; have your co-op subscribe for its board members and employees.

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Send your order today to:
THE COOPERATIVE LEAGUE
167 West 12th Street, N.Y.C.

BUILD COOPERATIVES STRONGER AND FASTER

The first quarter century of The Cooperative League, which has just ended, has been truly described as Pioneering. The second quarter century which is now beginning should be described as Building. The pioneers have largely laid the foundations—four strong corner stones to carry the mighty structure of Cooperation—Recreation, Education, Finance and Business, with the many varied divisions. Now we are going on to build high the walls of a cooperative world.

Every local cooperative, every regional, every factory is a stone in the wall. We shall need many more of them. "Build cooperatives stronger and faster" should be our slogan on our rainbow banner for the second quarter century. Others have been called "The Pioneers." We may be called "The Builders." We should all be like Gustav Saga of Sweden, of whom it was said, "Wherever he went, things grew after him."

WE STAND FOR OWNERSHIP

We stand on the belief that the world was made for all the people to own—that it was never intended to be the exclusive possession of the few. We believe that everyone should own his own home and also be the owner of shares in cooperatives of every kind. We believe that cooperatives of consumers and producers are one of the most important ways of enabling all the people to become owners. We are out to win ownership for all the people through cooperatives. This is a SPECIAL OWNERSHIP ISSUE of CONSUMERS' COOPERATION which will tell you why we all should be owners, why we have lost ownership, and how some are gaining ownership and others can by joining cooperatives.

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.

Published monthly by The Cooperative League of the U.S.A., 167 West 12th St., N.Y. City. E. R. Bowen, Editor, Wallace J. Campbell, Associate Editor. Contributing Editors: Editors of Cooperative Journals and Educational Directors of Regional Cooperative Associations.

THE DECREASE OF OWNERSHIP IN AMERICA

When the first census was taken in 1880, 25% of the farmers were tenants. Every census has shown an increase until it reached 42% in 1935. Mortgages are also much heavier and if added to the figures of tenancy in the State of Iowa, which the Department of Agriculture calls the greatest agricultural state in the Union, the percentage of non-ownership by farm operators has reached the staggering total of 76%. Farm operators in that State only have 24% equity today in the land they till, or less than one-fourth. City residents in the United States are 55% tenants or over half.

Apanologists for the present system tell of the number of automobiles, radios and other forms of personal property which the people own. But an increase in ownership of personal property does not compensate for the decline in ownership of productive property. Loss of ownership of productive property results in underconsumption, underemployment, and underproduction.

OWN YOUR OWN MONEY

The evidence seems to prove that we have been all too slow in going from retail and wholesale ownership to cooperative factory ownership. For a number of years we have had many more times the amount of distribution necessary to use the output of several fertilizer plants and refineries. As we look at the tremendous figures of results, now that we have begun to build such factories, we can only conclude that it was a mental resistance that we had to overcome to break away from private sources and begin to build our own production plants.

Early beginnings in production have proven the oft repeated statement of the British that "production is the lifeblood of the cooperative movement" and the statement of the Swedes that "co-ops are trust busters." Now that we have gotten over the first humps, it will be easier to get over others in different fields. We need only to keep always in mind that fertilizer and petroleum are simple products, which are sold in large quantities, and with wide margins. These are the three determinants which the Swedes follow in deciding as to the next manufacturing step to undertake—simplicity, quantity, margin. Now that we have both our experience and our own experience to guide us, we should be able to duplicate their declaration that they do not make a mistake any more in the next steps to take because of careful advance investigation based on proven principles and practices.

OWN FACTORIES COOPERATIVELY

According to John Locke,* whose writings formed the foundation of the American Constitution, every man has a natural and inalienable right to three forms of property.

The first is the right to "property in his own person." Locke says, "Though the earth and all inferior creatures be common to all men, yet every man has a property in the earth itself, as that which takes in and carries all the fruits, beasts, and plants of the earth; and every man has a property in his hands and in the work of his hands."

The second is the right to property in "the labor of his body and the work of his hands." Locke says, "The labor of his body and the work of his hands, we say, are properly his. Whosoever, then, removes out of the state that Nature has provided and left it in, he hath mixed his labor with it, and joined to it something that is his own, and thereby makes it his property . . . to enjoy."

The third is the right to property in "the earth itself." Locke says, "But the chief matter of property being now not the fruits of the earth and the beasts that subsist on it, but the earth itself, as that which takes in and carries all the rest, I think it is plain that property in that too is acquired as the former."

And how much property does every man have a natural right to own? First, all of his person without reservation. Second, whatever fruits of his labor

*Chapter "Of Property" in "Second Treatise of Government."
and, work of his hands he can use or consume. Locke says, "If the spontaneous products of nature perished in his possession without their due use—if the fruit rotted or the venison putrefied before he could spend it, he before he could spend it, be offended against the common law of Nature, and was liable to be punished."

What better rules can any one write for the triple natural property right of every man and their limitations than those formulated by John Locke two hundred and fifty years ago? The question today is how many more years we need to put them in effect. Only a cooperative economy will do so—where all become owners and ownership is divided according to justice and efficiency into the three forms—individual, cooperative and public.

**THE THREE FORMS OF OWNERSHIP**

There are three natural forms of property, as John Locke declared in the chapter, "Of Property" in "Second Treatise of Government." There are also three forms of ownership—private, cooperative and public. Just what should be owned in either one of the three forms is a matter which changes from time to time in the world's history.

In general we believe that all of those things which one can use personally in an efficient manner should be owned privately. "Use" should be the determinant of private ownership. This would include one's home at the minimum.

Those things which are by nature exclusive, where all the people accept a large degree of uniformity such as water works, electric light, power and heat, transportation, communication, etc., should be publicly owned. By publicly owned we do not mean government owned and politically controlled. We mean by public ownership the ownership by all the consumers in any area, with the control separate from the political government through a board of directors democratically and directly elected by all the consumers.

The remaining activities of economic life should be at least in part cooperatively owned. Just how far cooperative ownership should and will supersede private ownership cannot be answered by any theorizing. Practical results alone should determine. At least the stranglehold of "the present private economic dictator ship represented in the modern corporation" must be broken by either checking or supplanting it. In Finland cooperative ownership has reached 36% and is increasing at the rate of 1% per year. This is far the highest percentage in any country. Perhaps conditions may make the percentage vary in different countries.

All that cooperatives ask is an open field, with the best method to be the winner which can render the greatest service to all the people. That alone should be the determining element.

Individual total action has proven a failure after centuries of trial. Public total action is in the process of proving a failure today. Cooperative total action would probably be a failure if adopted. What we should strive for is "An Institutional Balance," as advocated by the Committee on Cooperatives of the National Education Association—a balance between private, cooperative and public ownership and control of our economy.

**The Ownership of One's Life**

In the introduction to "AE's Letters to Minanlaiben" appears this sentence, "Afternoon tea was his evening meal, which gave him the hours when day reluctantly and slowly was being conquered by night to wander under the ever-changing sky."

Time to wander. How we envy anyone who has it. Whose hours are such and whose work is such as to relieve them from constant pressure both on and off the job. After quoting another Irish poet who calls to us—

"Come away, 0 human child, To the woods and waters wild With a faery hand in hand: For the world's more full of weeping Than you can understand."

George Russell adds: "Away! yes, yes; to wander on and on under stars-rich skies, ever getting deeper into the net, the love that will not let us rest, the peace above the desire for love." Russell's wish was to dwell in the mountain of his dream where, "between heaven and earth and my brothers, there might come me some foretaste of the destiny which the great powers are shaping for us, the mingling of God and nature and man in a being, one, yet infinite in number."

Peter Maurin arranges five sentences of Thoreau's prose in this form:

1. "If my wants should be much increased the labor required to supply them would become a drudgery."
2. "And if I should sell both my forenoons and afternoons to society I am sure that for me there would be nothing left worth living for."
3. I trust that I shall never sell my birthright for a mess of pottage.
4. I wish to suggest that a man may be very industrious and yet not spend his time well.
5. There is no more fatal blunderer than he who consumes the greater part of his life getting a living."

When will the time come when we will not have to sell both our forenoons and afternoons and most of our evenings as well in getting plenty and trying to build a world in which to do so peacefully? We need time to wander and wonder. It almost seems we never have any time at all to do so. Working, studying, attending meetings takes almost all the waking hours. Yet, as Russell also says, "In silence thought begins." We need a world in which we can wander in silence and think on its wonders.

**The Ownership of One's Body?**

For centuries unnumbered it was thought under slavery and serfdom that one's body was owned by the economic master and political lord.

Today under capitalism the generally accepted idea is that the ownership of one's body is subservient to the economic system and the state. Together they are presumed to be able to require of everyone what they must do with their bodies.

Tomorrow, it will be recognized and we will be so organized as to maintain the inviolate natural right of everyone to the ownership and control of one's body by each individual person, subject only to one's voluntary acceptance of the right of a creator.

It is toward that tomorrow that we cooperators strive.
HOW SHOULD COOPERATIVE INSURANCE BE ORGANIZED?

We have reached the point, a quarter century after the beginnings of national cooperative organization in the United States, where three of the four corner stones of the structure of the Movement have been laid in a national way, and in the following order—Education, Business, and Recreation. The organization of the Cooperative League laid the corner stone of Education in 1916; the organization of National Cooperatives laid the corner stone of Business in 1933; and the organization of the Cooperative Society for Recreational Education laid the corner stone of Recreation in 1936. There is still a fourth national corner stone to be laid and that is Finance in all its various forms. In one form only has national finance organization developed—that of Credit Unions organized nationally in the Credit Union National Association. At least three other forms of cooperative finance are yet to be developed nationally—Banking, Finance Associations and Insurance. After long discussions of a joint national committee of The Cooperative League, Credit Union National Association and the Consumer Distribution Corporation it was concluded that the organization of a National Cooperative Finance Association should precede any attempt to organize Cooperative Banking on a national basis and the matter was voted by the joint committee into the hands of The Cooperative League Board of Directors which is working on the details of such an organization.

We believe that the time is now ripe to begin the discussion of the National Organization of Cooperative Insurance, with the view of eventually crystallizing everyone's opinion and initiating action on whatever conclusion is reached.

Efficiency and Democracy Basic
It should not be necessary to say in the beginning that the same basic requirements of cooperative organization in every other field must also be applied to the organization of cooperative insurance. These basic requirements are centralization for economic efficiency and decentralization for democratic control.

We believe strongly in learning everything possible from others' experience, and thus saving ourselves from all or most of the mistakes of the trial and error methods that we are thus able to do. While the experience of other European countries could be used, we believe from study and investigation that the British experience is the clearest lesson from which the United States may learn.

In Great Britain cooperative insurance was first organized separately from commodities on a national basis. The separate organization of cooperative insurance failed. Then the Cooperative Wholesale Society organized insurance under the same Board of Directors as commodities and from there on the success has been continuous. (It might be added that the same experience took place in Great Britain in the case of Banking as well; it was first organized separately and failed and then organized together with commodities and succeeded.) In other words, the centralization of insurance under the same Board of Directors which handles commodities on a national basis is proven to be highly economical and efficient.

However, until the former president of the CWS, Sir William Dudley, visited America, and we had an opportunity of talking with him personally, we had been unable to satisfy ourselves from the reading of any literature as to their method of providing for democratic control of insurance. When we asked the question, "How do you get democratic control of cooperative insurance?", the answer was quick and clear. Mr. Dudley said in brief, "As yet you have not thought generally in the United States of a local cooperative in the same terms as we do in Great Britain. We think of a local cooperative as an organization to serve the needs of the members in every way they desire. Their needs in commodities and services, in education and recreation, in banking and insurance. One local cooperative serves them all. As a member you study and play, you buy, you bank and insure through the same organization. It serves all of your needs. Then when you attend the annual meeting you vote, first, for the Directors you want to handle the affairs of the cooperative; second, for the delegates you want to attend the national Congress to control your national affairs. When these delegates meet in the national Congress they represent all of your interests—insurance as well as commodities. They elect a national Board of Directors which in turn handles the national insurance as well as the national commodity program."

By uniting insurance with commodities in one program, they achieved both efficiency and democracy. We believe this is a great lesson for the Consumers' Cooperative Movement in the United States to learn. We believe it is now becoming increasingly accepted that cooperative insurance and commodities should be closely related locally, regionally and nationally in the United States. Our development here has been not uniform and not altogether realistic. If there had been an ideal development no doubt the logic of Education first, Finance and business third, would have followed. However, in some cases there has been too little education as we all well know. In other cases, finance has been weak, and cooperative business has accordingly started on a shoe string. In some cases insurance has preceded commodities and has succeeded in a measure but doubtless not as great as though more closely allied with commodity cooperatives everywhere. Now with our trial and error experience and with the example of other countries to which we are increasingly looking, we should be able to coordinate Finance, in all its forms, with Business in the best possible way locally, regionally and nationally.

This is the first mental hurdle for the Consumers Cooperative Movement in the United States to get over—to decide if a close relation between Commodities and Insurance is not both necessary and desirable for both efficiency and democracy.

Three General Types of Organization
If we start by thinking of a local community cooperative association which will serve all of our needs as members both efficiently and democratically, then we can proceed to consider the question of the best possible wider organization of insurance in a country as large as the United States, which because of its size has problems of organization which a smaller country does not have.

We have in the United States illustrations of insurance organizations which confine their activities within the boundaries of a single State. Some even go so far as to limit their membership to a single vocational group such as farmers. It is difficult to conceive of any major reason for doing either. Since everyone is an actual or a potential consumer of insurance, one's vocation, or one's residence, whether in the country or city, or one side or the other of a political boundary, seems insufficient to justify any group setting limits to the participation by others in any benefits to be derived from a larger number becoming profit holders and thus spreading the costs and risks more widely. Furthermore, if large scale operation proves to be more economical, it will increasingly be difficult to persuade any vocational or political area group to forego receiving those benefits themselves.

It was undoubtedly because of the growing belief in the justice and wisdom of the "Open Membership" principle of Consumers' Cooperation and the further belief in the possibility of economies in a larger organization, that the insurance companies which began in the State of Ohio finally broke over both vocational and political boundary lines into other
States until today they cover nine Eastern States. These insurance companies are increasingly being sponsored by regional commodity cooperatives who act in the capacity of distributors and claim adjusters and who nominate the directors to be elected from their respective territories. Loans of insurance funds are made in all of the territories where insurance is written, thus decentralizing the reserve funds. On the basis of apparent results, it would seem that such larger scale sectional distribution of insurance has proven to be more efficient than small area operation and by being related to democratic regional cooperative associations can be made democratically controlled.

We have now in successful operation in the United States examples of both state and sectional cooperative insurance associations. If sectional associations are proving to be or can be made more successful than state associations, that fact should be brought clearly to light by thorough statistical comparisons. If sectional associations covering a number of states are proving to be more efficient as well as more truly cooperative in spirit in not limiting their membership, then the question naturally follows as to whether national cooperative insurance associations covering the entire United States which might equal and far exceed any national stock or mutual company and which might be controlled by the regional cooperatives in every trade area, with such regionsals the distributors, the claim adjusters and the lending agencies for their respective territories.

Assuming that cooperators are open minded to consider on its merits every possibility of rendering greater service to themselves, we suggest that the question of national cooperative insurance be carefully studied by the regional cooperatives. At least it is not difficult to conceive of a national cooperative insurance association covering the entire United States which might equal and far exceed any national stock or mutual company and which might be controlled by the regional cooperatives in every trade area, with such regionsals the distributors, the claim adjusters and the lending agencies for their respective territories.

We believe that it is timely that this question of the national organization of cooperative insurance be studied by the regional cooperatives. It was obvious that the new Republic must stand or fall by its ability to satisfy the land-hunger of the masses. Of the 478,122 families who lived on the land at the time of the 1910 census, only 24 per cent were owners. About 33 per cent were tenant farmers and the remaining 43 per cent were agricultural labourers. Within each of these latter classes were two clear sub-divisions. Of the 160,000 tenant families, 66,500 were torpparit, that is holders of leases that could be revoked at the will of the owners. Of the 207,000 farm labourers, 84,000 held cottages and vegetable plots; the rest were landless. The problem before the founders of the Republic was therefore a double one: first to enable farmers and cottagers to acquire their holdings in full ownership, secondly to provide new holdings for the landless.

FIRST CREDIT LAW — 1919

The first part of this task was broached in October 1918 by a law providing state loans for peasants who wished to buy their land. It was laid down that the price should be based on the value of the land in 1914. Owners grumbled that this was too low, land-values having increased since then, but they had seen something of the temper of torpparit and cottagers in the civil war of 1918 and in most cases they were not unwilling to come to terms with their tenants.

Little was done about the second part of the task until...
1922 when circumstances made it of immediate importance. The Communist wing of the Social Democratic Party had broken away from the moderates and under the name of the Finnish Labour Party (the term Communist was illegal) had won twenty-seven seats at the 1920 elections. At the elections of 1922 the Communists retained their twenty-seven seats and it seemed likely that unless something was done to wean the masses from Communism the capitalist Republic must ultimately be overthrown. Agitators could point to Russia where the Bolsheviks had allowed the peasants to seize the land, and contrasted it with Poland where the new Republican Government preserved the vast estates intact. Revolutionaries who had no sympathy with communism could point to the new peasant Republics of Estonia, Latvia and Lithuania where the landlords were being expropriated to make way for hundreds of thousands of smallholders.

SECOND CREDIT LAW — 1927

On the crest of this wave of feeling the Agrarian leader Kyosti Kallio formed a ministry in September 1922. He depended on the support of Social Democrats and Progressives as well as that of his own party and was pledged to find land for the landless. The problem was not so simple as that which faced the agrarian reformers of Estonia, Latvia, and Lithuania where the landowners were Baltic or Polish barons and could easily be expropriated as anti-national aliens. The landowners of Finland were Finns; there could be no question of robbing them of their estates. A compromise was found in the bill which became law in October 1927. The Lex Kallio, as it is called, provided State aid for the purchase of two types of holding in hitherto uncultivated land. The first type consisted of small farms of a maximum of 20 hectares of agricultural land with another 20 hectares for firewood, the second type consisted of plots of 2 hectares maximum for cottage-sites and vegetable allotment. The landlords were to be paid by the State in Government 7 per cent bonds; the new landowners were to pay the State at the rate of 7 per cent per annum of the cost price, 4 per cent of which ranked as interest and 3 per cent went to pay off the capital debt; the new cottagers paid 9 per cent, a burden which being wage-earners as well as allotment-holders they could be expected to bear.

There was considerable opposition from the right-wing parties (especially from the Swedes who tried to pass an amendment forbidding the acquisition of land in Swedish-speaking areas by Finnish-speaking peasants) but it was overcome by the law's very careful limit on forced sales. Under the Lex Kallio expropriation became legal only as a last resort. In the case of estates of 200 hectares and under there could be no expropriation; in estates of 500 hectares the maximum with which landlords could be forced to part was 25 hectares; only in estates of over 500 hectares could expropriation reach the legal limit of 50 per cent of the uncultivated land. In spite of its leniency to landlords and the fact that it was creating that most conservative of social groups, a peasant-proprietor class, Kallio's bill was supported in all its stages by the Social Democrats. The Communists, on the other hand, were loud in their opposition. In this they were backed by the Third International and by the Soviet Government—it must be remembered that those were the days when Moscow's policy was openly to ferment revolutions outside Russia. The connection between the Finnish Communists and the Russian became so close that during the parliamentary recess in August 1923 Kallio dissolved the "Labour" Party, shut its headquarters and its newspaper offices and arrested its leaders, including the twenty-seven members of the Diet. Then and only then, did the Social Democrats demur. When the Diet reassembled they insisted that Kallio had infringed the liberty of members and had rendered the Diet legally incompetent to legislate. President Ståhlberg did not share this opinion, but he took the view that since the Diet in its mutilated form was obviously unrepresentative a new election should be held. Kallio resigned and the Diet was dissolved. The
elections of 1924 showed, as might be expected, a loss for
the Communists (who had again changed their name to
escape the penalties of the law). They retained only eighteen
seats. The gainers were the Social Democrats and the
Concentration Party; for the ensuing year the conservative
Lauri Ingman was to be Prime Minister.

In spite of storms in political teacups the agrarian reforms
worked smoothly. The Government used no force: it did
not once have to exercise its right of expropriation, nor on
the other hand did it find any difficulty in finding worthy
candidates for proprietorship. By 1929 over 144,000,000
marks had been lent to purchasers of new estates, but never
was a State loan spent to better purpose. The agrarian
reforms were a success in three distinct respects. First the
number of peasant proprietors was increased. By the end
of 1934 some 65,000 leasehold owners had become owners of
land and another 53,000 had become cottage-and-allotment
owners. By the same date under the Lex Kallio 31,000 new
estates had been founded on hitherto unworked land, half
of these being productive farms and half cottage-holdings
for labourers. To-day one Finnish family in every three
owns land: there lies the greatest difference between
Finland and the older states of Europe. Secondly the area
under cultivation was increased. In the first twelve years of
its working the Lex Kallio brought over two million
additional acres of land under cultivation. Thirdly the
productivity of the land acre for acre was increased.
Statistics are a poor way of measuring the Finns' growing
skill in working the land, but we know no other. In the
production of hay and animal fodder (Finland's chief
crops) the yield per hectare in the years between 1923 and
1927 was 1.067 food units; in 1934 it was 1.418. In the
years between 1911 and 1913 Finland produced only 41 per
cent of the cereals consumed by her population; for 1934
the figure was 82 per cent. In 1920 the yield of milk was
1,865,000,000 kilograms, in 1935 it was 2,728,000,000,1

This increased agricultural productivity was the greatest
achievement of Finland under the Republic. It is perhaps
ecouraging to note that the State played a comparatively
small part in promoting it. Though the Government under-
took research work, provided loans and subsidized the
farmers (as we shall see) in time of crisis, responsibility for
the striking progress in agriculture lies not so much with
the State as with the individual farmers who, once freed
from hopeless conditions of lease and labour, proved them-

1 Pellervo-Seura (editors), Agricultural Co-operation in Finland (Hels-
inki, 1936).

EARLY COOPERATIVE EFFORTS

It is the peculiarity of the northern peoples that they
combine a passion for peasant proprietorship with a habit
of collaboration. "Since time immemorial common enter-
prises have been carried on among the Finnish people in all
spheres of pure economy in kind. Such common enterprises
consisted, for instance, in the sphere of fishing of drag-net
crews that have preserved their old form down to our own
day along the sea-coast and on the shores of the larger lakes.
In the sphere of forestry there were common associations,
hunting teams for the purpose of destroying wolves in
particular, in the sphere of reindeer-breeding grazing crews,
in the sphere of cattle-farming common pastures, in the
sphere of agriculture burn-beating companies. In all these
associations there was, as in present-day co-operative
societies, equal membership and democratic management,
they were voluntary and the surplus they yielded was
divided according to what each member had contributed as
his share in establishing the association."1 When at the end
of the last century the cash and credit system replaced the
old subsistence economy, the country folk were lost; they
fell a prey to the usurer and the dealer and could think of no

1 See Suomen Tilaistollinen Vihviäinen, the official year-book of statistics
(Helsinki, 1936).

May, 1941
way of translating their habit of collaboration into terms of the new economy.

The solution was first proposed by a Professor Palmén who gave a lecture in 1866 on the work of the Rochdale Pioneers. He told how in 1844 twenty-eight Rochdale workmen had collected a pound apiece for the purchase of sacks of flour; the flour was retailed at market prices from the cottage of one of the members in Toad Lane and the profit was divided among the subscribers in proportion to the amount of their purchases. From this beginning a co-operative movement had grown up in England, Germany and Scandinavia. Could not Finns adopt this method of self-help to free themselves from the extortions of the middlemen?

PERMANENT COOPERATIVE FOUNDATIONS

Palmén's lecture fell upon stony ground. It was not until 1899 when Dr. Hannes Gebhard founded a society (called Pellervo, after the old Finnish God of Fertility) for the dissemination of co-operative ideas that the idea really began to take root among the rural population of Finland. A law of 1901 gave statutory recognition to co-operative societies observing the following principles: membership open to anyone who would pay the minimum subscription and observe the rules; control exercised by all members on the basis of a single and equal vote; profit divided among members in proportion to their purchases. From that moment the movement grew steadily. In 1903 there were about 18,000 members of co-operative societies; to-day over half the adult population of Finland are co-operators.

CREDIT COOPERATIVES

The co-operative principle came to be applied to all manner of purposes. Perhaps the most urgent was the provision of credit through Co-operative Credit Banks. "A bank," wrote the Italian Luigi Luzzati, "is an institution where the money of the poor is lent out to the rich; a Co-operative Credit Bank an institution where the money of the poor is lent out to the poor." The idea was first worked out by one Raiffeisen in South Germany where societies of villagers pooled their scanty savings and pledged their bit of credit to provide loans for the needy. Professor Gebhard developed the Raiffeisen system in Finland. In 1902 he founded the Central Bank for Co-operative Societies (O.K.O.). Without the facilities thus provided the peasant could never have purchased his land, raised his buildings, purchased his tools or improved his stock. At the end of 1935 there were 1,299 little banking societies with a total membership of 140,000, and the credits granted to them by O.K.O. amounted to 1,049,000,000 marks. It is worth noting that the difference between the interest rates paid for deposits and the rates charged for loans was on the average only 1·25 per cent. The difference during the same year in England on the joint-stock banking system was nearly 4 per cent.

Besides credit the farmer had two other vital needs. First he needed help as a producer: he could not hope to own his own bull, his own threshing-machine, his own butter-churn; alone he could not hope to sell his produce in the best market. Secondly he needed help as a consumer: alone he could not hope to buy his sugar, coffee and boots at a fair price; every step he took beyond the old subsistence-economy brought him more under the thumb of the profiteering middleman. Both these needs were met, and amply met, by co-operation.

PRODUCER COOPERATIVES

On the produce side the most important co-operative efforts were devoted to dairy-farming, for half the farmland is under pasture and fodder crops, and half the farmers' money income comes from milk products. Privately owned dairies on the great estates had mulcted the tenants unmercifully, and the joint-stock dairies which flourished between 1895 and 1902 made profits for every one except the farmer. In 1903 the first co-operative dairies were established with the encouragement of Pellervo. They "are owned by their milk suppliers in common, every member contributing to..."
the costs of erection, maintenance, and business, in precise proportion as he utilizes the services of the creamery, and participating in any trading surplus in exact proportion to his milk supplies. By the end of 1934 there were 684 co-operative dairies with 75,000 members in all. Again the point to note is the low cost of these co-operative services to the farmer: in 1935 he received 84 per cent of the price paid for butter by the consumers.

Besides the dairies all manner of agricultural producers' co-operative societies have grown up—bull societies, moss-litter societies, and lately bacon factories and egg-selling societies. Two great central organizations have been formed, the first, Hankkija, for supplying farmers' equipment, and the second, Valio, for marketing dairy produce abroad. Hankkija supplies co-operative shops and dairies with fertilizer and cattle-food, seed and grain, machinery and electric power-heating installations and refrigerators. It manufactures about 15 per cent of the articles it sells and has been a pioneer in the manufacture of several types of agricultural machinery, notably of the famous Esa thresher. Valio has done equally important work, making itself responsible for the export of dairy produce, which amounts to a fifth of the total exports of the country. Its activities have embraced research and quality control, grading and the manufacture of new products, such as Dutch types of cheese, as well as the business of foreign sales. Nearly 94 per cent of the Finnish exports of butter pass through Valio's hands.

CONSUMER COOPERATIVES

On the consumer side co-operation began among the industrial workers and it was through their initiative that the first Finnish Co-operative Wholesale Society (SOK) was created in 1904. The business of SOK was primarily to buy and manufacture food, clothing and household utensils for the member-societies which were rapidly springing up in country as well as town areas. It was organized on a democratic basis, each member-society having an equal vote in the affairs of SOK. Here a difficulty arose. The rural societies were usually very much smaller than those in the towns and the latter naturally felt it unfair that their vote should count for no more than that of a parish union with a handful of members and insignificant capital. They were particularly angry when the rural societies refused to accept the principle that only Trade Union members should be employed. A quarrel developed and led to a split in 1916, when a number of urban societies seceded from SOK and in the following year founded a wholesale society of their own (OTK). Henceforward Finnish consumer-co-operation developed through two separate channels. SOK became known as the Neutral Society and drew its strength chiefly from the conservative farming community. OTK was called the Progressive Movement and drew its strength largely from the Social Democratic industrial workers. Yet the distinction was not so clear as might be expected. Both movements were careful not to affiliate themselves with any political party. Neither restricted its appeal to any one class or region. Each retained the same co-operative principles, keeping the minimum subscription demanded from individuals as low as possible—ten shillings is an average figure—and aiming at low prices and increased reserves of capital rather than at high dividends (the dividends in a normal year rarely exceed 2 per cent). Both joined the Scandinavian Wholesale Society in 1928. A healthy rivalry developed between them and their competitive propaganda brought many more members into the co-operative movement than would have been likely under an undivided system. At the same time the division handicapped the movement in two important respects: it split the capital resources and made mass production impossible on the scale which in Sweden was so successful in setting an example in cheapness and efficiency to profit-making companies; and it made consumer co-operation an irritant instead of an emollient in the friction between Haves and Have-nots.
Nevertheless the Finnish consumer-co-operatives have some remarkable achievements to their credit. They set the price-level of a great many articles. The SOK settlement at Vaajakoski and its flour-mills at Viipuri and Oulu are models for the world, and the same may be said for the restaurants of some of the societies affiliated to the Progressive Movement. Of these Elanto, the Helsinki consumers' society, is by far the biggest and the most enterprising. In 1934 it had 48,173 members (of whom 80 per cent were wage-earners), 329 shops including 15 restaurants of varying grades, its turnover amounted to over 288,000,000 marks and its employees numbered 2,400. Elanto sets the standard for all Finland in the manufacture of bread and bacon, in shop and restaurant design and in the treatment of employees. The reputation made by its Social Democratic managing director, Vaino Tanner, raised him to the Prime Ministership in December 1926.

Some idea of the part which co-operation plays in Finland can be gathered from a Swedish writer's account of a journey in Östrobothnia:

"Still fresh in the author's mind is a visit one frowsy April day to Lapua, where Finland fought one of her bloodiest battles against the Russian invaders in 1809, now a flourishing village in one of the most fertile and best-cultivated parts of Finland. In the middle of the village stands the stately local authority offices, turreted like a castle, rough-cast, with café and restaurant and other social amenities. Through the village runs the old main road, now a broad highway; along both sides lie the business premises, for the most part co-operative institutions of one kind or another. The parish boasts a population of 14,000, practically all co-operators.

"There are in the parish three consumer co-operative societies, two SOK, one KK, with ten shops amongst them, seven co-operative creameries, six co-operative Credit Banks, a score of bull societies, threshing societies, pig-breeding societies, and, in intimate relation to agricultural co-operative undertakings, eight farmers' guilds, young farmers' clubs, and other mutual improvement associations. Lapua Osuuskauppa (Co-operative Retail Society), which, with its capacious stores, occupies a substantial brick building in the middle of the village, sells grocery and provisions, drapery and furnishings, boots and shoes, household utensils, feeding stuffs, manures, agricultural machinery and requirements, and markets yearly for its members many thousands of pounds' worth of grain and other produce. Special show-rooms for agricultural machinery, with large display windows, have been built, and at the railway station the society has its own granary with mechanical conveyors, and cleaning and grading machinery. The Society has 1,350 members and an annual turnover of £67,200."

COOPERATIVE EDUCATION

When the history of the Finnish co-operative movement comes to be written, its greatest achievement will no doubt be found in its work as a medium of education. Each of the many central organizations has its own periodical Press.
The chief weekly papers of the Neutral and Progressive Societies have a circulation of 182,000 and 130,000 copies respectively among the Finnish-speaking population alone. (An equivalent circulation in Great Britain, where the reading public is about fifteen times as big, would be two-to-three million copies. Which English weekly can boast that?) Each runs its own lecture courses. Every year some 1,400 lectures were delivered to nearly 350,000 listeners under the auspices of KK, the propaganda agency of the Progressive Movement. KK maintains its own staff of architects and has set an example in factory and shop design which older nations might do well to follow. To the co-operative movement the Finnish housewife owes her education in domestic science, the farmer in modern methods of crop- and stock-raising and in book-keeping, the wage-earner in what Quakers used to call the re-creative use of leisure, and the public as a whole in democratic principles and the elements of economics. What the Finnish people would have become without co-operation can never be known; perhaps there would have been no alternative between remaining a poverty-stricken, backward and exploited peasantry or becoming a regimented and collectivized community in the Russian model.

Consumers’ Cooperation

May, 1941

"YOUR WORK IS PRIZED"

Ruth Broan Farnsworth

Hyman Cohn died on March 16, 1941, the 25th anniversary of the founding of the Cooperative League. A quarter of a century before, he met with the other founders in Dr. Wariisse’s Brooklyn home to plan the future of cooperation. He was our oldest cooperator, here in New York. At times, in the course of his thirty-odd years in the movement he was our only cooperator. Such facts of his cooperative life you will find in the newspapers.

You will find the man himself, in his active middle years, in Sonnichsen’s unpublished article, "The Alien Agitator," the tribute of a great cooperator to his friend, his companion and his leader. In it Sonnichsen drew Cohn to the life, with the writer’s delight in a picturesque hero, and with the zealot’s discernment of the prophet behind the sound and fury of the man.

In his late sixties he came to us, and linked the small beginnings of the Bronx Co-op with the heroic part of cooperation in New York. On a September evening in 1927 he walked into our first little store at 1021 Eastgate Avenue. When we knew him better we realized the thrill Hyman Cohn must have had as he stood there, after the violent successes and failures of which he had been a driving force, seeing young enthusiasms express themselves, seeing cooperation at work again, just as it had been thirty years before, in a similar hole-in-the-wall grocery, right here in the Bronx, where he had taken a pamphlet on Consumers Cooperation off a nail and read, for the first time, the gospel according to Rochdale.

That September evening Ned Siner and Harold Wattenberg were tending store, Cohn began shooting questions. Was it a true cooperative? How had it begun? Why? As the boys explained, his gruffness disappeared; at the end of his life he had found a new cooperative that needed him. He bought his groceries and joined the West Bronx Co-op Club. When that club joined with five others to incorporate as the Bronx Consumers Cooperative Society he was elected to the Board of Directors. One of the last acts of his life was to drag his tired, heavy body up three flights of stairs to participate in a meeting of that same board.

His was the stocky, picturesque figure that limped into our store almost daily, in heat and cold, and carried home the groceries for which he had taken orders from the various branches of his family, a rebuke, not always silent, to us who were feebly having our orders delivered. His sleepy eyes, under heavy brows, beamed kindly upon a friend and blazed blue fires upon an enemy. Anyone expressing an idea contrary to Rochdale principles or sound business practice, felt the force of his royal wrath and of his Talmudic magnificence of phrase.

During the hot summer of 1938, he began to complain of his heart. On one of those days he came into the store--our second store on 184th Street--with a grubby typewritten article, and, with unwonted shyness, asked the manager to read it. The manager was young and apt to be a bit impatient with the old man and his bulldog grip on his ideas, but she took the manuscript and read it with deep emotion. It was Albert Sonnichsen’s "The Alien Agitator."

Sonnichsen had written the article just before he died and had sent it to Cohn for comment. Before Cohn could read it back, Sonnichsen was
Cohn lay dressed in his CO-OP suit, with his "Pine Trees" in his lapel—his friend, the Rabbi, said good words about him; "generous", "a lover of mankind". That evening the manager used the ticket Hyman Cohn had bought to attend the Twenty-fifth anniversary dinner, and now Leslie had thrown away. Hyman Cohn and James Warbasse recalled the old days, both saying good words, the tributes of old friends. We of the Bronx knew him in the last, the mellow years, and our tribute, our memorial is the one he would treasure most dearly, for it is the one he had worked for all his life—HYMAN COHN, CONSUMER COOPERATOR.
ANNUAL ALL-AMERICAN TOUR OF COOPERATIVES - JULY 7-19

Consumers Cooperative

First Annual Tour of U.S. Cooperatives

While the world is talking about dealing co-operatives, it is vital to remember that they are a community at work to establish the consumer movement and a cooperative world. Co-operatives in America have been at the forefront of this movement. Two notable examples: Consumer cooperatives purchase more than $540,000,000 worth of goods and services through their own cooperatives each year. This means great wholesale costs, reduced prices, and increased profit margins, all of which are critical to the success of this movement. We are not only creating a self-help movement, but we are also helping to build a strong, sustainable economy.

Organizations to be Studied:
- Farm Bureau Cooperative Association: Columbus, Ohio
- Farm Bureau Cooperative Livestock Markets: Savannah, Georgia
- United Cooperatives: Indianapolis, Indiana
- Central States Cooperatives, Inc.: Chicago, Ill.
- National Cooperative, Inc.: Chicago, III.
- Credit Union National Association: Madison, Wisconsin
- Central Cooperative Wholesale: Superior, Wisconsin
- Central Cooperative Wholesale: Minneapolis, Minn.
- Refrigerator United Cooperative Exchange: St. Paul, Minn.
- Consumers Cooperative Association: N. Kansas City, Mo.

Types of Cooperatives to be Visited:
- Cooperative Grocery Stores
- Livestock Cooperatives
- Grain & Oil Mills
- Cooperative Markets
- Central Cooperative Wholesale
- Cooperative Farmers Association
- Wood Pulp Cooperatives
- Cooperative Paper Mills
- Cooperative Hardware
- Cooperative Financial
- Cooperative Markets
- Cooperative Credit Unions
- Cooperative Dairy Unions
- Cooperative Food Co-ops
- Cooperative Fuel Co-ops
- Cooperative Fuel
- Cooperative Oil
- Cooperative Gas
- Cooperative Dairy
- Cooperative Food
- Cooperative Fuel
- Cooperative Oil
- Cooperative Gas
- Cooperative Dairy

First Annual Tour of the U.S. Cooperatives - July 7-19

The tour will officially open on July 7 at 8:00 a.m. at Columbus, Ohio. The tour will visit the following cities:
- Ohio: Columbus, Cleveland, Cincinnati, Toledo, Lima, Columbus (Ohio)
- Indianapolis, Indiana
- Chicago, Illinois

The tour will conclude on July 19 in Kansas City, Missouri.

The itinerary includes visits to various cooperatives, including:
- Visit to Ohio Cooperative Stores
- Visit to Indianapolis Cooperative
- Visit to Chicago Cooperative
- Visit to Kansas City Cooperative

Cost:
The total cost for the tour is $300 per person, which includes transportation, meals, and accommodations. There are no additional costs for the tour.

Venues:
- Columbus, Ohio
- Indianapolis, Indiana
- Chicago, Illinois
- Kansas City, Missouri

For further information, contact:
J. Mooney Carpenter, Tour Director
The Cooperative League of the U.S.A., 167 West 12th Street, New York City
RECREATION TRAINING OPPORTUNITIES

The summer of 1941 offers numerous opportunities for persons interested in learning recreation leadership. The longest and most intensive course is the National Cooperative Recreation School to be held on the campus of Iowa State College, Ames, Iowa, June 14 to 27. The April issue of CONSUMERS' COOPERATION carried a complete story about this school. A flyer and detailed information can be secured from Carl Hutchinson, Ohio Farm Bureau Cooperative Association, 246 North High Street, Columbus, Ohio.

Growing out of the need for regional recreation schools to supplement the work of the National Recreation School and to take care of persons unable to attend the National School, an Eastern Cooperative Recreation School is planned for August 17 to 24. The school, which is sponsored by the National Cooperative Recreation School, and endorsed by the Pennsylvania Farm Bureau Cooperative League, will be held at the Hudson Shore Labor School, West Park, New York. Staff members will include Ruth Chorpenning and James Norris, who are on the staff of the National Recreation School; Phyllis Randall, former staff member of the National School and Meta Schweibert, dean of the Child Education Foundation, New York. The staff will be assisted by former National Recreation School students who are now active in recreation work. The one-week course will include instrumental music, group singing, dramatics, folk dancing, crafts—metal, leather, weaving and woodworking—games, and philosophy of group recreation and leadership. Cooperative leaders in the East will be drawn in to lead seminars on cooperation. The cost for room, board and tuition for the week is $20. Complete information can be secured from Jac Smith, Eastern Cooperative League, 135 Kent Avenue, Brooklyn, New York.

The recreation-vacation camp, Chris Pines Center, Hastings, Michigan, will conduct a special recreation institute during July 13-26. Chester Graham, recreation leader from Madison, Wisconsin, will head the staff which will include Norris Rawn, folk dancing; Dorothy Songer, crafts; and W. W. Kapnick, music. Plans are under way in the Midland Cooperative Wholesale territory for two or three one-week recreation leadership training institutes. These one-week institutes have grown out of the interest aroused by students attending the National Cooperative Recreation School and by the week-end recreation conferences which were held last summer and the past winter and spring. Crafts, group dramatics and folk dancing will be on the program. Ruth Chorpenning and James Norris are scheduled to handle dramatics and Murray Lewis will teach crafts. Midland fieldmen, Wilbur Lehman and Frank Shilston, and Gwen Goodrich, who is doing recreation and educational work in Midland’s District VI, will be on hand to help with games and folk dancing. Information concerning these recreation institutes can be secured from Frank Shilston, Midland Co-op Wholesale, 730 Johnson St., Minneapolis.

An Education-Recruitment-Publicity Institute is planned for May 16-18 and May 20 to June 1 at the DeKoven Foundation, June, Wisconsin. The institute is sponsored by The Cooperative Union, Chicago, and the Midland Cooperative Wholesale, Minneapolis. The purpose of the institute is to give intensive training to leaders and prospective leaders in cooperative education, publicity and recreation, with emphasis on procedures and techniques.

Recreation leadership training will include European folk dances, square dances, folk singing, singing games; traditional board games; informal group singing and instrumental music. Vytautas Beliajus and Chester Graham will head the staff of recreation leaders.

The combination of training in discussion group leadership, publicity and recreation should make this institute extremely valuable. For information write Henry Dyer, 2301 S. Millard Avenue, Chicago.

In addition to these specific recreational leadership conferences, a number of cooperative conferences will include recreation as an important part of the program. Such conferences include the California Cooperative Institute, Camp Shawnee, July 12-19; Cooperative Youth Course, Brule, Wisconsin, June 1-7; Cooperative Business Training, April 24. The plays were also presented at the weekly meeting of the Play Co-op, April 27 and will be given for the Morningside Cooperative recreation group, May 13.

The Cooperative Consumers Society of Bergen County, Rutherford, New Jersey, has instituted a series of Friday evening socials where members and friends meet at the organization’s headquarters for an hour or two of singing, square dancing and feasting. A newly acquired piano helps to bring out the crowd.

A group of serious minded but light-footed cooperators have been gathering Saturday nights in Indianapolis to talk and play. Folk games from the South, from Indiana, from Sweden and Denmark have been the program. "This is a real amateur's group," according to the Co-op Reporter, publication of the Indianapolis Cooperative Services, "with members of the group supplying the 'music' and directions. The group grows, because once tried, it 'get's a hold on you'."

Twenty-six former students of the National Cooperative Recreation School met at Ephrata, Pennsylvania, April 18-20 for a week-end of folk dancing and discussion. Ohio was represented by one student, the rest of the students coming from Pennsylvania and New York. Publicity for the National Recreation School was discussed and plans made for the Eastern Recreation School.

The dramatics group of the New York Play Co-op presented two one-act plays, "Helena’s Husband" by Phillip Moeller and "The Flattering Word" by George Kelley at a party given by the Rochdale Institute and the Council for Cooperative Business Training, April 24. The plays were also presented at the weekly meeting of the Play Co-op, April 27 and will be given for the Morningside Cooperative recreation group, May 13.
WHAT'S NEWS WITH THE CO-OPS

Columbus, Ohio—The big news at the annual meeting of the Farm Bureau Cooperative Insurance Services here April 15 was the announcement of a new policy which it is hoped will clean up the abuses of the industrial insurance racket.

The policy is designed to take the place of industrial policies where 97% of the so-called "burial insurance" is surrendered or lapsed and thus never fulfills the purpose for which it was taken out. Each co-op policy will be for $500 face value only, limited to one coverage per person with no examination required. The cost at age 35, for example, is $6.22 a year. It is a ninety year term participating policy, eligible for dividends, renewable to age 65 and convertible. The premiums may be paid annually, semi-annually or quarterly. Murray D. Lincoln, president of the Farm Bureau Life Insurance Company and recently elected president of The Cooperative League, proposed to the thousand representatives of 380,000 policy-holder members gathered at the meeting that the cooperative movement take the lead in providing an insurance service which will guarantee the minimum insurance necessary for the average family.

Baton Rouge, La.—The first cooperative education conference in Louisiana took place on the campus of Louisiana State University April 14 and 15 under the joint auspices of the Southeastern Cooperative Education Association and the General Extension Division of Louisiana State University. Two hundred educators, churchmen, farm, labor and cooperative representatives from Louisiana, Arkansas and Mississippi met for the conference to "Educate People to Help Themselves."

Washington, D. C.—The American Medical Association and the District of Columbia Medical Society are law violators guilty of breaking the anti-trust laws. This was a decision of the Federal District Court here which found them guilty of an attempt to destroy the Group Health Association, a District of Columbia medical cooperative.

The New York Times said in commenting on the decision:

"It opens the way to wider developments in the field of group medicine. A country with forty-eight states with wide variations in climate, density of population and occupation will need more than one type of medical practice. Experimentation with cooperatives, groups of physicians who practice as they would in hospitals, pre-payment of medical care, voluntary health insurance is clearly called for before we attempt to legislate either on a state or national scale."

New York—Dr. James P. Varbasse, president emeritus of The Cooperative League, told the five million listeners of America's Town Meeting of the Air, April 10 that they should organize cooperatives if they want to prevent effectively higher living costs.

Dr. Varbasse said an estimated $200,000,000 worth of petroleum products purchased through cooperatives last year saved members about $10,000,000.

North Kansas City, Mo.—The annual membership drive of Consumers Cooperative Association brought 318 new members to the 94 cooperative which participated in the drive completed March 15. This increase was surpassed only in 1938 when the membership drive brought in 4,945 new members.

Chicago—the fifteen regional cooperatives affiliated with National Cooperatives in the United States and Canada reported total sales of $58,820,107 in 1940, an increase of slightly over $58,700,823 sales of 1939. The number of food retail co-ops affiliated jumped from 2,950 in 1939 to 2,328 in 1940, a gain of 13.7%. The regional cooperatives' sales and membership were as follows:

Consumers' Cooperative

<table>
<thead>
<tr>
<th>Regional Organization</th>
<th>Total Sales</th>
<th>Individual Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumers Cooperatives Ass'd, Amarillo, Texas</td>
<td>$223,732</td>
<td>16,250</td>
</tr>
<tr>
<td>Eastern Cooperative Wholesale, Brooklyn, N. Y.</td>
<td>1,539,896</td>
<td>21,771</td>
</tr>
<tr>
<td>Central States Cooperatives, Chicago</td>
<td>204,658</td>
<td>12,000</td>
</tr>
<tr>
<td>Farm Cooperative Ass'n, Columbus, Ohio</td>
<td>7,304,194</td>
<td>60,000</td>
</tr>
<tr>
<td>Penn. Farm Bureau Cooperative Ass'n, Harrisburg</td>
<td>2,337,116</td>
<td>11,000</td>
</tr>
<tr>
<td>Indiana Farm Bureau Cooperative, Indianapolis</td>
<td>6,510,678</td>
<td>75,000</td>
</tr>
<tr>
<td>Midland Cooperative Wholesale, Minneapolis</td>
<td>4,460,925</td>
<td>70,000</td>
</tr>
<tr>
<td>Farm Bureau Cooperative Services, Lansing, Michigan</td>
<td>3,114,607</td>
<td>25,000</td>
</tr>
<tr>
<td>Consumers Cooperative Ass'n, N. Kansas City, Mo.</td>
<td>6,211,401</td>
<td>125,000</td>
</tr>
<tr>
<td>Farmers Co-op Exchange, Raleigh, N. C.</td>
<td>2,324,845</td>
<td>16,200</td>
</tr>
<tr>
<td>Farmers Union Central Exchange, St. Paul, Minn.</td>
<td>6,236,224</td>
<td>80,000</td>
</tr>
<tr>
<td>Saskatchewan Co-op Wholesale, **Saskatoon, Canada</td>
<td>2,041,933</td>
<td>40,000</td>
</tr>
<tr>
<td>Central Cooperative Wholesale, Superior, Wis.</td>
<td>3,865,984</td>
<td>40,000</td>
</tr>
<tr>
<td>United Farmers Cooperative,*** Toronto, Canada</td>
<td>9,755,345</td>
<td>40,000</td>
</tr>
<tr>
<td>Pacific Supply Cooperative, Walla Walla, Wash.</td>
<td>2,670,000</td>
<td>40,000</td>
</tr>
</tbody>
</table>

*Including subsidiaries
**Ten months
***Including livestock sales

Chicago—Negotiations are under way to extend cooperative insurance to the midwest states served by Central States Cooperatives, Inc. These plans were revealed at the first annual conference of Central States Cooperatives at International House on the University of Chicago campus here April 26 and 27.

The total sales for CSC were up 9% in 1940 totaling $205,000. Net savings jumped to $4,500, an increase of 410%, making possible a patronage refund to local societies of 1.7%.

Jamestown, North Dakota—A new consumers' cooperative wholesale to be known as the Northwest Cooperative Society was organized here last month. Its original membership is made up of seven co-op stores in northwestern Montana, and North Dakota. It will act as a brokerage buying organization, supplying groceries and other commodities to co-op grocery stores in those states. At the present time it will serve just as a buying agency.

The decision to form the new wholesale was made after officials had conferred with representatives of the Central Cooperative Wholesale, Superior; Midland Cooperative Wholesale, Minneapolis and the Farmers Central Exchange, St. Paul.
Oakland, California—The robust young consumer cooperative at the migratory workers' camp at Visalia, California was host to the state-wide conference of consumer cooperative leaders April 8 and 9. Representatives of the Associated Cooperatives of Northern and Southern California met to thrash out problems of organization, business management, education and finance in connection with the drive for further development of California cooperatives.

Columbus, Ohio—The first consumer-owned department store in Columbus opened April 16 and 17 when the Farm Bureau Consumers Cooperative, organized by Farm Bureau co-op employees six years ago, blossomed forth as a full fledged department store. The co-op shop occupies the entire first floor of the Farm Bureau Cooperative building. It has 870 members and operates two parking lots, a gas station, a tailor shop and half a dozen contracts in addition to the store.

New York—The Textile Workers Union of America meeting here for its annual convention April 22-25 voted unanimously to endorse the consumers' cooperative movement and instructed the educational director to foster and promote consumer cooperative study groups. The convention urged all members of the union to join consumer cooperatives and recommended that all local set up special committees to work with the educational director or the Committee on Organized Labor and Cooperatives of the Cooperative League. This was followed by the adoption of a supplementary resolution recommending that the national office of the union appropriate such funds as it deemed necessary for teaching about consumer co-ops in local unions.

New York—The spring training course for careers in consumers' cooperative conducted jointly by Rochdale Institute and the Council for Cooperative Business Training reported an enrollment of 42 students for the term which opened here April 7.

BOOK REVIEWS

The Restoration of Property, by Hilaire Belloc. New York, Sheed and Ward, $1.50. (Available through The Cooperative League)

Mr. Belloc has perhaps his most important things to say on the social union. His "Servile State" of nearly 30 years ago, for instance, charted with unerring accuracy the broad outlines of the course of heroic capitalism down through the crash of '29 and right up to the present moment. This little book on property, published 5 years ago, if less prophetic, is a substantial contribution on the subject.

Washington, D. C.—United States Senator George D. Aiken speaking before the Monday Evening Club, April 21, declared, "I think cooperation is the alternative to monopoly, either on the part of big business or on the part of the government."

In the month of February, he pointed out, Vermont was the only state in the union that had not a single foreclosed farm. He attributed to the strong cooperative movement in his state, almost every town in Vermont having a cooperative of some kind. He praised too, "the spirit of tolerance and understanding" which he attributed to the strong cooperative movement.

Palo Alto, California—Exactly six years after incorporation, the dreams of many of the members of the Consumers Cooperative Society of Palo Alto, Californian, are coming true. The society opened its second grocery store, complete with meat market and located beside the newly built cooperative service station. The property for the Cooperative Center was purchased and improved with loans from members who had sufficient faith in the organization to loan it $15,353.

Consumers' Cooperative May, 1941

Such enterprises are hardly the only villains in the piece. Mr. Belloc has presented in political means for arriving at an end much better compassed by consumers cooperation. Somehow he leads directly toward co-ops without reaching them. Consumers cooperation is typified by the principal instrument for working out his admirable scheme for restoring and maintaining economic freedom and genuine freedom for millions of the dispossessed.

—Edward Skillin, Jr.

Editor, The Commonsense

LATEST BOOKS RECEIVED

(Available through The Cooperative League)

Introduction to the Cooperative Movement, Andrew J. Kress, editor, Harper and Brothers, New York, 370 pages, $3.00.

Democracy's Second Chance (Land, Work and Cooperation), George Boyle, Sheed and Ward, New York, 177 pages, special co-op edition, $1.00.


The Consumer Movement, including a section on cooperatives, Henry S. Scott, Harper and Brothers, New York, 245 pages, $2.00.

I Chose Denmark, Francis Hacket, Doubleday, Doran and Company, New York, 309 pages, $1.00.

Selection of the month, Consumers Book Cooperative.


Sociology, a text, Emory S. Bogardus, containing a brief section on cooperatives, Macmillan, New York, 2nd revised edition 1941, 567 pages, $3.00.

We Have a Future, Norman Thomas, two brief sections on cooperatives, Princeton University Press, Princeton, 236 pages, $2.50.

A Primer of Economics, Stuart Chase, Random House, New York, 60 pages, $1.00.

 Mobilizing for Enlightenment, St. F. X. University Goes to the People, by Dr. M. M. Coudy, Antigonish, 30 pages, 25c.

The Principles of Consumers Cooperation, H. R. Lambert, 24 pages, 15c.

CO-OP LITERATURE

- Novels and Biography
  - A Doctor for the People, Michael Shaddid, special edition for the American Cooperative.. 1.50
  - The Brave Years: Wm. Heyliger .. 1.50
  - Fresh Furrow: Burris Jenkins .. 2.00
  - Co-op, by Upton Sinclair .. 2.50
  - My Story, by Paddy the Cope, Co-ops in Ireland .. 2.75

- Textbooks on Cooperation
  - Consumers' Cooperatives, Julia E. Johnson, Debate Handbook .. 90
  - When You Buy, Trilling, Eberhart and Nicholas, High school and college, two chapters on consumer cooperatives .. 1.80
  - Cooperation, Hall and Watkins, Official British Textbook .. 3.00
  - The Consumer Cooperative as a Distributing Agency, Orin E. Burley .. 3.00
  - Windows on the World, Kenneth Gould, high school text, one chapter on cooperatives .. 3.00

- Student Cooperatives
  - American Students and the Cooperative Movement, Claude Shands .. 0.25
  - Co-ops on the Campus, Bertram B. Fowler .. 0.65
  - Campus Co-ops, William Moore .. 0.65
  - Campus Co-op News Letter, per year .. 0.25
  - There Are Jobs in Cooperatives, Wallace Johnson, a Puppet Play .. 0.65
  - Cooperation—A Way of Peace, J. P. Warbasse, Co-op Edition .. 0.50

- Cooperative Recreation
  - The Consumer Cooperative, Josephine Johnson, a Puppet Play .. 0.65
  - Cooperative Recreation, Carl Hutchinson, reprinted from The Annals .. 0.65
  - Cooperative Recreation Songs, A. M. Cullins .. 0.65
  - Two One Act Plays, Ellis Cowling .. 0.65
  - The Answer, 3-act play, Ellis Cowling .. 0.65
  - The Spider Web, 3-act play, Ellis Cowling .. 0.65
  - Let's Play, Frank Shilton .. 0.65
  - All Join Hands, Edwards and Smith .. 0.65
  - Education Through Recreation, L. P. Jacks .. 1.50
  - Fun for All, two spinning games, Midland Co-op Wholesale .. 0.65
  - List of recreational materials, songs, dances, games, available from Cooperative Recreation Service, Delaware, Ohio .. 0.65

- Credit Unions and Finance
  - How to Read Cooperative Balance Sheets, Fox and Miller, 2 parts
    - 1. Learning the Language .. 0.10
    - 2. Reading Between the Lines .. 0.10
  - Other People's Money, E. R. Bowen .. 0.65
  - Credit Unions, Frank O'Hara .. 0.65
  - What You Ought to Know About Credit Unions, Anthony Lechner .. 0.65
  - Credit Union for People's Banks, Maxwell Stewart .. 0.65
  - Cuna Emerges (Credit Union), Roy Bergegren .. 0.65
  - Credit Union North America, Bergegren .. 2.00

Leaflets to Aid You: Per Pb

- How a Consumers Cooperative Differs From Ordinary Business .. 0.10
- I Saw a People Rising From the Dunes, written by Lloyd W. Cox, S. J. .. 0.10
- Learn About Consumers Cooperation .. 0.10
- The Life Way is the Quick Way .. 0.10
- The Burden of Credit .. 0.10
- What Cooperation Means to a Depression-Sick America, Cooley .. 0.10
- Answering Your Questions About the Cooperative .. 0.10
- What Attracts Members to the Cooperative Store Movement, from Sales Management .. 0.10
- Building a Brave New World, George Tichener .. 0.10
- A 20,000,000 Business With 2,000,000 Customers, Richard Giles, Printers' Ink Monthly .. 0.10
- I'M Reports Fast-Growing Co-ops .. 0.10
- Shun All Lairs .. 0.10
- Union of Church and Economics is Dramatized as Co-ops Reveal Rapid Progress, P. H. Erbes, Jr., Printers' Ink .. 0.10
- Blockbusters and Boomerangs, E. R. Bowen .. 0.10
- A Fair Deal to All Through Cooperatives, John C. Haue, S. J. .. 0.10
- Are the Campus Getting Anywhere?, George Tichener, Intercolegians .. 0.10

FILMS

- Traveling the Middle Way in Sweden, 16 mm. silent, produced by the Harmon Foundation .. 0.50
- Land of Sweden, 2 reels, Unit 1, Consumer Cooperation, 2 reels, Unit 2, Agricultural Co-operatives, 2 reels, Rural Progress, color, $5; black and white, $3; additional showings, $2.50 color and $1.50 black and white .. 0.50
- The Lord Helps Those Who Help Oth'er, a new 16 mm. film of the Nova Scotia adult education and cooperative program, produced by the Harmon Foundation .. 0.50
- Excellent photography, $2.50 per day, $3 additional showings, $2.50 per week .. 0.50
- Consumers Serve Themselves, 1 reel, 16 mm. Kodachrome, shows how cooperatives in eastern seaboard are providing homes to American workers with tested, quality CO-OP products .. 0.50
- A House Without a Landlord, a new 16 mm. silent film on the Amalgamation Cooperative Houses in New York City .. 0.50
- Co-op Wholesale Building, 2 reels, 16 mm. silent film on the Amalgamation Cooperative Houses in New York City .. 0.50
- Co-operative Play, 2 reels, 16 mm. silent, showing how cooperation is taught in schools of France .. 0.50
- When Man Is Able to Live Without Warring, a 16 mm. silent three-reel film, with English titles, of cooperative stores, wholesale and factories in France .. 0.50
- A Day With Kagawa, 3 reels, silent, 16 mm. Kagawa and his co-ops in Japan .. 0.50
- Rent: Each of three three-hour $5 per day. $3 for each additional showing or $10 per week..

POSTERS

- Organize Cooperatives, 19"x25" .. 0.15
- Cooperative Principles, 19"x25" .. 0.15
- Cooperative Ownership, 19"x25" .. 0.15
- Cooperative Ownership, 19"x25" .. 0.15
- Consumer Ownership — Or, by For the People, 19"x25", Red-White-and-Blue, 5 for $1 .. 0.15
- Buy Co-op, 19"x25", Red-White-and-Blue, 5 for $1 .. 0.15
- March On, Democracy, 19"x25", Red-White-and-Blue, 5 for $1 .. 0.15

CONSUMERS' CO-OPERATION
The first Consumer-Owned Department Store in the U.S.—Columbus, Ohio

SPECIAL RECONSTRUCTION ISSUE
COOPERATION AND SOCIAL RECONSTRUCTION
from the Review of International Cooperation

THE ECONOMIC ORGANIZATION OF FREEDOM
Louis de Brouckère

THE PROFIT MOTIVE AND THE COMMON GOOD
Dr. Ruf, Editor, La Cooperation

COOPERATION AND THE STATE
from "Kooperatoren"

JUNE, 1941

ARTICLES AND REVIEWS by Frank Harris, Jack McLanahan, James P. Warbasse and James Drury

A NATIONAL MAGAZINE FOR COOPERATIVE LEADERS
THE COOPERATIVE LEAGUE

608 South Dearborn, Chicago
167 West 12th Street, New York City

DIVISIONS:
- Auditing Bureau, 167 West 12 St., N. Y. C.
- Medical Bureau, 1790 Broadway, N. Y. C.
- Design Service, 167 West 12 St., N. Y. C.
- Rochdale Institute, 167 West 12 St., N. Y. C.

AFILIATED REGIONAL AND NATIONAL COOPERATIVES

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<tr>
<th>Name</th>
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<tr>
<td>Associated Cooperatives, N. Cal.</td>
<td>7218 S. Hoover, L.A.</td>
<td>Opportunity</td>
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<td>Associated Cooperatives, So. Cal.</td>
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<td>New Age Living</td>
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<td>Central Cooperative Wholesale</td>
<td>2501 S. Millard, Chicago</td>
<td>Cooperative Building</td>
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<td>Central States Cooperatives, Inc.</td>
<td>N. Kansas City, Mo.</td>
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<td>Consumers Cooperative Association</td>
<td>Amarillo, Texas</td>
<td>Cooperative Consumer</td>
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<td>Consumers' Cooperative Association</td>
<td>27 Centuries Slip, N.Y.C.</td>
<td>Cooperatives for Consumers</td>
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<td>Consumers Book Cooperative</td>
<td>116 E. 16 St., N. Y.</td>
<td>Readers Observer</td>
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<td>Cooperative Distributors</td>
<td>Delaware, Ohio</td>
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<td>Cooperative Recreation Service</td>
<td>135 Kent Ave., Brooklyn</td>
<td>The Recreation Kit</td>
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<td>Eastern Cooperative League</td>
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<td>The Cooperator</td>
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<td>Hooptier Farmer</td>
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<td>Farm Bureau Mutual Auto Insurance Co.</td>
<td>Lansing, Michigan</td>
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<td>Farmers' Union Central Exchange</td>
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<td>Grange Cooperative Wholesale</td>
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<td>Ohio Farm Bureau News</td>
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<td>Indiana Farm Bureau Coop Association</td>
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<td>Midland Cooperative Wholesale</td>
<td>Minneapolis, Minn.</td>
<td>Farmers' Union Herald</td>
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<td>National Cooperatives, Inc.</td>
<td>Chicago, Ill.</td>
<td>Chicago Cooperative News</td>
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<td>National Cooperative Women's Guild</td>
<td>608 S. Dearborn, Chicago</td>
<td>Hootie Farmer</td>
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<td>Pacific Coast Student Co-op League</td>
<td>Berkeley, Calif.</td>
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<td>Southeastern Coop. Education Ass'n</td>
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<td>United Cooperatives, Inc.</td>
<td>Indianapolis, Ind.</td>
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<td>Workmen's Mutual Fire Ins. Society</td>
<td>227 E. 84th St., N. Y.</td>
<td>Cooperative Building</td>
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FRATERNAL MEMBERS

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<th>Name</th>
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<td>Credit Union National Association</td>
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THE COVER

The photograph on the cover of this issue is of the first consumer-owned department store in the United States.

Organized by a handful of employees of the Ohio Farm Bureau Cooperatives in Columbus in May 1935, the co-op now has 780 members and owns one of the smartest looking department stores in the city. With a green marble front, modern windows, fluorescent lighting throughout, the co-op occupies the entire first floor of the eight-story Farm Bureau Cooperative Building in downtown Columbus.

Men's furnishings, ladies' wear, soda fountain, beauty shop, drug and toilet goods department, electrical appliance shop, tires and auto accessories, kitchen and bathroom fixtures all find a place in this multiple co-op shop.
tion and information when they take a neutral position. They must become specific advocates of cooperative economic organization, which is the only thing that will save freedom of religion and education. High credit should be paid by the Consumers' Cooperative Movement to the many preachers and professors who are both advocates and practitioners of cooperation.

Father John C. Rawe, co-author with Msgr. Luigi G. Ligutti of "Rural Roads to Freedom," has outlined in a recent article "A Program for Prosperity." He drew on the encyclical "Reconstructing the Social Order" which says, "The only thing that will make the economic and social organism be soundly established and attain its end when it secures for all and each those goods which (1) the wealth and resources of nature, (2) technical achievement, and (3) the social organization of economic affairs can give." What more is needed? Resources, techniques, organization. We have the first two. Abundant resources were put here by the Creator. Previous generations of men have developed the techniques of automatic gas and electric power production to turn these natural resources into finished products. Now the job remaining to be done, which challenges this generation, is to develop the necessary cooperative economic organization of society which will eliminate the brake of profits on progress and automatically distribute abundance to all. The pressures of both plenty and poverty combine to force rapid action to "Build Cooperatives Stronger and Faster."

"WE WERE THERE!!"

John Partanen of Cloquet, Minnesota, and John Taipale of Iron River, Wisconsin, could paraphrase the Apostle Paul and say, "We were not only present, but a part of the organization of the Central Cooperative Wholesale of Superior." "Yes, Taipale and I were there," said Partanen, when they recently retired from the CCW Directorate. "We dropped our coins in the hat to help make up the collection of $15,30 which started the wholesale, and now look at the size of the organization." What satisfaction they must have had during all of the past quarter century of their lives and will have during their remaining years to feel that they helped to start one of the "outposts of the new social order" in the north central states. It would be a study in human relations to compare what those who have lived in the competitive world have missed, with what such cooperators have enjoyed.

"WHAT CAN I DO? . . . A CONGRESSMAN GIVES THE ANSWER"

"The true spirit of cooperatives," says Congressman Jerry Voorhis, "is expressed by the messages and tidings associated generally with the Christmas season. The cooperatives not only believe in a better distribution of wealth in this country; they are acting to bring about better distribution of wealth. The cooperatives not only believe in helping themselves; they must, to be successful, believe in helping the other fellow too. The cooperatives, to live and be successful, must be unselfish. The true cooperator, for example, who lives in the city and works in industry, must be interested in the success of the cooperator who lives on the farm. The true cooperator who lives on the farm must be interested in the welfare of the cooperator in the city."

The above are extracts from an address given by Congressman Voorhis in the House of Representatives commemorating the 25th anniversary of The Cooperative League, which he introduced by saying, "I am giving to the House today a picture of the work of our American cooperatives. I think this is the answer to the question so often asked by our citizens: 'What can I do to help save my country's institutions?'

While Kagawa's present mission to the United States is largely limited to a discussion of the organization of the United Christian Church of Japan, his visit to America reminds us all of the great service he rendered the Cooperative Movement when he was here in 1937. Two of his staccato statements made at that time will be repeated indefinitely: "Cooperatives are the economic foundation of world peace." "Cooperatives are the love principle applied to industry."

THE FUTURE BELONGS TO THE CO-OPS, says the famous missionary to India, Dr. E. Stanley Jones, in discussing:

A Cooperative World at Birth

"All the great answers to the world need are going in one direction—the direction of cooperation. That is the one hopeful thing on the horizon. Fascism attempts to enlarge the area of cooperation, but stops within the limits of the state. Within the state they have a cooperative order, a national socialism. Nazism enlarges the area of cooperation, but stops within the limits of the race. Within the superior Aryan race there is a national socialism, a cooperative order; Communism enlarges the area of cooperation, but stops within the limits of the class, the class of the workers. Within the limits of the class of workers there is socialism, a cooperative order. It is true that they say they are going to a classless society, but in the meantime there will be a dictatorship of the proletariat, the class of workers. Communism stops within the limits of the class with its cooperative endeavor."

"I repeat that all the great answers are going in one direction—cooperation. If all of these are going in one direction, why is there chaos and confusion and war? For the simple reason that if you stop within the limits of the state, you lay the foundation of clash between states—as now. If you stop within the limits of the race, then other races will combine against you—as now. If you stop within the limits of the class, then other classes will combine against you and there will be class war. All of these try to found life on a partial truth and hence they will break down."

He concluded that there must be no limit to the application of the principle of cooperation. Cooperation must include "the last man of every state, every race, every class."

COOPERATIVE FELLOWSHIP

Cooperation is a practical movement—a bread and butter movement. It has to do with immediate economic benefits in the form of better quality, lower prices, higher pay, improved working conditions. It has to do with ultimate economic results in eliminating poverty, unemployment and tenancy. It deals with figures and factories, with wholesaling and retailing, with gasoline and groceries. Cooperation is also an idealistic movement. It is a way of organizing people as well as of producing and distributing things. It is spiritual as well as material. To endeavor to express an ideal human side of the movement at times is not to overlook the practical economic side. To speak of cooperative fellowship does not mean any failure to recognize the need of sound business. Brotherhood and business are two sides of the same cooperative coin.

Recently within less than a month's time we had the privilege and pleasure of attending a number of cooperative meetings where the spirit of cooperative fellowship was strongly evident—at a small group meeting, at a national committee meeting, at an inter-regional representatives meeting, at an annual regional meeting.

The Rochdale principles of Open Membership and One Person One Vote cover the democratic or equal-freedom side of Cooperation. But no Rochdale principle specifically covers Cooperative Fellowship. The Fellowship you feel when you meet another member in the cooperative is far different than when you meet someone in a chain store; the fellowship you feel when you meet...
another member in a cooperative meeting is far different than when you meet another stockholder in a corporation meeting; the fellowship you feel when you are a member of a cooperative housing group is far different from when you meet an ordinary neighbor.

If the sum of human rights is expressed in Life, Liberty and Ownership, then Ownership is the economic side of Cooperation, Control is the Liberty side and Fellowship is the Life side. Cooperative Fellowship may not be specifically covered by any Rochdale principles, but it is just as real as Cooperative Control and Ownership which are definitely provided for.

Cooperative Fellowship is the vital ingredient of the Cooperative Movement. Without it, no cooperative will be an economic success. With it, a cooperative will not only succeed economically but will give to its members a supreme degree of happiness in human relations not otherwise realized.

THE COOPERATIVE MOVEMENT IS GETTING TOGETHER

The 25th Anniversary Congress last October was a great get-together for the Consumers’ Cooperative Movement. It demonstrated both the Unity and Action of the Movement.

It has been apparent during the months since the Congress that the spirit of get-together is spreading. Some of the evidences of this fact are the following:

The application for membership in The Cooperative League of additional regional cooperatives.

A joint meeting of Committees of National Cooperatives and United Cooperatives.

A joint meeting of Committees of National Cooperatives and United Cooperatives to hold a joint meeting.

The organization of Cooperative Insurance Services by Midland and Central Cooperatives and their local cooperative members to jointly distribute various kinds of insurance in the States of Wisconsin and Minnesota.

A half day program during the annual meeting of Farm Bureau Insurance Services at Columbus, during which the State Secretary of a Labor Organization and the State Secretary of a Farm Organization spoke on the same platform and talked the same language.

The first annual meeting of Central States Cooperatives of Chicago, which is the combined organization of the previous Central States Cooperative League and The Cooperative Wholesale, with the best report in the history of the organizations.

The settling of the controversy between the Cooperative Oil Association of Caldwell, Idaho, and the Pacific Supply Cooperative of Walla Walla, Washington, in a cooperative spirit of compromise.

The first meeting of the joint Legislative Committee of The Cooperative League and National Cooperatives and the adoption of a national legislative program. This meeting, in a sense, completed the initial job of financing and staffing the Washington office, organizing a joint Legislative Committee and adopting a program of action.

It is said that we progress by desire or necessity—that our progress is measured by our degree of impulsion by desire, rather than compulsion by necessity. In all these significant indications of the getting together of the Movement the action taken has been the result of voluntary desire. The leaders of the various organizations which have been involved in these and other similar united activities are to be congratulated over their increasing display of true cooperative spirit.

COOPERATION AND SOCIAL RECONSTRUCTION

From the Review of International Cooperation

The New Order which is to assure the maintenance of the future Peace of the World after the war is a subject of vital importance for humanity, and many opinions are being expressed as to the basis upon which it should be established.

The Malvern Conference Recommendations

The following proposals which emanated from a Conference convened by the Archbishop of York at Malvern are of special interest to Cooperators as they clearly express a desire for an Order of society which the application of the Rochdale Principles is capable of assuring—

1. The industrial world as we know it offends at many points against the principles which we have affirmed. To a large extent production is carried on not to supply the consumer with goods but to bring profits to the producer; and the producer in turn is often subordinated to the purely financial ends of those who own the capital plant or supply the credit to erect or work it.

2. This method of ordering industry, which tends to treat human work and human satisfaction alike as means to a false end—namely, monetary gain—becomes a source of unemployment at home and dangerous competition for markets abroad. We have seen the unemployment of Germany cured by an armed program, whether adopted primarily for this purpose or not, and have cured our own, though (even so) not completely, by the same means. The system under which we have lived has been a predisposing cause of war, even though those who direct and profit by it have desired peace.

3. The monetary system should be so administered that what the community can produce is made available to the members of the community, the satisfaction of human needs being accepted as the only true end of production.

4. This status of man as man, independently of the economic process, must find expression in the managerial framework of industry, the rights of labour must be recognized as in principle equal to those of capital in the control of industry, whatever the means by which this transformation is effected.

5. In international trade, a genuine interchange of mutually-needed commodities must take the place of a struggle for a so-called favourable balance.

I.C.A. Declaration of Cooperation

In January, 1936, the International Cooperative Alliance published a Declaration on the Significance of Cooperative Economy which sets out in the following six points how Cooperative Economy differs from Capitalistic Economy—

I. It substitutes the service of the community for the profit of the individual, establishes a genuine interdependence between its members throughout the world and a means, through international association, of achieving equilibrium in the economic sphere between the needs of the people and world resources.

II. It dethrones capital from the dictatorship of economic life and puts in its place the Association of Mankind on the
Consumers' Cooperation

members of the so-called middle classes give up seeking their salvation in an impossible return to a dead past, and take

operation will procure the same advantages small trader as soon as these sorely tried

will assure to them the advantages has achieved its greatest successes, it pre-

households. It creates the mighty "base-

ket," around which the baskets of thou-

ders of housewives unite. It safeguards the independent of the small farms, while assuring to them the advantages enjoyed by the biggest enterprises. Cooperation will procure the same advantages for the households of the artisan and the small trader as soon as these sorely tried members of the so-called middle classes give up seeking their salvation in an impossible return to a dead past, and take

conditions of labour on the highest plane of advantage to the employees which economic conditions permit.

Parallels of Principles and Practice

It will be seen that the proposals of the Malvern Conference are in striking harmony with the Declaration of the Alliance, and that their goal can be achieved by Cooperative Economy. It is not surprising that proposals of this character should emanate from such a Conference for have not some of the greatest leaders of our Movement often emphasized that the Principles of Rochdale Cooperation had their birth in the Sermon on the Mount; and the basic Cooperative Principle, "Each for all, and All for Each," is it not simply a variation in phrasing of the Second Great Commandment "Love Thy Neighbor as Thyself"?

THE ECONOMIC ORGANIZATION OF FREEDOM

By Professor Louis de Brouckere, Former Professor of Cooperation at the University of Brussels

(From The Cooperative News)

I T WAS cooperation which first provided a full realization of the economic organization of freedom. For nearly a century it has shown the way, and the value of its solutions has been strikingly demonstrated by success. What cooperation has already achieved in a wide domain can inspire other successful solutions in different domains.

Wherever the cooperative movement has achieved its greatest successes, it presents itself in reality, as a federation of households. It creates the mighty "basket," around which the baskets of thousands of housewives unite. It safeguards the independence of the small farms, while assuring to them the advantages enjoyed by the biggest enterprises.

Cooperation will procure the same advantages for the households of the artisan and the small trader as soon as these sorely tried members of the so-called middle classes give up seeking their salvation in an impossible return to a dead past, and take

cooperators, and nothing is done without their decision and approval.

5. Cooperative democracy is as egalitarian as it is libertarian. The members participate on equal terms in all decisions without regard to class or wealth. Each has but one vote, no matter how many shares he may hold. If any distinction is made between members as regards the distribution of social advantages, it is not based on the amount of share capital, but solely on the basis of member's needs as shown by his purchases.

6. Cooperative democracy is also an interdependent democracy; "Each For All, All For Each." An ever increasing proportion of its surplus—which on account of its prosperity, it not needed for its business—is devoted to works of mutual aid. It protects its members against ignorance by its educational activities and against the hardships of life by its insurance institutions. It considers its first duty to be the strengthening of that basis which is essential to all real social life—security.

Nothing Succeeds Like Cooperation

Anyone who knew nothing of cooperative activities would probably think that these formulas represent only purely abstract ideas born in the mind of some theorist. He might even smile at their idealism—not to speak of their naivety.

But how amazed he would be to learn that, throughout the whole world, ever increasing masses of the people are carrying on many of the transactions necessary to their economic life according to these "dreams," and that their organisations, far from being found in ruins, have had remarkable prosperity.

Indeed, our Movement has plainly demonstrated the immense value of economic democracy by the sole argument which is irrefutable; by putting it successfully into practice. We can understand the feeling of pride which led Charles Gide to say, "Cooperation is the only social experiment which has succeeded."
THE PROFIT MOTIVE AND THE COMMON GOOD

By Dr. Ruf, Editor, LA COOPERATION
Published by the Swiss Cooperative Union

It is certain that the free play of "natural laws," from which liberalism (capitalism) expected the common good, has led the world into the worst of chaos, and through this to a policy of State intervention which cannot without injustice be made a complaint against the State. Is it not incumbent upon the State to restore order? And is not the State called on to assist, in the last resource? It is a truism to say that intervention is born of the need to palliate the deficiencies of private activity, but it would be necessary to make it clear that in the majority of cases this deficiency is a synonym of disorder and abuse. One cannot demand more from private initiative than the pursuit of the profit aims to which it is devoted, and which, when not checked, are generally only attained at the expense of the whole community.

Private Interests the Basis of the Co-operative Order

The imperious necessity for an ultimate organisation of economic life will, indeed, not be denied, and, consequently, of carrying out a preliminary grouping of enterprises and professional branches. But the suggestion will perhaps be permitted that, even if these economic corporations thus established are capable of carrying out useful coordinating and advisory functions, they, nevertheless, in virtue of their nature, preserve their initial objects, which remain of a private order. By what means grace would these private and, as a rule, conflicting interests unconditionally subordinate themselves to general aims? The professional order, unfitted by definition to identify itself with the general interest with which it claims a connection, cannot do so except through its subjection to the State. And it is thus that liberalism, in preparing the way for Stateism, finally produces a kind of totalitarian monster.

COOPERATION AND THE STATE

From: "KOOPERATOREN"
Published by Kooperativa Förbundet of Sweden

Over large areas of the world, ideological development is in many places in sharp contrast to those ideas of democracy which, during the rise and expansion of the Consumers' Movement, constituted its proper "living space." As to the organization of economic life, this, in conscious or unconscious assimilation with authoritarian thought, has taken an increasingly compulsory form with unmistakable features directed precisely against the creative ideas of Co-operation. Even in the democratic countries, national economy, following the outbreak of war, was partly clothed in the garb of compulsory organization in order to withstand the effects of the crisis. There is, however, a risk that the democracies themselves will not be able to keep apart the two sharply distinct forms of state compulsory organization, the corporative philosophy of the New Order and the crisis order imposed by necessity.

Vigorous propaganda of ideas on the part of the Cooperative Movement is, therefore, necessary in order to make clear the difference. On one hand, we have the economic philosophy which sees in self-sufficiency a necessary step towards increasing the power of the State, and regards its effects upon the standard of living of the individual as something quite subsidiary; on the other, the opinion which sees the raising of the standard of living as the aim of economic life, that is to say, which consciously endeavours to uproot poverty and backwardness, and as one of the most important means to this end envisages collaboration based on freedom and free-will between consumers and between the countries, within the framework of an appropriate international division of labour.

Accordingly it becomes all the more important that propaganda of cooperative ideas should drive home and make clear to the members of the Movement that the present compulsory economic organization is a necessary evil which has come upon us as a result of the crisis, but which is totally undesirable. All the sacrifices and privations which war economy imposes on the individual should give food for thought, and the obvious possibility that, even in the democratic countries, a large measure of State influence upon national economy will remain.

There is nothing to be said against this on the part of the Cooperative Movement. As long as the State is truly democratic it cannot have any interest in restricting the Movement's freedom and the right of all citizens to free economic organizations, strong in action. The real interest of the Government in democratic countries after the war all unnecessary compulsion over economic life will be abolished, and that the Cooperative Movement, like other forms of enterprise, will have much greater possibility than at present to function to the advantage of the community.

REGISTER NOW

ALL AMERICAN TOUR OF COOPERATIVES
July 7-19
2600 miles — $88
"Your opportunity to see America's co-ops at work"
For information write
THE COOPERATIVE LEAGUE, 167 West 12th Street, New York

Consumers' Cooperation

June, 1941
THE TRAIL TO CO-OP FUN

At long last, the cooperative movement has recognized and given recreation the place it deserves. The social needs of cooperators can be filled throughout the nation by well-organized programs of cooperative recreation. The principles of recreation for fun and for the satisfaction to be gained from creative activity have been accepted and put into practice. As a result, many cooperators have been introduced to folk dancing, crafts, dramatics, games, group singing, etc. And what fun they’ve had playing!

But are all the recreational needs of our friends filled by these community groups? No. Everyone deserves, particularly during the spring, summer and fall, to spend his time outdoors in the country. And have we a means at hand by which we can spend our week-ends and vacations in the open and also in a cooperative manner? I should say we have.

Hosteling furnishes the answer. For hosteling, besides being the most economical mode of traveling and enjoying the beauties and wonders of nature, is also a truly cooperative way of living. Much more so than our daily existence at home, at work and even at play.

“What’s that you say? What is hosteling and how can it affect me? And what do you mean when you say it’s more cooperative than my present activities?”

Let’s Go Hosteling

Suppose, instead of just answering your questions, you come with me on the trip I’m planning for this week-end. I’ll bet you have swell weather, probably we’ll see our week-ends and vacations in the open and also in a cooperative manner. And we have.

Hosteling is fun. For hosteling furnishes the answer. For hosteling, besides being the most economical mode of traveling and enjoying the beauties and wonders of nature, is also a truly cooperative way of living. Much more so than our daily existence at home, at work and even at play.

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HERE'S AN IDEA—
FOR GETTING YOUR NEWS ACROSS

IT HAS been said that one picture is worth 10,000 words. By whom it was said and under what circumstances would make a good question for a quiz program, but doesn’t concern us here. However, it does suggest something for coop publicity and press that seems to have been overlooked. It is the use of more pictures and illustrations.

If there is truth in the above quoted statement, we cooperators should cancel out some of the space that we daily fill with words and substitute a few pictures. Of course the answer usually comes back that pictures cost too much. But if there is anything like a comparison between one picture and 10,000 words, maybe the cost isn’t as great as we think. Ten thousand words take up space and cost a lot to set and make up. One picture couldn’t cost as much. Maybe we’ve too readily accepted the idea that pictures cost so much more than words that there is anything like a comparison between one picture and 10,000 words.

Pict ures Not a Luxury

Give it some thought and I believe you’ll find that pictures aren’t expensive luxuries in a publicity program but a real necessity. How to get them is the next question.

If you have a co-op paper you will have an editor, staff and contributors. These may be paid or they may be volunteer workers. In any case the first thing to do is to get cameras into their hands. Provide them with cameras, or urge them to buy one. Maybe the paper can afford to give cameras as prizes in a picture or news contest.

Here again people tend to think that cameras are expensive. That might have been true in the past but is not so today. There are a number of inexpensive models on the market that do a good job. As a low priced camera that will serve all purposes I’d recommend the Agfa Shur-Flash “Pioneer” or “Chief” or the Eastman 620 Flash Brownie. These cameras come with flash attachment synchronized with the shutter and can be used indoors or out with equal ease. Cost is around five dollars.

Five of the Midland fieldmen have used cameras of this type with excellent results. The greater portion of the pictures used in the Midland Cooperative since last summer have been taken with such cameras.

Ready to Shoot

Now that some of the staff or your members have cameras, you are ready to snap the 10,000 words. It doesn’t take a lot of skill. Read directions and be willing to do a little experimenting. Carry the camera with you at all times, ready for indoor or outdoor use. Agfa Super Pan Press or Eastman Super Double X film will cover both assignments with satisfactory results. Whenever you see something that has news or interest value, snap it. You will be surprised how soon you’ll begin to “see a picture” in almost every situation. Take several pictures of each subject. If you get one good print out of every five, you are doing well.

After prints are made, cuts can be run for newspapers or magazines. In the case of offset printing, the print is used direct and it is not necessary to have a cut. If the picture has come out at all well, whether used in the paper or not, send the negative to the person or persons of whom the picture has been taken. I’ve found that this is appreciated and builds good will. It’s a lot better than just letting the negative clutter up your desk.

How to Win Friends

There is another angle to making pictures that is frequently overlooked. It is the effect on the subject. People like to have their pictures taken and as you go about with your camera you’ll be winning friends. And if you do finally run their pictures they have a friend for life. I’ve found it a good way to “crack” situations that can’t be approached in any other manner. In many cases results of this kind will offset the cost of many pictures.

Think about using pictures when designing your papers, bulletins, leaflets and other publicity. Your budget will keep you from spending a lot, but with some careful planning you’ll be able to afford more pictures in place of the printed line than you ever figured was possible before. You’ll dress up your publicity, give it more reader appeal and get people to look at it. And remember, what people see makes a far greater impression than what they read or hear.

John Carson
Washington Representative
The Cooperative League

WASHINGTON—Out of the National Nutrition Conference, where several hundred delegates listened to good scientific speeches and windy political blather came one important development. Paul V. McNutt, Federal Security Administrator, committed himself and the Roosevelt administration to an all-out crusade in support of a program—a program the conference could agree upon—to see that the 40 per cent of our people who are ill-fed, shall be fed. With the nation already sold on diets and vitamins by the profit-motivated industries, the Nutrition Conference blazed into a crusade. It started a band wagon moving rapidly the Administration leaders will have to ride it out. The net result is that the advocates of a program of distributing abundance, rather than skinning off scarcity, are in the saddle. This Conference, despite its obvious political foster-fathering, may do more to change our economic policies than any one force recently developed.

The People’s Lobby, an organization sponsored by the irrepressible Ben Marsh, staunch Single Tax leader, called on Congressman Jerry Voorhis and Wallace J. Campbell to tell radio listeners over a national hook-up how and why consumer cooperatives were the practical way to help consumers. So enthusiastic was the audience that Marsh is planning another radio broadcast.

When the legislative committee of the Cooperative League of the U.S.A. and National Cooperatives agreed to carry through to a successful ending the fight of the cooperatives for the right to do business cooperatively in the distribution of bituminous coal, the committee forced to the surface the broad issue of a free economic system or a controlled economic system. The issue exists now in the handling of coal. Some of the oil interests are flirting with government control by government, rather than by the oil trust. Oil regulation and price fixing may not be debated during this Congress, unless the defense price-fixers precipitate it. But it is certain to come when the oil trust realizes consumers are organizing and developing the strength to gain freedom. The fight for freedom in handling coal is being slowly organized. It is probable.
the hearing before the Coal Division, where Midland Cooperative Wholesale sought recognition of its rights, will be reopened to fill any holes in the official record. Then if a court case develops, the

WHAT'S NEWS WITH THE CO-OPS

Washington, D.C.—Consumer cooperatives in the nation's capital doubled their volume of business, opened a new grocery store and moved into their own modern service station building during the past year. Volume of business of all the co-ops reached the $300,000 mark. Rochdale Stores' sales jumped from $117,000 in 1939 to $231,000 in 1940 with membership growing from 613 to 978. Sales for Konsum service station and repair shop boomed from $19,000 to $44,000 in the same period. Consumers Services, Inc., a group of small grocery buying clubs, and Konsum Credit Union also reported marked progress.

New York—The Amalgamated Cooperative Apartments, the world's largest tenant-owned housing development in the United States, has completed plans for the construction of three new buildings containing 48 two and three room apartments. Half of the new apartments have been subscribed for and construction is scheduled to start in June.

Detroit—A group of trade unionists who have been studying cooperative housing for the past year have purchased a 120-acre tract 13 miles from Detroit for their housing project. Capital was raised through the Cooperative Thrift Guild in which the members deposited a small percentage of their wages each week.

New York—Consumers Cooperative Services, New York's chain of eight co-op groceries, has opened a new co-op store and moved into their own modern service station building during the past year. Volume of business of all the co-ops reached the $300,000 mark. Rochdale Stores' sales jumped from $117,000 in 1939 to $231,000 in 1940 with membership growing from 613 to 978. Sales for Konsum service station and repair shop boomed from $19,000 to $44,000 in the same period. Consumers Services, Inc., a group of small grocery buying clubs, and Konsum Credit Union also reported marked progress.

New York—Consumers Cooperative Wholesale got off to a good start toward its goal of five million dollars this year by pulling up a sales record of $1,093,369 in its petroleum and grocery division for the first quarter. This is more than 20% ahead of volume for the first quarter last year.

Superior, Wisconsin—April, the Booster drive month, saw sales volume of Central Cooperative Wholesale jump forward to $4,025,509 bringing the first four months sales for the co-op wholesale to $14,171,049 an increase of $189,900 over the same period last year.

Columbus, Ohio—The Farm Bureau Cooperative Association pushed its total business to a new high of $1,870,207 for the first three months of 1941, marking a gain of 24% above the first quarter in 1940.

Regina, Saskatchewan—An absorption and stabilization plant is being added to the new plant of the Consumers Cooperative Refineries at a cost of $25,000. This unit will increase the gasoline yield from crude oil from eight to ten per cent.

The equipment is expected to pay for itself in less than one year.

Superior, Wisconsin—Over 150 delegates from three states meeting here May 3 and 4 for the 11th annual convention of the Northern States Cooperative Youth League accepted as their motto “200 by ’42” and made plans to boost their membership from 1,500 where it stands today to 2,000 by the next convention. Sixteen new locals and 400 new members were added last year.

North Kansas City, Mo.—“You ought to be transferring the permanence of the cooperative idea into steel and stone,” Frank Lloyd Wright, one of the world’s foremost architects, said when he visited the Consumers Cooperative Association here May 8. Mr. Wright discussed with Howard Cowden ideas for a new head quarters and factory buildings for CCA and said when he departed, “It’s easy to get me back here. All you need to do is to start building.”

Hampton, Virginia—“The best test of the usefulness of a cooperative is its ability to act as a pace setting influence for profit business,” W. G. Wyisor, general manager of Southern States Cooperative, told educators, churchmen, cooperators and credit union representatives who met at Hampton Institute here May 5 and 6 for the third of a series of conferences sponsored by the Southern Cooperative Education Association.

Southern States Cooperative does about 15% of the farm supply business in the five southern states it serves. But it sets the pace for both price and quality, said. Organized in 1923, Southern States Cooperative will purchase about $17,000,000 worth of commodities and services for its 100,000 members this year.

SUMMER OPPORTUNITIES IN COOPERATIVES

The First All-American Tour of Cooperatives

Starting at Columbus, Ohio, July 7 and closing in Kansas City, July 19.

National Cooperative Recreation School


National Cooperative Publicity and Education Conference


First Summer School on Careers in Consumer Cooperatives

New York City and Amherst, Mass., July 7 to August 23.

California Cooperative Institute

Camp Sierra, July 12-19.

Camp Sherbrooke Institute

The Cooperative Federation of New Jersey, July 12-19.

The Eastern Cooperative League Institute

Amherst, Mass., August 5-9.

Camp Newton-Hamilton Institute


Eastern Regional Recreation Workshop

Hudson Shore Labor School, August 16-23.

CCA’s First Co-op Summer Institute

Estes Park, Colorado, the week of August 4.

Circle Pines Center

A series of institutes on Cooperative Business Management, Recreation, Housing, Labor, Education, Youth, Health, Women's Guild and Student Cooperatives running consecutively from July 6 through September 6, near Hastings, Michigan.

REVIEW


This book is a selection of readings assembled to supply cooperative literature about the consumer cooperative movement. Some of the selections deal with cooperative history, others with the social effects of the new movement, and still others are descriptive of the many kinds of cooperative action. Included are selections on cooperative medicine, cooperative savings, the producers movement, the marketing of agricultural products and the international cooperative movement. This is also a section on cooperative statistics.

Life today is so complex it is extremely difficult to see the whole or the inter-play of the parts within the whole. Most of us are limited in an outlook through specialization. Those who have cooperatives in which we find our daily contacts absorb so much of our attention, we fail to recognize them as but a part of a much greater whole.

And so it is with cooperation. Many people know little and care less about it. Others accept it as a complete answer to all our ills or may go to the other extreme and set themselves in violent opposition to it. Rare is the indi-
under "industrial cooperation" along with work of Charles Gide and a paltry few other economic teachers, consumer cooperation has been confused with a multitude of interests wholly unlike it and philosophically unrelated to it. I have no hesitation in saying that the consumer cooperation movement will never be in a position to take its place in the changing world and stand out as a dominant way of life and of business until its leaders understand its unique quality. Consumer cooperation is different and unrelated to any other economic system. And this fact is not yet grasped by its promoters.

This book on cooperation gives a few pages to consumer cooperation but it goes chapters to agricultural marketing and workers' cooperation. When we turn to "Cooperation in the United States," we find the chapter opening with "Farm Credit." Then comes "Cooperative Marketing." This is followed by a chapter on the McNary-Haugen bill, California Fruit Growers, California Walnut Growers, Eatmore Cranberries, Interstate Milk Producers Association, and other capitalistic profit business. Consumer cooperation is treated only under the heading of "Cooperative Purchasing." Under this option, the reader finally finds about one page which indicates that there are consumers in the United States engaged in a more or less uncoordinated attempt to supply some of their needs. Here the author speaks of "general store-keeping, the grave of old cooperative hopes." What is called "cooperative purchasing" Mr. Fay treats as a device which the farmer has added as a sort of fifth wheel to his market wagon. "How far and in what directions the range of supply is being extended to include domestic goods, is not easy to discover; and here above all the external student would welcome an academic monograph." The reviewer suggests that the "external student," if he should turn out to be a student, will find easy access to the information he needs in the voluminous literature on American cooperation from the hands of Cowling, Daniels, Bergengren, Parker, Fallot, Schmals and a score of others.

This book on cooperation contains no mention of the organized cooperative movement in the United States. Still it is rich with information on other subjects. European cooperation is well represented and discussed up to the outbreak of the present war. There is much information about the cooperatives in the totalitarian countries.

Mr. Fay writes as historian rather than as economist. He shows that the Rochdale Principles have been used by the society of Meltham Mills and others for several years, and the Lennoxtown Society had employed it thirty years before. He characterizes Gide with the Webb, and says of Gide that "he was not torn between cooperation and socialism."

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The national magazine of the consumers' cooperative movement ought to be available in every public library in the country. Already we have hundreds of college, school and public libraries on our subscription list. These are only a small part of the libraries which ought to be receiving copies. Many a cooperative got its first knowledge of the American movement through books and magazines he read in his local library.

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THE PICTURE ON THE COVER
Forty educators, churchmen, civic and cooperative leaders start on the First All-American Tour of Cooperatives.

This picture at the Clinton County Farm Bureau Cooperative Assn., Walla Walla, Wash., Ohio was taken on the second day of the tour following visits to the Farm Bureau Cooperative Association and Farm Bureau Cooperative Insurance Services with headquarters in Columbus, Co-op Department Store, the Columbus Consumers' Cooperative's gas station and store and a banquet at Ohio State University the opening day.

The Cooperative Tour, greeted by unprecedented publicity, included visits to all types of cooperatives in nine states on its 2600 mile itinerary.

A COOPERATIVE CRUSADE GENERATING

There are many signs of a growing response within the Cooperative Movement to the challenge made at the 25th Anniversary Congress last October for “A Cooperative Crusade.” There is plainly an internal ferment in the Movement which is beginning to be expressed, although as yet in somewhat of a general form, but which will doubtless crystallize into definite action. It calls for a restatement of the general as well as the specific objectives of the movement; it calls for the formulation and adoption of a unified national program to be participated in by all regional and local cooperatives; it calls for the adoption of definite methods of appealing widely to the American people.

Those present at the Publicity and Education Conference recently held at Ames, Iowa started the ball rolling toward a national cooperative drive which will have been discussed by the national directors at their meeting in July and further steps taken by the time this issue reaches our readers. Prepare to participate in "A COOPERATIVE CRUSADE." It is under way.
Consumers' Cooperation

"Just going through all the routine things of life is not enough to satisfy all the things which make up a human being. You have to have something else, and you get great enjoyment out of creating recreation for yourself."

—Neva Boyd, at National Cooperative Recreation School

"We are trying to develop a cooperative culture to round out the cooperative program."

—Carl Hutchinson, Past-President Cooperative Society for Recreational Education

"Vanishing ownership is the major problem in American agriculture today."

—Bishop Vincent J. Ryan, President, National Catholic Rural Life Conference

"It is an easy step, a quick step, from the techno-tyranny of over-centralized companies for which we merely labor, to the techno-tyranny of a Stalin or Hitler for whom we slave."

—Father John C. Rawe, S. J. Institute of Social Order

"The obvious interpretation of 'Our Father' crashes head on with our accepted economic system. No man can in sincerity say 'Our Father' and not invoke economic revolution."

—Alvin T. Coate

"You cannot be economically free unless you free yourself. The State can not make you free."

—Father Leo R. Ward, Notre Dame University

"Both nature and supernature furnish the pattern for the farmers' social and economic life. He must not stand alone. He must not live his life in isolation from his neighbors. He must combine with his fellow farmers for purposes of cooperation. In the field of his material interests these undertakings of cooperation are cooperatives. Cooperatives do more than build up the material foundation of cooperators. They build men."

—Bishop A. J. Muench, Fargo, N. Dakota

"With cooperatives, tricks and meanness seem to go out of business. No special group is prospering, hence no necessity to make big profits. Everyone is getting the profits—why pay high prices to make dividends higher when they go right back into high prices? Of course, in regular business high prices mean high dividends, but the few who get the dividends accumulate them at the expense of the majority who pay the high prices, and the majority have enjoyed nothing except the struggle to pay the high prices for the favored few to enjoy dividends."

—Vaino Tanner, in "Finland Forever"

by Hudson Strode

"James J. Tompkins, a Nova Scotian priest through whose leadership and teaching an agricultural people learned to become masters of their own economic destiny."

—Citation by Harvard University June 19, 1941, when Fr. J. J. Tompkins was given an honorary degree of Master of Arts in "Cooperative Economics" by Hudson Strode

"The late Rann McDonald was one of the first men to join a Study Club in New Waterford. He played a most active part in the New Waterford Credit Union. He was the first president of the New Waterford Cooperative Society." He lived cooperatively.

—From the Maritime Cooperator
“No fledgling feeds the father bird!
No chicken feeds the hen!
No kitten mouses for the cat—
This glory is for men;
We are the Wisest, Strongest race—
Loud may our praise be sung!
The only animal alive
That lives upon its young!”
—Charlotte Perkins Gilman

CO-OPS FIGHT FOR LIFE

It is no more or less than a life and death struggle for cooperatives if they can be denied, by any legislative act or administrative ruling, the right to engage in any activity because of their payment of patronage returns on purchases.

This is the reason the decision of the Director of the Bituminous Coal Division of the Department of the Interior on the application of Midland Cooperative Wholesale to be designated as a registered distributor denying that right is of such great significance to the Movement and has aroused such widespread interest. If a cooperative can be denied the right to handle any one commodity or supply any one form of service, then by the same token it can be denied the right to deal in any other commodity or service.

We want to emphasize that this decision will not be accepted by the Cooperative Movement "lying down." It will be fought through to a successful conclusion whatever action may be necessary—by appeal from the decision, by court procedure, by Congressional action—as may be determined by the Joint Legislative Committee of the Cooperative League and National Cooperatives. The moves to be taken and whatever help which will be needed on the part of every cooperative and cooperator will be announced from time to time. Be prepared to do your part as action is called for.

PRICE INFLATION ON

The index of basic commodity prices has risen from 100 on September 3, 1939 when war was declared, to 149.3 at the close of June 1941, or nearly 50%. The index of general commodity prices is now also moving up from week to week. The index price of basic commodities precedes and is followed by the index of general commodities, both in inflation and deflation, as proven by the course of the two index lines during and after the first world war. There is no good and sufficient reason to assume that general commodity prices will not follow basic commodities during the present period of price inflation. Economic forces are more powerful than political regulation in a democracy. Only under dictatorship can prices be controlled and then only partially.

Vice-President Henry A. Wallace says today that "prices of all kinds have gone up faster in recent months than ever before in history." Cabinet Secretary Jesse Jones says, "we're going twice as high as ever before." All of this should give point to the recommendations of the National Society of Cooperative Accountants as to what cooperatives should do to get their houses in order. (See their report on another page.) The principal recommendations, which are applicable, war or no war, are to "Get Out of Debt," and to "Build up Cash Resources." When you are out of debt and have cash on hand you are in the best kind of position to take advantage of every turn of events as they may come, and to protect your cooperative from possible financial difficulties.

Consumers Cannot Depend On
Government Price Controls

We take quite a philosophical view of life as it evolves from competition to cooperation. We recognize the necessity as well as the desirability of gradual evolution over sudden revolution as the only real process of progression.

When we say that the original idea of self-regulation by profit business has failed, we are only recording a fact. Free competition has been replaced by monopoly competition and the little people are being ground to death between the millstones of poverty and war—the farmer, labor, office and small business folks, who make up the vast majority of the people.

When we say further that state-regulation of profit business, which we are now undertaking, will not work in the permanent interests of people, we are also only recording a fact which cooperators, of all people if they are to be the salt of a new world should be fully aware of and not be fooled. Yet we recognize fully that we must go through a certain amount of state-regulation as a temporary measure because we have failed to organize ourselves as consumers and producers into self-help non-profit cooperatives and unions to a sufficient extent to control the economic system within itself. So we are using an external unnatural political agency in the emergency. The problem is whether we will not rely upon it to go so great an extent as to end in Fascism or Communism.

We are concerned lest cooperators who are building the new world of plenty and peace should allow themselves to be too optimistic and complacent over the encroachments of the state. We believe they should recognize that today the consumers' representatives in Wash-ington are largely lambs in a den of lions. It is not a question of their being fine and earnest folks—it is a matter of their actual power to control prices in the interests of the consumers which is the primary question. The Guffey Coal Act is said to have cost consumers $100,000,000. Yet, the law provided for a Consumer representative. A tariff act originally provided for a Consumer Counsel but the clause was vetoed. However, it would have made little, if any, difference as any tariff is intended to raise prices to domestic consumers and no Consumers' Counsel could prevent it.

The NRA had a Consumers' Advisory Board. Did it prevent prices rising under the NRA days? Certainly not. Some of the members of the Board did effective work in their individual capacities but the Board could not protect the consumers against price rises. Nor can the Consumers' Counsel of the Department of Agriculture prevent farm prices rising, even if desirable, which it has not been.

Now we have a new Office of Price Administration and Civilian Supply under the defense program. But the horse is already stolen or will be. This time we have let billions of dollars of contracts on a cost plus basis, as we did in the last war, and have also now agreed to an amortization schedule which will give the factories to the manufacturers in a few years. The T.N.E.C. report rightly concluded, "Speaking bluntly, the government and the public are 'over a barrel' when it comes to dealing with business in time of war or other crisis. Business refuses to work except on terms which it dictates."

One of the most reliable Washington commentators says that the accomplishment of the previous Prices division of
the OPM "is hard to determine" but that one expert in the division summed up its work in these terms, "Well, at least we've kept down the prices of pipe organs." The new Office of Price Administration also absorbs the previous Consumers' Division, the results of which have been described as "a debacle."

In this war the consumers and their representatives are today pawns of the profit economic-state. A single line in Business Week is far more revealing than most people recognize. "Bernard M. Baruch is a fairly regular visitor at the White House these days." It might be added for those who do not appreciate the implications of those few words that he has been considered the unofficial liaison contact man between Wall Street and the White House for at least 25 years under all political administrations.

Only when consumers and producers organize themselves into cooperatives and unions to the extent necessary to control the economic system, and in addition elect to Congress a majority of farmers and workers, as in Scandinavia, will the lions overcome the lambs and the meek inherit the earth which is rightfully theirs but which they have given away through their own selfishness and ignorance.

What Makes War?

SOME people thoughtlessly say that war is made by the selfishness or ignorance of leaders. They do not look beyond the names of the current leaders and realize that leaders only act in response to the desires of the people which they have expressed in their institutions.

Abraham Lincoln personally endeavored to avoid war. But the desires of the people which they had expressed in the institution of slavery overcame his resistance. On Feb. 22, 1861, in an address in Independence Hall, Philadelphia, he declared, "In my view of the present aspect of affairs, there is no need of bloodshed and war. There is no necessity for it. I am not in favor of such a course; and I may say in advance that there will be no bloodshed unless it is forced upon the government. The government will not use force, unless force is used against it." Yet in two months we were in the Civil War.

An editorial in THE FREEMAN discusses this subject. One paragraph reads, "Naive indeed is the one who believes that any president can prevent our suffering the scourges of the war in which we are already engaged. No man makes war, no man unmakes it. It is a disease inherent in an economy which makes for a large class of workers who have little and a small class of non-workers who have much. The germ is ever-present in our social order; and the so-called leaders are as impotent to mitigate its ravages as are the bewildered mob supplying these leaders for relief. It must run its course."

Yes, it is our economic system which expresses the current desires of the people, and not our political and economic leaders, which is responsible. Leaders in any period are only the product of the desires of the people which they have embodied in the institutions they have organized. The institutionalized desires of the people are what make wars. We must change our desires, then our institutions, then our leaders, in order to prevent war. Our desires and our institutions and our leaders must all be cooperative—not competitive—in order to have peace.

Consumers' Cooperation

Cooperatives belong to democracy, don't they?" remarked a tenth grade pupil of Pine Mountain Settlement School in the midst of a discussion about the dangers threatening Europe. "Pupils have learned to appreciate the values of cooperation and are becoming intelligent consumer buyers as a result of our living, thinking, and working together. Coming from the coal and lumber camps of Harlan County, our pupils' knowledge of buying is limited to the offerings of the commissary for their food and to the advertised stock of the mail order catalog for their clothing and furnishings. Pupils from the mountain hollows know only the limited stock of the local store or the attractive offerings of the "wish book" published by the mail order houses. Emphasis at Pine Mountain is upon cooperation as a way of life and as one solution for the immediate problem whatever that might be. Thus cooperation becomes simultaneously the core and the method.

Acting on Ideas

Pupils learn to work with ideas as well as with patterns of expression. In keeping with Pine Mountain's philosophy of learning to do by doing, pupils continually act upon the ideas they are learning. To insure progress in a cooperative venture, study must precede practice. After the Rochdale principles, the local constitution, and the method of organization and administration are understood by the pupils, they proceed to organize the consumers' cooperative store which they will operate for the school year. Share selling, publicity, clerking, buying, bookkeeping, and banking become well established patterns of continuous expression.

Paralleling this activity is a study of "Man and His Needs." Beginning with

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Paralleling this activity is a study of "Man and His Needs." Beginning with July, 1941
organizations. Let the pupils speak for themselves:

"Just think! We're heroes! We wrote and produced a play! So you see everything that is worth doing takes worrying and studying. But the credit you get afterward is always worth it." "I have never known anything in school as much as being in the co-op class. I also enjoyed listening and planning with my teachers these five weeks we spent on the play."

Writing a Play on Co-ops

At first the idea of writing their own play seemed too ambitious to the pupils. They were in a dilemma. No suitable play could be found and they were resolved to do a play. So it is significant that every pupil after the production comments on the feeling of accomplishment and of delight in the dramatic approach. This fourteen scene play, "Co-operation Around the World" was a most satisfying expression of the ideas they had previously learned. Equally rewarding was the series of displays which appeared in the store and in the reading room of the library. Pupils were alert to the opportunities for cooperation between groups, with teachers, and with other pupils. The letter writing, interviewing, reporting, poster work, articles for the school paper, explanations in assembly, arrangement of displays, and acting in a play they had written themselves were for individual pupils very satisfying expressions of their own creative ability. Their next cooperative venture was the writing of "Experiences in Consumer Cooperation at Pine Mountain Settlement School," Pine Mountain, Kentucky, can get a copy by sending ten cents, plus postage, to the Pine Mountain Settlement School.

Learning Intelligent Food Selection

As a result of our study of consumer buying our pupils have a comprehensive guide to intelligent food selection. We have stressed nutritive value and have introduced a variety of new foods such as tree ripened citrus fruits, frosted foods, whole wheat bread, green vegetables, and cheese. This emphasis grew out of a need for a greater variety in the diets of our families. Pupils are now beginning to read labels and to buy by weight which are the first steps in intelligent buying.

Attention was focused on publications of cooperative organizations, research laboratories, government agencies, and private enterprise when pupils wrote business letters to procure materials from these sources. They have taken great pride in collecting and filing this material. When the home economics and mechanics departments came to borrow some of our materials one pupil remarked, "Every department in school finds our pamphlets useful."

We believe, too, that some definite contributions have been made to character building through the pupils' social environment.Operating the store as a public trust for the benefit of the 115 stockholders becomes a real responsibility. Shopping intelligently for their store has become a matter of personal pride and is an honor. Pupils volunteer for sheeting, bookkeeping, cleaning the store, doing errands, arranging the stock and displays, renting stationery, and speaking in assembly programs. Said one pupil in evaluating her experiences, "I feel I have accomplished something. I am more able to go about my work, more willing to cooperate with the group." Said the junior partner, "I am learning a lot more about cooperatives than I would have if I had just got down a book and read. What I learned from the book no one else would have known about. But in this way we share with the whole school. Not one but everyone profits by it." We instructors are greatly encouraged to see the strong individualism of these young Southern Highlanders yield to delight in cooperative enterprise.

Washington, D.C. — Slowly, the government's price-fixing machine is gathering momentum.

Ceilings for rubber tires have now been fixed. Aluminum, steel, scrap iron, paper, bread, automobiles, and a large amount of work to be done, he asked for provision for 1,395 jobs. A new apartment building has been requisitioned to house his organization. During the last depression—which got little publicity in the newspapers—was unrestrained. He said "the price increase which Chrysler was requested to forego involves approxi-
Coal legislation — Senator Burton K. Wheeler, chairman of the Senate Committee on Interstate Commerce, has appointed Senator Worth Clark of Idaho to be chairman of a special subcommittee to hear evidence on the LaFollette-Ball-Capper resolution which would amend the Bituminous Coal Act and permit consumer wholesale cooperatives to continue in business as distributors of coal. Hearings probably will begin the latter part of July.

Voorhis-Wagner resolution — The Cooperative League, through its Washington representative, urged the House Committee on Labor to adopt, promptly, the Voorhis-Wagner resolution which would create a post-defense economic commission on which three representatives of consumer cooperatives would sit, along with representatives of other economic groups and also of church organizations. It now seems probable Congress will approve of this proposal.

Oil Control — Secretary of Interior Ickes, the new oil czar and his deputy coordinator, Ralph K. Davies, now have before them nominations for membership on the various regional committees which will participate in the regulation of the oil industry. The Cooperative League and National Cooperatives, Inc., were represented at the conferences and they have nominated men for each of the districts.

Selling and government appropriations — More and more grumbling, expressions of very marked concern, are being heard from Senators and Representatives over the government budget and financial situation. The concern is not only over the number of dollars appropriated but chiefly over the lack of any check or control of waste. There is no opposition to spending for an adequate defense program but there is growing fear over evidence of scandal, job and salary plundering, queer deals with industry in the taking over of such things as ships. Individuals in Congress mutter and moan but leadership has not developed as yet to organize a fight (or things as ships. Individuals in Congress mutter and moan but leadership has not developed as yet to organize a fight (or

Need for More Audits

The membership now numbers seventy, and includes the great majority of the cooperative accountants. However, in comparison with the number of cooperatives in the country, this is not a large membership, for many cooperatives do not have audits. Cooperative accountants may audit both consumer and producer associations, which are engaged in scores of different activities — production, processing, packaging, distribution, service, financial, etc.

At the sixth annual meeting of the National Society of Cooperative Accountants, which was held in Indianapolis on June 19-20, the technical questions discussed included analyses of the balance sheet and operating statement, a discussion of income tax problems affecting cooperatives, and some recent accounting developments. The past year's activity, finances and reports were reviewed, and directors elected for the coming year. These included E. F. Selvig, president, F. K. Wadsworth, vice-president, Laurie L. Lehtin, secretary-treasurer, W. O. Riddle and Jules Enderle, directors.

A committee on terminology was appointed, to meet with a similar committee of the Publicity and Education Committee, for the purpose of conducting a survey and selecting the most desirable accounting terms for use by cooperatives.

A Five-Point Program of Action

Following an address by Mr. E. R. Bowen, secretary of the Cooperative League, U.S.A., the accountants discussed a recommendation on financial and accounting policies which cooperatives should follow in order to safeguard their financial stability in the event of a price and market collapse after the war is over. The committee's report states, "It is the consensus of the Society that the retail cooperatives, during the entire present emergency and war period adopt to as great a degree as possible, the following conservative principles:

1. Reduce accounts receivable to a point where business with patrons will finally be done on a cash basis.
2. Maintain normal inventories; do not speculate.
3. Avoid expansion of facilities.
4. Liquidate indebtedness as rapidly as possible.
5. Conserve cash, by paying no cash patronage refunds while association is in debt, and by selling more share capital.
Plays and another group presented an orig- inal play which had been conceived and "written" by the group. Ruth Chopping and James Norris headed the drama department.

Both string and fast puppet was made by the students and puppet shows were numerous and excellent. Margaret Gander and Willmer Vess were in charge of the puppet work.

Nearly every student spent some time in the craft shop making pewter or copper bowls, bracelets, ash trays, etc. or leather billfold, key container, or pencil box, under the direction of Gwendolyn Fife and John Stein-Bugler. Students also explored the fundamentals of design in a class taught by Mr. Stein-Bugler.

In 1941, a large part of the time was spent in learning folk dances and singing games. Darwin Bryan taught American folk dancing games from Ohio and Indiana and Marion Skean introduced a number of southern singing games. Miss Neva Boyd and Alice Schweibert taught American and European folk dances. A course in story telling for children, new this year, was taught by Miss Boyd and Anne Hopkins.

Each day's activities started with a lecture on group organization and leadership by Miss Boyd, Department of Sociology, Northwestern University, which included discussion of the function of recreation and some bases for the evaluation of various types of recreation. Seminars on subjects of interest, selected by the students, were held each evening. These seminars included a talk on Cooperative Recreation and Education by Carl Hutchinson; Cooperative Work and Organization in the South by students from Mississippi and Georgia; and a panel discussion on the relation of the various fields of recreation by the staff. The entire school combined a visit to the Granger Homesteads at Granger, Iowa, with a picnic and folk dance at the school auditorium. A large number of students attended the semi-annual picnic of the Alleman, Iowa, Cooperative and helped with the fun by presenting a puppet show and leading the singing and dancing. The 1,225 students attending the school contributed a large amount of fun to train specialists in any one particular recreation field. "We believe that everyone has many avenues of expression and that if a person is exposed to many activities he will become a more versatile person and better able to get out and help other people."

Carl Hutchinson, retiring president of the Cooperative Society for Recreational Education which conducts the school each year, declared at the opening session, "The proper use of leisure time will make the difference between building up a cooperative society or a society imposed upon us. If as cooperators we are interested in re-creating society, we are going to have to make better use of our leisure time. We should not look on recreation as a relief from the tedium of living but as a definite social value."

The board of directors, elected by the students at the close of the school, include: Wilbur Leatherman, president; Gertrude Emerson, Frank Shilston, Neva Boyd, Ellen Edwards, Carl Hutchinson, and Merlin Miller. This is the sixth year that the Cooperative League has sponsored the school.

**Women's Guilds Plan Greater Activity**

Representatives of cooperative women's guilds in three regional groups, small in number but representing twelve states, met on the campus of Iowa State College, Ames, Iowa, June 26-28 to consider the question, "What should be the part of women's place in business when that business is owned by the consumers?"

The conclusion was "Women, in general, are not filling the role we feel they could fill in the cooperative movement."

To make them aware of this and to help prepare them for that role the First National Cooperative Women's Guild Institute recommended the formation of more women's guilds and the study of the four cornerstones of cooperation — education, recreation, business and finance — as the first step toward greater participation. Specific projects which the Institute felt could well be undertaken by women's groups include: (1) to train women to become efficient, consumer-minded family purchasing agents; (2) to take more active places on committees and boards of directors in cooperatives; (3) to sponsor co-op youth work; recreation and summer camps and (4) to promote such cooperative services as buying clubs, credit unions, insurance and medical co-ops.

Among the speakers at the institute were Merlin Miller, educational director of Consumers Cooperative Association; E. B. Bowen, general secretary of the Cooperative League; Dean Nelson of the Home Economics Department of Iowa State College; Andrew Jensen of Midland Cooperative Wholesale; Charles Wiedner of the Bureau of Cooperative Wholesale; Barbara Raines of...
Co-operative Distributors and Miriam Sando Shilston, former secretary of the Northern States Cooperative Youth League.

**Plans Laid For Architectural Modernization**

The progress in modernizing co-op food stores achieved in the past year has been more dramatic than even co-op leaders themselves had dreamed.

Representatives of the five consumer cooperative wholesales handling groceries, meeting at Iowa State College as a temporary committee on architectural modernization in advance of the Cooperative Publicity and Education Conference, reported on new store buildings, modernized stores in rented buildings, redecorated co-ops at the old stand by re-designing of fronts and equipment. The organizations represented were Central Co-op Wholesale, Consumers Cooperative Ass’n, Midland Co-op Wholesale, Central States Cooperatives, Eastern Co-op Wholesale, and Consumer Distribution Corporation. From Massachusetts to California and from North Dakota to Kansas “kitchen clean” stores have blossomed forth. It is possible to name only a few of them: Cambridge and Maynard, Mass.; Schenectady, Hempstead, and Rome, N. Y.; Greenbelt, Md.; Harrisburg, Pa.; Washington, D. C.; Lincoln, Nebr.; Winfield, Kansas; Racine and Maple, Wis.; Scranton, N. D.; Columbus, Ohio; Berkeley, Calif.; Tenney and Bruce’s Crossing, Mich.; Menasha, Brookston, Squaw Lake and Cloquet, Minnesota.

The committee recommended to the Board of Directors of The Cooperative League the formation of a permanent committee on Architectural Modernization; it also recommended that light cream and forest green be adopted as the standardized color scheme for cooperative buildings; and recommended the centralized purchasing of fixtures for co-op stores. William Torma of Central States Cooperatives and E. R. Bowen, general secretary of The Cooperative League, were asked to contact outstanding architects to create a standard design for co-op store fronts to be used by the regional wholesales and local cooperatives when opening or re-designing stores.

**Co-op Publicity And Educational Directors Call For "Co-op War Emergency Drive"**

In a dramatic last minute wind-up of their annual conference at Iowa State College, June 26-28, eighty cooperative editors, educational directors and recreation leaders recommended to the board of directors of The Cooperative League that it sound the keynote of a “Cooperative War Emergency Drive” that may be called the attention of all America to the opportunity that lies ahead of it to strengthen democracy by building on the cornerstone of voluntary consumer cooperation.

Calling for a cooperative crusade answering indirectly a similar appeal made by The League’s general secretary last fall, the publicity and education men proposed that appropriate steps be taken for a unified national drive to be carried out by regional and local cooperatives. The drive would point out the nature of the emergency and the significance of the consumer cooperatives as a solution. Within the movement the drive would call for strengthening the financial structure of all cooperatives to ride out the post-war years and to increase membership, capital and trade of the cooperatives.

Howard A. Cowden, president of Consumers Cooperative Ass’n, spoke to a joint session of the Publicity and Education Conference meeting with the National Cooperative Recreation School and National Co-operative Women’s Guild Institute which were on the campus at the same time. In his keynote address Mr. Cowden proposed a series of projects which might be undertaken by the movement to help create a unity of thought. Among the proposals he made were: a chain of cooperatively owned radio stations, a national weekly newspaper, a chain of cooperative education institutions operated by the regional associations with a “circulation” faculty if necessary, and national business undertakings such as manufacture of electrical appliances, tires or lumber.

What Appeals Stimulate People?

What appeals stimulate people into action and how these appeals can be used to speed the growth of cooperatives were the chief concern of the early sessions of the conference.

In his opening talk on “What Appeals Influence People,” Dr. Emory S. Bogardus, head of the Department of Sociology, of the University of Southern California, said, “If we get a clear enough idea of what people are, the matter of which appeals are the most effective will be comparatively simple.” He stressed the need for new experience; the interest in being treated fairly; the importance of recognition and participation; and the importance of releasing frustrated interests as important primary drives for action.

George Letts, Vocational Psychologist of Collingswood, N. J., pointed out the need for a unified and honestly stated philosophy; for personnel imbued with the philosophy; for an appeal to economic self-preservation; appeal to reason; emotional appeals to family and community pride; and an appeal for unity on a national basis expressing the essence of the American philosophy of independence and freedom. Dr. Marvin of the Iowa State School of Journalism underlined the importance of using a consumer approach to the problem of selling the consumer philosophy.

In a particularly practical session on the use of these appeals, the conference heard E. A. Whitney of Central Co-op Wholesale; Davis Douthit, editor of the Midland Co-operator; George Tichenor, editor of the Eastern Co-operator; and W. B. Peterson of the Illinois Farm Supply Co., sketch out methods for their application through Discussion Groups, Co-op Papers, Personal Contact and Commodity Merchandising. The entire conference then organized itself into small discussion groups to further discuss use of these appeals.

Boom and Boomerang

In another joint session, E. R. Bowen, general secretary of The Cooperative League, warned the conference to prepare the movement for the economic crisis that lies ahead. “The cooperative movement cannot afford to depend upon the government to cushion successfully the crisis to save cooperatives and other business,” Mr. Bowen said. “The movement must put its own house in order,” he concluded, “by cutting inventories, cutting debts and slowing savings into capital.”

The article, “The Trail to Co-op Fun” which appeared in the June issue of Consumers’ Cooperation was written by Frank Harris, Play Co-op, New York City. We regret that in the course of publication his name was dropped and he was not given credit for the article.
New Books And Pamphlets Received


Includes two speeches on cooperatives by Congressman Voorhis on the Floor of Congress and his talk before the Annual Meeting of Eastern Cooperative Wholesale. These are supplemented with an epilogue by Dr. James P. Warbasse and an introduction by Wallace Campbell.


A study of consumer cooperatives started by Finnish groups in the United States.


A book for the general reader on the philosophy of cooperation particularly as it affects the consumer. Written by Dr. Barnett, Professor of Political Science, University of Oregon.


"Experiences in Consumer Cooperation" at Pine Mountain Settlement School, published by the Cooperative Groups at Pine Mountain School, Pine Mountain, Harlan County, Kentucky.

A description of the cooperative store, cooperative study and cooperative promotion activities of the students at Pine Mountain.

"The Consumer Movement and Business," by Dr. Grace S. M. Zorbaugh, Ohio State University, Columbus, an address at the Consumer Conference of Greater Cincinnati, 10c.


Marketing Co-operatives is a comprehensive study of co-operative activity—its beginnings, its failures and successes—with particular emphasis on the organizations and activities that make up the present day American Co-operative Movement.


A program for rehabilitation with a brief section on consumer cooperatives.

MARKETING CO-OPERATIVES, by Donald F. Blankertz, Ronald Press, New York, 480 pages. $4.00.

Marketing Co-operatives is a comprehensive study of co-operative activity—its beginnings, its failures and successes—with particular emphasis on the organizations and activities that make up the present day American Co-operative Movement.

"Marketing" as used in the title by Fred Blankertz means the moving and handling of goods from sources of production to consumption, and hence consumer co-operatives are marketers as much as are associations of producers who form an association to sell their grain.

A greater portion of the book is devoted to types of farmers' marketing associations, but this might not be defended on the grounds that these represent a larger volume of co-operative business in the United States than do the purchasing or consumer societies, although government statistics indicate that this might not be true if present trends continue.

In addition to the study of farmers' marketing associations, the author has presented a very good historical background for all types of co-operative activity, and has devoted at least a third of the book to describing the operation of farm purchasing and urban consumer co-operative efforts.

An unusual aspect of the book is that Mr. Blankertz seems to have a keen appreciation of the social aspects of co-operative effort as well as the economic basis for their existence; and while we might disagree with his conclusion to the probable limited field of urban consumer societies, we must appreciate his statement of the problems that these organizations face. Altogether, it should be a very excellent text book for college classes in co-operation for which it is obviously intended.

HERBERT FLEEDERJOHN

Consumers' Cooperation
THE PICTURES ON THE COVER

Fifty church leaders from several countries will be available in every public library in the country. Already we have hundreds of college, school and public libraries on our subscription list. These are only a small part of the libraries which ought to be receiving copies. Many a cooperator got his first knowledge of the American movement through books and magazines he read in his local library.

You can help! Will you order a subscription for your local public or school library? Send us $1.00 and we will see that it is sent regularly.

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AFFILIATED REGIONAL AND NATIONAL COOPERATIVES

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<tr>
<th>Name</th>
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<td>Associated Cooperatives, So. Cal.</td>
<td>326—40th St., Oakland</td>
<td>New Age Living</td>
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<td>Central Cooperative Wholesale</td>
<td>7218 S. Hoover, L.A.</td>
<td>Cooperative Builders</td>
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<td>Superior, Wisconsin</td>
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<td>Pacific Coast Student Co-op League</td>
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<td>Pacific Supply Cooperative</td>
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<td>Cooperative \n</td>
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<tr>
<td>Credit Union National Association</td>
<td>227 E. 84th St., N.Y.</td>
<td>Cooperative \n</td>
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FRATERNAL MEMBERS

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<tr>
<td>Madison, Wisconsin</td>
<td>The Bridge</td>
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CO-OP COMMENT

We present a free ad to the film "Tom, Dick and Harry," starring Ginger Rogers, for a line which is worth the price of the show, "Why can't we get ahead without slugging all the time?"

The Directors Education Committee of the Cooperative League will meet in September to formulate suggestions to be presented to the International Cooperative Alliance for "A Cooperative Peace Program." It should help the people of the world to realize that peace will never be won on the battlefields of Europe or of any other country, but only in the neighborhoods where we live.

John Dewey's message to the New Education Fellowship, recently meeting at Ann Arbor, Mich., had in it this quotable phrase, "Education in and for and by fellowship, through cooperation and with a cooperative society as its aim, is an imperatively required factor in an education that will arise in contrast to the world now engaged in destroying itself."

45,000,000 Americans are hungry, said Milo Perkins recently. Now Dr. Dean Clark of the U.S. Public Health Service says that the U.S. is also a sick nation. Probably less than half of the population enjoys good health. The need of perfecting democracy in America is quite apparent.

Bishop Joseph F. Busch of St. Cloud, Minn., said at the recent Catholic Eucharistic Congress, "The modern pattern is based entirely on prices and profits. This pattern must go within the next few years, and the solution is cooperatives."
GLEANINGS FROM THE COOPERATIVE PRESS

The Maritime Cooperator announces the appointment of Father Michael O'Reilly as Bishop of St. George's, and says, "Father O'Reilly has aided in his own community of Lourdes one of the most successful cooperative efforts in the country. His appointment brings a new pillar of strength into the people's economic movement." A moral might well be drawn that cooperative ministers should be chosen Bishops by every church body and that thereby we will eventually cooperate the church as Kagawa urges.

* * *

Sister Francis Dolores, Librarian of the People's Library, Reserve Mines, Nova Scotia, where Dr. J. J. Tompkins is located, says, "We do not believe that in training for work and efficiency, libraries will become less useful in building character and in developing real culture." Apopostos her statement, Dr. Dough emphasizes that "Through credit unions, cooperative stores, lobster factories and sawmills, we are laying the foundation for an appreciation of Shakespeare and grand opera."

* * *

One of the best cooperative advertisements we have ever seen was a simple story published by the Sydney Cooperative Society of Nova Scotia in the Maritime Cooperator which told how in 4½ years and with an initial investment of $3,500 the Society has done a volume of over $900,000, has paid out more than $50,000 in patronage returns, and has more than $75,000 invested in facilities and inventories. Then the cracker on the end of the whip calling for action reads, "This was done by ownership." * * *

"Somehow a tankful of co-op gas seems to carry a car farther and faster. Someone should tell Mr. Ike's." From Cooperative Notes.

* * *

A veteran cooperator, John Fisher, of Bazaar, Kan., writes to The Co-operative Consumer, "Always remember that your economic system is the foundation, while your political system is the superstructure. The foundation must fit the superstructure. Therefore 'Build Co-ops in Order to Have Democracy.'"

* * *

The Cooperator of Brooklyn says that John Daniels, author of "Cooperation: An American Way," urges that we stress three advantages: Cooperation — the answer to profiteering, the way to economic democracy, and the way of peace.

* * *

The Cooperative Consumer of Saskatchewan headlines this sentence from the address of Dr. J. S. Thomson, president of the University of Saskatchewan, "You have held one of the great words which must dominate the future, and the idea that finds expression in the word must rule the future of the world."

* * *

Another cooperative productive federation was sold to the consumers' cooperatives when the SCWS took over the Paisley Cooperative Manufacturing Society. The counsel for a cooperative employee of the Liverpool Society who pleaded guilty to forgery, defended his client by saying that "not a penny had gone into his pockets. He merely wanted to show up what he thought were the shortcomings of the Society's banking system." Vera Lynn, Britain's most popular radio singer, is the daughter of a member of the London Society's maintenance staff. So reports The Cooperative News of Great Britain.

If free enterprise is taken as synonymous with competition as the organized principle of economic life, then the Church rejects it.... Competition leads, history clearly proves, to a ruthless competition, first between individuals, then between groups of individuals and the state political authorities, and finally to conflict of war between nations themselves.

—Bishop Karl Alter of Toledo, Ohio

"Cooperatives are cells of Brotherhood."

—Dr. E. Stanley Jones

RESPONSE UNIVERSALLY FAVORABLE TO COOPERATIVE CRUSADE

As announced in the July issue of CONSUMERS' COOPERATION, the spirit and idea of an AMERICAN COOPERATIVE CRUSADE which crystallized at the Publicity and Education Conference at Ames, Iowa, was presented for consideration to the Directors of the Cooperative League and National Cooperatives at their quarterly meetings held during the four days of July 14-18. Both Boards of Directors unanimously approved the Crusade in principle, and referred it to a special committee to be composed of those nominated by the regional members from their Educational and Distribution Departments. Since the Crusade will have to do with Increased Membership, Business and Capital, it was thought that the Distribution Departments of the regions as well as the Educational Departments should be represented on the National Cooperative Crusade Committee.

Following the favorable approval of the National Directors, a preliminary meeting was arranged for by long-distance telephone between Gilman Calkins, Chairman, and E. A. Whitney, Secretary of the National Publicity and Education Committee with the General Secretary of the Cooperative League at the national executive offices in Chicago. A full day was spent in outlining suggestions for the Crusade, which are being sent to each regional for their consideration preliminary to the calling of a meeting of the full committee as soon as a date can be determined upon which will not conflict with previous engagements. It is hoped that the first Crusade Committee meeting can be held during the month of August.

The following sentences from the pamphlet "COOPERATION—The Dominant Economic Idea of the Future," by Vice-President Henry A. Wallace are surely most appropriate to reread at this time. The Crusade is an answer to his challenge:

"Today we need a great many more persons who will become as deeply motivated by the idea of a cooperative economic society as the young men of 1776 and 1787 were motivated by the idea of a democratic political society. The one is the living stream of thought for the twentieth century as the other was for the eighteenth. The need is for a body of people in accord on general aims, as idealistic and as realistic as were the young Federalists of 1787, to channelize thought and initiate and consider proposals which may lead to a cooperative society."

Suggestions will be welcomed from everyone by the Committee. Send them to the Chicago office of the Cooperative League, Stand by for further announcements in your cooperative newspaper, and prepare to be ready to participate in this Crusade to "Build Cooperatives Stronger and Faster."
GUEST EDITORIAL from The Cooperative News

SOCIAL ARCHITECTS

"It is announced that Mrs. Beatrice Webb is to retire from the presidency of the Fabian Society. At 83 years of age, this grand woman ruefully confesses that 'old age and the difficulty of meeting my friends in London during the war' make it necessary for her to give up office.

"Beatrice and Sidney Webb make up one of the greatest intellectual partnerships this country has ever known. Together they have made a gigantic contribution to social progress. Monumental works, scientific yet simply written, are the outward symbol of the Webbs' achievements. But their influence for the good goes much deeper.

"In days when reaction had a stranglehold on local government everywhere, it was the Webbs who supplied the shot and shell in the opening stages of the battle between reformers and reactionaries.

"It was the Webbs who gave to the trade union movement its first really detailed history; together they also gave to trade union policy-makers the blueprints upon which the great union organizations of today have so largely been built.

"Half a century ago Mrs. Webb, then Miss Potter, brought her eager student mind to the service of cooperation. Her book, 'The Cooperative Movement in Great Britain,' was the first really expert analysis of cooperation as a social and economic influence in Britain. It was whilst engaged in this work that the future Mrs. Webb met J. T. W. Mitchell, greatest of all C.W.S. chairmen, to whom she has paid so many eloquent tributes.

"In her happily long-delayed retirement, Mrs. Webb joins her equally famous husband. On behalf of the cooperative movement, the Cooperative News' extends good wishes to both these apostles of the new order. In this, the twilight of their lives, the Webbs will find contentment in the certain knowledge that the great work they have done is not obscured, even by the conflict now raging. When the new Britain is being built, the wisdom of the Webbs will still inspire and instruct those who build."

ACT NOW OR REGRET LATER

The following four suggestions are offered, not for philosophical discussion, but for action and ACTION NOW before it is too late.

Pay Day is Coming — Prepare!

No individual and no nation ever plied up a mountain of debt without its toppling over on them at some future day. Today we are blowing up three debt balloons on which we are building production — domestic government debt, installment debt and foreign government debt. Debt balloons will eventually collapse, as they always have and always will. They are sand foundations and will wash away. The Directors of the Cooperative League gave lengthy consideration to the suggestions of the National Society of Cooperative Accountants as published in the July issue and revised them, and recommend them to every local cooperative as follows:

1. Reduce accounts receivable to a point where business with patrons will finally be done on a cash basis.
2. Do not gamble on inventories.
3. Avoid expansion of facilities except where needed for immediate use.
4. Liquidate indebtedness as rapidly as possible.

Consumers' Cooperation

5. Conserve cash by increasing reserves and by selling more share capital.

Diversify! Diversify!

"Don't Put All Your Eggs in One Basket." This old saying needs polishing up and practicing by cooperatives today. Dependence upon petroleum products, upon food and fertilizer, or upon any other single line of products is dangerous. Why set any limits to the cooperative products you handle? Why let the march of progress roll over you as margins go down in the lines you are handling? The purpose of cooperatives is to lower margins in every line. When you get one line going well, start into another. Select the next one with care, but keep moving ahead into new fields. Today groceries are looming big on the horizon. The regional cooperative groups who now handle groceries are proving that they can save money and supply better quality, and that groceries draw the entire family into participation. Governor A. G. Black of the Farm Credit Administration gave this sound advice, "The cooperative that takes on new services may not make a saving on all of them, but it may find that it will have a net saving as a result of its combined activities. On the other hand, if it continues on a single track endeavor, it might find itself out of business before long."

Produce! Produce!

The advance reports of the results of the cooperative refineries in Kansas and Indiana indicate that they will prove beyond question of a doubt that "Production is the life blood of the Cooperative Movement." Retailing and wholesaling are necessary to build the foundations of production — but retail and wholesale savings are small compared with what is possible from cooperative production. We predict that you will be happily surprised when they are published at the close of the fiscal year and you see them. Build up big retail and wholesale volumes on simple wide markets, and then go into production. This is the rule, the Sweden, the United States did when we started manufacturing fertilizer and refining petroleum. We are beginning to hit on all four cylinders — retailing, wholesaling, processing and production.

Tell the Truth to the People!

The necessary fundamental of any discussion is an agreement upon basic statistical facts. The National City Bank Bulletin says that "the standard of living of the American working man has been higher than anywhere else in the world." They repeat the same old platitudes about the number of autos, phones, radios, etc., in the United States. But the truth is that Scandinavia has developed a higher standard of living for workers with even less natural resources than we have. Then the Bulletin says, "monopoly in this country is much more of a political bugaboo than a reality." The author should have read "Dividends to Pay," which is based on government statistics, and he might have saved himself from making such a deceptive statement; for statistics prove that monopolies are flourishing. Finally, the same Bulletin says, "The hackneyed expression 'the rich are becoming richer and the poor poorer' is quite untrue of the United States." How can one be so blind as not to see with their own eyes the increasing poverty, unemployment, tenancy, etc., and the increasing concentration of ownership in the hands of a few.

"Half the people hungry"—"half the people sick"—are the latest reports in addition to the proof of statistics of socially minded government administrators. Father Virgil Michel once wrote that "The first step in social reconstruction is the realization that capitalism as we have known it is dying and should die. This fact is tragically supported by statistics which even the editor of a bank bulletin should know and accept. Pour home the truth to people—don't let them be deceived by such false figures.

August, 1941
CONSUMER CO-OPS GO INTO MARKETING

By George Halonen
Educational Department
Central Cooperative Wholesale

DURING the past several years there has been an ever-increasing tendency on the part of marketing cooperatives to enter into distribution of consumer goods. Now we have a reverse picture—consumers' cooperatives entering into large-scale marketing of farm products. This unique enterprise is the result of many years of farmer-member demand and discussion. At the Head-of-the-Lakes district, around Lake Superior, three district federations of Central Cooperative Wholesale member societies decided to hold an organizing conference about these plans in Superior, Wisconsin, in March. Some fifty cooperatives were represented. The conference voted to incorporate a marketing association controlled by the cooperatives and not by individual members. The new undertaking was named the Cooperative Terminal, Inc.

The initial capital was set at $50,000. The meeting also devised a practical financing plan on a quota basis. The plan provided that all consumers' cooperatives located in rural communities must subscribe and pay for two shares, $100.00 each, and one additional share for every branch store they may operate; the city cooperatives to subscribe for one share and one additional for every branch; producers' cooperatives (butter growers', potato and seed cooperatives, farmers' co-op creameries, etc.) to subscribe at least for one share. Federations, central oil co-ops and the CCW itself were asked to take 20 shares each.

Circular letters were sent out to all CCW member societies in Northern Wisconsin and Northern Minnesota. Michigan co-ops were not included at this time because of transportation difficulties. Within a few weeks, all co-ops, with very few exceptions, responded affirmatively, pledging to fill their quota. Thus some fifty co-ops had so far pledged to buy $15,000 worth of capital in this new venture. Encouraged by the speedily and affirmative returns, the committee called a formal organizational meeting, which was held in Superior on April 22, 1941. It was well represented by consumers' co-ops and also some representatives from marketing co-ops, county agents from counties in the territory of the proposed Cooperative Terminal, and observers from the University and State marketing sections. The meeting unanimously decided to go ahead, elected committees to draft Articles and By-laws, to find a suitable location in Duluth, Minnesota, which was selected as the most suitable center for marketing purposes. Also a temporary Board of Directors was elected, consisting of five cooperative store managers and four experienced farmers.

Scope of Activities

The Cooperative Terminal, Inc., was incorporated under the Minnesota Cooperative Law and, approved by the Attorney General, its Articles of Incorporation were filed with the Secretary of State on May 22, 1941. The Articles set forth the purpose of this cooperative as follows: "The purpose of this association shall be to conduct a marketing, mercantile, banking, and mining enterprise on the cooperative plan. The general nature of its operations shall be the marketing and processing of the farm, forest, and marine products procured from its members and patrons, its purchasing and manufacturing of supplies, and all necessities, the marketing and processing of meat, fish, and other products of its members, patrons, and general membership. For these purposes it may enter into any lawful contract, and assign, transfer, hold, or dispose of any property as the said business may require; issue bonds or other evidences of indebtedness; join with other organizations or with other cooperatives, marketing, purchasing and service organizations, and hold or dispose of any property as the said business may require; issue bonds or other evidences of indebtedness; join with other organizations or with other cooperatives, marketing, purchasing and service organizations and hold stock therein; and it shall also be authorized to do and perform, either for itself or for its individual members and patrons, any act or thing necessary and proper to the conduct of its business or permitted by the act under which this association is incorporated."

Both Common and Preferred

Stock Issued

As in conformity to the general cooperative practice and the provisions of the Law, non-member patrons in the cooperatives will not receive patronage dividends in cash until they own at least one share, the question arose, how in our case farmer patrons could receive patronage dividends when only cooperatives are eligible as members? After trying to find a practical solution to this problem, the committee found out that the Minnesota legislature had recently amended the Cooperative Law so as to eliminate this dilemma. The amended law provides: "If the patron is not qualified or eligible for membership, the refund of patronage capital due hereinafter may be credited to his individual account, and when such credits shall equal the value of a share of preferred stock, a share of preferred stock may be issued to him, and thereafter such patron may participate in the distribution of income upon the same basis as a common stockholder or member."

The capital of $50,000 was divided into 300 shares of the par value of $100 each, amounting to $30,000 to be known as 'common stock', and 2,000 shares of the par value of $10 each, amounting to $20,000 to be known as 'preferred stock.' Ownership of shares of common stock was limited to cooperative associations. The voting in the meetings of the Terminal will be based on a proportional franchise, as prescribed by the by-laws: "In the affairs of this association, each affiliated or (common) stock-owning cooperative association shall have one vote for each share of common stock of this association that it owns to every fifth of its own individual members or major fraction thereof, provided that each affiliated association shall have at least one vote and no association shall have more than 40 votes."

The "ceiling" of 40 votes is calculated to eliminate the danger of a few big societies controlling the meetings of the Terminal. This same voting method has been successfully practiced by the Central Cooperative Wholesale.

The non-voting preferred stock shall be entitled to the following preferences, priorities and privileges: "To receive interest dividends, which shall be non-cumulative, at the rate of five per cent (5%) per annum commencing April 1, 1942, and payable annually on the first day of December of each year, out of earnings, before any interest dividends on the common stock shall be paid; and, upon dissolution or distribution of assets, after all of the debts of the association have been paid, the assets, property and effects shall first be applied to the payment of said preferred stock at par, and no more, and before any payment is made to the holders of the common stock, and the balance shall be divided among the holders of the common stock.

To participate and receive patronage refunds upon distribution of undivided surplus on equal terms with the holders of common stock.

The holder of the preferred stock shall have no right to vote at any meeting of the association."

Thus, not only the right of non-members (patron farmers) to participate in patronage refunds was established, but at the same time farmers undoubtedly will have more direct interest in the affairs of their marketing association and will be able to control it through their individual membership in their own local cooperatives, by demanding reports, exercising due care in electing delegates to the meetings of the Terminal and giving instructions to these delegates.

Building Bought

After all the preliminaries had been completed and a considerable amount of pledges collected, the Board of Directors selected as the headquarters for the Cooperative Terminal a two-story building...
LOCAL CO-OP ORGANIZATION MANAGERS—
AN APPRAISAL

By Carl Hutchinson
Education Department
Ohio Farm Bureau Cooperative

For the past two years an increasing number of county Farm Bureaus and Cooperatives in Ohio have employed County Organization Managers to carry on membership and educational work in the local county units. Such persons fill the missing link between local, voluntary leaders, and the state organization, which had a staff of five District Organization Fieldmen and two Educational Men in the State Office.

To date we have 17 counties with full-time Organization Managers, and 16 on part-time. The full-time men give practically their entire attention to organization and educational work. They are equipped to supply information on the various commodities handled, but in most cases they do not carry an order book. Their work may be divided, seasonally, into two parts. During December, January and February, most of their time is devoted to membership work. Their chief function here is to organize the membership campaign, train the workers and direct the campaign. During the other nine months of the year, their chief responsibility is more definitely educational. During this period they organize Advisory Councils, train leaders, promote Farm Bureau Committee work, organize meetings, handle matters of public relations, and education work.

Usually, the organization men are responsible for the publication of the county newsletter, or other printed matter put out by the local organization. Various other duties are assigned to them, such as conducting tours, directing the youth program, securing delegates for various Co-op conferences, and so forth.

The financial support of these workers is usually shared jointly by the County Farm Bureau and Cooperative Association, and the State office. In some cases they are directly responsible to the Co-op manager, while in others they operate in a parallel relationship with the manager. In some cases they may be responsible to a joint committee set up by the Farm Bureau and State Boards.

The fact that these men are supported by income from the Farm Bureau and Cooperative Association means that only the counties which have sufficient income from membership and patronage earnings are able to employ these workers. The average Farm Bureau membership of the 34 counties having full-time and part-time Organization Managers is 274 per county, while the average membership per county in the 84 organized counties is 221. The average Co-op volume per county for the 54 counties with Organization Managers is $188,182, while the average for the counties without Organization Managers is $149,228.

Counties with full-time Organization Managers average 14 Advisory Councils per county. The remaining counties average 9 per county.

The Men Themselves

The following information about the Organization Managers themselves might be interesting. Their average age is 35.6 years, ranging from 24 years to 56. Two of the 34 men stopped with the 8th grade; 15 have had one or more years of high school; 11, one or more years of college; and 5 are college graduates. Twenty-eight are married, and six single.

Their previous occupations were as follows: 9 were farmers, 8 clerical workers, 7 Co-op employees, 4 skilled or semi-skilled workers, 3 school teachers, 2 ministers.

These men have averaged 3.7 years' service in the Ohio Farm Bureau, and their average income is $128 per month. The qualifications of employees of this type must include considerably more than formal training. Not only do they need an understanding and grounding in the cooperative philosophy, but they require a capacity to work with people and to translate these ideals and principles into practical forms. A grasp of progressive educational techniques is a great asset, especially when combined with a sense of the practical and a capacity to organize and inspire confidence in people's ability to help themselves.

The experience of these men on the job is proving to be one of the most valuable teachers. They come together at the State Office at stated intervals for conference, exchange of ideas, and discussion of mutual problems. These events are among the most stimulating that occur in our organization.

The test of this phase of our educational program, of course, is to be found in the practical results out in the counties themselves. While the plan is young, we find that counties on the whole are well-pleased with results. Cooperative business has responded favorably, membership has increased, and Advisory Councils are growing—both in numbers and effectiveness—where a trained worker is devoting full-time or part-time to this task. It is our hope that within the next few years the other counties of the state will be able to strengthen their program with leaders whose job it is to develop the capacity of people to work together.
MEASURING STICK FOR
A COOPERATIVE OIL COMPANY*

By Glenn S. Fox
Finance Department
Consumers Cooperative Association

(EDITOR’S NOTE: There is a great need of setting up and following operating standards by cooperatives. This means comparisons of current operations with three things: the results of the previous year, an estimate for the current year, and some form of efficiency standard. Mr. Fox discusses an efficiency yardstick developed by Consumers Cooperative Association of North Kansas City, Mo., for oil cooperatives.)

SOMEONE has said that the discerning newspaper reader, particularly in these times, should learn the art of “reading between the lines.” And that same technique might well be applied to reading a balance sheet.

One widely accepted method of analysis is to weigh the component parts of a balance sheet or operating statement by the use of ratios, or comparisons. But it does not follow that such guides are infallible. They must be tempered by common sense, with an eye on all factors of any given situation. They merely point out the highway to success. Some associations take short cuts and get there more quickly, while others get lost trying it.

The measuring stick is a number of ratios set up in graphic form so the strong and weak points can readily be visualized. The one shown includes only a few of the more important, simpler ratios. The desirable standards are not averages, neither are they goals, nor are they danger lines. They might be thought of as a “passing grade.” The object is, of course, to keep all the ratios above the standard.

The old accepted rule of thumb, 2 to 1 ratio of current assets to current liabilities, is important even though general. If there are two dollars on hand with which to pay every dollar of current debt, there will be fewer tight spots in the life of the cooperative.

Within the current assets, of course, certain balances must also be maintained. For example, research shows that the ability to make net savings decreases rapidly when more than 40 per cent of the current assets is in receivables. Even though a cash basis of operation is to be recommended as best, yet if credit is to be extended, certainly not more than one sale in five can safely be charged. And that one sale should be charged for accommodation only and should be collected in ten days on the average. This two other credit standards are evolved, namely, per cent of retail sales charged, 20 per cent or less, and ratio of total retail sales to charged sales, 36 to 1.

Even at the organization of a cooperative, the members should own around 50 per cent of the total assets. This standard should possibly be set at 60 per cent or more in these unsettled times. If the members purchase enough stock to equal the fixed assets, then additional reserves, in the members’ equity section of the balance sheet, should be accumulated equal to at least 50 per cent of the depreciated fixed assets.

The ratio of sales to inventory is the first comparison considered, which ties the balance sheet with the income and expense statement. Every dollar invested in any part of the business must be kept turning and earning more dollars. The kind of inventory kept in most cooperative oil associations should turn every 20 days or 18 times a year. Refined fuels, naturally, should show a much higher turnover.

Should total sales equal less than eight times the original cost of fixed assets, then there is over-investment or low profit-margin. If there are two dollars on hand with which to pay every dollar of current debt, there will be fewer tight spots in the life of the cooperative.

Table: MEASURING STICK FOR COOPERATIVE OIL COMPANY

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*For a fuller treatment of the subject, explanation of terms and methods of calculation, see related pamphlets "Learning the Language" and "Reading Between the Lines" by Miller and Fox, of Consumers Cooperative Association, North Kansas City, Missouri.

Consumers' Cooperation

August, 1941
John Carson
Washington Representative
The Cooperative League

WASHINGTON, D.C.—"We must begin with the realization that if we give the President broad price fixing powers, we give him control of our economy." About 48 hours after President Roosevelt had asked Congress for price fixing authority, a Congressman thus expressed his worried thoughts to a representative of the Cooperative League. During the first 24 hours after the message was read, hardly a ripple of interest or concern over the proposal was noticed in the House or Senate cloakrooms. Then, the import of the message began to sink in and one result was the remark of the Congressman here repeated verbatim.

"But will you support the legislation?" the Congressman was asked.

"I do not know. I will not say until I see what is proposed but, generally speaking, I would like for you or anyone to tell me how they could justify opposing the plan in view of the gradual increase in prices.'

I think that sums up the thoughts of the important members of House and Senate and it should indicate that the price fixing proposal will be approved, if a reasonable proposal can be developed.

Consumers' Cooperation

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we give the President broad price fixing authority, a Congressman thus expressed his worried thoughts to a representative of the proposal was noticed in the House or Senate. After each of these ratios and percentages is calculated, it can be placed on the columns as the co-op shown on the measuring stick. The weak points and, to a degree the importance of the weak, can be ascertained by the distance the line drops below the standard. Trends can be viewed by placing more than one year's analysis on the measuring stick. Far too little time is spent by management watching trends as revealed by percentages and ratios. They are valuable in measuring accomplishments of budgets, goals and plans. Mix them with common sense and one gets sound business judgment.

"And controlling profits?" "Yes, we will have to control profits also—controlling prices inevitably means controlling wages and that calls for controlling profits and that means control of our entire economy."

"How about controlling wages?"

"We cannot say now, but it is probable that will have to result."

"And controlling profits?"

"Yes, we will have to control profits also—controlling prices inevitably means controlling wages and that calls for controlling profits and that means control of our entire economy."

Taxes—The new tax bill has run the gauntlet of the House, but what the House did, or what form the bill took in the House, were matters of little moment. Until the Senate picture develops more, discussion of the tax bill is a waste of time. If the progressive or liberal group in the Senate organizes to make a fight, it is possible this time that real reform legislation can be adopted. And right now, progressive leaders are discussing whether a fight could be successful, if it were begun.

Voorhis-Wagner resolution—The House Committee on Labor will not act, finally, on the Voorhis-Wagner resolution until evidence recently taken is printed and available to Congressmen. The resolution, regarded by many as being the most important legislative proposal now before Congress, would create a commission on unemployment, or on the 'post defense economic' situation. Congressman Voorhis proposes that representatives of consumer cooperatives shall be on the commission, along with
representatives of organized agriculture, of labor, business, finance, and of the church groups. It now seems that the House Committee on Labor will approve the resolution. Then the proposal will have to go before the House Committee on Rules, and be approved there, before it will reach the House for final action.

Cooperators are asked to write to their Congressmen and Senators and urge that this "cooperative must" legislation be passed.

Coal price regulation—Senator Worth Clark of Idaho, has been named by Senator Burton K. Wheeler of Montana, as chairman of a special subcommittee to hear evidence on the LaFollette-Ball-Capper resolution to amend the Bituminous Coal Act and thus provide recognition for consumer cooperatives.

The Coal Act now permits coal producers to pay profit wholesalers and "farm cooperatives" for the wholesale distribution of coal. The Coal Division decided when Midland Cooperative Wholesale applied for recognition, that coal producers could not pay or recognize activities was falsified. The Coal Division denied application for registration. Rogers in 1926, in a court fight, started legislation in which cooperative natural rights may be fully tested. This is the beginning of the cooperatives fight to continue to do cooperative business in all fields. It is one cooperative step which will be come historic.

Oil controlled—Secretary Harold L. Ickes, the new oil czar and his deputy oil czar, Ralph K. Davies are putting together a considerable organization of lawyers and clerks and "experts" to direct the business of regulating the production and sale of oil and gasoline. These new activities are not being handled properly, as yet. They are crowded together until they are working under extreme difficulties. Incidentally, they have not begun to clear up the requests and demands for information.

The cooperatives got from Ickes and Davies only one representative on all of the committees, Howard A. Gowen. Because of the caveator action of Ickes leaders felt that the Ickes and Davies might not realize the cooperatives handle more oil and gasoline than any group, outside of the "major" or "trust" group, and therefore might not have appreciated the lack of consideration shown cooperative enterprise. The cooperative statement of cooperative oil and gasoline for Midland was denied by Ickes. At that time another request was made for the appointment of cooperative representatives to oil committees in the five regulatory zones Ickes has set up. No answer has been had as yet from Ickes to any of the cooperative proposals.

BOOK REVIEWS


This book grew out of demand for reprints of the address by Mr. Voorhis at the 12th annual meeting of Eastern Cooperative Union in New York City in October, 1940.

There is nothing subtle about Mr. Voorhis' clear and exact call for an idealistic program of social reform. He challenges the idea that an outsider would have found remarkable: 300 men and women, not a dozen of whom had ever heard the idea of cooperatives in a living discussion with manager, auditor, and buyer matters of President and treasurers of cooperative concerns for a half-hour period. Then, after a long day of seeing a packet hall to appreciate this example of cooperative message, "Cooperation is the foundation of the nation, the basic principles of Christian faith." . . . "the best hope of democracy that has yet been developed in this world" and "we must have an economic democracy and that we cannot have in a society which is controlled by private and dominated by the motive of gain." It is remarkable that a Congressman (though read by newspapers as "most sincere and earnest" member of the House) goes all-out for a movement that is so full of legislative difficulty and of no particular concern to his constituency in California. And yet more remarkable as the author of the cooperative program, he which can exalt to the appeal of a New School for the noble idealism

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In the three speeches of Mr. Voorhis which make up the body of the book, he repeatedly praised cooperation, as the answer to the problem, and therefore asked people somewhere in the world to give to all mankind a living proof . . . that they can, with out loss of liberty and without resort to government compulsion, solve the economic problems of this power age, and poverty in the midst of plenty and make the machinery the servant of man and not his master.

There is nothing subtle about Mr. Voorhis' clear and exact call for an idealistic program of social reform. He challenges the idea that an outsider would have found remarkable: 300 men and women, not a dozen of whom had ever heard the idea of cooperatives in a living discussion with manager, auditor, and buyer matters of cooperative concerns for a half-hour period. Then, after a long day of seeing a packet hall to appreciate this example of cooperative message, "Cooperation is the foundation of the nation, the basic principles of Christian faith." . . . "the best hope of democracy that has yet been developed in this world" and "we must have an economic democracy and that we cannot have in a society which is controlled by private and dominated by the motive of gain." It is remarkable that a Congressman (though read by newspapers as "most sincere and earnest" member of the House) goes all-out for a movement that is so full of legislative difficulty and of no particular concern to his constituency in California. And yet more remarkable as the author of the cooperative program, he which can exalt to the appeal of a New School for the noble idealism

Dr. Turner says, "The distributive process is one of the conspicuous opportunities for improvement of which cooperative enterprises may take advantage. Whether or not they will do so will depend upon the capacity of consumers for social organization. . . ."
CO-OP LITERATURE

- Novels and Biography
  "A Doctor for the People," Michael Shadid, special edition ...... 1.25
  "The Brave Years," Mrs. Heyliger ...... 1.00
  "Fresh Farrow, Butler Jenkins" ...... 2.00
  "Co-op, Upon Inclivity" ...... 2.50
  "My Story, by Paddy the Cape, Co-ops in Ireland" ...... 2.75

- Textbooks on Cooperation
  "Co-operators' Co-operators," Julia E. John- wam, Debate Handbook ...... 0.50
  "When You Buy, Trilling, Eberhart and Nicholas, high school and college, two chapters on consumer cooperatives ...... 1.50
  Cooperation, Hall and Watkins, Official English Textbook ...... 2.00
  "The Consumer Cooperative as a Distributive Agency," Orin E. Hurley ...... 2.00
  "Winnows on the World," Kenneth Gould, high school text, one chapter on Co-ops ...... 2.00
  "The Consumer Movement," Helen Sorenson, two chapters on Co-ops ...... 2.50
  "Our Interests as Consumers, Dorothy Jacobson," section on Co-ops ...... 1.50

- Co-operative Cooperation in Great Britain, Curr-Randers and others ...... 4.00

- Student Cooperatives
  "American Students and the Cooperative Movement, Claude Shilston" ...... 0.50
  Co-ops on the Campus, Bertram H. Fowler ...... 0.50
  Campus Co-ops, William Moore ...... 0.50
  Campus Co-op News Letter, per year ...... 0.50
  "There Are Jobs in Cooperatives, Wallace J. Campbell, the Intercolegian" ...... 0.50

- Co-operatives and Peace
  "The Little Red Hen and Her Cooperative, nursery rhyme, Kate Bradford Stockton" ...... 0.50
  "Facing the Sunrise, Ellis Cowling" ...... 0.50
  Story Without End, Leslie Paul ...... 0.50

- FILMS
  "Travelling the Middle Way in Sweden," 16 mm. silent, produced by the Harmon Foundation. Unit I, Land of Sweden, 2 reels, Unit II, Consumer Cooperation, 2 reels, Unit III, Agricultural Cooperatives, 2 reels. Rental price: color, $5.00; black and white, $1.00; additional showings, $2.00/color and $1.00/black and white.

- Credit Unions and Finance
  "How to Read Cooperative Balance Sheets, Hammond, with Mr. Miller, 2 Parts" ...... 1.00
  "Learning the Language" ...... 0.75
  "People's Money, E. R. Bowen" ...... 0.50
  "Credit Unions, Frank O'Hara" ...... 0.50
  "What You Ought to Know About Credit Unions, Anthony Mahoney" ...... 1.00
  "Credit Unions: The People's Banks, Max- well Stewart" ...... 0.50
  "Credit Unions in North America, Roy Bergren" ...... 2.00

- Consumer's Co-ops
  "A Fair Deal to All Through Cooperatives, John C. Harlow, P.J." ...... 2.50

- POSTERS
  (any selection of 6 ...... $1)
  "Organize Cooperatives, 19" x 24," Green" ...... 1.00
  "Co-operative Principles, 19" x 24," Blue" ...... 1.00
  "Co-operative Ownership, 19" x 24," Mulberry" ...... 1.00
  "Consumer Ownership—Of, By, and For the People, 19" x 24," Red and Blue" ...... 1.50
  "Buy Co-op, 19" x 24," Red and White and Blue" ...... 1.50
  "Mich O'n, Democracy, 19" x 24," Red, White and Blue" ...... 1.50

- Debates
  "Central Society" ...... 2.50

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- REVIEW
  "Consumers' Co-operatives in the North Central States"

- "The Law of the Organization and Operation of Cooperatives"

- "Democracy's Second Chance"
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THE COOPERATIVE LEAGUE

167 West 12th Street, New York City

THE PICTURE ON THE COVER

The First All-American Tour of U.S. Cooperatives gets under way! The picture shows the tour starting from Columbus, Ohio. In the lead is the Ohio State Police car followed by Carl Hutchinson, tour leader, and following that is the Ohio Farm Bureau sound truck, which was used in the Ohio area for outside talks and also for giving directions to the drivers of the cars. The thirteen cars in the tour party all bear placards "The First Annual Tour of U.S. Cooperatives."

THE COOPERATIVE LEAGUE

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167 West 12th Street, New York City

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Name

Am. Farmers Mutual Auto Ins. Co.

Associated Cooperatives, N. Cal.

Associated Cooperatives, So. Cal.

Central Cooperative Wholesale

Central States Cooperatives, Inc.

Consumers Cooperative Association

Consumers' Co-operatives, Inc.

Consumers Book Cooperative

Cooperative Distributors

Cooperative Recreation Service

Eastern Cooperative League

Eastern Cooperative Wholesale

Farm Bureau Cooperative Associations

Farm Bureau Mutual Auto Insurance Co.

Farm Bureau Services

Farmers' Union Central Exchange

Grange Cooperative Wholesale

Indiana Farm Bureau Cooperative Association

Midland Cooperative Wholesale

National Cooperative Wholesale

National Co-operators, Inc.

National Cooperative Women's Guild

Pacific Coast Student Co-op League

Pacific Supply Cooperative

Pennsylvania Farm Bureau Cooperative Association

Southeastern Cooperative Association

United Cooperatives, Inc.

Workmen's Mutual Life Insurance Society

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2361 S. Hilliard, Chicago

N. Kansas City, Mo.

Amarillo, Texas

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116 E. 16 St., N. Y.

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135 Kent Ave., Brooklyn

135 Kent Ave., Brooklyn

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Lansing, Michigan

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Seattle, Washington

Indianapolis, Ind.

Minneapolis, Minn.

Chicago, Ill.

608 S. Dearborn, Chicago

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Indianapolis, Ind.

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Cooperation

New Age Living

Cooperative Builder

The Round Table

Cooperative Consumer

The Producer-Consumer

Readers Observer

Consumers Defender

The Recreation Kit

The Cooperator

The Cooperator

Ohio Cooperative

Ohio Farm Bureau News

Michigan Farm News

Farmers' Union Herald

Grange Cooperative News

Hoosier Farmer

Midland Cooperator

Credit Union National Association

The Bridge

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. Published monthly by The Cooperative League of the U.S.A., 167 West 12th St., N. Y. City. E. B. Bowen, Editor, Wallace J. Campbell, Associate Editor, Contributing Editors: Editors of Cooperative Journals and Educational Directors of Regional Cooperative Associations. Entered as Second Class Matter, December 19, 1917, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Price $1.00 a year.
important way to distribute purchasing power as compared with higher pay and taxation. Cooperatives can do this job of lowering prices. They serve as Golden Rule yardsticks for business.

Not only have we now this statistical proof of the power of the cooperatives to lower prices, but we also have now an unusual opportunity. The field is ripe for a cooperative harvest.

Prices to consumers are rising faster than pay to producers. The economic pressure is increasing. People are becoming aroused and hunting for a solution.

We also have now the third thing necessary—the crusading spirit. Cooperators are stirred as never before. All plus the fact that the condition of the regional associations was never better and the unity in the movement was never greater.

We have the proof—the field is fertile—we have the spirit. These are the ingredients required to generate a Cooperative Crusade such as America has never had—national Membership, Trade and Capital Drive that can do wonders. It might even protect America from dictatorship, as it rolls up momentum, by perfecting democracy in this country. Eventually, it might even save the world from dictatorship by the contagion of a cooperative example.

Congressman Jerry Voorhis challenges us that the most important single need of the world today is this: "For one people somewhere in the world to give to mankind a living proof and demonstration that they can, without loss of liberty and without resort to governmental compulsion, solve the economic problems of this power age, end poverty in the midst of plenty and make the machine the servant of man and not his master." The Scandinavian countries have been such laboratories on a small scale. What is needed is a living demonstration by a large nation. **America should be that nation.**

A reviewer of Voorhis' book *The Morale of Democracy,* says: "If, as the Congressman from California believes, the spirit of cooperation is the morale of democracy, then every one of the more than two million persons in America who are identified with the co-ops is not only an embattled buyer; he is also a trooper enlisted in the service of a great ideal."

So we are. Not only are we consumer-buyers out to lower prices; but also cooperative crusaders out to build cooperatives stronger and faster. "Cooperatives," says *The New York Times*, "are one of the world’s most peaceful, most constructive economic reform movements."

We have the proof of the power of cooperatives; the field is ripe for a cooperative harvest; let’s set America on fire for CO-OPS!

**OUR RIGHTS WE MAINTAIN**

We need a cooperative birth of freedom. We need, as cooperators, to declare that "Our liberties we cherish, our rights we maintain." There are four cooperative rights which are challenged:

**First:** The right to engage in any business and pay patronage returns on purchases. Midland Cooperative Wholesale has been denied that right by the Administrator of the Bituminous Coal Act. If this right, which is fundamental to the whole cooperative movement, can be destroyed in the case of one commodity, it can likewise be destroyed in the case of others. (Write your Congressmen and Senators in support of the Voorhis-Wagner Bill, H.R. 39.)

**Second:** The right to equal access to credit. Consumers’ Cooperatives which limit their membership largely to agricultural producers are now enabled to get loans from the Banks for Cooperatives, while Consumers’ Cooperatives with both farm and urban memberships cannot.

**Third:** The right to equal exemption from income taxation. Consumers’ Cooperatives made up of producers are completely exempt from income taxes, while Consumers’ Cooperatives which have open membership are not exempt from taxation on that portion of their savings which they transfer to general surplus.

**Fourth:** The right to equal representation on all public bodies. Such bodies now are quite generally made up of political and producer representatives. Organized consumers are generally ignored. (Write your Congressmen and Senators in support of the Voorhis-Wagner Bill, H.R. 39.)

We are not blaming the government. We are not blaming producers. We are only stating a fact. We, consumers, are the ones at fault. We have not spoken for ourselves in the past. Now we have a Washington office, and are beginning to do so. But one representative of Consumers’ Cooperatives in Washington can only open the doors to get a hearing for consumers. Every cooperator has his or her part to play. When you are asked to write your Congressmen and Senators in support of legislation, ACT ON THE REQUEST WITHOUT DELAY. Do your part to help maintain the rights of cooperatives to freedom and equality.

**LET’S MOBILIZE OUR MONEY COOPERATIVELY**

It has been more than 25 years since Justice Brandeis warned Americans that they were being controlled by their own money. It’s high time we did more about it. There are two ways to do something about it which everyone can do right now: invest in cooperative shares, invest in cooperative savings.

**1. John Doe, Owes My Co-op Association $..............................?**

We think backwards generally about our Co-ops. We think of dividends first and investments second. We have been fooled by reading the stories of Britain where one can join a co-op by paying a shilling down. That’s all right when the movement has plenty of money. But here in America, our co-ops are badly undercapitalized. A Bulletin of the University of Minnesota says that of 92 oil associations, 41 owe more than they own. They have been bled white by dividends. No one should be allowed to join a co-op without understanding that he is expected to pay in as soon as possible his equal minimum share of the capital needed for facilities and inventories. That might be $25; it might be $50; or it might be $100. But whatever average minimum amount is needed should be considered as owed by each member to his co-op until paid. It’s all right to be allowed to join and to become a voting member by paying in full for one share. But to be a full-fledged member, each one should be expected to invest whatever average amount is necessary. We need to think in terms of ownership rather than dividends.

**2. John Doe, Invest My Savings Cooperatively**

The most practical as well as the most patriotic thing every cooperator can do is also to invest his or her savings cooperatively. By so doing, excessive interest rates will be reduced and inflation also in part prevented. Credit Unions are the simplest form of Cooperative Savings Banks. Cooperative Preferred Stocks are another possible form of investment of surplus savings. Cooperative Investment Certificates are another. Consumers Cooperative Refineries of Saskatchewan are now offering Cooperative Savings Bonds, which cooperatives in the United States might well do.

Before war, during war, or after war, we all need to learn to bank cooperatively, as well as buy cooperatively. Put your money at work working for you and your country in cooperative shares or savings.
GEORGE RUSSELL SAYS
THREE NECESSARY STEPS IN ECONOMIC PROGRESS

George Russell described the three necessary steps in economic progress clearly 25 years ago in Cooperation and Nationality. We should all learn them and take them.

The FIRST Step is to reject the competitive-monopoly system, because of its fruits of poverty, unemployment, tenancy, disease, crime and war. "It is anarchic and inhuman, and the world is hurrying from it in disgust," said Russell. The present system has become a third type of slavery: the first the master-slave type; the second the lord-serf type; and the third and present the owner-worker type.

The SECOND Step, according to Russell, is to resist the tendency to turn to "the State to do for us what we should and could do far better ourselves," lest a fourth bureaucratic-ward type of economic slavery overcome us. "When a man becomes imbecile his friends place him in an asylum. When a people grow decadent and imbecile they place themselves in the hands of the State." The use of a political government to control an economic system is unnatural and exterior, and accordingly becomes dictatorial. A democratic economy must be self-controlled from within itself and must provide income, employment and ownership for all. It must make possible the realization of both self-interest and social-responsibility, of both freedom and security.

The THIRD Step is to build a consumer-producer cooperative economy, through which, for the first time, we will be free indeed. Cooperative Commonwealth alone allows freedom and solidarity. . . . The Divine Event to which we are moving is a state in which there will be essential freedom combined with an organic unity." This would include private, cooperative and public ownership and organization as parts of an institutional balanced system. Broadly interpreted, cooperative organizations would, in turn, include such economic associations as consumers cooperatives, credit unions, marketing cooperatives and labor unions, all of which are in structure democratically controlled and non-profit.

AMERICA’S FOUR SURPLUS-REMOVAL PROJECTS

Each of the past four decades, including the present, has witnessed a gigantic attempt on the part of the United States to solve our economic problems by developing a huge surplus-removal project. At the turn of the twentieth century, we entered into a new power age—automatic gas and electric power. Each new power production age requires the development of a new corresponding system of distribution. Hand power brought slavery. Animal power brought serfdom. Steam power brought competition. We are trying to develop a new automatic mass distribution system which will correspond to automatic gas and electric power production. Thus far, we are largely blindly fumbling at the job.

Gas and electric power keep on piling up surpluses which we cannot distribute among ourselves. So, to prevent our automatic machines being snowed under with their own output we have devised a new surplus-removal project in each of the past and present four decades.

In the 1910 decade we shipped our surpluses to Europe and took in exchange IOU’s payable to the government, over 99 per cent of which are in default and will never be paid.

In the 1920 decade we shipped our surpluses to Europe and took in exchange IOU’s payable to private bondholders, most of which are in default and will never be paid.

In the 1930 decade we shipped our surpluses to Europe and took in exchange IOU’s payable in gold, which we now have stored underground and which is largely worthless except for metal.

In the 1940 decade now opening, we are shipping our surpluses to Europe and taking in exchange IOU’s payable in the form of rentals, which cannot be paid.

These are economic facts which the American people should understand. Whether it was and is wise or not is not the question we are discussing. At least, the economic processes of what we have done and are doing should be understood. It might help us to eventually learn how to really solve our economic problems by cooperative distribution of our power production.

THE FOUR ECONOMIC SLAVERIES

The first organized economic system was labeled slavery. It was admitted to be such. Then the few were masters and the many were slaves, chained to the masters’ households.

The second economic system was serfdom. The few were lords and the many were serfs, chained to the lords’ lands.

The third economic system was competitive-monopoly. The few are the owners and the many are the workers, chained to the owners’ factories.

What’s ahead? Freedom, or another form of slavery?

William Morris once said that always before when mankind had thrown off its chains it thought it would be free, only to find itself in a new but larger prison house. But this time he said, “We will be free indeed!” The indications are not too favorable. The world generally is adopting another form of economic slavery.

The fourth economic system of slavery is State-bureaucracy. The few are the dictators and the many are the wards, chained to the dictators’ decrees. It has been described by Francis Neilsen as “one of the most damnable systems of slavery which can be perpetuated, which makes the wealth-producer a toiler for a bureaucracy.” “The Eden of the bureaucrat is the Hell of the governed,” said George Russell.

But we, in America, do not have to drift into State-bureaucracy. If we are willing to cooperate and work hard enough at the job of building cooperatives, we can forestall the danger of dictatorship by neither turning to the left toward Communism nor the right toward Fascism, but advancing straight ahead down the Middle-Way to Cooperation.

Abraham Lincoln once said: “There has only been one question in all of civilization and that is how to prevent a few men saying to many men ‘You work and earn bread and we will eat it.’” At long last we cooperators have the final answer to this age-old question.

If we but WILL. If we but WORK. We may be FREE.

Germany has suppressed cooperatives.
Russia has suppressed cooperatives.
The president of the International Cooperative Alliance is a citizen of a country allied with Germany.
The vice-president of the International Cooperative Alliance is a citizen of a country allied with Russia.
There are increasing reasons for the neutral policy of the Consumers’ Cooperative Movement in the United States, as adopted by the delegates to the last Congress.

"Cooperatives are places where peace principles may find expression."

September, 1941
ONE DAY IN THE LIFE OF A COOPERATOR

(EDITOR'S NOTE: At a meeting of the board of
Directors of The Cooperative League in March
the directors discussed informally what part
co-op products played in their lives. Mr. Cow-
den's article grew out of that discussion.)

On arising each morning I brush my
teeth with CO-OP tooth paste and
then I shave with the aid of CO-OP
Brushless shave cream and a CO-OP razor
blade. After that I sit down to a break-
fast of CO-OP grape fruit juice, CO-OP corn
flakes, CO-OP butter on bread toast-
ed in a CO-OP toaster and spread with
CO-OP jelly. Topping it off are two cups
of good CO-OP coffee. During breakfast,
a CO-OP radio brings me a CO-OP spon-
sored newscast that keeps me abreast of
world developments.

On the way to the office I light a CO-
OP cigar, and life immediately becomes
richer, more satisfying. Even the car seems
to run better, equipped as it is with
CO-OP compounded oil in the crank case, CO-OP
manufactured grease in the chassis, and
a tankful of gas from the first cooperative
refinery in the United States.

On reaching the office I find a CO-
OP newspaper on my desk. It's The Coopera-
tive Consumer, official paper of Consum-
ers Cooperative Association, which will
be much improved when additional equip-
ment has been added to the CO-OP print-
ing plant acquired by CCA March 1, 1941,
allowing us to print a CO-OP paper in a CO-OP plant. I switch on the
lights in my office—lights generated co-
operatively at a cost of 1.6 cents per
kilowatt hour as against the commercial
rate of nearly 6 cents per kilowatt hour.
On my desk are letters from cooperators,
and a group of CO-OP members are wait-
ing in the lobby for a conference.

Noon comes and the conference is ad-
joined for lunch which is served in the
CO-OP cafeteria in the basement of CCA,
where nearly every item on the menu is
a CO-OP label product. The annual pa-
rtnage dividend from the CO-OP store
and cafeteria more than pays the cost of
my membership in a CO-OP Health As-
sociation of which I am a member. When
I prepaed medical, surgical and dental care
are added under the plan, interest on my
shares in a retail oil and gas cooperative
in a credit union, in the Cooperative Oil
Produciting Association, in the Cooperative
Pipe Line Association and the Co-op Re-
finery Association should enable me to
pay in advance for the added health care.

After a day at the office I drive home.
It is spring time, and time for painting.
On reaching home I find that Mrs. Cow-
den has engaged a painter to brighten
up the home. What kind of paint is a
CO-OP, of course, made in a CCA fac-
tory owned by 125,000 consumers.

In my favorite chair, next to a CO-OP
bridge lamp, I turn to a volume entitled
"Cooperatives—a Way to Peace." It is an
antidote to the headlines that scream of
war and human conflict. On laying it
down I have a feeling that those who
labor in the cooperative field are rewarded
daily far beyond the amount of their re-
spective pay check—rewarded with the
satisfactions that come from living and
keeping forward the cooperative way of
doing business.

WITH THE CO-OP CARAVAN

FORTY travel-weary tourists lingered
in the lobby of the Phillips Hotel in
Kansas City, reluctant to break up after
a 2000 mile tour of cooperatives through
twelve states of the middle west. The tour
party, representing thirteen states and
three provinces of Canada, were shown
every type of cooperative imaginable from
a hog serum plant to a cooperative mor-
tuary. The group expressed amazement at
the size and scope of the cooperative
movement in the United States.

Everywhere the visitors were royally re-
cieved. Police escorts in the various states
facilitated an otherwise heavy itinerary.
The touring party presented an impressive
picture as the thirteen automobiles bearing
placards "The First Annual Tour of U.S.
Cooperatives" sped along the highways
or were escorted through the cities to the
sound of police sirens. Local reporters
were on hand at every point and the tour-
ing party, besides being photographed
from every possible angle, answered al-
most any questions as they themselves
asked. Well informed guides were pro-
vided by the cooperatives at every stop to
show the visitors around and to answer
the thousands of questions thrown at
them by the members of the touring party.

Special programs were prepared by the
local societies and at one point in St. Paul
the Farmers Union Central Exchange
band came out to greet the visitors. Neatly
arranged kits containing descriptive
material and financial statements were
presented to the group at several points.
Several members of the party were invited
to take part in radio programs. Banquets
were given by local cooperative societies
in honor of the tourists and here they had
an opportunity of mingling with the
members of cooperative societies as well
as the cooperative employees. This
gave the group a chance to hear from the
people themselves just how and to what
extent they benefited by being members
of a cooperative organization. In short,
everything possible was done to assure the
visitors a welcome and to make their visit
informative and enjoyable. The coopera-
tors in the middle west will long be re-
membered by the touring party, not only as
people who are doing a remarkable job
in correcting the ills in our economic
system, but also as very gracious hosts
and hostsesses.

The group was fortunate in having as
their leader Carl Hutchinson, educational
director of the Ohio Farm Bureau Coop-
erative Association and former president
of the National Cooperative Recreation
School. Believing that "all work and no
play makes Jack a dull boy," Mr. Hutchen-
ton interspersed statistics with a bit of co-
op era tive recreation and it was interesting
to see some of the group who looked
rather aslant at the folk dances and
games in the beginning, become the most
enthusiastic participants as time went on.
Here, also, local cooperators joined the
visitors in fun and merriment and as they

Howard A. Cowden, President
Consumers Cooperative Association

Mary MacMillan
The Cooperative League

WITH THE CO-OP CARAVAN

WITH THE CO-OP CARAVAN

Carl Hutchinson and Agnes McPhail

September, 1941
on the trip, the tour members all indicated new friends.

High quality of leadership in the movement. "Most important is the quality of the people who call themselves cooperators," said Agnes MacPhail. 

"There was a warmth, a reality, and a brotherly love in them—a real reaching out in universal service station employees or the heads of big associations.” The group was impressed by constant stress on the necessity of education. Eugene Bussiere of Quebec by your educational movement. I found on this tour and I'll certainly bring home declared: "I'm awfully glad that I came—bur also a social movement.” Paul Greer, state editor of the S

"In a cooperative you're not sitting in the grandstand watching the men play. You're in the game, a part of it, in fact. You learn by actual participation. And that develops people, makes them self-reliant." Everywhere the group found a very active educational program aiming at an informed membership within the cooperative societies and continuous development of leaders.

At Brule, Wisconsin members of the tour party were guests of the youth groups at the recreation camp owned by Central Cooperative Wholesale of Superior. Here, the youth from a very early age learn the principles of cooperation and here they come each summer to participate in a cooperative program. The group arrived in time to witness the closing exercises of the 17 to 24 age group. As this group left a younger group between the ages of 8 to 14 came in. The camp is used all summer for such activities and it was not surprising to find a healthy growth in the cooperative movement in this area.

One of the unique features of the tour was a visit to the Winnebago Handicraft Cooperative at Black River Falls, Wisconsin. This cooperative is owned and operated by the Indians in this territory. Here the visitors were entertained with several songs by a very pretty Indian girl. Another interesting stop was made at Granger, Iowa, where under the direction of Msgr. L. G. Ligutti a homesteading project was founded in a run-down mining district. The group was shown the homes from which the miners had moved as a contrast to their present neat and well-kept homes. A description of the tour would not be complete without a word about the Liars’ Club in Burlington, Iowa. Ages one member of the Canadian Parliament and member of the Canadian Parliament and now reporter for the Toronto Globe and Mail was one of the outstanding members. Her quick wit and all around camaderie made her a favorite with her fellow tourists. Another newspaper representative was Paul Greer of the St. Louis Post-Dispatch and from Quebec, Canada came Eugene Bussiere, editor of Ensemble the cooperative newspaper for the province of Quebec. About half of the group were southerners. Guy Sales of Asheville, North Carolina represented the Farmers Federation along with two other representatives from the same organization. Two representatives of the Farm Security Administration came from Florida and South Carolina. Charles McCall Smith represented the Southeastern Cooperative Education Association of Carrollton, Georgia. In the group were four Negroes from the Panama Canal; Industrial and Agricultural School of St. Helena Island, South Carolina. From Washington came Maurice Colombin representing the International Labour Office and from Arkansas came three rice farmers. The group included also a representative of the Board of Education of Michigan—Mr. G. J. White; a representative of the Minnesota Federation of Agriculture.

The group included also a representative of the Board of Education of Michigan—Mr. G. J. White; a representative of the Minnesota Federation of Agriculture.

At various points in the tour the group was shown dramatic steps consumers cooperatives have made into production—feed mills, hatcheries, fertilizer factories, paint and grease factories, bakeries and printing plants. The oil refinery at Phillipsburg and the oil wells at Laton, Kansas were, in a way, the climax of the tour, proving to the group that it is possible for the consumers to go all the way into production.

The touring group also had an opportunity to visit headquarters of the Credit Union National Association at Madison, Wisconsin. Roy F. Bergengren, managing director gave a summary of the Credit Union movement in the United States and showed the plans for the proposed Filene House to be erected in Madison as a tribute to Edward A. Filene, the father of the Credit Union movement in this country.

The members of the touring party voted the tour a complete success and returned to their various communities imbued with the spirit of cooperation and with a renewed faith in Democracy.
HERE'S AN IDEA — FOR TRAINING LAY LEADERS

Jack McLanahan
Midland Cooperative Wholesale

SLOGAN of the cooperative movement today is "build stronger and faster." The problem is to find managers, employees, board members, educational leaders and members who can do the job. It is a serious problem. Those within the movement and those who critically observe it from without are agreed. Cooperatives will succeed only to the extent that they can attract and develop competent leadership.

Cooperatives have become conscious of this problem as never before. They are beginning to do something about it. Schools are being organized to train employees and managers; circuit schools, institutes and camps are being held to train board members and educational leaders. However, not enough is being done to develop leadership among lay members.

Some suggestions of ways by which such training might be accomplished are, perhaps, in order.

Organize Week-End Institutes

Most often the meetings have been used to train lay leadership is the week-end institute. Ohio cooperators were among the first to develop this idea on a wide-spread scale, and it has had a lot to do with the rapid growth and success of their advisory council program. Farmers Union people in the Dakotas, Montana and Nebraska have held training institutes for a number of years. Almost every regional advisory council program. Farmers Union people in the Dakotas, Montana and Nebraska have held training institutes for a number of years. Almost every regional advisory council program. Farmers Union people in the Dakotas, Montana and Nebraska have held training institutes for a number of years. Almost every regional advisory council program. Farmers Union people in the Dakotas, Montana and Nebraska have held training institutes for a number of years. Almost every regional advisory council program. Farmers Union people in the Dakotas, Montana and Nebraska have held training institutes for a number of years. Almost every regional advisory council program. Farmers Union people in the Dakotas, Montana and Nebraska have held training institutes for a number of years. Almost every regional advisory council program. Farmers Union people in the Dakotas, Montana and Nebraska have held training institutes for a number of years. Almost every regional advisory council program. Farmers Union people in the Dakotas, Montana and Nebraska have held training institutes for a number of years.

Once the place has been chosen, publicity can be planned. This should be simple and direct, stating clearly the purpose of the week-end, outlining the nature of the program and not forgetting to point out that it means having a good time. Avoid reference to "education," "classes," and "teachers." However, do not "water down" the program by describing it as a "super-duper" outing. Don't aim the publicity at getting everyone to come, but at attracting the serious-minded member who has potential leadership qualities. Institutes of this kind are not for the general membership educational purposes.

Making Up the Program

The program will, of course, vary with each group. However, it is well to keep several things in mind. It should be a balanced program. Wilbur Leatherman, of the Midland educational department, recently directed an institute in eastern Wisconsin built around a 3-point program: "What is the cooperative movement?" taking in history, principles and development; "How can it be applied?" taking in organization, operation, study circles and publicity; and finally, "How can it be made lively and attractive?" taking in recreation, folk dancing, dramatics and crafts.

There should be plenty of time to allow for individuals to follow their own particular interests—time for spontaneous group discussion. I am personally in favor of following the "let's all do it together" plan in this respect. And be sure and stock the institute with a lot of good books and stimulating leaders. The leaders need not be there all the time nor do they need to appear formally on the program. Association with people of this kind will mean a lot to those attending. Keep the institute informal, full of gaiety and good fun, but always moving toward the goal of inspiring people so they can lead others in the ways of cooperation.

Up and Down the Land

Hold week-end institutes as often as possible. Bring in a new group each time. Drop the idea that they are costly and require a lot of heavy planning. It is the advantage of the week-end approach. And for goodness sake, don't figure that you must have at least 100 to have a successful institute. And don't think the week-end institute is only for summer use. It is a year-round method and several days around a fire in midwinter at some quiet place in the country may do more good than the same period under a blazing sun.

If every regional cooperative will take hold of the institute idea and use it this fall and winter — tens and dozens of week-end gatherings to train leaders in every corner of their territory—we will have begun to do one of the things that must be done if we are to build cooperatives "stronger and faster." We will be getting the lay leadership that we need, and with it the onward march of the movement cannot be stopped.

There is an old Chinese proverb which says: "If you would plan for the present build a house, if you would plan for to-morrow plant a tree, if you would plan for the future, develop a man."

EASTERN COOPERATIVE RECREATION SCHOOL

Ellen Edwards

ORGANIZED by former students and staff of the National Cooperative Recreation School to help meet the increasing need for recreation leadership training in the East, the first Eastern Cooperative Recreation School was held at the Hudson Shore Labor School, West Park, New York, August 17 to 24. Thirty-five students and staff from six states and the District of Columbia attended.

Students not only learned a large variety of American and European folk dances and games but had an opportunity to practice teaching them as the party each evening was turned over to them to plan and carry out. The craft shop where instruction in leather and metal work, weaving and construction of board games was given was busy all day. Students explored the possibilities of such simple forms of dramatics as charades, pantomimes and tableaux and learned the fundamentals of acting and directing. A small group presented an original play which was created and rehearsed before breakfast each morning. Informal group singing was an important part of the week's activities and students learned a number of folk songs from many countries. An hour's session in the morning and an hour in the afternoon was devoted to a discussion of the philosophy of group recreation and leadership and techniques of group organization.

Special speakers during the week included Dr. Leroy Bowman, specialist in discussion group methods; Robert L. Smith, assistant secretary of the Eastern Cooperative League; and Mrs. Charlotte Chorpenning, sociology department, Northwestern University and head of the Children's Theatre, Goodman Theatre, Chicago. Dr. Bowman, speaking to the group Monday evening, pointed out that
"Recreation that involves action, feeling, artistry, should be part and parcel of all cooperative business and organization meetings. Without combinations of this sort the cooperative movement will never reach the high goal it, of all modern movements, should achieve. It is the goal of bringing together the thin segments that individuals now fall into—business life, social life, ethical life and cultural expression—into integrated and dynamic powers of a new order."

The New York newspaper, FM, sent a photographer and a feature writer up to the school one day to get pictures and a story of the activities.

At a special meeting at the close of the session the students decided the school was so valuable a similar one should be held next year and elected a committee to work on a real revenue bill. The apathy in Congress is marked. Leadership is absent. Only Congressmen Jerry Voorhis of California made an effort to get a real bill passed and his one-man fight got nowhere. The bill is going to soak the poor.

Cooperative Coal legislation—The Senate Committee on Interstate Commerce is trying to force the Bituminous Coal Division to either favor proposed legislation to permit wholesale cooperatives to distribute coal—from which they are now debarred by Coal Division law—or offer substitute legislative proposals which would protect cooperative natural rights. The Coal Division still scurries and evades the issue. But the Senate Committee has promised the League that the Coal Division will be made to meet the issue. One of the present rumors is that the Coal Division will try to get around the difficulties it established for itself by issuing a confiscatory ruling against cooperatives, and thus a ruling in favor of profit wholesales, by proposing legislation to amend the Bituminous Coal Division Act and thus prolong the protection the Division has already given the profit wholesales from efficient consumer distribution of coal.
BOOK REVIEWS

**Consumer's Cooperatives in the North Central States**, by L. C. Kercher, V. W. Shearer, and C. L. Lamb, Jr. Edited by R. S. Vaile, University of Minnesota Press, Minneapolis, 430 pages. $5.50 (available through The Cooperative League).

This book is a "happy blending" of three independent research studies. It includes some deductive analysis of the place of Cooperation in the economic and general scheme of things; account of the peculiarities and cultural heritage of the immigrant Finns; much practical advice on conducting cooperatives; and case studies of numerous cooperatives, including the Wholesalers in the North Central States.

The book is a well-balanced but sympathetic treatment of the cooperative movement. It is objective, scholarly and well-documented. Based upon the study of institutions in the field and at close range it is authoritative. It seeks the causes of social phenomena in the social and cultural background of the people involved. The book is in details but space precludes much elaboration. The authors find that cooperatives have decided competitive advantages in certain industries. They have done so because the adoption of consumer cooperation is more than a mere increase in efficiency. It is a revolutionary principle of human relations as well as a practical economic method. Its immediate purpose is to provide the consumer with quality goods and services at a lower price, but its ultimate and more important aim is to create a new economic and social order with the consumer interest predominant. It is an independent social movement with a justifi- cation of its own. The motive for supporting it arises out of social idealism as well as out of practical consumer interest, and it is assured the support of the large majority of people by the quality of human relationships that it promotes as by its business efficiency.


This book, the fifth to deal with cooperative law, will also explain the principles of cooperation that have to do particularly with consumer cooperation. The previous volumes related almost exclusively to the operation of commercial and credit cooperatives, their special statistics, marketing agreements, etc. This one is directly related to consumer cooperation organizations but includes, of course, the general principles that is involved in the legal problem of cooperatives. Furthermore, one of the legal precedents cited deal with matters relating to the organization of cooperatives. This is a necessary subject in the field of organization of cooperatives because the internal organization is so similar to that of consumer cooperatives, the same principles will often govern both cases in stimulating and in weakening the effectiveness of the organization.

The author, who is one of the most needed to be done so, matters very little that the book contains rather than what it is. Mr. Park has done a necessary and highly creditable job of assembling and stating in the essentials of principles that will eventually develop into a more rigorous development of law. The thoroughness and accuracy can be tested by daily desk use of this text, it is apparent that his work possesses these qualities in a high degree. He carries the cooperative theme through the story of its development, organization, management, and function. The alternative to the cooperative is an unhappy ending of successful operation or insolvency and liquidation. The other hand, he describes the motivational factors that are involved in the sale of goods.


Do you think and act in a seller's culture? Do you think and act as a mechanism? Are you a "job holder"? If you live in apartments, if you live in over-centralized society, you never progress any further than the cooperative movement. Of course such a relationship among lawyers would enhance the ability of each to serve his cooperative clients.

**James Curley**
Washington, D.C.

**Democracy's Second Chance**: This book contains valuable information and also points the way to the cooperative development of enterprises. There are many lawyers throughout the country who are interested in it either because they represent farmers as principal clients or because they see in them an opportunity to make the law serve democracy. They are quite isolated from each other. The development of laws by lawyers for large cooperatives, by the development of a formal or informal cooperative bar association by means of which the lawyers could cooperate more efficiently with their clients, is more or less complete. Some barriers exist between these men because their respective clients or associates have different cooperative philosophies; there is a slight understanding that is interested in the profession; but, mostly, their solution is a matter of inertia and that can be overcome merely by want to do so. Then by daily use of his text, it is apparent that the work possesses these qualities in a high degree. He carries the cooperative theme through the story of its development, organization, management, and function. The alternative to the cooperative is an unhappy ending of successful operation or insolvency and liquidation. The other hand, he describes the motivational factors that are involved in the sale of goods.

**James Curley**

**Harold M. Groves**
Department of Economics University of Wisconsin

**September, 1941**

Your personality with its talents and initiatives is dammed up. Your personality cannot express itself. It cannot grow in responsibility, in skill, in quality, in freedom, security and independence, and the practice of social justice and social charity.

Democracy is weak because you in your helpless proletarian state are weak in the things that build democratic people. It is not enough to labor enough for you to be a non-legal error. They have done. Some barriers exist between these men because their respective clients or associates have different cooperative philosophies; there is a slight understanding that is interested in the profession; but, mostly, their solution is a matter of inertia and that can be overcome merely by want to do so. Then by daily use of his text, it is apparent that the work possesses these qualities in a high degree. He carries the cooperative theme through the story of its development, organization, management, and function. The alternative to the cooperative is an unhappy ending of successful operation or insolvency and liquidation. The other hand, he describes the motivational factors that are involved in the sale of goods.

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**Harold M. Groves**
Department of Economics University of Wisconsin

**September, 1941**
Representatives of regional cooperative associations of The Cooperative League of the USA met at Kansas City, September 11 and 12 to map out plans for a nationwide Cooperative Drive to run from October, 1941, to October, 1942. The Drive will rally cooperators around the slogan, "Build For a Saner World."

Committee members left to right (outside the U-shaped table) are: John Carson, Washington representative of the American Federation of Labor; A. J. Ross, assistant editor, The Midland Cooperator; Minneapolis; Leonard Coplen, manager, Consumers Cooperative Association, Amarillo, Texas; Martin Miller, assistant director, Consumers Cooperative Association, North Kansas City, Mo.; Guy Williams, assistant educational director, Consumers Cooperative Association, Columbus, Ohio; Carl Hutchinson, education department, Ohio Farm Bureau Cooperative Educational Division; Harold Jensen, advertising manager, Consumers Cooperative Association; Howard A. Cowden, president of Consumers Cooperative Association; Holbrook Calkins, assistant secretary of The Cooperative League of the USA; James Cummins, editor, Consumers' Cooperative Association, N. Kansas City, September 11 and October, 1942. The Drive will rally cooperators around the slogan, "Build For a Saner World."

The Drive will rally cooperators around the slogan, "Build For a Saner World."

Committee members unable to attend the meeting were: Glenn Thompson, Midland Cooperative Wholesale, Superior, Wisconsin; Howard A. Cowden, president of Consumers Cooperative Association; Hugh Bogardus, Central Cooperative Wholesale, Superior, Wisconsin; R. V. Mechem, Consumers Cooperative Association; and W. V. Mechem, Consumers Cooperative Association.

The Picture on the Cover

COMMITTEE OF CO-OP LEADERS PLANS FIRST NATION-WIDE CO-OP DRIVE

The managing editor of Fortune Magazine, Russell W. Davenport, in a notable article, "This Would Be Victory," declares that "we are in a revolution." This revolution, he says, "must be to our time what the American Declaration of Independence was to the eighteenth century—a breaking up of the past, an opening of a new world so vast and so little explored as to frighten off the imagination."

"The nature of this revolution is "a revolution against scarcity."

Interpreted more specifically and positively, it is a revolution of consumers for plenty.

We are all consumers as well as producers. Yet we have allowed our producers interests to dominate. Competition between producers for profits has resulted in scarcity. Over a century ago, Adam Smith wrote: "Consumption is the sole end and purpose of all production; and the interest of the producer ought to be attended to only as far as it may be necessary for promoting that of the consumer. The maxim is so perfectly self-evident that it would be absurd to attempt to prove it... the interest of the consumer is almost constantly sacrificed to that of the producer; and it (the system) seems to consider production, and not consumption, as the ultimate end and object of all industry and commerce."

Our present economic chaos results from our having failed to build an economy based on the fundamental principle of the priority of our consumer to our producer interests.

A producer-organized economy is built upon special interests—not general interest. Public welfare in economics is represented by the consumer. Only as consumers are organized in Consumers' Cooperatives, which become the common denominator of all producer interests, will the public welfare be served.
Everyone needs to be converted to Consumers' Cooperation. Cooperation need to feel that we are men with a mission. We need to have the spirit of a cause. Vice-President Henry A. Wallace has challenged us that: "Today we need a great many more persons who will become as deeply motivated by the idea of a cooperative economic society as the young men of 1776 and 1787 were motivated by the idea of a democratic political society. . . . The need is for a body of people in accord on general aims, as idealistic and as realistic as were the young Federalists of 1787, to channelize thought and initiate and consider proposals which may lead to a cooperative society."

The revolution against scarcity, and for plenty, requires the organization of consumers in cooperatives. The Nationwide Co-op Drive is a consumers' crusade. The consumer is the foundation of today's American economic revolution. The public well-being is incarnated in the consumer. The consumers' cause is the public welfare.

NATIONWIDE CO-OP DRIVE TIMELY

The Nationwide Co-op Drive is now on. All three words in the name were well-chosen by the Drive Committee, which is made up of representatives of The Cooperative League, National Cooperatives and the regional cooperative associations. This committee included editors, educators, advertising managers, sales managers, and general managers, all of whom had active experience in regional drives.

It is the first "NATIONWIDE" Co-op Drive. This is an important fact to note. The national drive of the decade of the '20's was principally a rural drive. The national drive of the decade of the '30's was an urban drive. The national drive of the decade of the '40's, now starting, is the first NATIONWIDE Co-op Drive covering both rural and urban residents, and extending from the Atlantic to the Pacific and from the Great Lakes to the Gulf.

It is a Nationwide "CO-OP" Drive. The name "CO-OP" has now become widely and favorably known. It is a seal of consumer ownership, of democratic control, of graded quality, and of lower price. It stands for the Rochdale Pioneers' purpose of building a better system of distribution and production, and of developing a better method of education and government by members. CO-OP is both the name of our Movement, and the trademark of our products. It means, as the French say, "A plow guided by a star." It is the idealistic star which leads us on, and the practical plow which turns retail, wholesale and manufacturing institutions.

It is a Nationwide "CO-OP" DRIVE." It calls for intense activity on the part of everyone in keeping with the great need today. The need is so great that it is impossible to fully conceive it. The present system is failing fast. We are also fast turning toward a system of state bureaucracy. What we need is a DRIVE toward A Cooperative Economy which will replace the present monopoly system and prevent the coming of state dictatorship. Cooperative economic crusaders are needed today as badly as were democratic political crusaders a century and a half ago. No one will save America from destruction by private monopoly or public bureaucracy but ourselves; nothing else will save us except by building cooperatives. It is a movement that is already making fast progress.

A Nationwide Co-op Drive is "TIMELY" today. There are times when an oncoming movement must push against the current of thinking, and little progress can be made. There are other times when the current of thinking helps a movement on. All inflation-deflation periods are such times which speed the growth of Co-ops.

The inflation-deflation period in the beginning of the decade of the twenties brought the farm consumers cooperative purchasing movement into being in a widespread way in America. The inflation-deflation period in the beginning of the decade of the thirties brought the urban consumers cooperative purchasing movement into being in a widespread way in America. The inflation period now on in the beginning of the decade of the forties, which will be followed by a deflation period, makes a Nationwide Co-op Drive TIMELY today.

The Consumers Cooperative Movement is taking advantage of the opportunity of riding the crest of the stream of time to speed up the coming of the day of plenty for all and peace on earth.

THE CALL FOR A COOPERATIVE CRUSADE IS ANSWERED

The Nationwide Co-op Drive has thus far covered five particular phases:

First, a call in the General Secretary's Report to the 25th Silver Anniversary Congress for "the inauguration of a corps of Cooperative Crusaders by every regional association, which will result in the organization of a nucleus group of Cooperative Crusaders in every locality."

Second, the dynamic expression of a feeling of the need of a Nationwide Drive at the national Publicity and Education Conference at Ames, in June.

Third, the unanimous approval of such a Drive by the Directors of both the Cooperative League and National Cooperatives at their quarterly meetings in July, and the authorization of the appointment of a Drive Committee to be made up of members of the Education and Distribution Departments of each regional association.

Fourth, a full day's meeting of the Chairman and Secretary of the national Publicity and Education Committee with the General Secretary of the League on July 30th for the preparation of a detailed agenda, which was submitted to the members of the Drive Committee in advance of their meeting.

Fifth, a two day meeting of the Drive Committee at Kansas City on September 11th and 12th, at which time the initial plans for the Nationwide Co-op Drive were made.

THE NATIONWIDE CO-OP DRIVE GETS UNDER WAY!!!!

As we go to press:

Seventy-five communities in the Eastern Cooperative Wholesale territory were mobilizing for an intensive campaign for more members, more business and more investment in cooperatives as part of the drive to "Build a Saner World."

From Superior, Wisconsin came word that more than 180 communities in Northern Michigan, Minnesota and Wisconsin and Minnesota are beginning their part of the Nationwide drive with a determined effort to carry the cooperative message to every home in those communities.

From Chicago came word that basement buying clubs are moving to street level, side-street stores are growing into main street food markets and old established cooperatives are streamlining their stores and modernizing their equipment as one phase of the drive to make co-op stores in beauty their co-op ideals.

From Kansas City, moving in concentric circles, 61 circuit councils were scheduled to draw co-op leaders from nine states together to carry the co-op drive to the grass roots.

In New York the National Radio Committee met to draw up proposals to present to The Cooperative League for a Nationwide radio program financed by 30,000 one-dollar-a-year men. THE NATIONWIDE CO-OP DRIVE IS UNDERWAY.

October, 1941.
THE ORGANIZATION OF THE NATIONWIDE CO-OP DRIVE

Two things are required to make any Drive successful: enthusiasm and organization.

Enthusiasm comes from enlistment in a great cause. Our cause is great. It is the cause of the consumer—the public welfare.

Organization is a matter of careful planning. In the following, we are summarizing the suggestions and recommendations of the Nationwide Co-op Drive Committee, which cover national, regional, and local organization and action. They are successfully proven methods which every cooperative association will do well to study and adopt.

1. Name

Lengthy discussion by the committee boiled down into the question of whether to use the words Nationwide or National; the abbreviation Co-op or Cooperative; the name Drive, Crusade or Campaign. A unanimous decision finally crystallized on the name NATIONWIDE CO-OP DRIVE. We believe there will be general agreement that the name is a good one to rally around, and one into which every regional and local drive can be integrated. It should be emphasized, in connection with regional and local drives, that they are part of a Nationwide Co-op Drive, which will strengthen their appeal.

2. Purpose

There could be but two possible purposes, in general, in putting on any Co-op Drive. They were expressed in the Review of International Cooperation as: first, to strengthen the Cooperative Movement internally; second, to give the Cooperative Movement the radiance it deserves. The Committee phrased these two purposes of the Nationwide Co-op Drive in these words:

To develop and strengthen the Consumers’ Cooperative Movement.

In a more general sense, the most important purpose of the Nationwide Co-op Drive is to rally the members of the Cooperative Movement around a single issue, and to call for real effort, and yet not too large to reach prospects in order to get them to make them receptive to personal solicitation.

3. Slogans

The Consumers’ Cooperative Movement has already developed a number of slogans which make a strong appeal. Others were suggested by the Committee. Among them are these, from which you can make selections for handbills, leaflets, posters, banners, etc.:

- Build Cooperatives Stronger and Faster
- Build Democracy Through Cooperatives
- Cooperation—the Answer of Free Men
- Cooperation—The Program For Free Men

4. Goals

The three major goals to be achieved by the Nationwide Co-op Drive are: Increased Membership, More Business, Larger Investment. These were expressed in challenging language as: Join a Co-op. Buy in Co-ops. Invest in Co-ops. A special leaflet is planned for general distribution briefly discussing these three challenges.

It was not thought possible by the Committee to set up national goals as to number of members, volume of business or amount of investment to be achieved during any particular period, on account of the difficulties of computation and comparison. However, it was recommended that each regional and local cooperative set up for themselves definite figures to be achieved covering all three goals. These should be large enough to call for real effort, and yet not too large to be reasonably possible of achievement.

5. Publicity Program

There are five principal proven ways to reach prospects in order to get them to “Join A Co-op.” They can be named Personal, Platforms, Publications, Pictorial, Printed Matter.

The first, or Personal, is the key to an effective Drive. The other four methods are for the purpose of arousing interest in order to reach people generally and make them receptive to personal solicitation.

Every cooperative should select a Drive Committee. This committee should organize the present membership for action. Names of possible prospects should be asked for from each member. Canvassing can be done individually or by teams. Members should invite in their neighbors and friends to spend an afternoon or evening. Application blanks should be provided for canvassers. Regional cooperatives should provide all of their local associations with instructions on “How To Put On A Co-op Drive,” and with materials applicable to their general program.

Under Platforms are included various types of open meetings as well as radio programs, which are intended to broadcast the idea of Cooperation to everyone who can be reached by public addresses.

Regional cooperatives can well arrange for a circuit of prominent speakers from religious, educational, labor, farm, cooperative and other fields. Local cooperatives can hold special meetings with similar speakers. Both regional and local cooperatives should always be on the job to get consumers’ cooperative speakers on programs of other organizations where possible.

Co-op dramas put on by members have a wide appeal. Some drama groups make a circuit of a number of cooperatives. Local cooperatives should organize their members into drama groups, recreation groups, choruses, bands, etc., all of which make possible greater participation by members and also makes a strong publicity appeal to others.

A special Radio Sub-Committee was also appointed by the Nationwide Co-op Drive Committee, consisting of Messrs. Campbell, Smith, Tichenor, Carson, Evans and Benjamin to consider thoroughly the possibilities of raising a Nationwide Radio Fund in order to arrange for national broadcasts. Local and regional radio stations should be used by cooperative associations—either as free time or paid programs.

The third type of publicity is that of Publications. These include both regional and local cooperative papers, as well as general newspapers and magazines.

To awaken America to the advantage of Consumers’ Cooperation.

Both purposes need to be achieved to a greater degree. While the Consumers’ Cooperative Movement is growing stronger all the time in building its financial, business, educational and recreational programs, it is vitally necessary that all these be speeded up to meet the dangers confronting democratic institutions. It is also vital that all of America be awakened to realize the facts of the success of Consumers’ Cooperation and its possibilities in helping to bring about plenty and peace, both internally and internationally.

A sub-committee consisting of Messrs. Campbell and Tichenor was appointed to draft a more extended statement as to why America Needs Cooperatives which, after approval by the Drive Committee and The Cooperative League Board, will be recommended for adoption by each local and regional cooperative and for publicity in the press.

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Today the regional cooperatives publish splendid newspapers which reach practically the entire membership of the locals. Every local cooperative which does not now do so should subscribe to the regional co-op paper for all their members as a part of the Nationwide Co-op Drive. The Cooperative League supplies a News Service every week to all regional cooperative papers, as well as to a large additional list of newspapers, magazines and writers. As a part of the Nationwide Co-op Drive, the League is inaugurating, with the assistance of the regional editors, a special pictorial series of success stories of local cooperatives.

No local cooperative should be without a Bulletin of some kind which is sent regularly to its members. Such a Bulletin helps to keep the membership active both in buying and in educational activities. Such Bulletins should help to gear each local cooperative in with the Nationwide Co-op Drive.

The national Cooperative League is constantly on the job with writers and publishers to get articles on Consumers’ Cooperation in national magazines. Newspapers are supplied regularly with the national News Service, and many of them publish cooperative stories from time to time. Only recently there have been published full pages of cooperative pictures by some newspapers, together with stories and statistics. Both regional and local cooperatives should be on the alert to get co-op stories in their newspapers. Interviews and statistics make the greatest appeal.

It was not thought by the Drive Committee that the time has yet arrived for a national cooperative advertising campaign either for institutional or commodity. However, local co-ops can use newspaper advertising effectively.

Pictorial publicity is the fourth type. It is also the fastest growing method because it visualizes the story of Cooperation, which has an even greater appeal than either the spoken or printed word. Under Pictorial publicity, we include three principal forms: Movies, Posters and Tours.

The Cooperative League has been able in the past to supply the Movement with two silent films through the courtesy of the Harmon Foundation. These are “The Lord Helps Those,” which tells the story of Nova Scotia, and “Traveling the Middle Way in Sweden.” As a part of the Nationwide Co-op Drive, the League has again been able to secure through the Harmon Foundation, a film of the first American Co-op Tour conducted in the summer of 1941. This film entitled “The Co-ops Are Coming” will be available shortly. Furthermore, through the cooperation of a number of the regional members of the League, it has now been possible to take a national co-op film, which will be available at least by the first of the year. Regional cooperatives are also providing their local with films, film strips and slides in an increasing number.

We are also happy to be able to announce that, by the cooperation of the regional associations, it has now become possible to arrange for a series of color posters as a part of the Nationwide Co-op Drive. The first of these will be issued in October, and others will follow monthly. They will stress that Co-ops follow American pioneering tradition, that they extend American democratic principles, that they apply ethical principles to business, as well as featuring co-op principles and practices.

It has been proven, over the course of the past several years, by the Cooperative League, that Co-op Tours are one of the most effective means of interesting people in the Consumers’ Cooperative Movement. Several tours have been arranged to Nova Scotia and Europe; last summer an American Co-op Tour was taken throughout the Middle West. Regional cooperatives are also finding that tours through their territories are highly effective. Plans are being laid for a 1941 American Co-op Tour by The Cooperative League, and the Drive Committee urges that regional and local cooperatives make use of this method of publicity to a greater degree. It has proven to be more than true that “Seeing is believing.”

The fifth and last principal method of publicity is that of Printed Matter.

New Cooperative books and pamphlets, either published or stimulated by The Cooperative League, are pouring from the presses constantly. Ten new pamphlets are already scheduled as a part of the Nationwide Co-op Drive, which will be issued from time to time.

6. Recreational Programs

It is necessary to tell people about Consumers’ Cooperation by using the five methods of publicity previously described, but there is also another way to interest and take part in some form of cooperative recreational and cultural activity. The Cooperative Movement is learning that the primary desire of people for group activity is to play together. For that reason, every regional and local cooperative should promote programs of kids’ dancing, singing, instrumental music, crafts, arts, games, etc., for its membership and invite prospective members to attend.

7. Educational Programs

Democratic Movements, such as Consumers’ Cooperation, require that people not only “Join a Co-op,” but also that they study how to help themselves successfully. Educational programs should be organized by every cooperative for all five of the following groups: Juniors, Youth, Employees and Directors, Members, and Prospective Members. These should consist of study groups, institutes, summer camps, etc.

8. Business Programs

As a part of the Nationwide Co-op Drive, every cooperative should plan carefully its program of getting present as well as prospective members to “Buy in Co-ops.” There are five principal methods of advertising and selling, all of which should be used. They are: first, Demonstration of the products themselves; second, Mailing Lists for literature; third, Broadcasting on newspapers and over the radio; fourth, Visual Advertising by films, posters, signs, etc.; fifth, Souvenirs, such as calendars, auto stickers and plates, table souvenirs, etc.

9. Finance Program

The final part of the Nationwide Co-op Drive is to persuade people to “Invest in Co-ops.” We need to mobilize our money cooperatively just as much as we need to buy cooperatively. Old and new members should be urged to invest in more than just one share of stock; they should have presented to them the idea of investing at least a minimum amount sufficient to provide themselves with the inventory as well as the facilities needed in both the local and wholesale cooperative. Beyond that, they should then be urged to invest their surplus savings in co-op loan capital, bonds, preferred stock, savings certificates, credit unions, etc., to make it possible to build factories for production, as well as to finance any time payment purchases which are necessary and advisable by cooperative members.

10. Summary

Every cooperator should experience a great thrill over the starting of the First Nationwide Co-op Drive. It should not only “Build Cooperatives Stronger and Faster,” but should also give each one an increased faith in and respect for the Consumers’ Cooperative Movement. This is one of the principal agencies for perfecting and protecting democracy in America. Every shoulder to the Co-op wheel to roll the Cause of the Consumer—the Public Welfare—along faster!

The first period of the Nationwide Co-op Drive starts with October 1941, and culminates at the October 1942 Congress of The Cooperative League, when we will celebrate our victories in Increased Membership, More Business and Larger Investments.
THE CO-OP CALL TO PEACE AND PLENTY

M. D. Lincoln, President
The Cooperative League

In these days of aggression and war, when governments all over the world are calling their citizens to arms, the cooperative movement calls all people to the pursuit of peaceful aims in attaining that abundance for all which it is now possible to achieve for the first time in all recorded history.

The present situation is the inevitable and logical sequence to the restrictive, monopolistic, selfish group producer interests that have dominated our thinking and action. Individual and group benefits and interests have supplanted a policy of good for all. This must be changed and cooperation for "all men's good" substituted since it is the fundamental basis of life itself.

People everywhere are groping for a peaceful way of getting the standard of living that is now possible. Economic cooperation has demonstrated its effectiveness in lowering purchaser's price and increasing producer's pay. It has demonstrated its effectiveness in building people and the material benefits have followed.

Political democracy issues through the political franchise, the right to vote. But political democracy is not total democracy—it is only a half measure. To have total democracy, we must understand political democracy with economic democracy, which I define as "participation in making economic policies and practices by all people contributing to or dependent upon the economic system." An economic franchise must be granted all people which will parallel the political franchise.

Now it is up to us to tell the world of our past accomplishment and our vast possibilities for the future. We should use every device at our disposal to list new people in the movement, strengthen present cooperatives, raise adequate capital, extend our services and thereby demonstrate that people can solve their own problems in the democratic way. It can be done.

JOIN A CO-OP — BECOME A LOYAL MEMBER

L. J. Bennett, Sales Manager
Farm Bureau Cooperative Association

The first important goal of the Nationwide Co-op Drive is a marked increase in Co-op membership. In fact, the measure of our success in this joint effort will be indicated, to a large extent, by the increase in new members brought into the movement.

But, in my opinion, the first and most urgent step to be taken toward membership growth is to increase the patronage and participation of existing members. How can we convince non-members of the benefits of cooperative action when our own members frequently show such gross indifference both in purchase of goods and in ownership of shares? Most of our Co-ops could easily increase their patronage from present members.

More members, more patronage, more investment, for each and every local Co-operative.

BUY IN CO-OPS: THE WAY TO OWNERSHIP

Howard A. Cowden, President
Consumers Cooperative Association

It was Tolstoy who pointed out that, if manna were to fall from heaven, the people would still go hungry. The reason? Because the land on which it would fall belonged to the few, not to the many. The eminent Russian author recognized in his day, as we are recognizing it even more acutely in our own, that widespread ownership is positively essential in winning a degree of security and the maximum of freedom.

Cooperators would attack the disease of centralized wealth control that is gnawing at the vitals of our system by pacific but effective means. They would simply turn the flow of their patronage away from the trusts, the combines and the monopolies and direct it through their own cooperative organizations. No trust, no matter how powerful, or how well financed, or how ruthless and knavish it may be, can withstand medicine so powerful as that. Even a giant weakens and falls when you quit feeding it. That, according to the Swedes, who have had much experience in "trust-busting," is the answer to the policy of scarcity and high prices which the cartels try to enforce. The people build their own factories, support them loyally, charge themselves reasonable prices for the goods, and monopoly prices come tumbling down.

That formula is so simple, so easily understood, that the wonder is that people generally have not seen it and caught hold of it. While we have made only a beginning, the experience of Consumers Cooperative Association should convince anyone who studies it that the formula does work, is working. The success of cooperative wholesales in other parts of the United States should demonstrate just as conclusively that the co-ops have something that should have the support of all the people.

In the forthcoming Nationwide Co-op Drive, which aims to develop and strengthen the consumer cooperative movement and arouse America to its advantages, I hope the theme of widespread ownership and its high importance will be carried to millions of consumers who at this moment know little about it. Consumers have patronage, and they have as much ability as others to hire technical
men where technical men are needed. And they have advantages, inherent in the co-op way of doing business, that competitive business would give millions to possess. We have a real story to tell America’s underprivileged millions, and we should make the most of our great opportunity.

"GIVE COOPERATION THE RADIANCE IT DESERVES"

Gilman Calkins, Chairman, National Publicity and Education Committee and Nationwide Co-op Drive Committee

We have a mighty job to do! The first Nationwide Co-op Drive is under way—to awaken America to Consumers’ Cooperation. The initial step in that mighty Drive is publicity—national, regional, local—to tell people everywhere about Cooperation.

How?

To tell the whole community: Mass meetings, forums, festivals, co-op dramas, pageants, commodity exhibits and demonstrations, movie shows. Don’t stop with one. Two new national co-op movies are in production. Present them with pomp and splendor to audiences new to the movement.

Radio, newspaper advertising and stories, signs, posters, ministers, farm and labor leaders, teachers, clubs, libraries, fairs—these are all available channels of introduction.

To tell prospective members: There is no definite line of demarcation here, but more intensive methods should, for efficiency, be confined to smaller areas, at any one time, than with those above. Personal door-to-door canvassing (with co-op merchandise samples), direct mail, guest events, bulletin boards, attractive modern stores, emblems, leaflets, town, souvenirs.

To tell the members: Publicity hasn’t stopped, of course, when a person joins, although it has done the bigger half of its job. We all tend to slow up or "skip a cog" now and then—doing even the things that are good for us—unless we are urged nicely into loyalty. In a co-op, this involves two publicity approaches: suggestions or reminders about the services and commodities, and information to develop participation and the sense of responsibility that begets loyalty. This calls for regular bulletins, regular meetings, parties, picnics, frequent reports to members, consumer courses, well-groomed mailing lists, exhibits, and more posts.

The Co-op publicity job is never done, never stops. No time ever demanded more publicity than this period of the first Nationwide Co-op Drive. The mood, the tempo, should be that of Red Cross workers at a great catastrophe, that of the doctor’s attendants at a major operation, that of firemen at a mammoth fire, that of all hands at their posts as a great ship casts off anchor, that of a great symphony orchestra in action. With that approach by every co-op and co-operator in the land, we WILL set America “on fire” for co-ops! But we must tell our neighbors first!

INVEST IN CO-OPS: BUILD FOR A SANER WORLD

Robert L. Smith, Assistant Secretary Eastern Cooperative League

"Build for a Saner World—Invest in Co-ops" puts the Drive emphasis where wide margins and large savings in the past have kept it from being put. A speaker at a Co-op meeting in the East summed up two mistaken notions when he said: "Many Cooperators expect to own a new social order on Boy Scout dues." First, small change is not a sound financial foundation for the cooperative movement; and second, Co-op shares are not an expense like dues. A Co-op share pays dividends not only in cash but in better facilities, better service, more efficient operations and regained ownership. Many members do not yet see beyond the shelves of their store or the pumps of their gas station. Dramatizing the importance of providing capital for a warehouse inventory, and a coffee roaster for a blending plant, and a refinery, in addition to the amount needed for local operations is one of the jobs of this year’s drive. A Co-op is not a club which cost $5.00 to join. It’s a machine which a consumer can own and expand to do any job he wants done—if he’ll put up the money, use it and control it.

If American Cooperatives are to meet the challenge of the times, we must make them strong by making these minimum investments per member: for a grocery store and wholesale, at least $25; for a farm supply store and wholesale, and for a gas station and wholesale, larger amounts. We must also invest our other savings in loan capital in local co-ops or in bonds or preferred stocks of regional wholesales and factories regularly and continuously.

Factories are free only to Cooperators who have put up the cash to build a foundation of sound retail and wholesale distribution facilities, and the first factory or two.

Ours to choose the way we use the power in our purse—not only in day-to-day purchases, but also in month-to-month investments!

EDUCATE FOR DEMOCRATIC ECONOMIC ACTION

E. A. Whitney, Educational Director Central Cooperative Wholesale

The Nationwide Co-op Drive is under way! It is a challenge to over a million member-patrons of The Cooperative League to go out and co-operativize America. It says in effect: "Go out into your community and boost your Co-op. Ask your neighbors to come in!"

But more than joining a Co-op is needed. We must thoroughly educate every member and functionary for democratic economic action.

October, 1941

Consumers’ Cooperation
RECREATION — A VITAL PART OF THE NATIONWIDE CO-OP DRIVE

Ellen Edwards, Executive Secretary
National Society for Recreational Education

**RECREATION** might be classed as a cultural product which people crave and consume to the tune of ten billion dollars a year. The Nationwide Co-op Drive would not be complete unless it included an effort to encourage people to obtain this cultural commodity on a cooperative basis.

Cooperators should be as interested in the quality of the play goods they consume as they are in the material commodities. Those forms of recreation which awaken in the participants a sense of mutuality, a greater readiness to work together, such as group singing, folk dancing, dramatics, handicrafts, puppetry and games, to name a few, should be stressed.

Since the quality of recreational goods depends so much upon the capacity, insight and interpretation of leaders, the Drive should stress the importance of leadership training. We need to develop leaders who are sensitive to social values and who understand something of human needs if our recreation is to result in social growth. Week-end and full week training schools should be sponsored by local and regional cooperative organizations to an even greater extent than is now being done.
The Drive should make new friends for the cooperative movement. One of the best ways to make friends is through play—having fun together. A generous allowance of time for recreational features should be part of all Drive meetings. Group singing, a puppet play, or a few games or dances will help to give the cooperatives the “radiance they deserve.” A period of social activity should be part of every study club meeting. A program for youth should naturally be built around recreational activities. Festivals in which the entire community participates would help to develop the cooperative neighborhood which we so need today.

The climax of all these recreational activities might be a colorful Fun Festival in which cooperatives from all over the country participate at the time of the Cooperative League Congress in October, 1942.

Totalitarian statesmen have found time to employ recreation as a means of repressing their subjects. Are the leaders of our democracies sufficiently alert and wise to conduct recreational activities keeping with our democratic ideals? Let us, as cooperators, prove that we are.

CONSUMERS INCARNATE THE PUBLIC WELFARE

John Carson, Washington Representative
The Cooperative League

Some few years before, when "consumer" representation was first established in government agencies in Washington, it was asserted that a "consumer" interest existed and that it had to be recognized as being something entirely distinct from the "public" interest. These very conscientious speakers and writers insisted that a "consumer" interest must be recognized as having a status in economic affairs somewhat similar to the "labor" interest and the "capital" interest. They were thinking of classes and class war, of interests identified with a government of and by the force of police power, and that is where their reasoning went awry. The true consumer philosophy is a philosophy of good will and of government from within the individual, rather than of government by force.

As the Swiss writers say: "The public well-being is incarnated in the consumer." The true consumer philosophy recognizes that everyone is a consumer, that the consumer is the public, that the consumer interest is the public interest, that the consumer interest cannot be a class interest and, therefore, that the consumer movement can never be a selfish movement.

Little by little, the drive is going on to make an official government and its members realize that practical idealism can exist.

Cooperators must seize upon every opportunity to let their government representatives know that an idealistic, non-nonsense, non-private interest group, known as consumer cooperatives, demands only that consumer rights shall be recognized, that the public interest shall be served.

LET'S DRIVE FOR MODERN CO-OPS

William J. Torma, Chairman
National Architectural Committee

Cooperators can vote every day and any day as one part of the Nationwide Co-op Drive. They can vote by writing to their Congressmen and Senators today demanding fair treatment in the administration of the coal and oil regulatory acts, asking fair treatment for the public in matters of taxation, insisting that in a democracy price control by cooperative competitive yardsticks must be promoted.

W e could do the finest publicity and educational job in the nation by telling America's millions of consumers about cooperatives and their advantages, but, if we cannot measure up to this publicity and education with inviting, clean and efficient merchandising units our drives will not accomplish what is intended of them.

The Architectural Committee's job is to urge every cooperative in the country to adopt a unified program that will make that "welcome" sign on the door of every cooperative a lasting invitation to each new consumer who enters. Here are a few basic improvements the Committee is seeking to accomplish in its work and through your cooperation.

1) A truly American design for our buildings in which our democratic character will find expression. Simplicity, beauty, efficiency, and economy should be the elements of a design that will present a friendly cooperative appeal to every consumer.

2) To provide standards of design and color for fixtures and interiors of our cooperatives. To work out drawings, illustrated booklets, film strips, and movies to assist local cooperatives in building, remodeling or choosing business sites which are a credit to the fine principles which guide our cooperative progress.

3) To pool the purchases of refrigerator and mechanical fixtures used in our stores, service stations and warehouses on a national scale to enable us to economically carry out this program at the lowest possible cost.

4) By carrying out this uniformity in exterior design, efficiency and service on a national scale, one cooperative is helping the other in obtaining increased trade. Publicity on a national scale becomes simplified because certain characteristics of design typical only of cooperatives can be referred to by radio, or by the press.

Already steps have been taken by the Committee in: 1) Agreement on uniform color scheme of Ivory and Forest Green Trim; 2) Purchase of cash registers and refrigeration equipment on a national scale; 3) Obtaining similar arrangements on other nationally known and tested mechanical equipment; 4) Working on a film strip to help stress the importance of modernization, cleanliness and efficiency of layout in cooperative stores; 5) Working on a possible national competition among architects for design of a cooperative store and service station; 6) Working with the design service in developing a uniform educational and commercial poster service for cooperatives.
A CHALLENGE TO COOPERATIVE ACCOUNTANTS
E. F. Selvig, President
National Society of Cooperative Accountants

THE Nationwide Co-op Drive is a challenge to cooperative accountants, as well as to every other employee, member and officer. The success and stability of our cooperatives is dependent to a great extent upon good accounting. Accounting maps out the course of our financial development and provides the means of painting a vivid picture of our successes and failures, so we can correct our mistakes and perpetuate the movement through better planned operations. Cooperative accountants must—

1. Not only continue to make good audits, but must constantly strive to make better audits.
2. Strive to educate their clients that cheap audits are many times very expensive, keeping in mind, of course, that expensive audits are not always good audits.
3. Give good advice. This will require constant study on the part of the accountants to keep up with current information relating to tax problems, government regulations, etc., of which there are many today.
4. Coordinate their own thinking to the general purpose and objective of the Cooperative Movement. This, too, will require considerable study and the reading of books and periodicals.
5. Feel themselves a part of the Cooperative Movement. By this they must not only talk cooperation, but must act cooperatively. They should be members and patrons of cooperatives.

The National Society of Cooperative Accountants, which is a nation-wide fraternal organization of persons rendering accounting service to cooperatives, has as one of its objectives the rendering of the very best possible service to the cooperatives. The thing that will need to be done before this can be fully accomplished is uniformity of reports and accounting terminology on a national basis. While accountants cannot bring this about alone, and will need the support and assistance of cooperative leaders everywhere, they can point out the need, to the end that eventually we may have comparable reports and statistics.

FRIENDS OF ROCHDALE INSTITUTE

An organization known as "The Friends of Rochdale Institute" is being created to help build up and finance the national training school in consumers' cooperation established under the auspices of The Cooperative League four years ago. Sixty-six graduates of Rochdale Institute are now employed in full-time jobs in the cooperative movement. The demand for trained graduates is greater than the supply, but the training program is expensive.

Dr. James P. Warbasse, director of the Institute, invites cooperators everywhere to join "The Friends" and make a membership contribution of $1.00 per year. Contributions should be sent to Rochdale Institute, 167 West 12th Street, New York City.
AN IMPORTANT GOAL in the NATIONWIDE CO-OP DRIVE

During the course of the Nationwide Co-op Drive at least a thousand co-op managers, editors, directors and other leaders should be added to the present subscribers of CONSUMERS' COOPERATION.

A hundred new subscriptions in your region. Ten new subs in your local co-op would put your national magazine over this immediate goal. Subscribe individually, or have your co-op send subscriptions to each member of its board and staff. It's a good investment. The price is reasonable, the goal is very modest. Help put it over.

$1 per year; 27 months for $2

THE COOPERATIVE LEAGUE
167 West 12th Street, New York City

"THE CO-OPS ARE COMIN'

The new colored movie, "The Co-ops Are Comin'" is now available for distribution everywhere. Use it in your co-op meetings, in schools, colleges, churches, farm and labor groups in your community.

Filmed in connection with the first All American Co-op Tour last summer, it shows all types of co-ops visited during the 2,600-mile trip.

More than a travelog, the movie portrays the strength and power of the movement, recording the accomplishments in a dozen fields. It is a 21/2-reel, silent film produced by the Harmon Foundation in cooperation with The Cooperative League.

For information about rental and lifetime lease write:

THE COOPERATIVE LEAGUE
167 West 12th Street, New York City

THE COOPERATIVE LEAGUE
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DIVISIONS:
Auditing Bureau, 167 West 12 St., N.Y.C.
Medical Bureau, 1750 Broadway, N.Y.C.
Design Service, 167 West 12 St., N.Y.C.

AFFILIATED REGIONAL AND NATIONAL COOPERATIVES

Name
Am. Farmers Mutual Auto Ins. Co.
Associated Cooperatives, N. Cal.
Associated Cooperatives, So. Cal.
Central Cooperative Wholesale
Central States Cooperatives, Inc.
Consumers Cooperative Association
Consumers' Cooperatives Associated
Consumers' Wholesale Cooperative Distributors
Cooperative Recreation Service
Eastern Cooperative League
Eastern Cooperative Wholesale
Farm Bureau Cooperative Ass'n
Farm Bureau Mutual Auto Insurance Co.
Farm Bureau Services
Farmers' Union Central Exchange
Grange Cooperative Wholesale
Indiana Farm Bureau Coop. Association
Midland Cooperative Wholesale
National Cooperatives, Inc.
National Cooperative Women's Guild
Pacific Coast Student Co-op League
Pennington Supply Cooperative
Pennsylvania Farm Bureau Coop. Ass'n
Southern Coop. Education Ass'n
United Cooperatives, Inc.

Address
St. Paul, Minn.
372—40th St., Oakland
7218 S. Hoover, L.A.
Superior, Wisconsin
2301 S. Millard, Chicago
N. Kansas City, Mo.
Amarillo, Texas
27 Counties Slip, N.Y.C.
116 E. 16 St., N. Y.
Delaware, Ohio
135 Kent Ave., Brooklyn
135 Kent Ave., Brooklyn
Columbus, Ohio
Lansing, Michigan
St. Paul, Minn.
Seattle, Washington
Indianapolis, Ind.
Minneapolis, Minn.
Chicago, Ill.
608 S. Dearborn, Chicago
Berkeley, Calif.
Walla Walla, Wash.
Harrodsburg, Penn.
Carrollton, Georgia
Indianapolis, Ind.
227 E. 64th St., N. Y.

Credit Union National Association

FRATERNAL MEMBERS
Madison, Wisconsin

THE BRIDGE

THE COOPERATIVE LEAGUE
167 West 12th Street, New York City

THE COOPERATIVE LEAGUE

OFFICIAL NATIONAL JOURNAL OF THE CONSUMERS' COOPERATIVE MOVEMENT

MADE IN THE U.S.A.

MAKE AMERICA CONSUMER COOPERATIVE CONSCIOUS!!!

Americans need badly to learn two things. First, that they have power as Consumers. Second, that they should organize Cooperatively.

It was over a hundred years ago when Dr. King challenged a group of poor people in England: "You are poor. You think you have no power. Organize your purchasing power." In those days, Adam Smith also warned that "the interest of the consumer is almost constantly sacrificed to that of the producer." Yet far too slowly have the people of the world, and in particular of America, learned to think of themselves as consumers as well as producers. We have now a competitive system of producers organizations struggling for profit. The methods used are those of internal and external force. The results are widespread poverty, unemployment and tenancy. Yet by also organizing as consumers, we could have a consumer-producer cooperative system based on service to all rather than profits to a few. The methods used would be persuasion and not force. The results would be a widespread distribution of incomes, jobs and ownership.

The primary purpose of the NATIONWIDE CO-OP DRIVE is to arouse Americans to the fact that they are consumers and should organize themselves into consumer cooperatives. The specific things everyone should do are three: Join Co-ops; Buy in Co-ops; Invest in Co-ops.

Make America Consumer and Cooperative Conscious!
A DECLARATION OF COOPERATION

Adopted by the Board of Directors of The Cooperative League of the USA at its quarterly meeting in Indianapolis, October 21, 1941. This Declaration should be read and adopted at every regional and local cooperative meeting.

Today America needs new pioneers. . . .

Men and women who will prove that the self-reliance of our pioneer tradition still endures. . . .

Men and women who will apply the spirit of 1776 and the wisdom of 1787 to the problems of 1942. . . .

Men and women who will grasp the significance of the democratic principles of liberty and equality of opportunity and extend them from the political into the economic field.

Today we are faced with the problems of war and chaos, class and race hatreds, scarcity amidst potential abundance, dictatorship, high cost of living, unemployment and insecurity and the concentration of wealth and power. These are the results of the prevalent economy of scarcity.

Yet, there is at hand, and at work, a program which substitutes peace for violence, construction for destruction, evolution for revolution. Today, millions of families throughout the world are developing this program for abundance through Consumer Cooperation.

Our problems are all man made and can be solved by men who are willing to take practical, peaceful steps toward building a world of justice and peace.

PEACE AND ORDER

Cooperatives serving millions of families throughout the world are building gradually a system of free trade between peoples without profit, force, or exploitation. Permanent peace will only come when the resources of the world are available to all mankind.

CLASS AND RACE FRIENDSHIPS

Cooperative membership is open to all, eliminating discrimination which sets race against race, class against class, and peoples against peoples.

PLENTY IN THE PLACE OF WANT

Cooperatives are organizations of consumers set up to distribute justly and without profit the abundance our power age is able to produce.

DEMOCRACY

Cooperatives, in which each member has one vote, apply the principles of democracy to the day-to-day job of supplying the necessities of life. Cooperative democracy is the exact opposite of political dictatorship.

LOWER COST OF LIVING

Cooperatives offset the high cost of living by increasing buying power, reducing the costs of production and distribution and eliminating the incentive for profiteering. Because savings are distributed to the consumer owners on the basis of their patronage, cooperatives cannot profiteer.

EMPLOYMENT

Cooperative stores and service stations, factories, mines, mills and refineries are creating new income and new employment. Savings, passed on to the consumer owners, expand their buying power and create in turn more wealth and more employment.

WEALTH AND POWER IN THE HANDS OF THE PEOPLE

Cooperative ownership strengthens the moral fibre of the people and gives everyone a stake in America, bringing to the people economic power to help themselves and to check both big business and big government. We want neither private monopoly nor public bureaucracy.

Our present world is governed by ruthless competition for profit rather than constructive cooperation for service, a world of hate instead of friendliness. We believe that the democracy and neighborliness of cooperatives extended throughout the world would eliminate the economics of force which causes war and that cooperatives will establish a permanent basis for world peace.

We believe that ideas can march where armies cannot penetrate and that the time has come when men of good will, working together in economic cooperation, can create a saner world.

The methods of cooperation have proved successful in every kind of enterprise from oil and farm supplies to groceries, from insurance and housing to recreation. And each step further, from retail, to wholesale, to production, taps new and wider benefits for self-reliant people. Good will cannot fail.

The Consumer Cooperative Movement has been endorsed by the major religious faiths, by national education associations, by all political parties, by farm organizations and by the labor movement.

Cooperatives are not institutions set up by philanthropists to help the people. They are businesses created by the need, intelligence, vision, good will, hard work and capital of people who believe in themselves.

Conscious of our opportunity and responsibility we pledge ourselves:

To study thoroughly the job ahead of us.

To join and help form cooperatives and accept the responsibilities of membership.

To buy everything possible through our cooperatives.

To invest in cooperatives.

To tell our neighbors and our neighbors' neighbors about cooperatives.

These are the opportunities and responsibilities of America's new pioneers. Men of good will, using the tools of the new age, can build a saner world.

AMERICA NEEDS COOPERATIVES

November, 1941
A SWEDISH COOPERATOR IN THE GOVERNMENT

Anders Hedberg, International Secretary
Kooperativa Forbundet, Sweden

AMERICA’S contact with the few
peaceful countries that are left on the
Continent of Europe is quite naturally
very limited nowadays. It is difficult to
keep pace with all that is happening on
the fringes of the vast area of conflict and
outside it, but the cooperators in the
United States are undoubtedly aware that
Sweden and Swedish cooperation are free
and are steering the same course as they
always did. In Sweden political neutral-
ity is a sound and necessary principle—
not merely for the cooperative movement.

The Swedish economy finds itself in
a more difficult position than ever before,
owing to the country’s being almost en-
tirely cut off from the supply of vital
necessaries and other goods from abroad.
We have had to adopt rationing, price-
control regulations and other Govern-
ment measures. However, the Swedish
consumers are suffering from no scarcity,
not even in the autumn of 1941, although
one sighs in vain for a cup of really good
coffee.

Co-ops Stabilize the National Economy

One of the reasons why the Swedish
economy has managed to fare pretty well
is undoubtedly the fact that the country
has had a very strong cooperative system.
When a third of the population has com-
sumed through a course in perhaps the most fa-
mous of all famous people’s high schools.
he became a shop assistant in a consum-
ers’ society and was quickly appointed
to the Cooperative Wholesale Society
(K.F.), the central organization of the
Swedish consumers. He there rapidly
found those contacts and connections in
England which have proved to be of
such vital importance both for his own
personal development and for the rela-
tions between Swedish and British co-
operation.

Become Nation’s Foremost Publishers

After spending some time at the Co-
operative College in Manchester, by 1918
his training and experience justified his
being appointed editor of the most
widely circulated organ of Swedish co-
operation, which under his management
had developed into the biggest popular j-
nal in the country. Its present circulation
just over 600,000 copies a week, if reck-
oned per inhabitant, would correspond
to an American edition of about twelve
million copies. In 1926, he became a
member of the Board of the Wholes-
al Cooperative Society and head of one of
the principal departments in the Society.
Among other sections, there came under
his supervision at that time the book-
publishing department, which rapidly
grew to be Sweden’s leading enterprise
dealing in economic literature. Another
of the fields of enterprise in which he
showed a keen interest was the great
permanent Cooperative School.

In his cooperative days, Axel Gjöres
also found time for a considerable
amount of writing. Among other books,
he has published in English a work that
is no doubt known also in America, en-
titled Cooperation in Sweden.

As a member of the Board of the In-
ternational Cooperative Alliance, he
had in close touch with cooperation in
foreign countries and especially kept up
his lively contact with the problems of
Great Britain and derived many impulses
from that country. His book on Robert
Owen and the Birth of Cooperation is a
work possessing scientific qualifications.
Moreover, his interest in history has
found expression in a paper on the Chris-
tian Socialists in England.

A Cooperator Heads
the Board of Trade

In 1938, sincere regret and disappoint-
ment were felt within wide circles in
cooperative Sweden when Axel Gjöres
resigned from active service within the
cooperative organization. The reason was
that he was then appointed head of the
Board of Trade, a Government Depart-
ment whose duty it is to supervise and
control a number of functions within the
economic life of Sweden. The appoint-
ment of a hard-bitten cooperator to this
central post in the Civil Service first
caused surprise and gave rise to com-
plaints in private industrial and commer-
cial circles, but in a very short time all
opposition was silenced. It was quickly
realized that the Board of Trade had ac-
egrued a chief who not only was a co-
operator, but was also capable of carry-
ing out his important official duties for
the benefit of the entire community. Even
the retail grocers said he was a “jolly
good fellow in spite of being a coop-
operator.”

When the European war broke out in
the autumn of 1939, the State economic
bodies found themselves faced with new
and serious difficulties. The huge burden
of work that rested on the shoulders of
Axel Gjöres became heavier still, and
his general reputation as an extremely
efficient administrator was still further
enhanced. Everyone admitted that he per-
formed his very arduous duties as price-
control authority with unimpeachable
impartiality and with far-sighted attention
to the urgent needs of the Swedish
economy.

Called to the Cabinet

When, therefore, the post of Minister
of Food and Supply became vacant in
1940, it seemed only natural that Axel
Gjöres should enter the Cabinet. This
time the appointment met with no op-
position from any quarter. He carries his
heavy burden of responsibility with calm
strength, good humor and personal
modesty.

Naturally, we Swedes haven’t merely
the Government and the Administration
to thank for the fact that our economic
life can go on as it does and that we have
not had to tighten our belts more than
we are doing today; but without this
strength and self-confidence displayed by
the State Administration our position
would have been far worse than it is.
Sweden’s cooperators are highly gratified
at having one of their own men at the
economic helm and hope that the trend
of high policy will soon be such as to
lighten his burden and restore full eco-
nomic liberty to the economic life of the
country.

The life of Axel Gjöres affords an il-
ustration of how rapidly social progress
in Sweden has developed. As a twenty-
year-old iron-worker and trade union-
ist, he was blacklisted after an un-
successful strike and lost his job. Now he
is a member of the Cabinet as Minister of
Food and Supply, highly respected by
workers, farmers and industrial magnates.
JUST a few days ago, friends buried the flesh and bone of Louis Dembitz Brandeis, retired Justice of the United States Supreme Court who died at his home in Washington on Sunday, October 5th.

But that which was Brandeis is not dead. The spirit of Brandeis—and he was all spirit and soul—goes marching on. A Supreme Court which once treated him and his beloved associate, Oliver Wendell Holmes, with derision and contempt now walks in the paths those two great jurists cut from legalistic underbrush planted by highly paid corporation lawyers. In Massachusetts and in New York, Brandeis’ prized and most cheredative insurance to make insurance a restraint for external restraint. It is more difficult to maintain than to achieve. It demands continuous sacrifice by the individual and more exigent obedience to the moral law than any other form of government. Success in any democratic undertaking must proceed from the individual. It is possible only where the process of perfecting the individual is pursued. His development is attained mainly in the processes of common living. Hence the industrial struggle is essentially an affair of the Church and is its imperative task.

Once I asked him why he and another very able and very wealthy man, another Jew who made large contributions to public causes, had parted company. He told me they were still personal friends and then added:

“He was interested only in building institutions, I am interested in building men.”

Brandeis was born in Kentucky. His father had ample means and Brandeis wanted for nothing. He died a very wealthy man, but one whose wealth was not as much of him as were his clothes. He had no personal experience with the tragedies of poverty, but as he grew more and more to resemble in face and form the great Lincoln, he also walked from an early day with Lincoln in the war to end the troubles of the oppressed.

In 1910, he became counsel for a young government clerk, Louis R. Glavis, who dared to expose a Secretary of the Interior—one Ballinger. Brandeis lived with that case day and night until finally he and Glavis uncovered the facts which aroused public opinion to drive Ballinger—and eventually Taft—from public office. As that fight had as much to do with the election of Woodrow Wilson in 1912 as did any other incident, Wilson wanted to name Brandeis as Attorney General. Wilson permitted political advisors to dissuade him, a decision he always regretted, but in 1916 he made amends by naming Brandeis to be a Justice of the United States Supreme Court. Then began a fight in the United States Senate where a blot of shame was written into the records in the attacks on Brandeis. Privilege and its ruber bands assailed him but far worse were the attacks of the ignorant and intolerant who opposed him because he was a Jew.

Victory by Dissent

Brandeis never lowered himself to indulge in personal attacks on others or to recognize that some made personal attacks on him. He really loved his fellow man, when Taft, who never forgot the Ballinger fight, joined in the disgraceful attacks made on Brandeis’ confirmation to be a Justice, Brandeis kept his counsel and his kindly manner. When Taft, years later and then in trying circumstances himself, sought to apologize, Brandeis quietly and with great forbearance ignored the original attack and the apology. Throughout the years when Brandeis was just a “dissenting Justice” of the Supreme Court, one who had to be tolerated, he never complained. He had no time for his personal affairs or personal fortunes. He had the great task of reforming the legal philosophy of the Supreme Court and he was ever at it.

There was a man. There is his light undimmed.
THE DOWN AND UP OF THE
EMPORIA COOPERATIVE ASSOCIATION

Dr. H. G. Lull, former chairman,
N.E.A. Committee on Cooperatives,
with the collaboration of Miss
Gladden Haskell and J. W. Cummins

Sad Days

The manager persuaded the Board to stock electrical equipment with an outlay of about $1,700. For the purchase of this equipment, loan capital was provided by the manager's father. This ill-conceived venture left the Cooperative with about $1,200 debt and with practically no electrical goods on hand. To make matters worse, the manager had employed inefficient and even dishonest help.

It was a very good thing for the future of the Cooperative that the by-laws required all loan capital to come from the members. A few of us had made sizable loans to keep the store afloat. When the financial condition became so bad that the membership stock was worth less than nothing, it goes without saying that the membership stock was worth less than nothing. But, with this reorganization, the Cooperative immediately began to climb. New members came in, transient trade increased, a meat market and good refrigeration facilities were added. Five years after the beginning and three years after its wobbly, uncertain, discouraging period of existence, the Emporia Cooperative Association paid its first patronage savings to members—4% on sales amounting to $11,000 in the quarter ending in July, 1941. It is practically out of debt. The stock has par value or better, the membership has increased to 175 active members, and they are rapidly becoming one hundred per cent patrons. Transient trade is increasing. Three men, including the manager, and one woman, are employed full-time. A delivery service is maintained. The inventory is adequate in groceries, meats, milk, cream, butter, eggs, cheese, fresh vegetables and fruits, etc., and is turned over on the average of five times in three months. CO-OP label goods are becoming more popular with both member and non-member patrons. There are new equipment, formerly rented, was purchased and new modern shelving and lighting were installed. Walls were re-decorated and floors repainted. A modern service counter was built, and self-service carts and baskets were added. All of these improvements, which took place in April, 1941, were paid for out of current earnings.

Credit Union Helps

The Credit Union, which is located in a rear room of the store, has proved to be a very strong factor in the success of the Cooperative. It enables members and those who wish to become members, when they are behind in their expenses, to pay cash for their groceries. It also serves as a profitable institution for the savings accumulated by the members. Membership in the Emporia Cooperative Association or in the Lyon County Cooperative Association (gas and oil) is necessary to qualify for membership in the Credit Union. Many members follow the practice of depositing money in the Em-

poria Cooperative Association and then buying against that deposit until another one is needed. This is good for both the Cooperative and the consumer-member.

Evaluation

After the modernization of the store, rising trade and increasing membership were immediate. But, while the Association has made use of all the multitudinous services provided by CCA, its members have neglected some of the advantages offered by the Educational Department. In a community like this, where so many potential cooperative leaders belong to two or more clubs or societies, it is difficult for all except the most devoted cooperators to shift off those groups of lesser importance to do the work of the more important. There is, however, an increasing number of aggressive, active members in the Association. CCA has been very helpful in the membership drive. Here again, however, only a few can or will go out to get new members to sign on the dotted line.

The membership of the Emporia Cooperative Association is distributed among people of different interests and occupations. It is composed of farmers, railroad workers, building mechanics, automobile mechanics and electrical workers, public school teachers, at least one preacher, a chemist, two doctors, and unclassified laborers—a fairly good cross section of the town. Racially, there are the preponderant mongrel variety of Americans, like the writer, several Mexican families, and a few families of Welsh and German extraction. We have been hoping that negro families would come in, but as yet they stand aloof. The membership is, at any rate, very cosmopolitan in this respect, as well as in terms of politics and religion.

At the present, the Board of Directors is composed of two young college professors, one of whom is president, a progressive farmer, a lady homemaker, and a railroad foreman, who is secretary. It is an intelligent, forward-looking board. Very much of the success of the Cooper-

ORS' Cooperation

Consomers' Cooperation

November, 1941

*The new by-laws require the purchase of $5.00 worth of stock for full membership.
Looking still farther into the future, we shall need a large assembly and recreation building for the use of the entire membership, and the membership of other cooperatives. This is looking ahead to the time when a number of cooperatives in this section of the country will see it fit to federate as they do in Wisconsin and in the Northern Peninsula of Michigan.

There are many problems of expansion and service ahead. We should dream, it is true; but we should never overlook the real present. To participate consistently and effectively in a consumer cooperative in the face of the hydra-headed opposition stimulates the exercise of intelligence and the mobilizing of social virtues. One must forego many former privileges and learn to enjoy unpopular activity.

"THE CO-OPS ARE COMIN'"

Esther Covey

"The Co-ops Are Comin'," is a new film produced by the Harmon Foundation with the cooperation of The Cooperative League, and was photographed in connection with the first All-American Co-op Tour that took place this past summer.

Here for the first time is a thrilling story of the development of American cooperatives in the middle west.

Forty educators, churchmen, journalists and cooperative leaders from all parts of the United States and Canada gathered in Columbus, Ohio in July, and traveled 2,600 miles through nine midwestern states, visiting cooperatives of every description.

With these forty people you visit cooperative stores and factories, wholesale houses, a cooperatively owned department store, streamlined grocery stores, co-op gas stations, credit unions, rural electric cooperatives, insurance companies, and the first cooperatively owned oil refinery and oil wells in the United States.

You see, with this group, first hand, real cooperative achievement, and meet the men and women whose vision and work made all this possible.

The film shows the tour party as guests of the youth groups at the recreation camp owned by Central Cooperative Wholesale of Superior, Wisconsin.

You see the homesteading project at Granger, Iowa, where, under the direction of Father Ligutti, a run down mining district was turned into a community of well kept homes.

"The Co-ops Are Coming" is a visual record of cooperative achievement, and all these scenes and many more make for a dramatic portrayal of American cooperatives in action.

It is a delightful movie, photographed in color and we guarantee an entertaining and instructive thirty minutes to all the party, the picnic ground and the theater as well as to the educational lecture and committee room.

One of the cooperative schools that are a part of Circle Pines Center's summer program each year, is the Recreation Institute which aims to train leaders so that they can go back to their societies and communities to carry on constructive and non-competitive leisure activities. The 1941 Recreation Institute was directed by Chester A. Graham, Educational Director of the Madison Cooperative Council and formerly of Ashland Folk School. Ably assisting him were Naomi Rawn, folk dancing; Waldo Kapnick, music; Gwen Fife, Marjorie Johnson and Dorothy Sonquist, crafts; and Robert Stockdale, shop.

"The genius of Circle Pines Center," says David F. Sonquist, its director and educational director of the Eastern Michigan Association of Consumer Cooperatives, "lies in the fact that together we are building building with our own hands something that is putting more meaning into our lives and more self-reliance into our spirits."

And when Dr. Sonquist speaks of building, he is speaking of it in no academic sense for the members of Circle Pines Center have looked farther to the future than one might suspect. They are not depending each year upon the rental of the National Park Service Camp to meet their needs but have purchased a large farm and are developing it for their year-around center. A work camp of the American Friends Service Committee, a Cooperative Youth Work camp, a Children's Camp, and week-end work bees of various member societies have made the new farm site a bee-hive of activity all summer while the educational and recreation institutes were being carried on in the government camp eight miles distant. Beach and waterfront and roads have seen improvements, buildings are being constructed and friendships have been centered across the native fieldstone walls that have grown high with the labor of many people.
WHAT IS HAPPENING TO THE CO-OPS IN THE CRISIS

Are the co-ops getting anywhere? Let's look at the record.

New Buildings

Early in November, the Consumers Cooperative Association and its associated cooperatives purchased a 1500 barrel-a-day oil refinery at Scottsbluff, Nebraska, a dozen large oil transports, ten service stations in western Nebraska and 71 acres of ground, an administrative building, warehouse and buildings housing a service station, cafe, laundry, hatchery, bottling works, grocery store and creamery at Scottsbluff.

The refinery will supplement the output of the co-op refinery at Phillipsburg, Kansas which is now turning out 3400 barrels a day of refined products and which reported earnings of almost a quarter of a million dollars in the last fiscal year.

New Refinery

At Amarillo, Texas, Consumers Cooperative Association will have a business volume of one million dollars in 1941, five times what it was last year. To meet expanding volume, CCA is building a modern brick and concrete headquarters and oil compounding plant scheduled for completion December 6.

At Superior, Wisconsin, the Central Cooperative Wholesale has just broken ground for a new elevator attached to the CCW feed mill, to cost $27,000, and the management committee of the wholesale has authorized immediate construction of an addition to the paint and grease factory plants at its headquarters. During the past fiscal year CCA manufactured 3 million gallons of co-op grease and more than 48,000 gallons of co-op paint.

Farm Bureau Cooperatives in Ohio and Pennsylvania have joined hands with the Southern States Cooperatives to construct a $400,000 continuous-mix feed mill at Reading, Ohio, which will have a capacity of 20 carloads of feed a day.

The Saskatchewan Co-op Wholesale announced the purchase of the four-story Fairbanks-Morse Building in Saskatoon as its new home. Work began in Regina on a 225,000 barrel storage tank to enlarge the facilities of Consumers Cooperative Refineries.

Erection of additional plant capacity for the co-op refinery in Indiana is being held up temporarily pending priority approval.

In New York City, Amalgamated Cooperative Houses held ceremonies November 15 at which Congressman Voorhis dedicated three new units providing for 48 more families in America's largest housing cooperative.

In Brooklyn, New York, Eastern Cooperative Wholesale, with a year yet to run on its four-year lease, found its facilities overcrowded and the wholesale board approved steps to secure larger quarters.

Moving Into Groceries

Cooperatives in Saskatchewan took a step last month which was hailed as the most significant since the establishment of the Saskatchewan Cooperative Wholesale Society in 1929 and the opening of Consumers Cooperative Refineries in 1935. The action was approval of extending the operations of the co-op wholesale into the distribution of groceries to 35 grocery co-ops in the province and at the same time to open the way for co-op grocery distribution to all cooperatives in the state eventually.

In Columbus, Ohio, November 7, 8, and 9 representatives of both farm and city cooperatives met to consider possible steps to extend co-op grocery wholesale service in the state. Already a number of study clubs in rural areas have started case-lot distribution of groceries as a first step in that direction for rural Ohio.

National Coordination

At Indianapolis in October, National Cooperatives selected T. A. Tenhune, chief buyer for Central Cooperative Wholesale, as its general manager, a step which should make possible greatly increased joint purchasing by the regional cooperatives. Associated Cooperatives of Northern California, serving thirty consumer co-ops with 15,000 members in that area was admitted to membership.

The board of directors of The Cooperative League, meeting the following day, approved a Cooperative Program for World Peace and issued a Declaration of Cooperation as a feature of the Nationwide Co-op Drive. The board also asked a proposal to set up a National Co-op Radio Fund to which individual co-op members may contribute directly to the cost of general co-op publicity via radio.

The boards of The League, National Cooperatives and United Cooperatives toured the mills and factories of the Indiana Farm Bureau Cooperative Association and met informally together at luncheon in Shelbyville.

New Members, New Business, New Capital

It is too early yet to measure in any way the effect of the current Nationwide Co-op Drive in bringing in new members, new business and new capital. But the drive is already attracting a great deal of attention and both regional and local cooperatives in all sections of the country are contacting individuals and organizations that have never been tapped before.

Here are some of the regional drives that are part of the coordinated campaign:

Seventy-five communities in the Eastern Cooperative Wholesale territory are mobilizing for an intensive campaign for more members, more business and more investment in cooperatives as part of the...
drive to "Build a Saner World."

More than 180 communities in Northern Michigan, Minnesota and Wisconsin are beginning their part of the Nationwide Drive with a determined effort to carry the cooperative message to every home and every community.

In the Chicago area basement buying clubs are moving to street level, side-street stores are growing into main street food markets and old established cooperatives are streamlining their stores and modernizing their equipment as one phase of the drive to make co-op stores equal in beauty their co-op ideals.

Sixty-one council programs in CCA land are scheduled to draw co-op leaders from nine states together to carry the co-op drive to the grass roots. And the manager and field staff of Eastern Co-op Wholesale are meeting with managers and board members of local co-ops from Maine to Maryland.

New Tools

Today the cooperative movement is at work "making the tools of the new age expedite the vision of the old."

A colored motion picture, "THE CO-OPS ARE COMING," photographed in connection with the first All-American Co-op Tour last summer was completed and released the first of October, and has already been shown to many thousands of consumers. The film was produced by the Foundation in cooperation with The Cooperative League.

The national movie, "HERE IS TOMORROW," is in the final stages of production. In two thousand co-ops from coast to coast blaze the slogan "Neighbors Built America—Neighbors Are Building Co-ops," and "Prolet and Build Democracy thru a Co-op."

The National Co-op Radio Committee appointed by the committee which drew up plans for the Nationwide Co-op Drive, is making plans for a drive during the months of January, February and March to find Fifty-Thousand-One-Dollar-A-Year Men who will finance a series of nationwide broadcasts to tell the story of cooperation from the housetops by radio.

On November 29, Senator George D. Aiken, Congressman J. Voorhis and Murray D. Lincoln, president of The Cooperative League, will take to the air from 10:15 to 10:30 p.m. eastern standard time over the Columbia network to tell America about the cooperatives. The title of the broadcast will be "Building a Saner World."

Conferences on Religion, Labor and Cooperatives

An outstanding series of conferences under the direction of the Rev. James J. Myers at the attention of churchmen and labor on consumer cooperatives as a way of cutting the costs of living and living a fuller life. Representatives of the Federal Council of Churches, National Catholic Rural Life Conference and Central Conference of American Rabbis have taken part in these conferences while representatives of both the A.F. of L. and C.I.O. have spoken at a Labor-Co-op conference in New Haven, Conn., and plans are under way for a similar conference at Schenectady, N. Y.

The National Catholic Rural Life Conference meeting at Jefferson City, Missouri, repeatedly turned to cooperatives as the economic manifestation of Christianity at its sessions October 4-8. The Most Reverend Vincent J. Ryan, Bishop of Peoria, described cooperatives as an "instrument of liberation for the farmers. Cooperatives are the means of cultural and spiritual regeneration . . . . The cooperative way is the Christian way."

The Most Reverend Aloisius J. Muench, Bishop of Fargo described cooperatives as closely intertwined in the development of Christian philosophy. Other Catholic leaders also went on record as endorsing and encouraging cooperatives.

Labor Shows a Growing Interest

Senator Norris and Congressman Voorhis sent a joint telegram to the American Federation of Labor on behalf of Industrial Organizations and the American Railroad Brotherhoods urging that labor take a more active part in the promotion of consumer cooperatives saying: "higher wages alone won't solve the problems of working men" and inviting organized labor to consider immediate practical steps in the cooperative field.

William Green, president of the American Federation of Labor, said in a telegram of response, "a full measure of support will be accorded the organization and extension of cooperative buying organizations in cities and towns throughout the nation."

Early in November, twenty great Railroad organizations expressed "deep interest in cooperative buying organizations" and invited Murray D. Lincoln, president of The Cooperative League to appear at the next meeting of their executive association to tell them how to express their interest by action.

The C.I.O. hasn't yet taken a definite step in response to the Norris-Voorhis telegram.

BOOK REVIEWS


Edgar J. Schmiedeler, a follower of Benedict, has written for the Catholic Literary Guild Press, "Cooperation: A Christian Mode of Industry." Father Schmiedeler teaches the economics of cooperation at Catholic University in Washington. He attempts to show that the spiritual and cultural work in the cooperative field for the National Catholic Welfare Conference. As Father Schmiedeler is a teacher, it is natural that his book takes on the aspects of a text book. Into it he has crammed the history of cooperation in this country, as well as in foreign countries, the philosophy of cooperation and of great importance the part the Catholic Church and its followers have played in the development of the cooperative movement.

This book will be of great value to anyone interested in a concise, but very complete, history of the cooperative movement. Particularly will it be of value to students. And as professors in Catholic schools and Catholic colleges they will turn their attention to cooperation, the book should be a leading one on all cooperative bibliographies.

Thus through the printed page, Father Schmiedeler is following in the paths laid down by Mr. Bergengren for Berger and扩充 his work in the Benedictine Order. He is teaching and preaching the cooperative way of life, the good way of life. He is turning on the light of cooperation and good will against the darkness of a materialistic philosophy which is the inevitable part of an individualistic profit order.

John Carson, Washington Representative, The Cooperative League

November, 1941
I Chose Denmark, by Oar Interests as Consumers, by
A Survey of Consumers' Cooperatives in the
Cooperative Education, by
Cooperative Plenty, (Available through The Cooperative League)

integrated program of self-help still awaits
what Can the CO-OP Mean to You? by
NEW BOOKS AND PAMPHLETS

(available through The Cooperative League)

Cooperation: A Christian Mode of Industry,
by Rev. Edgar Schmiedeler, O.S.B., Catholic Literary Guild, 218 pages, $1.50

Cooperative Plenty, by Rev. J. Elliott Ross, B. Herder Book Co., St. Louis, 200 pages, $1.00

Cooperative Education, abstracts of 600 books and articles on cooperative education, edited by V. J. Trenshenko, Cooperative Project. Works Progress Administration, 563 pages, limited edition free on request.

A Survey of Consumers' Cooperatives in the United States, by L. G. Bryngelsson, College of the City of New York, a doctor's dissertation, published by the author, 448 pages, $2.00

I Chose Denmark, by Francis Hackett, Doubleday, Doran & Co., 250 pages, $2.50

Our Interests as Consumers, by Dorothy Houston Jacobson, a high school text with 80 pages on cooperatives, Harper and Brothers, 358 pages, $1.50

What Can the CO-OP Mean to You? a beautifully illustrated pamphlet, published by the Cooperative Union of Chicago, 16 pages, 10c.

A Short Introduction to Consumers' Cooperation, by Ellis Cowling, published by The Cooperative League, ninth printing, completely revised, 32 pages, 10c.

The Important Fact about a Cooperation is a four-page booklet, Eastern Cooperative League, 1c.

Statement of the Ownership, Management, Circulation, Etc., Required by the Acts of Congress of August 24, 1912, and March 3, 1933, of

Consumers' Cooperation

Published monthly at New York, N. Y., for October 1, 1941.

State of New York, County of New York, ss.

Before me, a Notary Public in said State, in and for the said County of New York, do deposer and swear that

THE COOP-OP LEAGUE OF THE U.S.A.

The book's momentum ends with the phrase "one great agency." To consumers purchasing commodities cooperatively, or to workers organized to improve their bargaining power, the phrase cries out for expansion. What about

THE STAR LEADS ON

FOUNDOATION OF CIVILIZATION Louis J. Taber

BALANCE PRICES AND INCOME E. R. Bowen

OHIO OFFERS COMPLETE COOPERATIVE INVESTMENT PROGRAM E. K. Augustus

CAPITOL LETTERS John Carson
"HERE IS TOMORROW," the first sound movie of the American consumer cooperatives ever produced, is completed and will be available for distribution in all parts of the country January first.

The movie is a dramatized documentary portraying vividly the accomplishments and scope of the cooperatives throughout the country. It was produced by Documentary Film Productions, Inc. under the direction of Herbert Kerkow and Willard Van Dyke, with Roger Barlow as cameraman and Irving Lerner as film editor. Kerkow and Barlow traveled 6,000 miles this summer and fall photographing co-ops from Brooklyn, New York to Phillipsburg, Kansas and north as far as Superior, Wisconsin. Philip Brown of "I Wanted Wings" and "H.M. Pulham, Esquire" and Jabez Gray, well-known actor, play the dramatized scenes and commentary.

"Here is Tomorrow" shows how men and women working together as neighbors have built a "peoples' business" owning streamlined grocery stores and warehouses, feed and seed mills, hatcheries and fertilizer factories, insurance businesses, service stations, refineries, pipelines and oil wells. The picture is not a travelog but a moving testament to the ability of people to help themselves—a sample of the future.

"Here is Tomorrow" is a 27-minute movie; prints are available for rental or purchase on life-time lease in either 16mm. or 35mm. editions. Complete information may be secured from The Cooperative League, 167 West 12th Street, New York City.

**THE COOPERATIVE LEAGUE**

608 South Dearborn, Chicago

167 West 12th Street, New York City

726 Jackson Place N.W., Washington, D.C.

**DIVISIONS:**

Auditing Bureau, 167 West 12 St., N.Y. C.

Design Service, 167 West 12 St., N.Y. C.

**AFFILIATED REGIONAL AND NATIONAL COOPERATIVES**

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<tr>
<th>Name</th>
<th>Address</th>
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<tr>
<td>Associated Cooperatives, N. Cal.</td>
<td>372—40th St., Oakland</td>
<td>New Age Living</td>
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<td>Associated Cooperatives, So. Cal.</td>
<td>7218 S. Hoover, L.A.</td>
<td>Cooperative Builder</td>
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<tr>
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<td>Superior, Wisconsin</td>
<td>The Round Table</td>
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<td>Central States Cooperatives, Inc.</td>
<td>2901 S. Millard, Chicago</td>
<td>Cooperative Consumer</td>
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<tr>
<td>Consumers Cooperative Association</td>
<td>N. Kansas City, Mo.</td>
<td>The Producer-Consumer</td>
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<td>Consumers’ Cooperatives Associated</td>
<td>Anarillo, Texas</td>
<td>Readers Observer</td>
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<td>Consumers Book Cooperative</td>
<td>27 Coenties Slip, N.Y.C.</td>
<td>Consumers Defender</td>
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<tr>
<td>Cooperative Distributors</td>
<td>116 E. 16th St., N.Y.</td>
<td>The Recreation Kit</td>
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<td>Delaware, Ohio</td>
<td>The Cooperator</td>
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<tr>
<td>Eastern Cooperative League</td>
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<td>Lansing, Michigan</td>
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<td>Hoosier Farmer</td>
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<td>Midland Cooperative Wholesale</td>
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<td>National Cooperatives, Inc.</td>
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<td>Pacific Coast Student Co-op League</td>
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<tr>
<td>National Cooperative Women’s Guild</td>
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<td>Southeastern Cooperative League</td>
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<td>United Cooperatives, Inc.</td>
<td>Indianapolis, Ind.</td>
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<td>Workmen’s Mutual Fire Ins. Society</td>
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**FRATERNAL MEMBERS**

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<tr>
<td>Credit Union National Association</td>
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<td>The Bridge</td>
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**CONSUMERS’ COOPERATION**

OFFICIAL NATIONAL JOURNAL OF THE CONSUMERS’ COOPERATIVE MOVEMENT

Volume XXVII. No. 12  DECEMBER, 1941

Ten Cents

PEACE • PLENTY • DEMOCRACY

THE STAR LEADS ON

The Biblical story of the three wise men who were led by a star ends their journey with the star coming to rest over Bethlehem.

But the star has never rested long. Through centuries, it has led men on in their search for the kinds of social organization which would put into practice the principles of brotherhood into practice. It led on to England, where the first Consumers' Cooperative Society was organized on December 21st, 1844, ninety-seven years ago. It led on to Germany, where the first Cooperative Credit Union was organized in 1850. It led on to Denmark, where farmers organized the first cooperative creamery in 1882, from which grew the Farmers Cooperative Marketing Movement. It led on to England, where the Tolpuddle Martyrs organized the first labor movement.

Happy, indeed, should be every neighborhood in America where the star has led the people to organize a Cooperative Society. It may be small today; it may be dim as yet compared with its large and brilliant competitors; but it glows with the light of love and faith for those who have vision and understanding of the potentialities of Cooperation.

Saturday night, December 20th, should be celebrated as Rochdale Eve. On that night, there should be cooperative dramas with acts picturing the Rochdale Pioneers at work filling the shelves of their small store on Toad Lane in preparation for the momentous event of the morrow, and other acts showing their preceding efforts in raising capital and the subsequent worldwide success of the idea of a Brotherhood of Consumers, which they put into practice. Appropriate songs should be sung by all, such as "Follow the Gleam" and "That Cause can Neither..."
GO INTO GROCERIES FASTER!

In an interview with the late Sir William Dudley, former President of the Cooperative Wholesale Society of England, he asked this question: "Why do you, in America, feed cows' stomachs cooperatively and tractors' stomachs cooperatively, and not feed your own stomachs cooperatively?" Our answer was that feed and fertilizer and petroleum products were simple and bulky commodities and had a wide margin, and that we were using them to help build a foundation for going into co-op groceries. "I see," he said. "You are on the right track. But when are you going into groceries faster?"

It was seven years ago when he asked that question. Today we could answer his question "When?" by saying "NOW."

For the American Cooperative Movement is becoming grocery conscious.

Why Go Into Groceries

There are, at least, four principal reasons for going into groceries faster: the saving of money, the unity of the entire family, the uniting of farmers and workers, the fact that groceries are the primary key to building a cooperative world.

Cooperatives have now proven, from the Atlantic to the Pacific oceans, that they can save money and do better with retailing and wholesaling groceries. We have before us a list of patrons of an established cooperative grocery store. Their patronage dividends for the past five years averaged over $100 each, or more than $20 per year. What family would not like to receive a $5 bill each quarter, or a $10 bill every six months, or a $20 bill every year as a return on their purchases? While these amounts may be larger than can be expected in the early stages of starting a cooperative, they are an example of what is being done now by older cooperatives. But patronage returns are not the only savings that are made by buying groceries in a cooperative—other savings are made in lower prices on highly advertised commodities—besides the assurance of known quality under government and cooperative grading.

The interest of the entire family can only be built around a commodity like groceries, which everyone personally consumes. When everyone in the family—father, mother and children—get into the habit of going into a cooperative grocery store and buying regularly, they all benefit naturally because of the larger meaning of Cooperation and in the educational and recreational activities which are developed among the membership.

The great danger in a democracy today is the misunderstandings which have grown up between organized farmer and worker groups. Unless farmers and workers can be brought together on common ground, there is reason to fear for the preservation of democracy. When men who work on the farm or in the factory have no common economic relationship, they can be divided and conquered by dictatorship. The one common economic ground on which they can meet organized Labor and organized farmers, management and workers, the fact that groceries are the primary key to building a cooperative world.

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followed through wisely insure success. They are: first, the organization of a study circle; next, a buying club; then, a Co-op store; and, finally, a Co-op Food Market.

It takes more than emotion and enthusiasm to build a cooperative grocery store. In the past, the people have defaulted on their responsibility of owning and operating their own businesses. It takes hard study to learn to do so successfully. The best way to start learning is to organize a small study circle of friends and neighbors, and then from the first to organize others. Cooperative literature is now available in abundance. Study outlines are issued regularly.

From learning by study, the next step is learning by doing. The simplest way to start business operations is by evolving the study circle into a buying club. Packaged goods can be bought in case lots from co-op and private wholesales. Distribution is usually made from a member's home or garage, or some other convenient meeting place. Since much of the work is done voluntarily, the savings are often large in percentage. However, only small patronage dividends should be paid, if any, and the balance credited to each patron toward the purchase of shares.

In time the co-op membership will grow larger, the inconvenience of handling purchases without convenient facilities will become greater, until at length the group will incorporate and take the third step by opening a Co-op store. This will usually be in a low-rent location, and the store may be open only part-time in the beginning. However, the building chosen should be such as to make possible the installation of self-service equipment in the beginning, in order not to be handicapped by an excessive payroll. Generally, because of the scattered membership, it is necessary to provide for delivery service. Again the membership will grow, the store will be found too small, and the fourth step will be reached.

In the end, to meet competition and to serve the membership the most economically, the time will arrive to develop into a self-service, cash and carry Co-op Food Market. Then, in time, other neighborhood Co-ops will start as branches or separately, if the town is large enough to require more than one location.

These steps are no longer theoretical in the United States, but proven out by experience.

Progress of Co-op Groceries

Central Cooperative Wholesale of Superior, Wisconsin, first demonstrated that the handling of groceries cooperatively can be made a success. They are now preparing to celebrate their 25th anniversary. However, the fact that the membership in the beginning was largely of one racial group apparently led others to hesitate in going into the handling of more complicated products like groceries, and to begin with more simple products like feed and fertilizer and petroleum products.

Eventually, however, after developing strongly in petroleum products, Consumers Cooperative Association of North Kansas City, Missouri, and Midland Cooperative Wholesale of Minneapolis, Minnesota, opened grocery departments.

The membership of these three wholesales consists principally of farmers. City residents began to think of themselves as consumers and of cooperative organization in the early depression years of the thirties. A few racial groups had proven in the cities that cooperative grocery stores could be made a success if people would stick together; but the ordinary American-born citizen had been too individualistic. Poverty and unemployment on a vast scale finally woke him up. During the past few years, probably 500 cooperative clubs have been started, many of which have evolved into stores and some into food markets. Two wholesales have developed to serve them—Eastern Cooperative Wholesale of Brooklyn and Central States Cooperatives of Chicago. The phenomenal growth of Eastern Cooperative Wholesale, until it handles a volume of over $2,000,000 yearly is the outstanding proof of what can be done in the handling of groceries cooperatively.

There are also many indications that the membership of other cooperative wholesales are becoming actively interested in going into groceries, and progress ahead in this field of cooperation is likely to be rapid. We have learned that there are no insurmountable difficulties in handling groceries—plus the fact that they are the commodity around which people naturally group themselves first.

Lastly, prorations are quite certain in most commodities except groceries which makes it all the more advisable to build a grocery volume to replace reductions in other lines.

The Possibilities in Co-op Groceries Illustrated by Eastern Cooperative Wholesale, Brooklyn, N. Y.

VOLUME

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*Est.*

$300,000 at beginning and end of 7 years (1929-36) as brokerage wholesale.
TO PREVENT INFLATION

The most important immediate economic problems which America faces as a nation have to do with preventing inflation and deflation. This can only be done by balancing prices and income. A simple statement of the situation is this: There are two factors tending toward inflation: first, the increase in income and second, a decrease in the goods that can be purchased. More money and less goods mean higher prices. There are two factors which tend toward deflation: first, taxation and second, savings. Both reduce the amount of income that can be spent, and thus prevent higher prices or lower them. Every cooperator should think his way through to a clear understanding of these problems and to a decision as to what action should be taken.

Repeated booms and busts, such as occurred in 1920 and 1929, will if continued inevitably lead to revolution and dictatorship. Another inflation period is already under way which, if not stopped, may result in both economic and political disaster for America when the time for deflation arrives. No American should be blind to the certainty of deflation following inflation—we have had two violent examples during the last twenty years and should learn from such experiences.

The University of Chicago has just celebrated its fiftieth anniversary with the assembling of a "learned" Congress. The internationally known economic authorities who spoke at this Congress were specific in making these three declarations:

First, that economic freedom and political democracy have disappeared in some countries because of their failure to solve the problem of unemployment.

Second, that their failure to solve the problem of unemployment was because those who owned goods refused to sell them at prices which those who could consume them could pay.

Third, that economic stability cannot be achieved until a system is worked out where income will equalize outgo, or price.

Unfortunately, the economists left the problem unsolved after making this analysis, without answering the question of how to do it. We Americans must work out a system which will answer the problems of unemployment, poverty and tenancy lest we also lose democracy in America. Naturally, there will need to be two answers: the first, emergency relief measures; and the second, permanent remedies.

Emergency Relief Measures

The charts on the previous page show the economic factors involved and will help to explain in general what will have to be done if temporary economic stability is achieved and the extremes of inflation and deflation are prevented.

The problem we face is this: If inflation and deflation are to be prevented, then the net income of consumers plus credit to consumers must be no greater than the normal price of the civilian goods that are available. This means that an amount equal to the price of defense goods, must be taken by Uncle Sam in some manner and used to pay for defense goods. It cannot be left in the hands of the people to spend. For if net cash income and credit to consumers rise, then the price of civilian products will rise in proportion to absorb the increased income.

Emergency relief requires some measure of control of both prices and incomes by the government, since the present system is not self-controlling to prevent inflation and deflation but, instead, aggravates it. Even in normal times, the competitive-profit system is unable to balance total price and income because of the accumulation of excess savings in the hands of a few. These normal difficulties, which themselves bring on periodic depressions, are greatly exaggerated in a system in which the government concentrates a large part of civilian production over to defense production and reducing the amount of civilian goods available, while paying out huge sums to workers for the production of defense goods which they themselves do not purchase with the income they receive.

The Control of Income

The most direct way to prevent price inflation is for consumers not to have any more cash and credit to spend than the normal price of the civilian goods available. Any additional income which they receive will have to be taken from them by the government in one or both of two ways: either taxed away or borrowed away.

There are at least four kinds of taxation which can be adopted by the government:

1. The first is corporation income taxes. This has been proposed by Secretary of the Treasury Morgenthau, and has immediately brought violent opposition from finance and industry. When such taxation is adopted, it serves to prevent so much income going into the hands of stockholders individually for them to consume or save. Since in this way the small shareholder is taxed at equally the same rate as the large shareholder, there would be a greater measure of justice in

2. The Control of Prices

The total price is made up of three factors: first, the price of civilian goods; second, the price of defense goods; and third, the profit on both. This profit is included in the price, but should be considered separately — it is in reality profit on price.

Less of the income of the people will have to be "soaked up" by the government if prices can be controlled by government regulation. However, we do not have too much faith in the government being able to effectively control prices directly. The four powerful producer economic groups—finance, industry, agriculture and labor—who continually battle among themselves in a producer-bound economy over the distribution of scarcity, cannot be effectively controlled by a democratic political government. Each producer group insists that the others be controlled, but not themselves. Furthermore, democracy presupposes independence of the government and the economic system to a large degree. Effective government control of prices can only be done by domination.

3. The Control of Income

The most direct way to prevent price inflation is for consumers not to have any more cash and credit to spend than the normal price of the civilian goods available. Any additional income which they receive will have to be taken from them by the government in one or both of two ways: either taxed away or borrowed away.

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distributing the profits from the corporation to the shareholders, and then taxing them individually in proportion to their ability to pay. However, taxes are assessed on corporation profits before being distributed, for convenience in collection and as a practical political matter.

The second kind of taxation is that of payroll taxes. These taxes, like those on corporation incomes, take income away from the people before they get it. The great difference between the two is that corporation shareholders are usually wealthy, while employees of corporations are usually poor. Payroll taxes are ordinarily assessed in order to take from those who have employment and distribute to those who have not, through unemployment insurance, old age pensions, etc. However, the proposal now is to use payroll taxes as a means of taking away more than is needed for such social insurances, or in other words, to use this form of taxation as a means of forced savings and thereby reduce the total net income available for immediate spending.

The third type of taxation which governments resort to in order to reduce total net income is that of sales taxes. These taxes take income away from the people after they receive it, but immediately when they begin spending it. Such taxes bear far more heavily on the poor than on the rich in proportion to their incomes and are, accordingly, inequitable. However, they are easily collectible and are assessed because of that reason and also because governments generally are controlled by the wealthy and not by the poor.

The fourth type of taxation is that of personal income taxes. These are unquestionably the most equitable of all. The tendency, however, is to lower the tax exemption and thus penalize the small income receiver. The true basis of taxation ought to be the amount of income left over after taxes are paid. Such taxes should be heavily graduated upward, while those who receive minimum subsistence incomes should be exempted.

We have indicated the four major types of taxation which a government can adopt for reducing income. The first is that of personal income taxes. These are, unquesionably, the most equitable of all. The reason for the government attempting to take action to reduce the amount of consumer credit by requiring a larger down payment and shorter terms. Consumer credit has already boomed, until it is the highest in America’s history, having reached a total of nine billion, one hundred million dollars. While a certain amount of credit is required in order to spread payments for homes and other producer goods over a number of months and years, a large amount of the credit now extended for consumer goods is due to the inability of the competitive-profit system to distribute an equitable share of the total national income.

Emergency measures to relieve the results of the disparities between price and income caused by the competitive-profit system, however, should not overshadow the necessity of building a cooperative economy to permanently remedy the causes.

The Permanent Remedy

The further development of the Consumers’ Cooperative Movement is the permanent remedy for the lack of balance between total national income and total total price—for the prevention of inflation and deflation. Investments in cooperative shares and savings are the most effective way to prevent inflation and deflation. The regulation of an economic system should not be a function of a political government. An economic system should be self-regulating. It should provide for a constant increase in the production of consumer goods and for their equitable distribution to all consumers. This will be done when the Consumers’ Cooperative Movement expands sufficiently to become the common denominator for all producer groups; when we build a consumer-producer-cooperative economy in place of our present competitive-profit economy; when consumers cooperatives expand sufficiently in America to become the yardstick of private-profit business.

First of all, the Consumers’ Cooperative Movement will have to make its profit on price. There will be no excess savings flowing into the hands of a few and becoming stagnant, which tells up the stream of purchasing and production and causes periodic depressions even in normal times. Any amount charged in excess of actual cost of production and distribution will be returned to consumers in proportion to their purchases and thus lower the price to actual cost.

In the second place, Consumers’ Cooperatives follow the policy of cash trading. They automatically restrict credit to its legitimate uses for the purchase of producer goods and for emergency requirements. Accordingly, there is no excess expansion of credit which induces a boom and no sudden contraction of credit which produces a bust.

Thirdly, in the long run, the development of the Consumers’ Cooperative Movement will remove the economic causes of war inherent in the competitive-profit system, and thus eliminate the necessity of government taxing to come from the people to pay for war goods, as none will be needed. Trade will be free between all countries, as no one will attempt to profit from another. Each nation will produce what its natural resources and the skills which the people have developed make most economical, and trade such products freely without profit for goods produced freely by other nations.

Consumers’ Cooperation is the permanent remedy for balancing price and income—for a nation as a whole and for each individual. Consumers’ Cooperation is the permanent remedy for inflation and deflation. We should turn to this permanent remedy and build cooperatives stronger and faster in America.

As Congressman Voorhis declared in a recent radio address: “The only reason we must use this remedy is because the people have not organized to protect themselves. If even 25 per cent of our American people were tonight organized into cooperatives, as one million of our families are now organized, we would not need Government control of prices. Consumer cooperatives could do a better job of it as they have proven in other nations and in some cases in our own. And I pray God some day they will be strong enough to do this job without the necessity of governmental action.”

December, 1941
What Stand Should the Consumers' Cooperative Movement Take on Emergency Control Legislation?

The Directors of The Cooperative League and National Cooperatives, through their joint legislative committee, are faced with the problem of what stand the Consumers' Cooperative Movement should take, if any, on the questions of the attempts by the national government to control price and income as an emergency measure, in the various ways outlined briefly in the foregoing.

Have we arrived at the place where the organized Consumers' Cooperative Movement should speak up for consumers in general? Granted that our numbers are less than a majority, do we not have an obligation to speak for all consumers, since we are the only effective economic organization of consumers? As a minority, are we or are we not strong enough to speak up for consumers in general or national legislation affecting them all, and if so, what should be our attitude on the various emergency measures now being attempted and under consideration?

We are sure that the national Directors individually will appreciate your discussing these matters with them in advance of their next quarterly meeting, when they will again be considered, and we will also present to them any communications we may receive on this most important subject.

**Ohio Offers Complete Cooperative Investment Program**

**E. K. Augustus, Manager**  
Farm Bureau Agricultural Credit Corporation

The Ohio Farm Bureau has recently made available a short-term "Investment Certificate," which bears both a definite maturity date and a stated interest income. These certificates are issued by the Farm Bureau Agricultural Credit Corporation. This added investment service provides a complete investment program for Ohio cooperators whereby all of their savings may now be invested in an acceptable and practical manner in their own cooperative projects and thus makes available a complete investment program.

Building Toward Financial Independence

Such a complete program is required for cooperatives if they are to build toward financial independence, and if the individual cooperators are to be able to so invest all of their savings that they can maintain the control of their money, and thus keep it working to their own advantage. Savings carried on deposit in financial institutions over which the investor has no control are used and re-used at the will and desire of the controlling interest of the financial organizations, and the individual relinquishes control immediately upon making the deposit.

Savings invested in the stocks and bonds of independently owned business organizations and corporations are controlled by the holders of the common stock, and the majority vote of this stock is usually retained by a comparatively small group and not by all of the investors on a cooperative "one man, one vote" basis. The control of the use of money so invested is relinquished when the stocks are purchased. Savings accumulated in the financial reserves of insurance companies are reinvested at the will and desire of the controlling interest of the company. This control is retained when you have your own organization insurance companies, but relinquished when you insure with those companies in which you can not and do not have any contact or control.

The Long View on Short Term Investments

The "Investment Certificates" being issued by the Farm Bureau Agricultural Credit Corporation bear maturity dates of one year or more, and are available in amounts of $50 or multiples thereof. The interest or dividend paid varies both with the amount and the maturity period of the certificate. The Credit Corporation is in a position to use these short-term investments, since it makes loans to farmers for current operating expenses and to assist insurance policyholders in financing new car purchases. These are short-term loans with maturity dates sim-
WASHINGTON, D. C.—“Little by little and much by much,” to quote a Jeffersonian phrase, the advance of stateism is recorded day by day. In it sweeps. In flows the tide as the forces of selfish individual profit capitalism, the economy of force, creates the economic pulse of the world.

This week, the tide turned to transportation. Perhaps it was not this week. In fact, it was not this year—it was of the long, long ago when some very sincere leaders of thought contended it was possible for a political agency of government to “regulate” the railroad.

Owners of more than 5,000,000 trucks and buses are now being asked to respond to a questionnaire from the government’s defense group. When this questionnaire is completed, the government will have, or this government agency hopes to have, information concerning the location of every truck and bus in the country, the capacity, and the availability of the vehicle for government use.

Then it is proposed to classify these vehicles, to group them, and to place them under the protecting wing of “regional transportation clearing houses.”

Then, the dangerous implications begin to creep into the program—and for the purpose of this report the question of the need or the advisability of this effort is not presented. Even the most confused opponents of stateism will admit that may be reason—in a war situation—to provide for such regimentation.

It is now discussed and offered as a plan to have these regional clearing agencies become something of a central authority “for shippers” and the word “for” is emphasized. It is undoubtedly true that most of the government officials involved in this effort are not friendly to stateism, or fascism. They think in terms of doing things “for” someone. These central authorities would attempt to make for “efficient use” of the vehicles, for “efficient routing” of traffic, for the elimination of empty hauls. It is awe-inspiring to think through on this program, particularly on “the elimination of empty hauls.”

In the Transportation Act of 1940, Congress created a temporary “transportation agency” which was to study the transportation problem and report on the services the various agencies of transportation—railroads, water carriers, motor carriers, air carriers—should render and be permitted to render. This agency is at work. It has an impossible task. One of the ablest men in the country refused to be considered for a place on this agency because he said he “could not assume to do a job which was impossible of accomplishment within any reasonable time limit,” and that best describes the attitude of the most conscientious men towards this work.

The problem is so tremendous, it would seem insoluble. Just a brief horseback discussion was inspired by the question one authority presented in a little forum recently when he said, “All right, we may agree that regulation by government has failed as all attempts to create a profit motive and then regulate out a profit motive must fail. But suppose we provide for public ownership of the railroads. Then should we provide also for public ownership of the water carriers? And if you say we should, I ask then if we should provide for public ownership of the motor truck lines? And if you say we should, I ask if we should provide for public ownership of all trucks, even the little trucks the farmers own and use? And if you say we should not, then I ask what we should do about a group of farmers who combine to use one or two or more trucks?”

The forum developed into a bedlam of discussion—competition of cooperatively owned carriers with publicly owned carriers, and on, ad infinitum.

Meanwhile, undoubtedly with good reason, and perhaps entirely under the compulsion of an existing condition, government agencies move on, little by little and much by much, to get control of the agencies of transportation.

Senator Tom Connolly of Texas, whose name is attached to the Connolly “hot oil” law, proposes to make this law permanent. The march of stateism—and in this instance stateism closely wedded to private socialism or monopoly in ownership of oil natural resources—moves on.

The Connolly “hot oil” law is born in hypocrisy, although Connolly may have no realization of wherein lies its hypocritical aspects. The law provides that any oil which is produced in violation of a state oil production control law cannot be shipped across a state line without violating the federal “hot oil” law. “Hot oil” is oil produced in violation of some law, “bootleg oil,” and just about as difficult to handle as was bootleg liquor. If an oil producer in Okalahoma should be told by the state that he could produce only 1,000 barrels of oil a day and he produced 1,100, the extra 100 barrels would become potential “hot oil.”

The hypocrisy in this law—as well as in the state production control laws—is the affirmation, solemnly made by legislators and state and national officials, that the laws must not be used to affect prices of oil. State and federal officials like to refer to these laws as “conservation” laws. The obvious fact is that these laws can have and must have one effect, if not purpose, and that is to regulate price. If there is any reasoning to justify a contrary opinion, it has not yet been disclosed in Washington. Through these laws, the states and the federal government attempt to control as effectively as possible the law of supply and demand, to provide for enough scarcity so as to maintain a price.

Connolly wants to make this law permanent law, and Secretary of the Interior Harold L. Ickes agrees with him. Stateism marches on.

We wish you a

VERY MERRY CHRISTMAS and a

COOPERATIVE NEW YEAR

December, 1941
FORMER students of the National Cooperative Recreation School and the Eastern Cooperative Recreation School held a reunion at Camp Arcola, Norristown, Pennsylvania, the week-end of November 8-9. Forty-five students and friends attended the get-together and spent the two days singing, playing games and folk dancing with occasional "time out" for discussion and exchange of experiences.

The November-December issue of Sociology and Social Research contains an article on "Social Values in Cooperative Recreation" by David Crosby, graduate student, University of Southern California. Mr. Crosby states, "The values concomitant to cooperative recreation are found in the promotion of (1) group awareness, group thinking, and group action; (2) creativeness; (3) organized personality and (4) interesting youth in cooperation." He develops each of these points and draws the conclusion: "Recreation is essentially a part of cooperative education, and as such it offers definite value to both individual cooperative members and to society at large. Cooperatives are successfully adopting recreation as a program for its own sake, but its role is primarily educational. And this seems to be cooperative recreation's major contribution, for education through recreation is compatible with social laws, and produces personalities that function in behalf of such values as mutual aid, social justice, and peaceful evolution of society."

After two years of meeting in various schools and settlement houses, the New York Play Co-op has taken a two-year lease on a studio of its own. There is dancing space for eight squares (sixty-four people) although ten or more squares are often on the floor at once, a kitchen and a cloak room. General recreation programs of singing, dramatics, games, crafts, and folk dancing are held twice a week, from 8 to 11; a leadership training class meets once a week; and an advanced folk dance group twice a month. The members have built benches and are now in the process of decorating their "home." It is hoped that the studio will become a full time recreation center with activities every night. Expenses are shared by those participating in the program. Membership is 50c. a year.

Plans are now under way for a weekend educational and recreational conference to be held at Fond du Lac, Wisconsin, January 16 and 17. The program of discussions, folk games and dances, craft and dramatics will be similar to the one recently conducted at Antigo, Wisconsin. Nearly all of the forty-six persons attending the Antigo conference are active in local educational and recreational leadership.

To help persons interested in selecting folk dance records, the Cooperative League, with the Cooperation of Frank Harris of the Play Co-op, has prepared a list of suitable records. These records include polkas, schottisches, waltzes, singing games, quadrilles and square dance music. Groups often find records useful when a piano or pianist is not available. The list may be secured without charge by writing to The Cooperative League, 167 W. 12th Street, New York.

The Cooperative Recreation Service, Delaware, Ohio, is now binding in a flexible binder which opens flat for piano, several of the popular kits containing songs and dances. The "Handy County Dance Book," contains four kits—"Quadrilles," "'Mountain Dances," American Folk Dances" and "Midwestern Dances." "Handy Play Party Book" contains "Play Party Games," "Treasurers from Abroad," "Southern Singing Games" and "Joyful Singing."}

Ellen Edward

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FAVORITE SQUARE DANCES—A collection of Mid-western square dances as called by William A. Foster, Delaware, Ohio.

BOOK REVIEWS

COOPERATIVE PLENTY, by Rev. J. Elliot Ross, B. Hender Book Co., 204 pages, $2.00. (Available from The Cooperative League)

Most writers on consumers cooperatives have been so busy pounding home the fundamental principles and methods and recording the history of its progress throughout the world, that they have had little time in their books to philosophize, analyze and discuss. "Cooperative Plenty," by Father J. Elliot Ross, supplies just that sound, philosophical approach to the subject that few authors have attempted. Father Ross wisely begins his book by left off. Knowing well that there is ample literature teaching and explaining the Rochdale principles and telling the story of their successful application in Europe and the United States, he prefers to examine these principles and their achievements in the light of sound philosophy, economy, sociology and religion.

The Cooperative Movement is fortunate to have its principles and achievements analyzed by one so ably equipped to do them justice. In addition to his scholarly education as a member of the cloistered faith, he has a wide and varied career as a writer and lecturer in social and as a member of the faculty of the Catholic University of America, Teachers College, Columbia University, and lecturer in religion at the Universities of Iowa and Illinois. He is well known for such essays as "Consumer and Wage Earners," "The Right To Work," "Christian Ethics," "Sanctity and Social Service" and numerous other authoritative writings. But best of all, his career has spanned the period of the greatest development of cooperatives in Europe and the United States. Now retired, he writes this volume as a result of reflections and observations on the social and economic problems of the period in which he has lived.

In his preface, Father Ross gives credit to Mr. F. P. Kenkel, K.S.G., for inspiring this book. "Indeed," he says, "the book would never have been written if Mr. Kenkel's chronicling of the accomplishments of cooperatives had not led me to consider what cooperatives might accomplish if they ever became dominant."

With this as its theme, Father Ross' conclusions will give heart to all those who are struggling by peaceful and evolutionary means instead of sudden, violent, and destructive revolutionary methods to cure the widespread evils of our present economic system.

In the author's opinion the chief evil of the present system is that it is an economy predicated on scarcity which fails to provide food, production and consumption, eliminate unemployment, and abolish the social causes of poverty. The author reviews the failure of legislation to cure these economic ills inherent in the present system; he convincingly points out the failure of totalitarian, socialist or communist attempts at the solution of the problem. He finds the real solution in an economy such as cooperatives, based on plenty. He points out that the Rochdale principles are firmly established on principles of free enterprise, production and consumption, and provision for scientific research—bring about a distribution of commodities and services that will give enough to each one.

In the opinion of this reviewer, Father Ross has written most brilliantly on the relation of the Consumer Cooperative Movement to democracy, the state and religion. Of all contemporaneous writers on cooperatives, he has most fearlessly stressed the role of the consumer in the economy of the future and has not been afraid to picture what would be the effect on our civilization if cooperatives were dominant. The book will be welcomed particularly by all who realize that cooperatives are more
than a mere economic system; by those, in other words, who know that cooperatives have a soul as well as a body.


We have always had the feeling that no review of a book, who attempts to use his own words to do a good review is not in the habit of quoting extracts from the work, the book of the author himself. Accordingly we are reviewing AE'S (Blake's) latest book in his own words and giving the page numbers from which the quotations are taken for your convenience. We also express our appreciation of industry, for this kindles the imagination.

Arid the Cooperative League Library with this book and calling with a sweeping brown beard whose heavy

As we heap these benefits on them we cry

and get our bacon, eggs, butter, meat, etc.

But the land was a tawny wall with a snow-crowned brown beard whose heavy overcoat looked as though it had been put on with a shovel. 14.

We declare to the public agency, I think it would only increase egomania. Either

Page 10.

There is something in the air or stones or

So I do subscribe to a press agency. I

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CO-OP LITERATURE

A very few will get better in England. In no country do the producers distribute enough in wages, salaries and profits to enable those who get them to buy back what is produced on co-operative principle. In the modernisation of industry enables few people to produce the goods and food required by the rest, so that unemployment becomes inevitable under our present economic system.

When we create, says Simon Magus, we are doing as the high gods whose attribute it is to create. Simon says we have all the powers of the high gods in latency and by creating we grow like them and into their being. I am experimenting in his philosophy. A little too late in life, perhaps. But better luck next lif

"Do you really think Ramsey MacDonald or Baldwin or Simon or Chamberlain have more brains than Roosevelt or Hoover? They say all really forceful mediocrities, i.e. people who aren't the high gods. Don't say the people can't understand. 81

"Let the motive for action be in the act itself and not in the event."

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WE NEED FIFTY THOUSAND ONE DOLLAR A YEAR MEN

Above is an illustration of the stamps to be used in the Co-op Radio Fund Drive. The first million stamps have been printed and are now available.

The stamps, postage size, green and white, are printed one hundred to a sheet and sell for a dollar per sheet.

Each person contributing a dollar will receive a hundred stamps in return, and it is urged that the stamps be used on all correspondence during the coming months to tell America about cooperatives.

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