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**THE CO-OPERATIVE MOVEMENT
AT HOME AND ABROAD**

THE CO-OPERATIVE MOVEMENT AT HOME AND ABROAD

BY

HEBE SPAULL

AUTHOR OF 'THE WORLD SINCE YOU WERE BORN,' ETC.

AND

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ILLUSTRATED BY PHOTOGRAPHS

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INTRODUCTION

The trade of the world is carried on in many different ways. Much of it is done by groups of private citizens who form what are called limited liability companies. Some of it is done by individual citizens who work on their own and some by the state itself and by municipal authorities. A great deal of the trade in nearly every country is done, too, by co-operative societies. Some countries prefer to do most of their trade in one of these different ways. For instance, in the United States they like to do practically all their trade either through limited liability companies or through private citizens trading on their own account. In the Soviet Union the state controls all the important industries. In Great Britain we like to have some of each of these different methods. For instance, the state owns the telephone system (which in the United States is in the hands of private companies), but many factories are owned and conducted by limited liability companies, and many shops by private citizens. In all three countries however, much of the nation's business is done through co-operative societies. If we are to understand the great problems of trade and employment—which are amongst the chief problems which the United Nations have to face

during the years of reconstruction after the war—we shall, therefore, need to know something of how the Co-operative Movement works in different countries. *It is the purpose of this little book to tell something of this story.*

ACKNOWLEDGMENTS

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In addition they express their indebtedness to the authors of many books whose works have been consulted. Amongst the many books referred to are the following :

C. R. Fay, *Co-operation at Home and Abroad and Great Britain from Adam Smith to Present Day* ; Hall & Watkins, *Co-operation* ; Redfern, *A New History of the C.W.S.* ; U.S.A., *Inquiry on Co-operative Enterprise in Europe* ; I.L.O., *International Co-operation and Post War Relief* ; G. Cowling, *Co-operatives in America* ; Lamming, *Sweden's Co-operatives* ; M. W. Childs, *Sweden, The Middle Way* ; C. F. Strickland, *An Introduction to Co-operation in India* and *An Introduction to Co-operation for Africa* ; M. Pearlman, *Collective Adventure* ; *A Century of Co-operation* (International Co-operative Alliance) ; W. A. Macintosh, *Agricultural Co-operation in Western Canada* ;

Hamilton, *South Africa*; Union of South Africa's White Paper on "Review of Co-operative Movement", 1937; *Year Book of Agricultural Co-operation*; A. Zabarsky, *Jewish Co-operative Movement in Palestine*; Wilfred Grenfell, *Romance of Labrador*.

HEBE SPAULL

D. H. KAY

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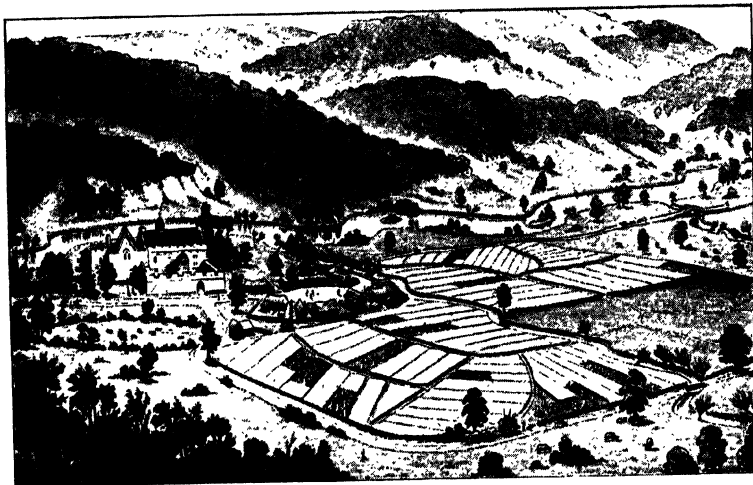
CHAPTER I

THE COMING OF THE MACHINE

If you travel through the English countryside you will come across many villages that have changed little in appearance since the days when England was, to a large extent, an agricultural country. It is consequently easier to picture what life was like in a village in the eighteenth century than it is to imagine what our present-day big cities looked like then. Yet, if our great-great-grandparents were to come back to the villages in which they had spent their lives, though they might recognise their own homes and other local landmarks, they would find that conditions as a whole had changed very greatly. As for the eighteenth-century citizens of London and Manchester, they would probably stoutly deny that the London and Manchester of today were the towns in which they had lived and worked 150 years ago.

How was it that life in England changed so rapidly? The answer is to be found in the coming of the machine. First there were great changes in the methods of farming and alongside them very great changes in the methods of industry.

Until about the middle of the eighteenth century most farming was carried on on what is called the open field system. By this method the cultivated land of each village was divided into three big fields, and each



LAND BEING CULTIVATED ON THE OPEN FIELD SYSTEM



SPINNING YARN AND WEAVING CLOTH
IN A COTTAGE HOME

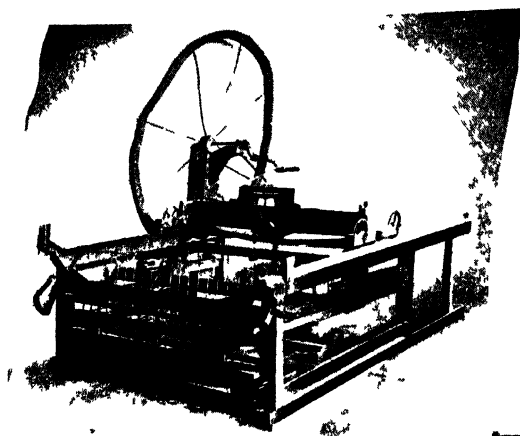
By courtesy of Cadbury Bros., Ltd.



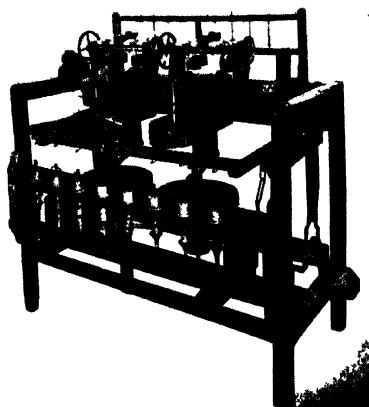
SOWING BY HAND

field in turn would have a crop of wheat one year, a crop of barley the next, and in the third year would be fallow, that is, without any crop at all. This was to avoid exhausting the soil. Beyond these fields lay the common grazing land. Each farmer possessed strips of land in the cultivated fields and shared the common land. This is why so many of our open spaces are still called "commons".

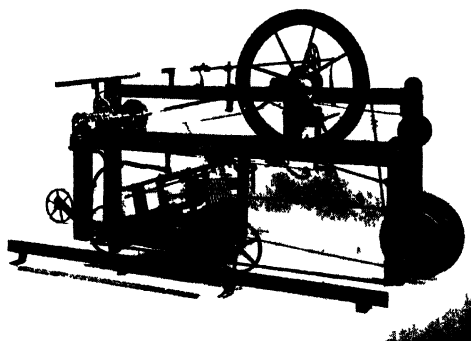
But now the open fields were being enclosed, that is the land was re-divided and each man's holding made into one plot, not a number of scattered strips. Enclosures were mainly carried out by petition to Parliament—mostly by the great landlords—and the small farmers were too poor and weak to oppose them. When the land was being considered for enclosure by government commissioners, the farmers were told that they must bring proof, in writing, to show they owned the land. This meant that they needed the help of a lawyer, and when this expensive business was completed they had to pay to have the land fenced in. The majority could not afford these expenses and so lost their land, and with it their rights in the common land, which went to the lord of the manor. Fortunately farmers and their wives and children were able to earn money by spinning yarn for weavers from the wool of their sheep and, as each weaver needed ten spinners to spin for him, there was usually plenty of work to be had. In hard times the farmer's family could make up for their losses by spending more time at their spinning-wheels. However, at the very time when the farmer was being hard



HARGREAVE'S SPINNING
JENNY



CROMPTON'S MULE



ARKWRIGHT'S WATER
FRAME

*Crown Copyright From exhibits
in the Science Museum, South
Kensington*

hit by the enclosures his earnings as a weaver were threatened.

About 1767 a Blackburn cotton weaver named Hargreaves had invented a spinning jenny which did the work of eight spinners at a time. Two years later a Preston barber named Richard Arkwright invented a new machine which was driven by water power and so called the "water frame". This, unlike the spinning jenny, could not be used in homes, and so factories had to be built to house it. In 1780, 600 people were working in Arkwright's factory in Manchester. By 1779, another inventor, Samuel Crompton, had combined the principles of the jenny and the frame into one machine called "the mule", and this method of spinning, called mule spinning, is the one chiefly used in Lancashire today. In 1765 James Watt, a Glasgow instrument-maker, invented the first really effective steam engine, and a little later steam was first used for driving spinning machines. Watt's partner, in telling George III about this invention, was able to say, "I sell, Sire, what all the world desires, power," and this indeed was the case.

If news of these inventions reached the quiet country farmhouses where the women and children sat at their spinning-wheels, they probably did not think such things had anything to do with them because these machines were chiefly for the spinning of linen and cotton, whereas the farmer usually spun wool. However, in 1785, Edmund Cartwright, a clergyman, invented a power loom, and this was the basis of all future weaving machinery.

Gradually the demand for hand-woven wool decreased and the outlook for the small farmer grew worse. The enclosure of his land, the loss of the aid he had obtained in difficult times from his hand-loom weaving, together with the new methods of farming (which only the richer farmers could afford), resulting from fresh inventions and the successful experiments of three men named Townsend, Coke and Bakewell, left him little choice. He could no longer make a living as an independent farmer and so was forced to hire himself as a labourer to a big farmer or else go into the town and work in the new factories there. Many left the land and entered the rapidly growing towns of the North. The home, or domestic, system of producing goods disappeared, and the new type of industry, the factory system, took its place.

In 1700 the most densely populated counties in England had been Middlesex, Surrey, Gloucester, Somerset, Worcester and Wiltshire ; in 1800 they had become Lancashire, Staffordshire, Warwickshire and the West Riding. In these 100 years the population of Birmingham rose from 4,000 to 80,000 and that of Manchester from 6,000 to 100,000. The people moved from the South to the North because the new machines, at first driven by water power and then by steam, needed coal and iron, and these were to be found in the North and the Midlands.

With the growth of industry, better transport was necessary. In 1761 a man named Brindley built a canal from Worsley to Manchester, and this was the beginning of a period of canal building. Telford and



THE BRIDGEWATER CANAL



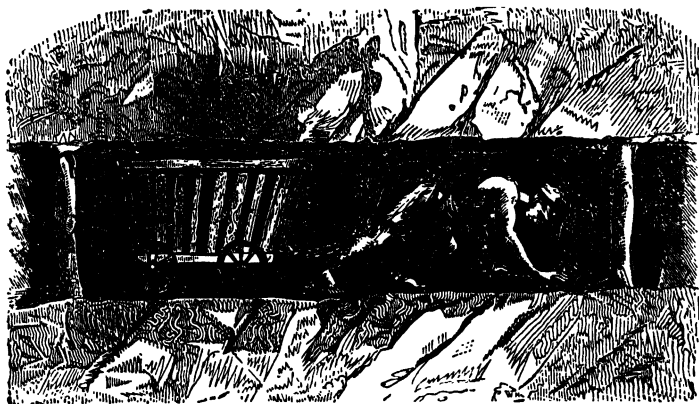
RURAL STATION

Rischgitz

Macadam improved our roads and so led to the greater development of the stage coach system. In 1825 the first public railway on which steam power was used was opened—the Stockton and Darlington Railway, and George Stephenson, the famous engineer, himself drove the engine on the first journey. While all these great changes were taking place, what was happening to the people in the new towns?

The towns which were being built to house the people were wretched in the extreme. The dwellings were built back to back without water or sanitation, and in some towns refuse was thrown into the unpaved and unlit streets. Our present slums are a heritage from those days. As for the working conditions of the people, these were terrible indeed. Young children were put to work from the age of 4 for 14 or 15 hours a day. Workhouse children were apprenticed to owners of factories and mines, and they lived and worked under the most dreadful conditions. Some children were employed as chimney-sweeps and forced to climb up inside the chimneys to sweep them. Many are the stories of the cruelty of their masters and of the numbers of boys who died of suffocation. Women and young girls worked in the mines doing heavy, dangerous work. Machinery in factories was unfenced and accidents were frequent. The condition of the working classes was made even worse by the high price of bread which was due to the passing of the Corn Law in 1815. This law did not allow the import of corn until its price in Britain had risen very high. When hunger and poverty led to unrest amongst the

people, the government used severe methods to stop the riots. Of the disturbances which occurred the best-known are: the Peterloo Massacre in Manchester in 1819, so called because several people were killed and a number injured; and the smashing of machinery and burning of ricks in 1830 by the agricultural



A HALF-NAKED GIRL DRAWING A COAL-TRUCK UNDERGROUND

From Waters : " *Economic History of England*," by courtesy of
The Oxford University Press

workers. In some cases the wages of these unfortunate people were only six shillings per week.

Happily there were a number of courageous people who tried by different means to put an end to all these evils. There was, for instance, a man named Cobbett who felt that many of the wrongs could be traced to the fact that Parliament was not really representative of the people of Britain. He did his best in his writings to make everyone aware of this. Seats in

Parliament were often controlled by landowners who sold them to the highest bidders. In other cases voters were bribed by money payment. Old Sarum was only a small hill in Wiltshire, yet the owner of this hill was allowed to send two members to the House of



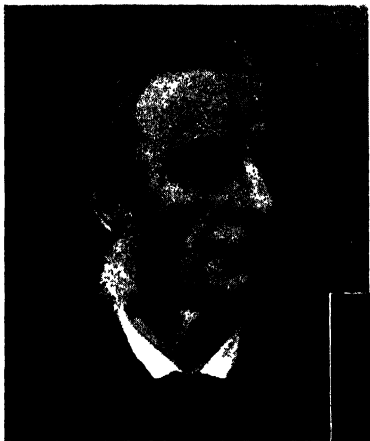
OLD SARUM

*From Waters : "Economic History of England," by courtesy of
The Oxford University Press*

Commons. Three-quarters of the members of Parliament were returned by the south of England, while huge industrial towns like Manchester and Birmingham sent no members at all. In 1832 the first great Reform Act was passed and certain of the evils were remedied. However, the working classes were not satisfied, and their failure to obtain all they wanted led them to join the Chartist Movement. The aims of this movement were : a vote for every man over

21 ; the payment of M.P.'s ; the right of any man to stand for Parliament whether he owned property or not ; the number of M.P.'s to depend on the number of people to be represented ; Parliament to be elected every year ; voting to be by secret ballot.

Other reformers felt that the most important thing was to give the people cheap bread, and so they tried to bring about the repeal, or ending, of the Corn Laws. The leaders of this movement were two men named Cobden and Bright, who formed a society called the Anti-Corn Law League. In 1846, owing to the severe famine in Ireland, the Corn Laws were made less hard and so bread became cheaper. Another group of reformers wanted to get laws passed to put an end to the terrible conditions under which the people had to work. Amongst those who took the lead in trying to bring about this kind of reform was Lord Shaftesbury, who has been described as the friend of little children because of his struggle to make it illegal for young children to work in factories and mines. But it was years before he succeeded in getting Parliament to do something to right these wrongs. Meanwhile he was helped by story-writers who showed how cruelly working-class children were being treated. One of these was Charles Dickens whose book *Oliver Twist*, published in 1837, showed how workhouse children were forced to labour. A little later another writer, Charles Kingsley, was to tell in his children's tale, *The Water Babies*, the tragic story of a little chimney-sweep. Both these books did much to make ordinary people feel that something should be done to help the children.



CHARLES KINGSLEY

N.P.G.



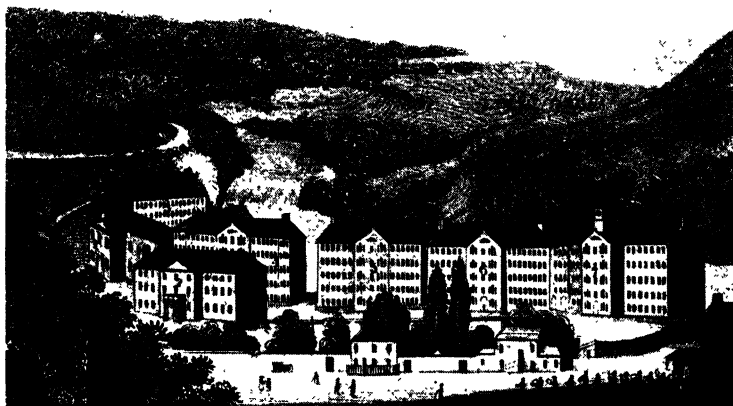
LORD SHAFTESBURY



CHARLES DICKENS

There was one man named Robert Owen, who did a great deal to bring about several of these reforms, and as this book is going to show how his ideas helped forward the cause of co-operation, we must now tell you something of his remarkable career. He was born in 1771, and was the son of a poor Welsh saddler. When he was only ten years old he left his Welsh home in Newtown, and set out by coach to seek his fortune in London. But he stayed only six weeks in London, and it was in Stamford, Lincolnshire, that he obtained his first post, serving in a draper's shop there. Later he returned to London and served in a shop where he was forced to work from eight in the morning until one or two the next day. The turning-point in his life came when he left London for Manchester, where the new machinery for spinning cotton was just being introduced. It was not long after his arrival in the North that he was able to enter into partnership with a workman and make some of the new machines himself. Later he set up as a small manufacturer spinning the cotton yarn on the new machinery. Robert Owen, who knew only too well what it meant to work long, weary hours at a stretch, was distressed to see how poor and miserable the people, particularly the children, were, and he began to think out plans to help them. While in Glasgow on business, he fell in love with the daughter of the owner of some big mills at New Lanark. The young couple married and Owen became a partner in his father-in-law's business. Owen now had a chance to put into practice some of his ideas for improving the lot of the people. His

workpeople had their hours greatly reduced, and he increased their wages. He opened a store for them and sold goods more cheaply than ordinary shops. Later he started schools for the young people of the mills, and he opened, too, the first nursery school in



NEW LANARK IN 1799

By courtesy of the Robert Owen Museum

Great Britain for babies from one year to six years. Soon everybody, not only in Britain but in other lands as well, was talking about the wonderful things that were happening in the New Lanark settlements, and people flocked to see them.

Robert Owen spent a good deal of time writing and lecturing about his "New View of Society", trying to win people over to his own belief that much of the evil in the world could be traced to competition and that what was needed to take its place was a system

of co-operation. That is, people working together and not competing against one another. He started all kinds of ventures based on this idea of co-operation, some of which were successful and



Photo. by courtesy of the C.W.S., Ltd.

ROBERT OWEN

some of which failed. But in one thing he definitely succeeded, and that was in getting people, particularly working-class people, to talk about co-operation and how it could be brought about. He believed that the

working classes themselves should co-operate to improve their lot, and tried to get them all, agricultural workers as well as industrial, to join a Grand National Consolidated Trades Union. Six farm labourers who formed a branch of the Union at Tolpuddle in Dorset, were, however, arrested and transported for breaking the unjust laws against any such action, and despite much public indignation served four years of their seven years' sentence. The Grand National Consolidated Trades Union came to an end in 1834 because all its money had been paid out to members who went on strike, and these members—many of them influenced by the teaching of Robert Owen—joined the Chartist Movement instead. When that, too, came to an end (all but one of its six demands—the one demanding a new Parliament each year—have by today been achieved) they began to form trade unions on better lines. Before that happened, however, another movement which began in a very simple and humble way was to attract great numbers of the working classes. The story of this new enterprise, the Co-operative Movement, will be told in the next chapter.

CHAPTER II

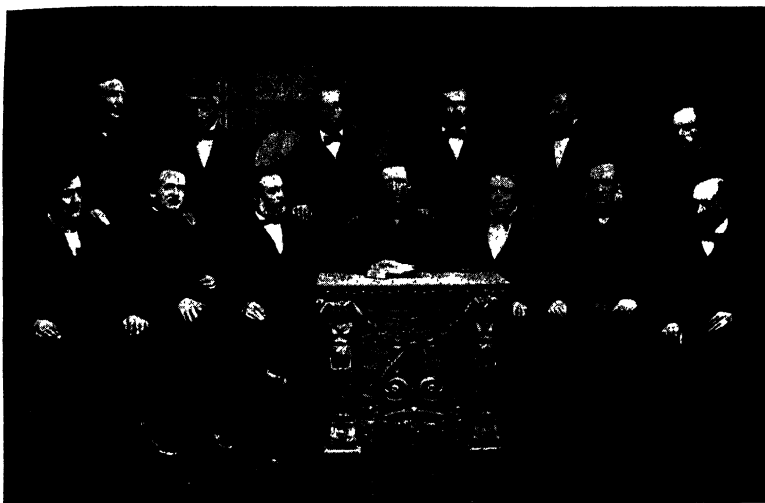
THE STORY OF THE ROCHDALE PIONEERS

One September day, in 1841, the Member of Parliament for Rochdale told the House of Commons about the dreadful conditions under which the working classes of that town were then living. He said that there were 136 people living on 6d. a week, and more than 2,500 living on from 10d. to 1s. 10d. per week. Most of these people had very few blankets, while eighty-five families had no blankets at all, and yet most of the people of Rochdale were weavers who wove the wool from which blankets were made. No wonder that the weavers of Rochdale felt that something must be done to improve their lot.

Yet what were they to do? Some suggested that the only solution would be for them to strike. But their strike failed ; they did not have enough money to form a fund from which they could draw to buy food while they were on strike and not earning wages. They had therefore to think of some other plan to help them out of their trouble. One Sunday afternoon in 1843 in the Chartist Reading-Room in Rochdale, a group of working people met to talk things over. One man, named Charles Howarth, said that he had a suggestion to make. Why should they not each save twopence a week and then use the money to start a little store of

their own? They would own the shop co-operatively, and by buying the goods at wholesale prices their food would cost them less. This would be the same as a small increase in wages. "That's not a new idea," said someone. "People have tried to start a co-operative before and it didn't succeed." This was quite true. Apparently the first co-operative store was established in 1769 by some weavers in Fenwick, Scotland. Several others were started in different towns towards the end of the 18th century, and by 1830 there were said to be about 400 co-operative societies in existence. These societies had all failed because people had not yet found the correct way to run them. "I know that co-operative stores have failed so far, and I know why," said Charles Howarth. "But we will run our store in a different way and it won't fail."

Then he began to explain his idea. The older stores had failed because customers were allowed to buy things on credit. Some of them could not pay their debts, and so the time came when the stores themselves had not enough money to pay the wholesaler for goods supplied. Since they could not buy goods from the wholesaler, the stores had to be closed. "We'll get over that difficulty," said Charles Howarth, "by making it a rule that all our members must pay cash for everything they buy. Then we shall always have money to buy things from the wholesaler. There is another good rule, too, that we must make. Some members who live at a distance from their store will be inclined to buy from the shop nearest them. Therefore we must make it worth while for members



THIRTEEN OF THE ORIGINAL ROCHE DALE PIONEERS

By courtesy of the Co-operative Union, Ltd.



Photo. by courtesy of the C.W.S., Ltd.

THE ORIGINAL TOAD LANE SHOP, ROCHE DALE, TO-DAY

to be loyal to their store. At the end of the year we'll share the profits amongst the members, but we won't share out the profits equally. The member who has spent most money at the store will receive the biggest share of the profit. We'll have a dividend on purchases."

One weaver, who had been listening intently to this suggestion, suddenly chuckled and clapped his hand on his knee. "Well, that beats everything," he exclaimed. "Why, the more we spend, the more we'll get. My wife will like that."

Indeed, all the people present at the meeting—there were about twenty-eight—"liked that," and they agreed to save up twopence a week until they each had a pound, which they thought would be enough to start the store.

You may be sure that when they returned to their homes there was plenty of discussion about the new scheme. At this time there were quite a number of interesting things happening in Britain, and no doubt the talk sometimes turned to these other matters. For example, in 1838 the first ship, the "Great Western", crossed the Atlantic under steam power alone, and from 1837 the electric telegraph was used by the railways for signalling purposes. However, sooner or later the conversation in the homes of these twenty-eight people would certainly come back to the plans for the new store. When would they have enough money to make a start? They were so terribly poor that it was no easy task to save even twopence a week. One or two of them agreed to act as collectors,

and each week they would spend their free time tramping miles to visit members and collect the money. At last, after they had been saving for some time, they decided that they had enough money to open their store. They had saved between them about twenty-eight pounds and this meant that they could each have a share in the store. As they would not be able to buy very much stock with that amount they agreed that to begin with they would sell only flour, oatmeal, sugar, butter and candles. They rented a tiny shop in Toad Lane for which they paid £10 a year rent, and gave themselves the proud title of the Rochdale Equitable Pioneers Society. These twenty-eight simple, almost uneducated working-men were pioneers indeed.

On a cold December day, just four days before Christmas 1844, the fateful hour arrived when the shutters were to be taken down for the first time. They could not afford to keep the store open all day because they had not money enough to employ a manager, so it would open only in the evenings when they could look after it themselves. When the time arrived the members found a small crowd of interested but doubting people standing opposite the shop. The little group of pioneers was rather nervous and no one seemed anxious to be the first to take down the shutters. Finally one of their number—some think his name was William Taylor—boldly stepped to the windows. The store was open for business.

The first few months after the store was open were critical ones for the new society, because who could say if they would really succeed! But as the year 1845

drew to a close it became clear that they were successful. When the people of Rochdale saw the Pioneers and their families wearing new clothes which they had bought with their dividends—and for the hungry weavers of Rochdale to be spending money on new clothes was indeed most unusual—interest in the store grew. Before long many of those who, twelve months before, had been sneering at the little store, were applying for membership. By 1851 the store was open all day with full-time shopmen, and the news of its success had spread beyond Rochdale to other towns, where stores modelled on it were soon established. The weekly sales of £4 to £7 had risen to £30, the society now had 74 members, and the surplus for the year amounted to £22.

CHAPTER III

HOW CO-OPERATION SPREADS

The kind of Co-operative Society begun by the Pioneers of Rochdale is called a Consumers' Society. This means that it is made up of people who want to use, or consume, certain kinds of goods, and who join together to buy the goods in the most economical way. Consumers' societies are, however, not the only kind of co-operative society ; sometimes people decide to join together to produce things which they can sell. Such co-operative societies are called Producers' Co-operatives, and there are a few of these in Great Britain, though most of the societies are consumers' societies.

It was partly because the first real success in forming a co-operative was a consumers' society that other societies, similar to the one at Rochdale, were started all over Great Britain. People who wanted to form a co-operative would say, " Let's run ours in just the same way as the one at Rochdale and then we can't go wrong." Many would write to the store in Toad Lane asking if one of the Pioneers would be kind enough to tell them how they started the society and also to send them a copy of its rules. The introduction of a penny post by Sir Rowland Hill made it possible for poor people to write to the Pioneers, and so helped the spread of the movement. Until 1840 the cost of

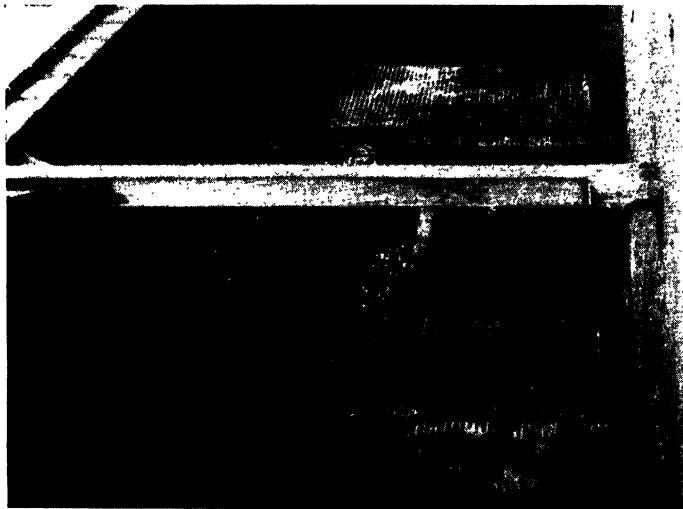
sending a letter had depended on the distance it had to go ; thus a letter from London to Cambridge cost 8d., and from London to Durham 1s. There was no paid secretary in the early days of the society to answer letters, and furthermore some of the members could not read and write, because this was before the days when attendance at elementary schools was compulsory. Thus two or three of the men who could write used to spend a great deal of their time, after a long day's work in the mill, in answering these letters. They were thus able to tell others how to start and run a co-operative store, and also later to let them know of their educational activities.

Some of the letters which reached Rochdale asked for help in solving particular problems, because in the early stage of the development of these societies many things were not permitted them by the law. In 1852 a new law called the Industrial and Provident Act was passed which made it easier for them to trade. Amongst other things it gave them the right to sell goods to non-members. New and better Industrial and Provident Acts have been made since 1852, and it is these Acts which set forth the rules which co-operative societies must make for themselves. As a result of this, many problems were solved and some plans which the co-operative societies had been discussing amongst themselves could go forward.

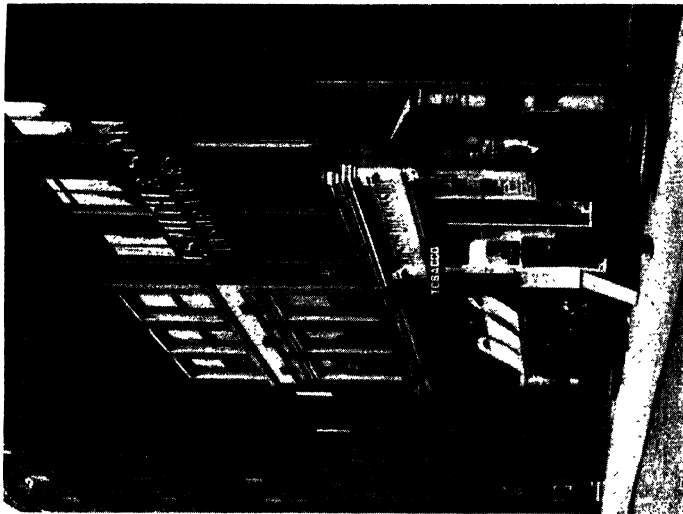
For some time the societies had been trying to find a method by which they could join together when buying for their different stores. Shops, whether private or co-operative, obtain the goods they sell

from a merchant called a wholesaler, who has previously bought goods from factories in this country and from traders overseas. The co-operative societies thought that it would be to their advantage if they could join together and have their own wholesale society which would buy things for all of them. They would thus obtain goods more cheaply. Some members suggested that it would be better still if they could have their own factories and make their own goods. No satisfactory solution could be found at once, and in the meantime several ideas were tried. At the suggestion of the Rochdale Society, some of the societies in neighbouring towns arranged for the Rochdale Society to buy their goods for them at the same time as they bought their own, and in this way better terms were obtained from the wholesalers.

Many members were rather surprised to find that some of the buyers from the different stores were bidding against each other in the open market, and they decided that an attempt should be made to stop this. They met and talked over the whole question. Meetings of this type took place in several parts of the country, and problems of all kinds were discussed, particularly this one of purchasing goods from wholesalers. Finally, after much discussion, a conference took place at the Public Hall, Ancoats, Manchester, on Good Friday 1863. Here everything was settled, and the wholesale organisation which would buy goods on behalf of all the societies was established under the name of The North of England Co-operative Wholesale Agency & Depot Society Limited. This was



THE PUBLIC HALL, ANCOATS, WHERE THE C.W.S.
WAS FORMALLY CONSTITUTED
By courtesy of the C.W.S., Ltd.



NO. 3 COOPER STREET, MANCHESTER, WHERE THE C.W.S.
COMMENCED BUSINESS IN MARCH 1864
By courtesy of the C.W.S., Ltd.

altered later to The Co-operative Wholesale Society. The societies in Scotland, however, decided that they would have their own wholesale society, and in 1868 The Scottish Wholesale Society was established. Thus there are two wholesale societies in Great Britain, but they work together in a very friendly and harmonious way.

How did the Co-operative Wholesale Society obtain the money with which to trade? It needed offices and warehouses and a paid staff, because by this time there was so much business to be done that the members could not do all of it in their free time. The answer is that just as the Rochdale Pioneers had saved up their pennies in order to invest them in their little store, so all the many co-operative societies invested some of their money in the new C.W.S. But they could not do this until each individual member had had the chance to say if this should be done. The members had to be invited to come to a meeting to discuss joining the Wholesale, and at the meeting the scheme was explained. They were told that considerable sums of money would be saved by letting the Wholesale buy the goods for them, and they would have in this way sufficient money to employ an experienced buyer who would understand the business. "How much is it going to cost us to join?" was the first question everybody wanted answered. "It will cost each member of the society one farthing," was the astonishing reply. It could hardly have been much cheaper! As all the members owned some money in the form of dividends on their purchases with the store

it was not necessary for them to take up a farthing collection! The secretary of the society could deduct the farthing from everybody's dividends. There was, however, another thing that worried some people. Would the members be just as free to run their own

14

126 15th Nov Committee Meeting
 Rochdale
 Mr. Ashland Greenwood in the chair.
 Present, Messrs. Smithies, Nield,
 Atkinson, Cheetham, & Lawrence
 Resolved That we commence business on
 the 1st of March
 Resolved That Mr. Edwards be empowered
 to procure the necessary office furniture
 and a safe
 Resolved That Mr. Cheetham find
 security to the amount of £1000, the
 nature of the security to be stated
 at our next meeting
 W. Asham Greenwood
 Chairman

FACSIMILE FROM W. COOPER'S MINUTE-BOOK OF THE RESOLUTION
 PASSED AT THE ANCOATS CONFERENCE, APRIL 1863

By courtesy of the C.W.S., Ltd.

society in their own way or would the Wholesale want to "have a say" about it? Again the answer was equally satisfactory; it was that the societies would own and run the Wholesale—not that the Wholesale would own and run the societies. The ordinary

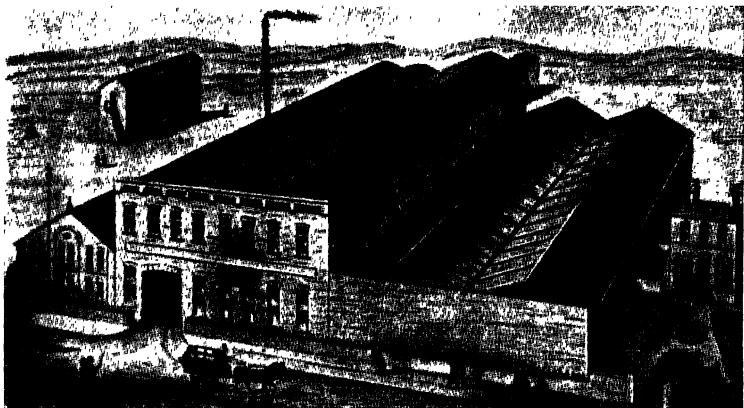
customers would continue to own and run their co-operative stores in just the same way as the twenty-eight Pioneers in Toad Lane had done. They would all have the right to attend meetings of members of their societies and to elect the Board of Management and officers. In the same way each society would take part in electing people to run the C.W.S.

Now that all co-operative societies had begun to work together through their Wholesale Society, co-operators began to think that they could help one another in many other ways besides buying goods economically for their stores. We know how hard the Rochdale Pioneers had had to work when trying to help other societies with their problems, and it was becoming clear that what was needed were people who could give all their time to such work. For several years many co-operators had been trying to arrange for a big national gathering or congress of co-operators. Three men in particular had been working hard for this ; one was named William Pare, another G. J. Holyoake and the third E. Vansittart Neale. In 1869 the first big Co-operative Congress met in London for four days. Its first President was Thomas Hughes, the author of one of the most famous boys' books ever written—*Tom Brown's Schooldays*. There were two other famous authors amongst those present ; one was John Ruskin and the other John Stuart Mill. There were also co-operators from overseas—from France, Denmark, Italy and Germany. This was the first of the Co-operative Congresses which subsequently were to be held each year, and when

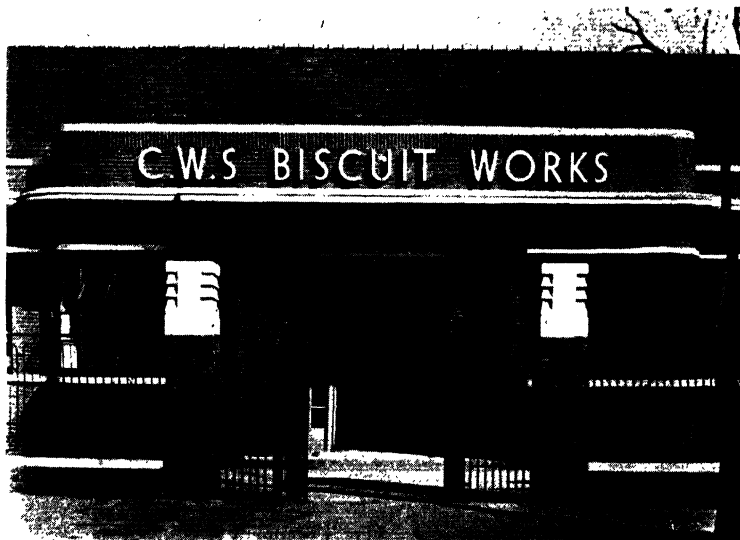
after a few years enough money had been collected an office was opened in Manchester. The work done by this office was watched over by a committee called the Central Board, and this Board and its office were later called the Co-operative Union. As time went on, the Union was able to employ many experts to help societies solve their problems.

Whilst the Co-operative Union was busy beginning this new work the C.W.S. was becoming more and more prosperous. It had found a great and wise leader in a co-operator named J. T. W. Mitchell, who was chairman of the English C.W.S. from 1874 to 1895. He was such a good business man that had he wished he could have made a big fortune for himself. When a well-known American asked him why he was content to earn so little, Mitchell replied, "I enjoy the respect of my fellow-men, and that suffices me." His home in Rochdale was very simple and we are told that "piles of reports and balance sheets took the place of ordinary literature". He was chairman of a business which did ten million pounds' worth of trade each year, yet when he died he left only £350.

Ten years after the C.W.S. had been founded it was felt that it would be safe for the C.W.S. itself to begin to manufacture some of the goods to be sold in co-operative stores. They began in 1873 with the manufacture of biscuits at Crumpsall, near Manchester, and a little later in the same year embarked on the manufacture of boots, and then of shoes and other commodities. As the years passed by, many new factories were opened, until the time came—just a hundred years



THE CRUMPSALL WORKS IN 1884
By courtesy of the C.W.S., Ltd.

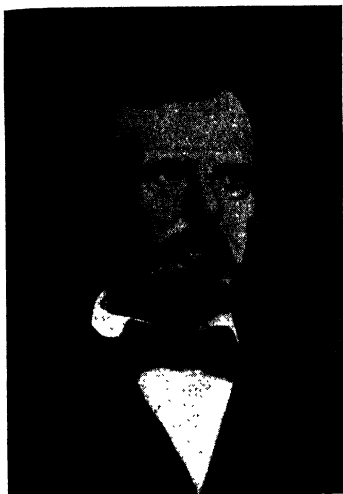


MODERN ENTRANCE OF CRUMPSALL WORKS
By courtesy of the C.W.S., Ltd.

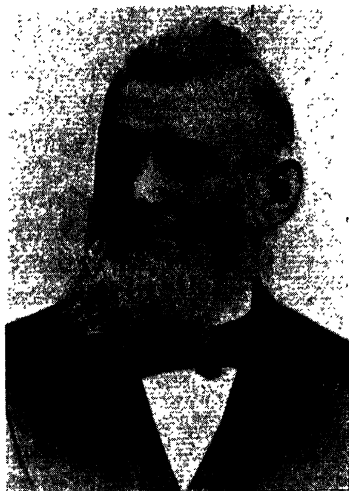
after the opening of the Toad Lane store—when the English C.W.S. had over 200 factories and workshops, employing 43,000 people, and the goods they produced were worth over fifty-five million pounds ; the Scottish C.W.S. had 9,000 employees, and the value of its productions was £12,500,000. What a big jump from the tiny store in Toad Lane!

The C.W.S. had still to buy from people who were not co-operators many of the things that were sold in co-operative stores. They had, for instance, to buy goods from foreign countries as well as from British Dominions and Colonies. It is true that in some cases they were able to buy from co-operative societies in those countries, as we shall see later, but in other cases they had to buy in the ordinary markets. This meant opening trade offices in those countries and sending out C.W.S. employees to buy goods there and to see that they were shipped to the United Kingdom.

Sometimes the C.W.S. employees, sent to distant countries to buy raw materials needed for the C.W.S. factories, had some rather unusual experiences. For instance, the C.W.S. soap factory needed many tons of palm oil every year, and so some C.W.S. officials were sent to the British colony of Sierra Leone in West Africa, where palm trees grow, to arrange for supplies to be sent to Great Britain. After a long and uncomfortable journey they at length arrived at the place where they were to meet some African chiefs to arrange for the collection of the palm fruits. To the amazement of the C.W.S. people the chiefs were accompanied by 3,000 villagers, including great numbers of



WILLIAM COOPER



ABRAHAM GREENWOOD



CHARLES HOWARTH



JAMES SMITHIES

PIONEERS OF THE C.W.S.
Photos. by courtesy of the C.W.S., Ltd.

children, who all wanted to listen to the discussions! Fortunately the co-operators had taken many gifts with them to distribute, and the business ended in a great gala day for everybody.

Education had attracted the attention of the Rochdale Pioneers from the very first, and one of the rules of the society had read : " To arrange the forms of production, distribution, education and government." This was not just a vague hope, because four years after opening the store the Pioneers were able to take over the whole building and to open a news-room and library above the business premises. Other societies followed them, and these co-operative libraries were the first free libraries in Great Britain, for free Public Libraries were not provided by municipal authorities at that time. Classes, too, were held for members who had not had the chance to go to school, and discussions on matters of public interest took place.

Today the educational work of the co-operatives is carried out chiefly by the Education Committees of the retail societies and by the Guild and Youth Organisations. Educational work for the whole country is helped by the Co-operative Union, whose Education Committee issues a programme of education including syllabuses for social, technical and commercial courses. Co-operative employees are able to attend special classes and can study subjects likely to help them in their work. In 1919 the first Co-operative College in the world was established in Manchester. It is administered by the Education Committee of the Co-operative Union and it is open to students from all

parts of the world. One of its first students was the Minister of Economic Affairs in the Swedish Cabinet. Many full time British students are able to attend with scholarships provided by co-operative societies throughout the country. In addition to the educational work of the Co-operative Educational Committees, Co-operative Guilds carry out social, educational and propaganda work. The chief purpose of the Guilds is to train members to be good co-operators and better fitted to take their part in public life. The majority of the Guilds are Women's Guilds and the members regularly attend the lectures and join the discussion groups.

Younger boys and girls too have their youth organisations. Small children of 7 to 11 have their Playway groups, whilst older boys and girls, 11 to 15, belong to the Pathfinder Groups. They have their pledge which shows that the Youth Movement tries to make good co-operative citizens ; it runs, " I pledge myself at all times to do my utmost to make people admire and respect the Pathfinders. This I shall do by observing the following pledge :

I will treasure friendship
I will honour truth
I will be steadfast
I will seek good health
I will try to understand the ways of nature
I will extend to children of all nations the hand of comradeship.

Boys and girls who like music have the chance to join Co-operative Junior Choirs.

Youth clubs are for the age-group 15 to 20, and like the others they are recognised, approved and given money grants by the Board of Education. In 1944, just as the Government of Great Britain had decided that boys and girls must attend a County College after leaving school, the co-operative movement purchased two beautiful old English mansions to be used as residential Youth Centres for the sons and daughters of the members of the co-operative movement, and this number has since been increased. Truly indeed was co-operation spreading and arranging things in the way the Pioneers had hoped.

CHAPTER IV

THE BRITISH EMPIRE AND COMMONWEALTH

British people talk with pride of their great Empire, and point, too, to the fact that the story of the growth of the Empire shows that "Trade follows the flag". In the chapters which follow we shall tell only of how *Co-operative* trade has followed the flag to distant parts of the earth.

In each of the self-governing Dominions the co-operative movement has grown from a small infant, so to speak, to a strong giant that today takes a leading part in the trade of the Dominion. In other parts of the Empire it is in its early stages but in some places it already looks as though the co-operative movement may before long become as important as it is in the Mother Country and the grown-up Dominions. Before reading the story of these older movements in the Empire let us learn something of these newer ones and where they are to be found.

In a later chapter you will read the story of how Indians are beginning to set up co-operative societies, and if after a visit to India you travelled to Ceylon, the island lying off the southern tip of that vast country, you would find that already many of its people were finding in co-operation a way out of some of their troubles. And troubles they have in plenty! You

would see that most of the people were very like the people of India, and so you would not be surprised to discover that their troubles were like those of their neighbours on the mainland. Most of the people are poor farmers who are nearly always in debt to the moneylender. One reason for this is that here, as in India, it is the custom for a daughter's wedding to be a very expensive affair indeed. The farmer borrows money to pay the expenses, and is often unable to pay it back, especially if several of his daughters get married. Worse still, he cannot afford to buy the things that he needs for the cultivation of his farm. The co-operative credit societies are doing a great deal to help farmers out of these difficulties. These societies are based upon the ideas of the German co-operators, Schulze-Delitzsch and Raiffeisen, about whom you will read later. The money which the co-operative credit societies lend to the farmers who belong to them is intended to be used to buy seed and fertiliser, etc.—things which will bring them money later on when they yield crops. Gradually, through these village credit societies, the farmers of Ceylon are beginning to learn how to keep out of debt, which is the first step towards their becoming better off than they are. At about the time of the outbreak of the Second World War in 1939 there were nearly 70,000 farmers in Ceylon who were members of these credit societies, of which there were close on 1,500. The societies were looked after by a special Government Department, headed by a Co-operative Registrar, who was a Ceylonese, as were all the members of his staff. By 1937 the co-operative

societies had become strong enough to unite in what were called Supervising Unions and to employ, out of their own funds, eight sub-inspectors to see that the village credit societies understood their work properly.

Ceylonese people working in offices have also formed their own co-operative societies. These are called Thrift societies. They are run with the help of the employers, who agree to deduct a small sum from the members' wages each week, which goes into the Thrift society so that if the member needs special help he can get it from the Thrift fund. Many of the members take the money out when they or their families are ill, or to pay off an old debt which is too much for them to pay all at once.

There are a few consumer societies in Ceylon, most of which are on tea plantations, for Ceylon, of course, is famous as a tea-growing country. These have succeeded because the employers have agreed to deduct from the wages of the members the amounts they owe to the stores for purchases. It is not usual for village folk in Ceylon to pay cash for what they buy, so until they have learned to do this it is best for them to agree to such deductions from their wages.

There are many other islands over which the British flag flies. One island called Cyprus, not very far from Palestine, already has a strong co-operative movement. There are only a little over 350,000 people in Cyprus, but when the Second World War broke out there were no fewer than 227 co-operative credit societies on the

island with nearly 19,000 members. But credit societies are not the only co-operative societies in Cyprus. There are sixteen co-operative stores and thirty-seven Co-operative Savings Banks. Many of the Cypriots grow grapes for wine-making, and there are seventeen co-operative wine-making societies. There are also two olive oil producers' societies, and a transport society, as well as several other co-operative societies for special purposes.

If you sailed from Cyprus through the Red Sea you would come eventually to the east coast of Africa. When you landed in East Africa you would find that although the great majority of the people were like the Negroes of West Africa (about whom you will read later) there were really many differences in the conditions of life in the two territories. One of the most important differences is the climate. West Africa has a very unhealthy climate, and Europeans cannot live there permanently. It is not safe, for instance, for British children to stay there. In many parts of East Africa, on the other hand, the climate is delightful, and great numbers of Europeans have made their homes there. In Kenya many of them have settled down as coffee-planters. They have in fact taken the best land for their plantations, and this has made things more difficult for the African farmer, who often has to grow his food on soil that is poor. There are some co-operative societies amongst the European settlers, chiefly for marketing coffee, tobacco and other crops, but it is the African who most needs the help which co-operation can give, and so far very little has been



A TYPICAL COFFEE PLANTATION IN KENYA

E.N.A.

done to help East Africans to form co-operatives. In Tanganyika the African coffee-growers were told that they must sell their coffee through a co-operative union which was set up by the Government, but as the Africans had not been taught how co-operative societies work they have not yet learned how to run them properly. There are many people who have the welfare of Africans at heart who feel that it is very important that the people of East Africa should be taught to work co-operatively, and it is likely that before long there will be some co-operative societies for East Africans themselves.

When you have read all the chapters which tell the story of the co-operative movement in the British

Empire you will not be surprised to learn that much of the trade that follows the flag is in fact co-operative trade. In 1939 the annual sales by agricultural marketing co-operatives in the British Overseas Empire amounted to two or three hundred million pounds.

CHAPTER V

IN THE LAND THAT GOD GAVE CAIN— LABRADOR

So desolate is the largely unexplored land of Labrador that someone has called it "The Land that God gave Cain". It stretches along the north-eastern coast of Canada but belongs to the neighbouring island of Newfoundland. A few miles from the coast there are forests of fir and black spruce. It is a land without farms and without a single town, though there are some villages along the coast. These villages consist usually of about a dozen or more houses made of wooden planks and built by the occupiers themselves.

As to the inhabitants, in the forests there are tribes of Red Indians, while in the northern part of the territory there are Eskimos, but the majority of the inhabitants will tell you that they are "liveyeres". They are the settlers who "live here" all the year round, as distinct from the fishers from Newfoundland who come to Labrador and spend the brief summer on the coast fishing for salmon and cod and returning to Newfoundland as the ice begins to form. The liveyeres are in fact a mixed people descended from English and Scottish settlers who married Eskimo women. They speak English of course.

Every liveyere is both a hunter and a fisher. Most

of the fish caught is dried, cured and stored away for the winter while the furs obtained from such animals as the fox and the marten are sold to the local trading store.

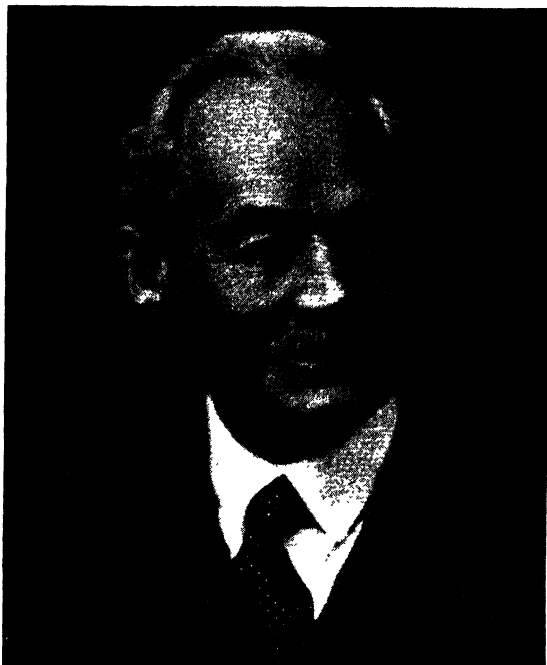
In the spring small steamers from Newfoundland visit the little harbour settlements, and amongst the steamers is one that belongs to the liveyeres themselves. Its name is *The Co-operator*. How the liveyeres became co-operators is an interesting story.

The story goes back to the beginning of this century when the liveyere had an even harder and more difficult time than he has today. Then as now most of the trade was done by the Hudson Bay Company. This company is one of the oldest trading companies still doing business. It was founded by English merchants in the year 1670 for the purpose of buying furs from the Red Indians and carrying on other kinds of trade in the New World. It has been trading ever since. People still living can remember the days when neither liveyeres, Red Indians nor Eskimos were given money by the Hudson Bay Company when they sold it their furs and fish. Instead they were given bone counters of different colours rather like tiddleywinks. They could exchange these counters for goods in the company's store. Other traders who came to Labrador, some of whom were less honest than the big company, used to copy this method. They would open a little store during the summer months, and when they bought, say, timber from the people they would give them tin money which they had made themselves and which had stamped on it "Valuable

only at our stores ". Because the trader knew that the poor liveyere or Red Indian could not say that he would shop elsewhere if the things offered in the store were too dear, he would often charge far more than the goods were worth. If the man had not enough tin money to buy the things he needed, the trader would say, "Never mind, don't pay me now. When you come in again with skins from a hunting trip, I will deduct what you owe me from the price I pay you." The poor liveyere in this way soon ran into debt. The trader could pay him as little as he liked for the things he bought, and could charge what prices he liked for the goods sold in the store. The liveyere and his family thus became little better than the slaves of the trader. They could do nothing without his approval and could not change to another store. The trader was quite willing that they should go on owing him money because he knew that he could be sure by this method that everything he bought was a bargain. What made things even worse was that in some parts the traders used to stay in Labrador during the summer months only. This meant that the liveyere had to buy and put aside all that he needed for the winter, since the store would remain closed for eight months! Just think what it would be like to live in a place where the shops were shut for eight months! If the liveyere had displeased the trader, the latter might refuse to sell him some of the things he wanted, and there was nothing the poor man could do about it.

This was the sad state of affairs which an English

doctor named Wilfred Grenfell found when he first came to Labrador in the year 1892. When he asked the liveyeres how much money they owed their trader



SIR WILFRED GRENFELL

Photo. J. Russell

they usually said they did not know. The majority could not keep accounts because they could neither read nor write, and so if the trader were not honest it would be quite easy for him to tell the liveyere that he owed a good deal more money than he really did.

Dr. Grenfell tried to help the people to free themselves from this terrible poverty and degradation. With the aid of others from Great Britain he opened schools for the children, as well as hospitals where the people could be treated when they were ill. There were alas! far too many sick people, and this was chiefly due to the fact that they often went hungry during the winter months.

One day, towards the autumn of 1895, Dr. Grenfell was shooting wild ducks when he noticed that sitting near him was one of the liveyeres. This man was a friend of his who had given a good deal of help in building one of the hospitals.

"Why, Jim," said the doctor, "why don't you shoot some ducks?" He knew that Jim's family was so poor that they would be only too glad to have roast duck for dinner.

"I settled with the merchant today and he won't give me any powder," Jim replied. "We'll starve anyhow this winter," he went on sadly, "but it's the children I'm worried about."

It seemed dreadful to the doctor that this man and his family should starve when there were plenty of wild fowl to be had, just because he could not buy any gunpowder. Was there any reason, he thought, why the liveyeres should not be their own traders? Dr. Grenfell knew about the co-operative movement and he decided that he would help the liveyeres to have their own co-operative society. The people were very interested, but they were afraid of what the traders would do when they

found out what was intended. So plans were made secretly.

One of the difficulties facing them was that unless they paid their debts to the trader he would have the right to repay himself by seizing any goods they bought through their co-operative. The first thing, therefore, that the people of the village of Red Bay (for that was where the first co-operative was started) had to do was to pay off their debts. "Let us eat grass for flour," someone said, "and get out of debt." So for a whole year they went short of necessities in order to save money. They had next to find a secretary for their co-operative. This problem, however, was easily solved, because amongst the seventeen families living at Red Bay only one man, a young fisherman, could read and write, and so he, of course, was elected secretary.

The people were so poor that it took them a whole year to save up eighty-five dollars with which to start their co-operative, and even then Dr. Grenfell had to lend them some money. A small building was set aside for the store, but the people were so afraid of what would happen if the traders knew their secret that they did not want any name-plate over the door. Consequently it was not till the night before the store was due to open that Dr. Grenfell went himself to the building and chalked across it in bold letters : "Red Bay Co-operative Store." It was a proud day for the liveyeres when the schooner, which had been named *The Co-operator*, set sail from the harbour towards Newfoundland with a catch of fish to be sold there.

How eagerly they watched for its return with a supply of goods for the "Copper Store", as the liveyeres called the co-operative!

Most necessities have to be imported into Labrador. Wheat will not grow there, and so all the flour the people need has to be brought by boat. Cattle cannot live there, so that the only milk the liveyeres know is condensed milk, and before the coming of the co-operative many had been too poor even to buy it. Sugar, too, is needed, particularly as no fruit grows in this bleak land except sour berries that require plenty of sugar. Thus it is not difficult to guess what cargo the schooner brought back on its return voyage. Later, as better times came to the liveyeres through their co-operative, they were able to buy goods other than these simple necessities.

Today all the fish that leaves the harbour is sold through the co-operative store. Since the coming of the co-operative the days of hunger are a thing of the past for the liveyere. He is no longer in debt, and every year the members receive a good dividend. Dr. Grenfell was responsible for opening other co-operative stores as well; the second was opened at St. Anthony, Newfoundland, and the third at Flowers Cove. The St. Anthony store was called the Spot Cash Co-operative Co., Ltd., and recently its name was altered to the Grenfell Memorial Co-operative Society, Ltd. The success of the St. Francis Xavier University experiments in the Maritime Provinces of Canada (mentioned in the next chapter) has led to a



THE ORIGINAL "SPOT CASH" CO-OPERATIVE STORE

By courtesy of the Grenfell Association

further spread of co-operation in Labrador and Newfoundland.

The members of these co-operatives in Labrador had special reason to be glad of them in the year 1932. That was the year when there was great unemployment all over the world. The Government had to feed 50,000 Newfoundland fishermen and their families, but the Red Bay people did not need this help. They did not go hungry thanks to the fact that their own co-operative was still able to carry on.

Today co-operation is growing slowly but surely, and with the help of the educational work carried out by the St. Anthony store the principles and benefits of co-operation are becoming more and more widely realised.

CHAPTER VI

CANADA'S CO-OPERATIVES

If you were asked which was the larger country, Canada or the United States, you would probably say the United States. In point of fact, Canada is the larger, but so much of her territory lies in the Arctic zone and is uninhabitable that the inhabited area is considerably smaller than that of the United States.

Since the United States stretches away down to the warm tropical South, it can grow many crops that cannot be raised in Canada. Yet there are greater varieties of life and produce in Canada than one might expect. If, for instance, you were to stay with a French-speaking farmer and his family in the province of Quebec, you would find life very different from life on a farm on the wide wheat-growing prairie lands of Alberta or Saskatchewan.

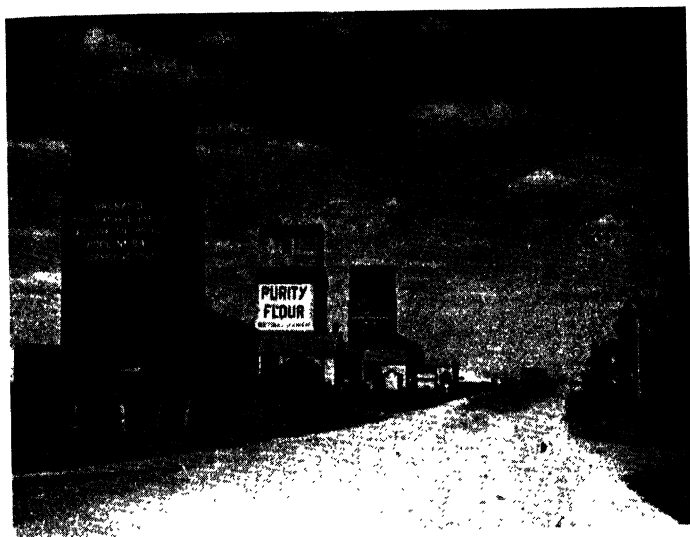
Let us take a look at a typical farm in the province of Quebec. The people speak French, and there is much, both in the countryside and in the cities, to remind us of France. The farm consists of about a hundred acres and stretches lengthwise along the country road. At the far end is the house, and in the distance one can see the Laurentian Shield, those bleak mountains which stand between the lonely North and the fertile valley of the St. Lawrence. The

work of the farm is done by the farmer himself, helped by his wife and children. They grow nearly everything they need in the way of cereals, fruit and vegetables, while their cattle, pigs and poultry supply them with meat and dairy produce. What they do not need themselves they sell in the market town. If you told the French farmer that he could make more money if he were to specialise and grow only one product, he would shake his head. He is not thinking chiefly of making money, because he loves farming and likes variety. Moreover, when times are bad he knows his family will always have enough to eat, and the farm is their own and so they will always have a home.

Now compare the life of a farmer in Southern Alberta. He will probably grow nothing but wheat on his farm—and what a big farm it is! It will be considered small if it is only 160 acres, and it may be as much as 1,200 acres or more. The farmhouse will probably be built of wood and may stand in the middle of a field with perhaps a few trees around it. The earth is a bright red which looks very gay when the sun shines on it. There may be a little kitchen garden by the farmhouse, which will give the place a less desolate appearance, but many farms have not even this. There are no animals on the farm, and all one can see across the flat, endless plain is waving corn. If we visit the farmer in his wooden farmhouse, we shall very likely find him talking about market prices and other business matters rather than farm problems, whilst his wife and children will not be

expected to help on the farm, because growing wheat is a large-scale business to the prairie farmer. He employs men to work his tractors and other agricultural machinery, and because food to eat is not grown on the farm his wife travels by car to the nearest town to do her shopping. The machinery is rather expensive and the farmer very likely buys it, like his car, on the hire-purchase plan. In prosperous times and when the weather has been good he may get a big price for his wheat crop, and he will be able to buy many luxuries that the farmer in Quebec could not hope to afford. But in bad times he may not make enough money to pay for the machinery, and may have to dismiss his farm labourers. He may even have to sell his farm—if anybody wants to buy it—and so his problems are quite different from those of the French farmer in Quebec.

How does the wheat farmer overcome some of these problems? The answer is, through his co-operative. The Canadian wheat farmer was not the first to start co-operatives in Canada, as we shall see later, but, since Canada is today one of the greatest wheat-growing countries in the world, the co-operatives to which the prairie farmer belongs are now the strongest. The older farmers still talk of the days at the end of last century when the farmers tried in vain to get the wheat they had grown with such pains loaded on the railway trucks. The big granaries—or elevators as they are called in America—were owned by private business men who hired all the railway trucks, so that only the farmers who rented storage space in these granaries



COUNTRY ELEVATORS IN WESTERN CANADA

By courtesy of the Canadian National Railway

could get their wheat transported to market. The farmers finally got together and decided that such unfairness had to be stopped.

The Grange Movement had laid the foundation for co-operative action of this kind. This was a movement, introduced from the U.S.A. into Quebec, its object being to persuade the farmers to meet to talk over their difficulties, and to get them to work and sell together. Though it had failed it had brought the farmers and their families in contact with others and made them used to the idea of united action. For instance, as a result of the farmers' protests a new law called the Manitoba Grain Act was made in 1900, and this meant

that there was some control of the trade. The farmers formed various associations to see that they gained their rights under the 1900 Act, and these associations led to the formation of two co-operative grain companies. The first was the Grain-Growers Grain Company of 1906, afterwards, in 1917, called the United Grain Growers ; the second was the Saskatchewan Co-operative Elevator Company, formed in 1913. They were owned and controlled by the farmers and they had local and central grain elevators buying and selling wheat. The bad conditions which followed the First World War led wheat-growers to join together in what are called Wheat Pools, the grain being sold through a central selling agency called the Canadian Co-operative Wheat Producers. The Wheat Pool, as the whole organisation is called, has taught the West the need for an understanding between the different Canadian provinces, as well as between different forms of co-operation in each province. The farmers have established a flour mill of their own, and have arranged also that their co-operatives buy the things they need for their farms. In a country like Western Canada, which has long, severe winters, great quantities of coal are needed, and so the co-operatives buy coal wholesale for the farmers, and they also buy apples wholesale for their children! Away on the other side of the Rockies, in British Columbia, where fruit instead of wheat is grown, the fruit-farmers also had formed a co-operative society called the Okanagan United Growers, and so the co-operatives do business with one another, and the wheat-farmers' children get plenty of apples, while the fruit-growers are supplied with wheat.



Canadian National Film Board

AUTOMATIC GRADERS AT WORK IN A CO-OPERATIVE GROWERS PLANT



Photo : Guelph, Ontario

A MODERN CO-OPERATIVE DAIRY PLANT

Western farmers realise the advantage of consumers' co-operation, but the vast size and loneliness of the prairies, and the fact that the Co-operative Union of Canada is far away from them in the east, make it difficult for many co-operative stores to be opened. However, progress is being made even though business men from the United States are also opening stores and business houses in Canada. When Canadians speak of co-operation they usually mean some kind of farmers' co-operative.

Farmers, however, have not confined themselves only to the co-operative marketing of grain. We have seen that in British Columbia there is an important co-operative for dealing with apples. Throughout Canada there are numerous other co-operatives : to mention only a few, there are the United Dairymen's Co-operative, Ltd., in Ontario ; the Creamery Co-operative in Saskatchewan ; the United Farmers of Ontario which conduct a big business in live-stock, poultry and eggs ; and one of the most successful co-operatives, the Canadian Co-operative Wool Growers, Ltd.

You are doubtless wondering what happens to the French-speaking farmer in Quebec who produces all manner of things on his farm. Is there no co-operative society which he can join? There is indeed, but it is quite different from the co-operatives which the specialised farmer has set up. What the Quebec farmer usually wants is help to buy seeds and other farm necessities. As we have seen, he grows food to feed his family as well as to sell, and although the



MAIN PLANT AND HEADQUARTERS OF THE FRASER VALLEY MILK
PRODUCERS ASSOCIATION, VANCOUVER, BRITISH COLUMBIA

By courtesy of the High Commissioner for Canada

family are well fed the farmer often has little ready cash until he has sold his harvest. Thus he may need to borrow money to buy his seed, and this he can do through his co-operative bank. A French-Canadian named Alphonse Desjardins first started these Credit Societies—as these co-operatives are called—in Quebec in 1900. The French farmer usually calls them the *Caisses Populaires Desjardins*, whilst English-speaking people call them simply People's Banks. The credit societies joined together in a central council in 1939, which the farmers said was to be "the guardian, the interpreter and the apostle of the Co-operative idea".

The societies in the English-speaking provinces of Canada had had a Co-operative Union to link them together since 1909.

Co-operation, was actually first established in Canada in the Maritime Provinces. The first co-operative store, modelled on Rochdale, was started by Lancashire coal-miners and iron and steel workers who had emigrated to Nova Scotia in the middle of the last century. The movement spread very slowly ; the government organised co-operative butter and cheese factories in 1891, and the fruit-growers formed their own organisation, selling through a central agency called the United Fruit Companies of Nova Scotia. However, no real progress was made in the movement until the 1930's when the priests and teachers of St. Francis Xavier University started study groups on the subject of co-operation for adults. With the spread of knowledge the people tackled their problems anew and co-operative activity increased. In 1937 it was decided to form a Co-operative. Wholesale, and several new stores were opened. The fishing industry was reorganised on a co-operative basis, and with the help of their co-operatives the fruit-growers were able to build a frost-proof warehouse which prevented their apples from being destroyed while waiting to be shipped. The success of the movement now seems certain. One of the most successful consumers' societies in Canada is the British Canadian Co-operative Society of Nova Scotia.

In some parts of the Dominion young people now

have their own special organisations. They meet together for classes and discussion in what are called Junior Locals, and special Folk Schools, rather like our Summer Schools, are organised for them.

CHAPTER VII

AUSTRALIA AND NEW ZEALAND USE CO-OPERATION

You will remember that the Tolpuddle martyrs who had joined Robert Owen's Grand National Consolidated Trades Union were transported to Australia in 1834. In those days criminals in Britain were often punished by being deported to Australia. Some of the men so deported were real criminals, but quite often good men were punished in the same way because they had had the courage to work for better social conditions. In this way there came to the new land of Australia—which had been claimed for Britain by Captain Cook, its first explorer, in 1770—a number of brave and hardy men who were able to make important contributions to the building of a new nation.

In the year 1839 an explorer told the Governor of New South Wales that he had found gold in the colony. The Governor was frightened. "Hush it up," he said, "or we shall all have our throats cut." He was thinking of the many convicts in the country. Consequently the fact that there was gold in Australia remained a secret for about ten years. In the meantime it had been discovered that sheep flourished on the great pasturelands of Australia, and their wool was eagerly bought by English woollen merchants to be spun into yarn by the new machines that had been set

up in the North of England. Many men went to Australia of their own accord to take up sheep farming, and these men soon greatly outnumbered those who had been sent as convicts. Therefore when the secret about the gold was let out in 1851, no one had any reason to be frightened. It happened in this way.

A Bathurst settler named Hargreaves visited California where gold had just been discovered. He noticed that the gold-bearing land was very much like that on his own farm, and so he hurried back to Australia. No sooner had he arrived at his farm than he seized a pick and began to loosen the gravel. After washing it he found what he was looking for—gold! Within a week hundreds of men had flocked to the place and were digging for the precious metal. “This will stop the Government sending us any more convicts,” said the Australian leaders. Free men, they knew, would hasten to Australia to search for the hidden gold, and the British Government would no longer be able to say that the convicts were needed to help the farmers. And they were right. Though transportation was stopped, in ten years the population had nearly trebled.

Not all the gold-diggers found gold, and of those who did some tired of the difficult conditions under which they had to search for it and decided to turn to farming instead. The Australian farms were lonely places. When the day’s work was done there was nothing for the sheep-shearers and other farm-workers to do but to meet and talk and exchange ideas. Though they had many different ideas one thing they

had in common : they loved liberty and they all believed in democracy. They thought, for example, that Australia should be allowed to manage her own affairs, for at this time, of course, Australia had not become a self-governing Dominion. Many of the men who had been transported to Australia had been sent, as we have seen, because of their political work. They had been Chartist and trade unionists at home, and now they began to preach the Chartist ideas in Australia and to form trade unions. The sheep-shearers built up one of the strongest trade unions in Australia.

But trade unionism and parliamentary reform were not the only subjects debated by the sheep-shearers and gold-diggers. They talked about co-operation and how it could be used to help them solve their problems. Some of the ex-gold-diggers and other immigrants who had settled in Sydney and other towns decided that they would try to help themselves by forming consumers' co-operative stores. Many of them had come to the towns to seek work and had sought in vain, and those who had succeeded in obtaining employment found the wages not enough for them to live on. These hard conditions made them decide, as the Rochdale Pioneers had done less than twenty years earlier, to try to ease their lot by buying things through a co-operative store. The oldest consumer society was opened in Adelaide in 1868 by nine members with a total capital of £5. Today, it has something like 10,000 members, employs more than 400 and has an annual turnover of over £400,000. But Australia is chiefly an agricultural country and in the lonely open

spaces shops were of little use. The farmers and sheep-shearers needed help of a different kind. They were producers—producing wool from the sheep they reared or raising food from the soil, and mutual aid in producing was what they required.

There were problems enough in those days—the middle of last century—for the excitement about the discovery of gold had died down. The old diggers either had gone to the towns to look for work or were trying to make money as farmers. The miners needed food, and that meant that food of all kinds, and not simply sheep, had to be produced. Accordingly some of the ex-miners took to growing food. They built shacks near water wells—there are very few rivers in Australia—and soon there were open quarrels between the “squatters”, as they were called, and the big farmers who owned the sheep farms. Some of the squatter farmers, about the year 1880, decided that if they joined together they would be stronger than if they tried to work separately, and thus the first producers’ co-operative societies in Australia were formed. There are to-day more producer societies than consumer societies, in fact the proportion is nearly four to one.

Because it had no central body to guide it, the movement grew up in different ways in different states. New South Wales, with the largest population, has the largest movement. The consumer societies are to be found mainly in the coal producing areas, particularly Newcastle, but the producer societies have a larger turnover since they comprise much of the State’s dairying. One of the largest co-operatives in Australia, the

North Coast Co-operative Dairy Co., is found in New South Wales. In addition, the New South Wales Farmers' and Graziers' Co-operative Union successfully handles wool, wheat, livestock and insurance.

In Victoria, the movement is much smaller. In Tasmania, co-operatives take care of a good deal of the important fruit crop.

In South Australia much of the history of co-operation has been the history of the Eudunda Farmers' Co-operative Society. In 1897 one hundred of the Murray Valley farmers formed a co-operative with a total capital of £85. To-day this co-operative, named Eudunda, is established in 44 towns, has some 40,000 members and an annual turnover of over £1,000,000. One particularly interesting feature of this co-operative has been the development of highly successful community hotels, which are considered to be among the best in Australia. There are other co-operatives in this State, such as the South Australian Farmers' Co-operative Union, which deals with much of the State's dried fruits and dairy products.

The States of Queensland and Western Australia, however, have led the way in forming organisations of co-operatives which are State-wide. These co-operatives market their members' products and buy their machinery and other major products. Western Australia has a particularly united movement. In this State the Co-operative Federation of Western Australia, which holds annual conferences, links together the different co-operatives. The central agricultural co-operative is the Westralian Farmers' Ltd., formed



THE POULTRY FARMERS' CO-OPERATIVE SOCIETY, BRISBANE, QUEENSLAND

in 1914. During the 1914-18 war compulsory State marketing of wheat was introduced and this was successfully run by Westralian Farmers' Ltd. This organisation continued the scheme after that war and particularly after the difficult times in the early thirties. When the Second World War broke out in 1939 wheat marketing was taken over by the Commonwealth Wheat Marketing Board.

By the time of the outbreak of the Second World War most Australian farmers belonged to a co-operative. During the war Australia, like the other British Dominions, sent a great deal of food to Britain to make up in part for the loss of food from European countries. Nearly all this came through the Australian co-operative societies. For instance, 90 per cent of

the butter and cheese and 90 per cent of the raisins exported by Australia came from the co-operatives.

Towards the end of 1943 a conference was held at which members from all the States were present. Here it was decided to form a Co-operative Federation of Australia with a permanent office in Canberra. The aims of the Federation are to form a union of all co-operatives in each State, to arrange for each union to set up a wholesale house and to assist in collective buying and marketing. The Federation has now become a member of the International Co-operative Alliance.

Australian co-operators have decided that they must "arrange" education as is done in Great Britain. Study circles are held for members of the societies, and in the towns the housewives belonging to the stores meet together in their Women's Co-operative Guilds to discuss problems which affect them as citizens and co-operators.

Thus from small beginnings, largely during the last 40 years, the co-operative movement in Australia has developed. There are to-day some 535 producer, consumer and combined societies, with over 311,000 members and assets of more than £23,000,000. The annual turnover is over £50,000,000. The word "co-operative", however, actually has different meanings in Australia and it is sometimes used by ordinary trading companies, but an attempt is now being made to restrict its use to true co-operatives.

Meanwhile we must see what was happening in New Zealand. Although they are separated by more than a thousand miles of ocean, Australia and New Zealand

*E.N.A.*

CLEANING, STEMMING, AND GRADING SULTANAS AT THE CO-OPERATIVE
PACKING SHED, MILDURA, VICTORIA, AUSTRALIA

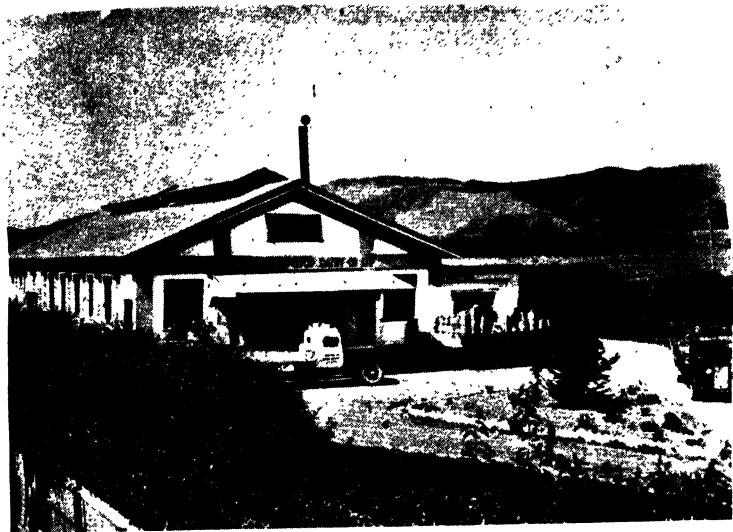
have always been regarded as “neighbours”, and their history has been linked, though today both are independent Dominions, each having its own Parliament.

New Zealand is very different from Australia. It is a very fertile and mountainous country and is made up of two long islands, North and South Islands, and some smaller ones. Most of its one and three-quarter million inhabitants are of English or Scottish descent, though there are a good many Maoris amongst them. The Maoris were the original inhabitants of New Zealand, and although a hundred years ago some of them were still cannibals, today they are an educated

and civilised people and take their part in governing the country.

The New Zealanders did not try the methods of co-operation until twenty years after Australia had opened her first store. As in Australia, when troubles descended upon their country the people turned to *co-operation to seek a way out*, and they did not turn in vain. This is how it came about.

Since 1860 fighting had been taking place between the white settlers and the Maoris on North Island about the possession of land. This war eventually ended in 1870, and the two peoples gradually learned to make friends with one another and to respect each other's rights. Things had been very different on South Island where gold had been found in 1861. This had led to a hundred thousand immigrants coming to New Zealand to search for gold, and millions of pounds' worth of the precious metal was found. The New Zealand Government decided to spend a great deal of the new money they were receiving in taxes in building railways. When the immigrants saw the railways coming to the parts of the country which had been previously inaccessible, they hurried to buy up land. But the land did not always give them a chance to make a living, and many New Zealanders lost their savings in this way. Many of them, however, did succeed, by very hard work, in growing enough food to keep themselves alive on the land they had bought. During this difficult and anxious time the first group of New Zealand farmers decided to band themselves together to form a



A NEW ZEALAND CO-OPERATIVE DAIRY

By courtesy of the High Commissioner for New Zealand

co-operative for marketing the produce of their farms. This was in 1883. They set up a Co-operative Dairy where they could turn the milk from their cows into butter. The same machinery could be used for making butter from the milk obtained from a number of farms, and so each farmer was spared the expense of setting up a dairy of his own. This dairy was so successful that soon dairy-farmers all over New Zealand were establishing Co-operative Dairies.

The first cargo of butter, which consisted of two boxes only, was sent to England in a refrigeration ship in 1882 as an experiment. It arrived safely, and this opened the British market to the co-operatives. Their

development was still further helped by the formation of a Department of Agriculture in 1891, as this department gave great assistance by sending its officials to help in organising the co-operatives. Since 1927 the Government has set up credit organisations which loan money to farmers. The society through which the farmer sells his butter and milk has, however, to be responsible for seeing that at least 20 per cent of the loan is returned. This still further encourages farmers to join the co-operatives.

The Co-operative Dairies now own all kinds of up-to-date machinery, and this is making life on the remote New Zealand farms much easier than it was in the difficult days when the movement first started. Life was lonely and hard then. The roads were very bad, there were no telephones to use in time of trouble, and there was so much to be done on the farms that often children had to do farm work before they went to school. The children helped to milk the cows, and a story is told of the little New Zealand girl who, when asked by the local clergyman what she had had for a birthday present, replied, "Father gave me another cow to milk."

Today the dairying industry has two large co-operative societies: the New Zealand Co-operative Dairy Company and the National Dairy Association. The latter provides the butter and cheese factories with the necessary machinery. It acts also as the New Zealand agent of the British C.W.S., and helped in the formation of the New Zealand Co-operative Alliance which tries to act for New Zealand in the same way as the Co-operative Union does for Great



A CO-OPERATIVE CHEESE FACTORY, NEW ZEALAND

By courtesy of the High Commissioner for New Zealand

Britain. The New Zealand Co-operative Dairy Company owns many butter and cheese factories, has its own box and canister factories for making containers for its produce, and owns a coal mine which helps to supply the factories with fuel.

The dairying industry is carried on very efficiently, though the cream is often collected from the farms in unusual ways. Sometimes it is drawn over tracks by horses, and in other districts the co-operative has to send motor launches round the many-armed northern harbours to collect the cream which is sent to meet them from farms within reach of the sea.

The export of fruit from New Zealand is controlled by the Fruit Control Board set up by the Government, but the fruit is grown by co-operatives. The New Zealand Fruit Growers' Federation, which is a co-operative, acts as the local agent of the Control Board. That is to say, when the Government Control Board

wants to give instructions to growers in a particular district, it does so through the co-operative, which also assembles fruit at local ports for export. In 1918 the co-operatives in Australia and New Zealand joined together in an organisation called the Producers' Wholesale Co-operative Federation Proprietary, Ltd., which had its headquarters in Melbourne. Three years later the New Zealand Producers' Co-operative Marketing Association and the English and Scottish Co-operative Wholesale Societies all joined together to set up in London the New Zealand Producers' Association Ltd. This acts as the selling agent in Great Britain for New Zealand Dairy Companies which wish to market their produce through co-operative societies. Co-operatives have little or no part in the marketing of frozen lamb, mutton or beef. Several companies use the word "Farmers" or "Co-operative" in their title, and are owned or controlled by farmers, but they are not co-operatives in the strict sense.

New Zealand today can boast that her people have a better chance of education, her workers are better paid, her old people are better provided for, than those of any other country in the world. When the New Zealand farmer looks back to the "hungry 80's"—as New Zealand calls the hard times during which the first co-operative was formed—and considers with pride his country as it is today, it is not surprising that he should think that the growth of the co-operative movement has had something to do with it.

CHAPTER VIII

SOUTH AFRICA AND CO-OPERATION

Perhaps one of the first things that would strike you if you were to visit a South African city such as Cape Town or Johannesburg, would be the fact that the people you saw were so very different from one another. Even among the white people you would soon discover that although many were talking English, a still larger number were talking a language you would not understand, called Afrikaans. This is because the majority of the white settlers in South Africa are descended from the original Dutch colonists and are known as Boers or Afrikaners. You would expect to see many Negro people in Africa, but what might surprise you would be to find quite a number of Indians as well. Indians were originally brought in under contract to assist the sugar planters of Natal ; many of them did not go back to India when their contracts ended, and they and their families have made their homes in South Africa. Then there would be other people, neither black nor white, but with skins of a coppery shade, who you would be told were " coloured " people. They are people of mixed race, partly European and partly Indian or African. One other thing you might notice, and that is that whilst many of the white people, both British and Afrikaners, look quite well-to-do, there are some who look, and

indeed are, desperately poor. They are referred to as "Poor Whites". They are the white people who, for one reason or another, have not become skilled workers, and, as most of the unskilled work is done by Negroes, it is difficult for them to earn a living.

The fact that the population of South Africa is made up of so many different races has created difficult problems for the Dominion.

South Africa is one of the chief gold-producing countries in the world, and her mines and her farms provide most of her people with employment. Very many of the Boer farms were extremely lonely places until the motor-car replaced the ox-waggon as a means of transport. Much of the work was done by the Negro farm labourers, and they, of course, knew nothing about modern agricultural methods, while their Boer masters did not trouble their heads about modern experiments. So they grumbled when they found that their sheep were said to be of poor quality, instead of trying to find out how the quality could be improved.

Then things changed. After the First World War many new railway lines were built and so were many new motor roads. The Boer farmer was no longer lonely. He got to know his neighbours and began to talk over his problems with them. As one of South Africa's chief economists has said, "As distances shrank and men rubbed shoulders more easily the ground was prepared for co-operation."

Agricultural co-operation was not introduced into South Africa until 1904, when the province of Natal



A FLOUR MILL BELONGING TO SASKO

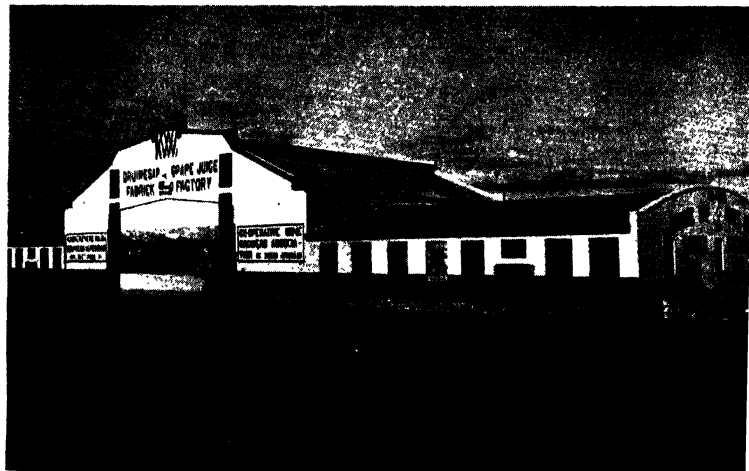
By courtesy of the South African Central Co-operative Grain Co. Ltd.

passed an Act which promised aid to co-operative organisations. Other provinces followed this example. Progress was slow, however, despite the creation of a Land Bank in 1912. This bank lent money to co-operative organisations engaged in agriculture, and also granted loans to individuals. When the Government of South Africa discovered what great progress the other Dominions had been able to make with their farm produce by using co-operative methods, it decided to make it easier for South African farmers to form co-operatives by passing, in 1922, a special Act of Parliament called the Co-operative Societies Act. This Act and the provision of better transport helped the spread of the movement. The

whole of the co-operative movement is now governed by another Act passed in 1939.

Many of the sheep-farmers, who bred sheep for the sake of their wool, got together to form the Farmers' Co-operative Wool and Produce Union, which by the time of the outbreak of the Second World War was sufficiently strong to handle more than a quarter of all the wool exported from South Africa. When the farmers compared notes, they discovered that one reason why their sheep were often in poor condition was that they let them get too tired. It had been the custom of the Boer farmers to shut their sheep up at night in a *kraal*, or enclosed space, and then in the morning to drive them to a grazing-ground some distance away, bringing them back at night. The farmers learned that if they had fenced paddocks or fields for their sheep and left them there day and night they would be healthier.

Many South African farmers, however, grow fruit instead of breeding sheep. Oranges, grapefruit, lemons and grapes are specially cultivated. Most of the farmers belong to what is called a Citrus Co-operative Society, and these small societies are linked together in the Co-operative Citrus Exchange. The Citrus Exchange employs a number of specialists who visit the different farms and orchards to help farmers with any difficulties they might have with their fruit. For instance, some plague of insects may occur which does great harm to the fruit trees. When this happens a farmer can send to his co-operative for one of the specialists to come and fumigate the trees and so



TWO FACTORIES BELONGING TO THE K.W.V. (THE CO-OPERATIVE
WINE GROWERS' ASSOCIATION)

Photos. by courtesy of the High Commissioner for South Africa

destroy the pests. Co-operative specialists also examine trees to find out which produce the best fruit, and buds are taken from these trees so that they may be used to produce others as good as themselves. This has led to a great improvement in the type of fruit produced. As a result of the help which the farmers have been able to obtain from their co-operative, their oranges are not only about fifty per cent juicier than they used to be but also much sweeter.

These oranges and other citrus fruits are exported to Britain and other countries by another co-operative society called the Fruit Growers' Co-operative Exchange. Three-quarters of the citrus fruit exported from South Africa now comes through the co-operative.

However, not all the fruit in South Africa is citrus fruit. Some dried fruit is exported as well, and farmers who grow fruit for this purpose have a Dried Fruit Co-operative. Other farmers grow grapes for wine-making, and they have a co-operative which is known by the initials K.W.V. Dairy-farmers, too, have their co-operative and so have tobacco-growers.

The co-operatives we have mentioned so far are for Europeans only. Co-operation for Africans in South Africa was first suggested in 1908, and after the formation of a number of African credit societies government inspectors were asked to supervise them, but this was refused. The agricultural societies and the rural societies, both of which receive loans from the Government through what is called the Land Bank, admit only Europeans, and a Native Credit Society cannot be registered under the Co-operative

Societies Act of 1922. Consumers' co-operatives are, however, encouraged amongst the Africans, but the only important society is the Western Native Township Co-operative Society formed in 1932 in a Native area of Johannesburg. Other societies are being formed in Native locations outside Johannesburg, though they remain unregistered. Europeans of course have their own consumers' co-operatives.

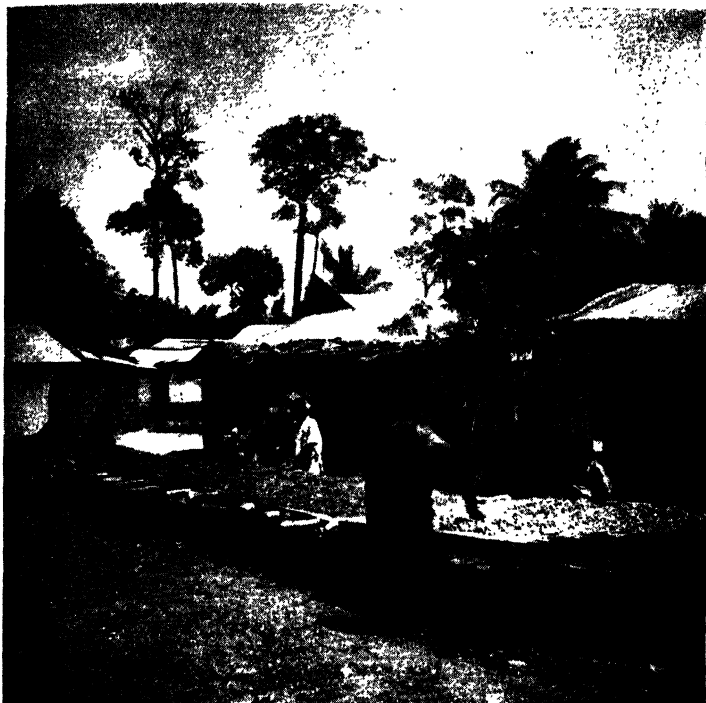
The co-operative movement is now making slow but steady progress in South Africa, and it is to be hoped that the spirit of co-operation will help to solve some of the many problems facing its peoples.

CHAPTER IX

CO-OPERATION COMES TO WEST AFRICA

To British boys and girls the most popular shop is probably the confectioner's. The chocolate which they buy there has almost certainly been made from cocoa which has come from West Africa, which supplies nearly half the cocoa in the world. Some of it comes from very remote parts which were wild and inaccessible places at the beginning of the century. At one time slave ships used to go to West Africa, seize the Africans and take them away for sale in the West Indies and the United States. But that time is long past, and Great Britain and other European countries who have colonies in Africa recognise that it is their duty to help the Africans to become educated and civilised people. There are today schools and hospitals for the Africans, some provided by the Government, but most of them by Christian missions, though there are nothing like enough for all the people. In the towns most of the Africans are already civilised and many have had some education, but in the interior the majority still live the primitive pagan life of their ancestors.

Let us look at some of the villages in the Ashanti country, which is one of the places where the cocoa plants grow. The Ashanti country lies inland from

*Photo : Margot Lubinski*

A TYPICAL WEST AFRICAN COCOA VILLAGE

the Gold Coast and is separated from the coast by a deep dark forest. This forest, broken here and there by clearings where there are villages and plantations, extends inland for a thousand miles! It is one of the formidable barriers which kept Africa the Dark Continent for so many centuries.

The Ashantis are a fine-looking Negro people. The men wear a native spun cloth of brilliant colours and

barbaric pattern, worn draped over the shoulders like the ancient Roman toga. The women wear the cloth draped to form a kind of skirt with a loose sort of blouse. Each village has its chief, assisted by village elders who are responsible for village affairs. Local chiefs are responsible to the paramount chief of Ashanti. The village itself consists of mud huts surrounded by courtyards. You may find a potter at work, using a primitive potter's wheel, making very attractive earthenware vessels. In some of the huts you may see the brightly coloured cloth being woven. It is quite likely that you will find some things being used in the village that have been imported from Great Britain, and bought either in the village store—if there is one—or in the town of Kumasi, the capital of the Ashanti territory. You may, for instance, see a woman ironing clothes with a flat-iron, or you may even find—in the huts of the more well-to-do—a sewing-machine. The beds are made of wood and so are the pillows, which are simply blocks of wood hollowed out to fit the nape of the neck. It is possible that the bed will be covered with a mosquito net, made of fine net to keep out not only mosquitos, which bring malaria, but the even more deadly tse-tse fly which is the cause of sleeping sickness. If the villagers have learned to use mosquito nets it is probable that there will be a village school. It will be a very simple affair, and no doubt will be attended by the village chickens as well as the children ; as the hut which serves as a school, and probably as a church on Sunday for those villagers who are Christians, will

have no door and so chickens walk in and out at will.

Around the village will be the plantations. Here may be grown yams, which are something like potatoes and which are pounded by Africans into a flour, or there may be cassava, another root, from which we get tapioca, and which the Africans pound in order to make a kind of porridge. The cocoa plantations will be cultivated not for food for the village but for sale to the cocoa firms for export to England and other countries. Even though you had never seen the cacao tree—as the cocoa plant is called—which grows from sixteen to forty feet high, you would know that you had come to the cocoa plants by the strong smell of chocolate at harvest time. The berries are picked and put into sacks and sent down to the coast for sale.

But how is the African farmer—who usually cannot read and write and knows little of the white man's ways—to sell his crop to the best advantage and be sure that he is being treated fairly? His plantation may be quite a small one and it is unlikely that his village is near a railway station ; it may be quite a problem getting the cocoa to the trading depot. There are a number of buyers who will go round the villages at harvest time, probably with lorries, and they will offer to buy the crops of the African farmers. Buyers will then sell the crops of a number of farmers bought in this way to the agent of one of the big cocoa firms, at a much higher price, of course, than they have paid for it. Each buyer hopes to be the first one to arrive when the crop ripens so that the farmer will sell him

his crop before another trader has had the chance to buy. Sometimes, in order to make sure of this, a buyer will go round before the crop is ripe and will say to the farmer : " I see you have about so many hundredweights of berries. I will buy them from you at so much a hundredweight, and if you like I will pay you part of the money now, and the rest I will make up when the crop has been gathered and weighed." The farmer is probably only too glad to get some advance money and may sell his crop for less than it is really worth, as usually he has no idea of its value. One year he can sell it at £50 a ton, and the next year at only £13 a ton. When the Africans found that all the big cocoa firms—except the C.W.S.—were joining together to do their buying they became very suspicious. They refused to sell their cocoa, and went so far as to burn 400 tons of it. The British Government decided that they must find out what the trouble was, and so in February 1938 they appointed a Government Commission to make enquiries and suggestions.

With all these difficulties to overcome, many African farmers decided that the best way to sell their cocoa was through co-operative societies. They began forming them about 1928 and now they have quite a number of them.

How do these African village co-operatives work? Each farmer on joining pays an entrance fee of a shilling, and then he has to pay a certain sum, probably a few shillings, as his share in the society. He will be allowed to join only if he promises to ferment



EXECUTIVE COMMITTEE, SEKOUDI-TAKORADI CONSUMERS'
CO-OPERATIVE SOCIETY, LTD.

By courtesy of The West African Review

and prepare carefully the cocoa he grows and to sell it through the society. The money paid by the farmers as shares is used to provide a store in which the cocoa-beans can be kept until they are sold, and to buy a weighing machine, sacks, twine, a set of books for the secretary in which he can keep accounts, and so on. The movement acts as a kind of bank in each village, while in addition to the cocoa there is co-operative marketing of copra or coconut kernels, fruit and rice. The village co-operatives in each district are linked together by a central committee which can buy and sell on behalf of all the village societies belonging to it.

As can easily be understood, one of the difficulties of

these co-operatives has been to find Africans who know how to run them. The Colonial Government helps in this task by arranging courses for Africans who want to act as secretaries of co-operative groups. Just before the Second World War more than a hundred youths attended a course for fourteen days. At the end of it they had to sit for an examination, and those who passed were given a certificate which was greatly prized.

Africans already have their Co-operative Conferences, and each year they hold one to discuss their problems and difficulties. This annual conference is made up of delegates from the central committees in every district, and five hundred of these delegates met for three days in 1939.

The Department of Agriculture gives every assistance possible to the movement, and a special department has been created for this purpose with an experienced officer appointed as Registrar of Co-operative Societies. The first meeting of the Gold Coast Co-operative Federation was held in November 1944, and there is every hope that the co-operative movement will grow and will soon include new undertakings such as fishing and dairying. The Government have said they want to further the movement in these directions.

During the Second World War the British Government announced plans for bringing education to the people of Africa, the grown-ups as well as the children. It is hoped that there will be free compulsory schools for the children as in Great Britain, whilst grown-ups



A WEAVING CO-OPERATIVE

By courtesy of the Central Office of Information

are also to be encouraged to learn to read and write. The Government report said that co-operative societies could play a very important part in bringing education and social progress to Africa. One of the reasons why it was thought they could be so useful was that they set "public advantage before private gain".

The Africans themselves lay great stress on the importance of education. When the village has no

school or the child has outgrown the existing school, the father will often use the money obtained from selling his cocoa to provide this education. It is usually necessary to take the children to a town, and so when the crop is despatched there in lorries to be sold at the society's central depot, it is not uncommon to see the children travelling to their new school sitting on the sacks at the back of the lorries.

Some of the African co-operators in the neighbouring British colony of Nigeria, which also grows cocoa, have decided to run their own schools. The farmers have organised co-operative school societies, each farmer contributing a share capital of five shillings and then paying a penny a month. In addition a fee of one shilling a month is charged for each child attending the school. The farmers elect officers to serve as the school committee, and they employ a few trained teachers.

Great plans for co-operation in West Africa are already under consideration, and there is every hope that they will be successful.

CHAPTER X

INDIANS LEARN TO CO-OPERATE

What an exciting picture the word India conjures up in our minds : a land of mighty rajahs, silken robes and glittering jewels, marble palaces, gorgeous temples and all the splendour of the East. Yet for the average Indian boy and girl as well as for their parents life is very different from this. Far and away the great majority—nine out of every ten—live in villages, and so if we want to know what kind of life Indian people live we need to know something about conditions in an Indian village. But first we have to remember that India is a very big country, and has nearly four hundred million inhabitants. We must expect, therefore, to find a great many differences, particularly between the north and south—differences of language, of religion, of manners and of food. Yet in whatever part of the country we travel we shall feel that it is one country. It is unmistakably India.

Let us take a look at a typical Indian village, which consists of a cluster of mud-built or rough stone huts thatched with straw. The thatch is allowed to hang over in front of the hut to form a verandah, and usually there is some sort of courtyard. Inside there is practically no furniture. There may be some rickety string beds, known as charpoys, some earthenware vessels for food and water, a pestle and handmill for

crushing and grinding, and a sieve and a basket for winnowing grain. There will probably also be a wheel and spindle for spinning cotton. Strolling through the streets will be some thin, starved-looking cows and some scraggy chickens, while tiny children run about with nothing on except a piece of string to which is attached a charm. The women and older girls wear the graceful Indian sari of coarse cotton, but most of the men wear nothing but a loin-cloth.

You do not need to be told that everybody is very, very poor and that most of the villagers often know what it is to go hungry. There are only two men and their families who can be called prosperous. One is the landlord, who is generally called the zamindar, and who has great authority in an Indian village. The villagers generally pay him his rent in kind—that is, they give him a considerable part of the produce they grow. Usually he is not content to charge too large a rent but makes all kinds of other demands of his unhappy tenants. For instance, if a member of a tenant's family gets married he demands a wedding present from them! Because the Indian peasant has to give so much of his crops to the zamindar and because he has not learned modern methods of farming he is hard put to it to get enough food for his family. If there is a drought, or if he has to arrange a marriage for one of his daughters—an expensive affair in India—he has to turn for help to the only other rich man in the village. This is the moneylender. The moneylender is willing to lend him money, but

only at such a high rate of interest that the poor peasant is never likely to be able to pay off the debt. As the moneylender is usually the grain merchant it means that the peasant is obliged to sell any grain he may grow which he does not need for his family, and which the zamindar does not take, to the moneylender at whatever price he chooses to give. Most peasants not only have big debts of their own but have probably inherited debts from their fathers. The great majority of Indian peasants are illiterate, in fact only about 12 in every 100 are able to write and read a letter in their own language ; and so they cannot keep accounts, which makes them still more dependent on the moneylender.

At the beginning of this century some Government officials in India began to wonder whether some form of co-operative society would not help to get the Indian peasant out of the clutches of the moneylender. In the nineteenth century a German named Raiffeisen had worked out a co-operative system for helping peasants who needed loans for buying farm stock. This form of co-operative activity is called a Credit Society. So the Indian Government decided to help in setting up such credit societies in Indian villages, and in 1904 officially introduced the co-operative movement. The villagers have to run their credit societies themselves though they are supervised by trained government officials called registrars.

Let us visit a village where these co-operative societies are at work. We will ask first to see the credit bank, but if we do we shall not be shown any building.

Instead one villager, who can write, will produce a bundle of badly written books, and a group of illiterate peasants working in the fields will be introduced as the committee. They have to interview applicants for loans and see that the borrower repays the money with interest—very little interest indeed compared with that charged by the moneylender, so it is usually possible for him to clear off the debt when he reaps his harvest. In not a few cases the village drunkard or thief or gambler has been reformed, because the village folk feel that the money in the credit society is theirs, and so they make it their business to see that nobody is allowed to waste any money lent to him.

If the village is one that has many co-operative enthusiasts we may find several co-operative societies, each for a special purpose. One might suppose that it would be better to have only one society to do everything, but as most of the people cannot read or write they find it easier to understand and to manage if each co-operative group is given a single job. For instance, we may find that there may be something like a co-operative store in the village, although in most cases it has no premises. The villagers give their orders through the little co-operative society, and the secretary buys the goods wholesale. They will be stored in the house of one of the members until the villagers come to fetch them. To help these little co-operatives to get their goods wholesale, there is often a district co-operative to which orders can be sent, and the district co-operative will do the buying from the wholesaler.



DISPLAYING TEXTILE GOODS FOR SELECTION TO CO-OPERATIVE SHOP SALESMEN
By courtesy of the Director of Public Information, Bengal

It may be that there is a village school and we shall be told that the children get their stationery and books through their school co-operative. Perhaps we may find that all the children are compelled to attend school for four years. This unhappily is very unusual in India, for only in a comparatively few places are schools provided for all children. What is surprising is that in some villages it is not the Government that makes school attendance compulsory but the school co-operative! The parents agree that their children shall attend school for four years, and that if they remove them before the end of the four years the co-operative shall have the right to fine them.

Another co-operative we may find in an Indian village is the anti-malarial co-operative. Malaria causes a terrible amount of sickness in India, and a great many people die from it every year. Anti-malarial co-operative societies have done important work in combating this scourge, which is spread by mosquitos. A Central Co-operative Anti-Malarial Society has been formed for the whole of India, which gives help to the village societies. By 1939 there were more than a thousand of these societies in the province of Bengal alone.

In other villages there may be what is called a Better-Living Co-operative Society. The purpose of such a society is to improve conditions in villages by digging public wells, improving roads and village sanitation, and in some cases setting up a village dispensary. This work is all the more useful because India has no public authorities to do this kind of service in villages, though there are municipal councils for the towns. During the Second World War many industrial co-operatives made camouflage nets, comforts and knitted goods, and other articles required by the British and Indian forces.

All these co-operative groups have been useful in teaching the Indian peasant the meaning and value of co-operation. But although there are, for instance, more than 100,000 credit societies as well as the other kinds of co-operatives that have been mentioned, the great majority of India's 400,000,000 people have not yet had any opportunity of learning to help one another through co-operative societies. Apart from



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A FACTORY ON THE C.W.S. TEA-PLANTATION IN THE ANAMALLI
HILLS, MADRAS PRESIDENCY, INDIA



AN EXHIBITION TO ENCOURAGE CO-OPERATIVE RURAL INDUSTRIES
By courtesy of the Bengal Government

this, they are so desperately poor—the average income of an Indian is only £3 a year—that they need a great deal of Government help in overcoming their difficulties and making the land more fertile. Large new irrigation works are wanted to give Indian farmers a better water supply. Such irrigation works have already been carried out successfully by the Government in the Punjab and elsewhere. Indeed, to give the Indian farmer a chance to become prosperous will probably cost many millions of pounds. He needs, too, free schools for all, because without education he cannot make full use of his co-operative organisations.

So far we have only spoken of the Indian villages where most Indian people live. But India has some great cities too. Calcutta, Madras, Bombay, Delhi—these and several others have large populations and many big factories. In several of these cities you will find co-operative stores run on similar lines to those that are found in Great Britain. There are many more educated people in the cities than in the villages, so that it is not so difficult to find people who can read and write to manage them and serve on committees. In the Province of Madras, which contains many towns besides the city of Madras, there were by 1942 no fewer than 300 co-operative stores. This was four times as many as there were in 1939. The terrible shortage of food—which led to a fearful famine in 1943—had resulted in the growth of the “black market”, but people soon discovered that the co-operatives were among the best safeguards against such activities.



A CENTRAL CO-OPERATIVE BANK AND HEAD OFFICE

By courtesy of the Director of Public Information, Bengal

India has many great and pressing problems, and unfortunately even Indians themselves do not agree as to the best way of solving them. Happily, however, there appears to be no difference of opinion as to the important part the co-operative movement is to play in their solution. A great Indian co-operator, the Hon. Ramadas Pantulu, wrote just before his death, "Whatever may be the ultimate form of India's political constitution, our voluntary co-operative organisations will be a powerful aid to national reconstruction."

CHAPTER XI

CO-OPERATORS IN THE BRITISH WEST INDIES

If you went to visit some of the lovely islands which form part of the British West Indies, you would notice here, as in South Africa, how different the inhabitants were from one another. Probably the majority of the people you saw would have Negro features, though their complexion would vary from pure black to light olive. This is because many of the islanders are of mixed race and have both black and white ancestors. But although the majority of the people might have Negro features you would see plenty of other types as well. There would be quite a number of Indians, many of them wearing the same kind of costume as that worn in India. Others would be Chinese, and there would, of course, be white people. As you watched them you would realise that all these people—or their forefathers—had come to the island from distant lands. They had not always lived in the West Indies. Indeed, the original inhabitants of the islands have almost completely died out. The Africans were originally brought to the islands many years ago as slaves, while the Indians and Chinese have settled there more recently.

Most of the islanders are farmers. Their ancestors, too, were probably farmers in the lands from which

they came. But there is a difference between the kind of farming the West Indian does now and that which his ancestors did in Africa, China or India. The latter mostly grew food to feed themselves and their families, whereas the West Indian today usually grows food or some other crop in order to sell it to a trader who will export it to Britain or some other far-away country. This kind of specialised farming has given rise to many problems, and as most West Indians have had little education—even today three-fifths of the people cannot read or write—they do not understand them properly or see how to overcome them. For instance, the farmer in Trinidad or Jamaica may grow sugar-cane, or he may grow tobacco or bananas. If people in England or other European countries are prosperous and can afford to buy bananas or sweets or cigarettes, then traders are willing to buy the West Indian crops and to pay a fair price for them. But if there is unemployment in Europe, then these things become luxuries, and traders either do not buy the crops or else they cannot afford to pay much for what they do buy. This may mean that the farmer and his family actually go hungry, because he cannot feed them on, say, nothing but sugar—although the children *do* enjoy sucking the long sticky canes!—and sugar may be the only thing he grows on his little farm. The West Indian farmer is indeed very poor, though during the Second World War the British Government made plans to help him to improve his condition.

It is not surprising that many people who knew of the poverty of the West Indian farmer should think

that some form of co-operation would be the best way out of his difficulties.

One of the first attempts at farming co-operatives in the West Indies was made at the beginning of this century by a Government official. Among the crops grown in some West Indian islands is cotton, though less is grown today than formerly. When the fluffy balls of cotton are harvested they have to be sent to a ginnery where the lint is separated from the seed, and the cotton packed in bales for shipment to manufacturing countries. This Government official persuaded the cotton-growers to set up co-operative ginneries with Government help. These co-operative ginneries have modern machinery by which the cotton can be pressed into bales by hydraulic pressure. During this process valuable oil is extracted which can also be exported. The cotton seed is not wasted either, for it can be used as cattle food or as a fertiliser. One of the most important of these co-operative ginneries is in Barbados.

One of the chief crops grown in the West Indies is the banana, and in 1929 a big co-operative society called the Banana Producers' Association was formed to market bananas in Jamaica. Unfortunately it did not succeed. This was partly because the Jamaican farmers did not know much about how co-operative societies worked, and most of them left the running of them to a few officials. But its failure was also due to the fact that the private companies did not wish to work with a co-operative society and refused to do business with it. The failure of the banana co-oper-



A BANANA PLANTATION, JAMAICA

Topical Press

ative has rather discouraged the West Indian farmers from trying to form other co-operatives, though Agricultural Credit Societies have made some progress in Jamaica, Trinidad, and British Guiana. In Jamaica they have been connected with land settlement schemes, and have bought over 15,000 acres of land for small holdings with money lent by the Government.

One good thing came out of the attempt to form the banana co-operative, and that was the setting up of a special co-operative amongst many of the banana-growers, called Jamaica Welfare Ltd., created by money given by the United Fruit Company of the U.S.A. This society is chiefly concerned with trying

to help the farmers to improve their living conditions. It sets up rural community centres, such as the Farmers' Co-operative Land Settlement started at Lucky Hill, St. Mary, in 1941, does educational work and organises clubs for young people. These clubs—copied from America—are called 4H clubs. The four H's are Head, Heart, Hands and Health. The boys and girls who join them promise to help in farm and home life in various ways.

There are several other kinds of co-operatives in the West Indies. One of the most successful is the Co-operative Citrus Growers' Association which was founded in 1930 in Trinidad. This co-operative has its own canning factory. The Government lent the money to the co-operative society to build it, and then made a law saying that only grapefruit packed at the co-operative factory would be allowed to be exported. This was because the Government wanted to be sure that only good, well-packed fruit was exported. It may seem a simple thing to pack grapefruit, but when millions of the fruit have to be handled special machinery is needed. When the farmers bring the fruit to the packing plant, after it has been weighed it has to be coloured, washed, waxed, dried and polished. Then it has to be separated according to grade and size. As many as six hundred boxes of fruit are handled in an hour in this way. Some of the fruit brought in by the farmers, although it is quite good, does not look very nice. This is put on one side and sent to another part of the factory where the juice is extracted to be made into sweet drinks or into marmalade. Some of the

fruit is canned ready for export. During the Second World War the association had to face hard times because no ships could be spared to export fresh fruit. Instead all the fruit had to be canned.

Another important product of the West Indies is cocoa. The cocoa beans have to be fermented at special fermentaries before they are exported. In the island of Tobago there are today five co-operative fermentaries!

Although there are many shops in the towns of the West Indies, none of them is a co-operative store, because as yet there are no consumers' co-operatives in the islands.

CHAPTER XII

CO-OPERATION IN THE HOLY LAND

Bethlehem, Jerusalem, Nazareth! Most of us cannot remember the time when we did not know the names of these famous Bible cities, yet few know much about the people who live in these places today. Do the people live as they did in Bible times or has everything changed completely?

Suppose we visit Palestine and see for ourselves the life people lead there today. We shall find ourselves in a land of great contrasts, a land of sombre, barren mountains, sloping down to the plain of Esdraelon and the sea. None of the mountains is very high but if Palestine has no lofty peaks she can claim greater depths than any other country, as the shore of the Dead Sea is the lowest spot on the earth's surface.

Here and there we may come across groups of Bedouins, encamped in their brown tents and minding their sheep. If we had time to watch their ways of living we should find much to remind us of the kind of life led by the Israelites in Bible times. We shall not travel very far in Palestine, however, without discovering that some of the inhabitants are Arabs and some are Jews, and that alas! just as in Bible times the Jews were on hostile terms with their neighbours, so today there is bitter enmity between the Arabs and the Jews. One of the reasons for this conflict is that al-

though for centuries there have been Jews in Palestine, many settled there only after the First World War. Palestine became the Jewish National Home, though the Arabs maintain that it had been promised to them as an Arab state. The Jews from Europe and America have brought to Palestine European ideas and ways of living, and the Arabs do not take kindly to these changes even when they bring prosperity to them, as well as to the Jews.

Amongst the many ideas brought by the Jews to Palestine, perhaps the most important is that of co-operation. Indeed, Palestine is becoming a land of co-operators, and many village settlements and towns are run entirely on co-operative lines. The movement is made up of two main groups. There are some connected with the Trade Union movement. These are centred round "Hevrat Ovdim", the General Federation of Jewish Labour in Palestine, whose members are, of course, mainly workmen. The other co-operatives are intended for anyone, and their members are in fact chiefly middle-class settlers and middle-class town dwellers.

The Co-operative Labour movement has had very great success in setting up two distinct types of co-operative agricultural settlement—the Communal or Collective Settlements, and the Smallholders' Co-operative Settlements. Suppose that in our tour of Palestine we stop at these two different kinds of co-operative settlement in order to see how they are run.

Our journey takes us along a broad valley, bounded



DEGANIA—A COLLECTIVE SETTLEMENT

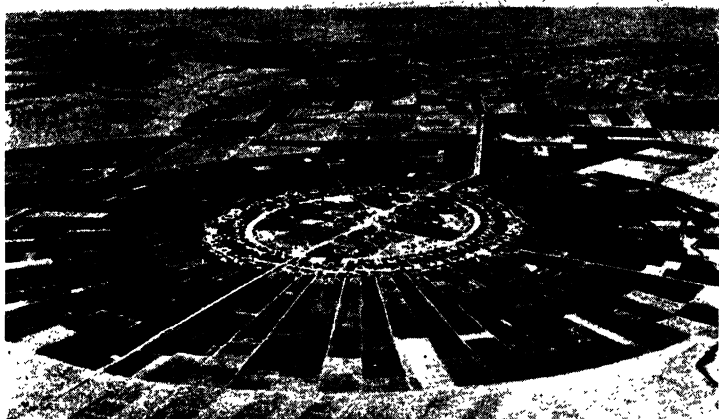
E.N.A.

on either side by a range of hills of reddish hue. The valley is brown and sun-scorched and very desolate, but before long we see a wonderful patch of green—perhaps an orange or olive grove. So vivid is the contrast that we are reminded of the words of the Bible, “The desert shall rejoice and blossom as the rose.” Every few miles we come across such green patches in the surrounding desolation, and it is towards one of them that we make our way, as these are the Jewish co-operative settlements. As we approach the settlement we see a number of modern concrete buildings surrounded by well laid-out lawns. We discover that one of these buildings is the co-operative dining-room. It is in fact more like a club than a mere restaurant. Near the central dining-room is another big building which we find to be a creche and nursery

school. It is a two-storeyed building with large playing-rooms and nurseries, dining-rooms and bedrooms. The small children sleep in the building under the care of nurses and not with their parents. The rest of the settlement is chiefly made up of long, one-storeyed, detached concrete houses. Each house is surrounded by a neat well-kept garden, gay with brightly coloured flowers. Between the rows of houses are large lawns, bordered with palms. Most married people have two rooms—a bedroom and a sitting-room, and as they get their chief meals in the central dining-room they do not need a kitchen. It is quite likely we shall find some wooden bungalows and perhaps even some tents, and we shall be told that these are for newcomers for whom houses have not yet been built.

Everybody is very busy at the settlement, mostly with farm work, though some have other duties. If we ask what wages they get or how much each one earns we may be told "Nothing", as all the money that the members of the settlement earn goes into the settlement funds. The affairs of the settlement are in the hands of the committee, chosen by the members. Different members, helped perhaps by special committees, are responsible for different parts of the settlement's work, and each will be given money with which to carry out this work. One may be responsible for food, another for clothing, another for entertainment, and another for the care of the sick. If, for instance, a member needs some new clothes, he goes to the person responsible for clothing and says what he wants.

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7 JAN 1911



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AN AERIAL VIEW OF NAHALAL—A CO-OPERATIVE SMALLHOLDERS' SETTLEMENT

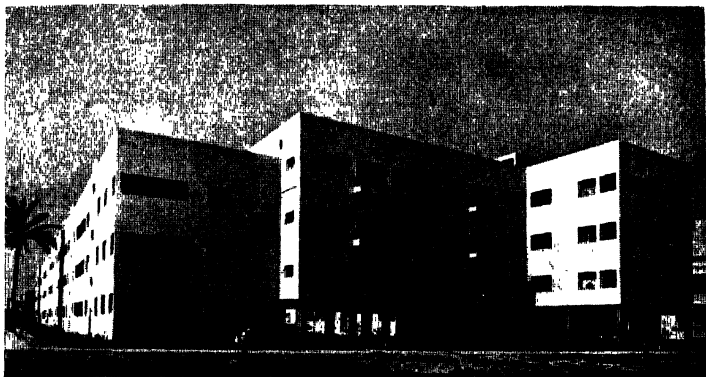
It is the business of the person responsible for clothing to see that the money given him for this purpose is shared fairly amongst all the members of the settlement. The settlement probably grows most of the goods it needs, but it will of course also produce things to sell. These are sold through its co-operative marketing agency, a centralised sales organisation.

Many of these co-operative settlements have been very successful, and most of the people who have chosen to live in this communal way like it and are happy. But of course many others prefer to have their own little home and to earn money which they can spend as they choose. Some of the co-operative settlements in Palestine are run on lines that make it pos-

sible for each farmer to have his own little farm or small holding. We shall find the children of such a village very eager to act as our guides, though we may sometimes need an interpreter when asking questions, as Hebrew is the language used in the settlement, and the small children speak nothing else. The co-operative village we choose to visit has about 800 people, with about 170 farms. Like the other settlement, the village has its own committee elected by the villagers, though this village committee does not have as much to do as the other, as each farmer has his own house, his own vineyard, his own field and his own cows and poultry. But the children will be certain to take us first of all to their co-operative which does business and marketing for the farmers. Indeed, it undertakes all kinds of work—selling the farm produce, serving as the village store, acting as the farmers' credit society, running a village bakery, operating as an employment agency, and also providing transport. The co-operative store is a fine spacious building and spotlessly clean, and so is the co-operative dairy. Thus in this settlement, though there is private profit, there is no private trade ; all goods are sold through their co-operative, which also buys necessary goods and everything needed by the community as a whole. Palestine has had co-operative societies and co-operative settlements only since 1920. In that year a special Government Ordinance or law was made to help in the setting up of co-operative societies. The Government of Palestine has a special co-operative department headed by the Registrar of Co-operative

Societies, and this department is helped and advised by a Co-operative Council in which are represented all the different branches of co-operative activity. Before the First World War, Palestine had belonged to Turkey but, as a result of the war, Palestine was put under the protection of the League of Nations, and Great Britain had to govern Palestine for the League. There had been a few attempts to form co-operative societies under Turkish rule as far back as 1910, but it was not till after the passing of the Co-operative Ordinance that much headway was made. Today nearly half the Jewish population of Palestine belong to co-operative societies. Some Arabs also belong to co-operative societies, chiefly village credit and thrift societies (between 1933, the date when the Arab Co-operative Movement may be said to have begun, and 1941, 115 were established, having a membership of 4,591)—but most Arabs, as we have said, prefer to keep their old-fashioned ways, and so not many have tried to form co-operatives.

One of the many things done by the co-operative movement in Palestine, in the towns as well as in the settlements, is to provide passenger and goods transport. A large part of the country's traffic is carried by co-operative buses and lorries, and even the Arabs are often glad to use them. The first motor transport services were organised by the Jewish Drivers' Co-operatives. Co-operative building and housing societies had built more than three thousand houses and flats by the end of 1939, and there are also Industrial Credit Co-operatives. The co-operatives

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A BLOCK OF WORKMEN'S FLATS BELONGING TO THE SHIKUN
CO-OPERATIVE BUILDING SOCIETY, TEL AVIV

have, of course, their own banks—three large ones, while the Anglo-Palestine Bank, Ltd., has opened a co-operative department.

As in our country, there are consumers' co-operative societies, and these are organised in the central institutions—the Audit Union and the "Hamashbir Hamerkazi", the Palestine C.W.S., which, besides the usual groceries, supplies its affiliated societies in the settlements with most of their agricultural requirements, including seeds, fertilisers, machinery, cold storage equipment, clothes, etc. How quickly the consumers' societies have grown can be seen by the fact that in 1931 there were only 772 members in these societies, but by 1942 there were 25,000.

CHAPTER XIII

THE CO-OPERATIVE MOVEMENT IN EUROPE

Towards the close of 1936 a group of six Americans crossed the Atlantic on a visit to Europe. Their journey was not just a holiday trip—they had been asked to make it by the President of the United States. There was much distress at this time both in America and in the countries of Europe, as millions of people were unemployed. Statesmen in the different countries were trying to work out schemes to bring help to these victims of what was called “the world depression”. Many people in the United States were discussing the ways in which co-operative societies in some countries were helping the people to solve their problems. The United States Government sent these six Americans to Europe to see what the co-operative societies in certain European countries were doing, and they wrote a book for President Roosevelt on what they had seen.

This is how they started their book :

“From time to time stories come to this country about a new way of doing business in Europe—a ‘middle way’ that is said to cure the ills of the old economic order without resorting to new and uncertain experiments in changing the form of government.” They then went on to tell of some of their adventures

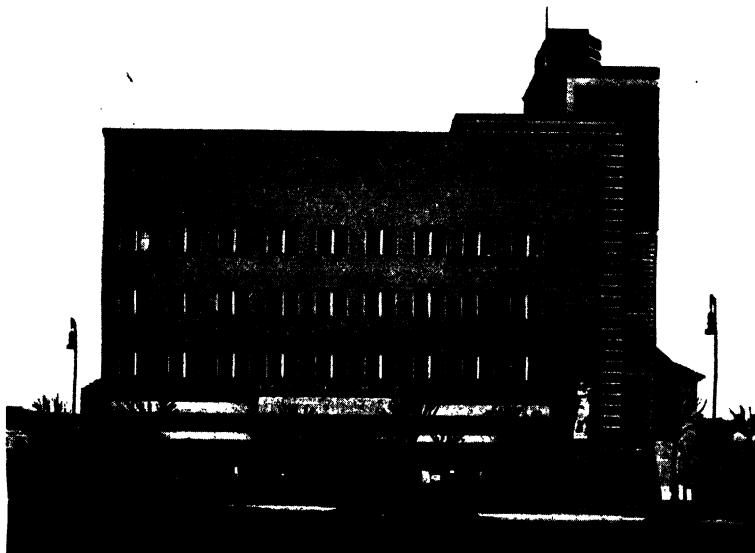
in the countries they visited. "We visited a spot in Ireland," they wrote, "where a Catholic priest and a Protestant preacher had worked side by side to lay the bricks that became a co-operative creamery. Irish farmers, who not long before had been shooting at one another, sat at the directors' table guiding the destinies of a business that runs into well over half a million dollars a year.

"We sat round a table with a group of former working-men who direct the English Co-operative Wholesale Society and listened to them talk calmly in terms of hundreds of millions of pounds ; of great tea plantations in India, of fleets of boats and acres of factories which whittle down the cost of the English co-operator's food and clothing."

And so their tale continues. In the chapters which follow, you too will be able to learn how co-operative societies work in some of the countries of Europe. There is not space, however, to tell the story of *every* European country. In some of them, where big co-operative societies had for many years done useful work, much of what they had created was destroyed during the Second World War. The leaders of the co-operative movement in Nazi-occupied countries were not allowed to carry on their work, while in some places the actual co-operative shops and factories were destroyed in the fighting which took place. Co-operators in such areas have had to make plans for re-building much of what had been destroyed. There were, however, some things belonging to the co-operative movement which no battles and no bombs



SCHOOL BUILDINGS, SHOWING ON THE RIGHT THE CO-OPERATIVE CENTRE,
NITRA, CZECHOSLOVAKIA E.N.A.

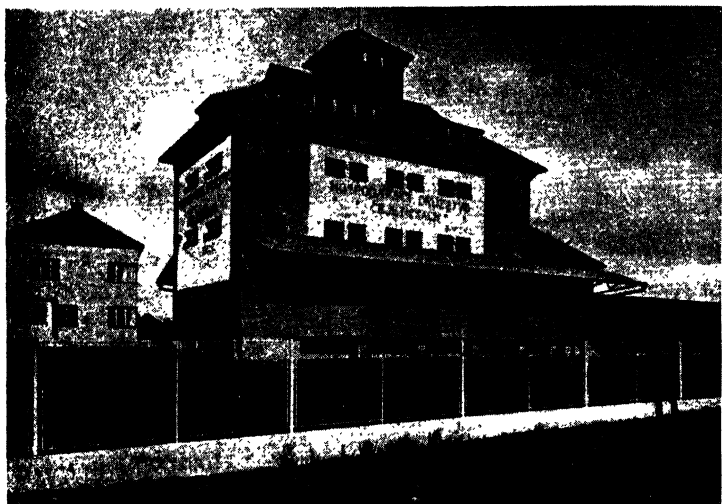


THE CO-OPERATIVE WORKERS' SAVINGS BANK, NOVI SAD, YUGOSLAVIA

E.N.A.

could destroy : they were its essential ideas. Some of the ideas which had been successfully tried out in one country were copied by others, and even if they disappeared for a time in the country which had first tried them they lived on elsewhere.

It would take too long to mention *all* the co-operative ideas which were tried by different countries in Europe. One point is very interesting. Co-operation was forbidden in Germany under the rule of the Nazis, but all the time co-operative ideas suggested long ago by two Germans were helping the movement in other countries. Both these Germans lived at the time of the Rochdale Pioneers, and they started their co-operative work in Germany a few years after the opening of the little store in Toad Lane. At this time there was much trouble and distress in Germany, where so many of the people were poor peasants. As children they had been brought up in conditions like those that existed in England in the Middle Ages, for serfdom—under which the peasants on an estate were the property of the landowner, and were bought and sold with the land—was abolished in Prussia only in 1807, and in other parts of Germany later still. The condition of the German working classes in the towns was no better than that of the peasants. One of the Germans who decided to try a new co-operative plan to help his fellow countrymen was named Friedrich Raiffeisen. He got together the peasants in some of the neighbouring villages and showed them how to form agricultural credit societies. These, as you know, lend money on good terms to



THE WAREHOUSE OF AN AGRICULTURAL CO-OPERATIVE IN BOHEMIA

individual producers. It was the first time that this idea had been tried anywhere, and it proved so successful in Germany that soon other countries were copying it. The other German co-operator was named Franz Schulze-Delitzsch. He, too, thought that some kind of co-operative bank would help the German people. His plan for co-operative credit societies was a little different from that of Raiffeisen, as his credit banks were suitable for town conditions while Raiffeisen's were suitable for the country districts. Strangely enough, they both started their first co-operative societies in the same year—1849. Both forms of credit society have been tried successfully in other countries.

The co-operative movement spread from one country to another; but the difficulties that had to be met in each country might seem rather puzzling to us. For instance, in 1869, Austrian farmers, having heard about the credit societies formed by Schulze-Delitzsch, began copying them, but the movement started as a number of separate societies—Austrian, Czech, Polish, and so on. Later, in Austria and other countries, like Holland and Belgium, co-operators discovered that people belonging to different political parties wanted to have separate co-operative societies. Sometimes, too, Catholics did not want to belong to the same co-operative society as non-Catholics. Consequently there had to be different co-operative societies for these different groups. In Belgium the first successful co-operative societies were mostly bakeries. The modern movement dates from 1880 when the “Vooruit” was established at Ghent by the Rochdale Pioneers of that country. From the first the stores have championed Socialism and are affiliated to the Belgian Labour party. The co-operative societies and the Labour Party have opened clubs called “Maisons du Peuple”—People’s Houses—for the Belgian working classes all over the country.

If you were to ask a French co-operator when the first co-operative society was formed, he might proudly answer, “Eleven years before the Rochdale Pioneers opened their store in Toad Lane.” It is in fact true that a consumers’ co-operative society was formed in Lyons as long ago as 1835, but it did not last long. French co-operators—like those of many other

countries—learned much from the Rochdale Pioneers and when they copied the methods of the Pioneers their movement prospered.

The situation in Italy was very much the same and the present movement dates from 1860. The industrial city of Turin has been the chief centre for consumers' co-operatives. It was not until after the year 1880 that Italian co-operators adopted Rochdale methods, and from that time the movement progressed.

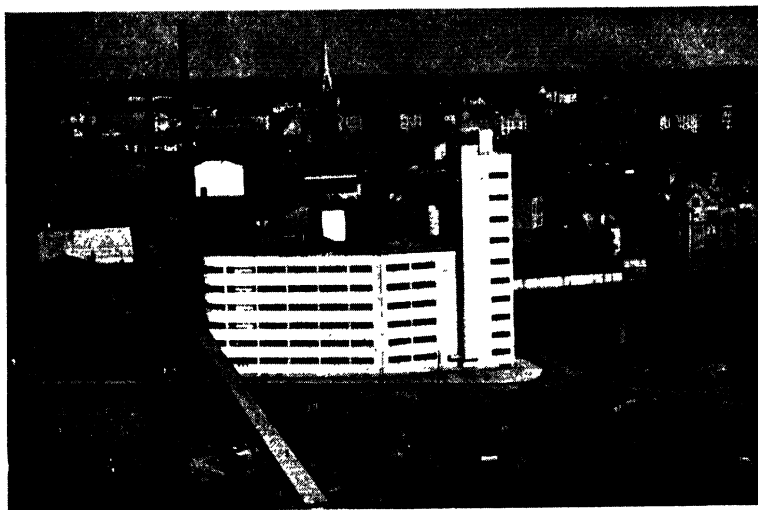
The movement began in Finland at the beginning of this century when it was part of old Tsarist Russia. In 1900 there was only one co-operative store in Finland ; six years later there were more than three hundred stores as well as other co-operative societies. At the present time one out of every six persons in Finland belongs to a consumers' co-operative society, whilst there are also credit banks and other agricultural co-operatives.

As soon as the war was over co-operators in the countries that had been occupied by the Germans during the war, began, with the sympathetic help of their governments, to re-build their movements. Within a year of the ending of the war there were, in many of these countries, actually more societies and more members than there had been before the war. In Poland, for instance, where the war had left more devastation than perhaps anywhere else, the Building and Contractors Co-operative Housing Society (known by the initials SPB) which had been formed in 1928 and which had built some attractive co-operative colonies for its members, was given big new tasks in the



Photo : H. J. Debroux, Liège

A BELGIAN CO-OPERATIVE BUILDING



E.N.A.

A CO-OPERATIVE SILO, VIBORG, FINLAND

re-building of Warsaw and other devastated cities. Over fifty per cent of the reconstruction work of Warsaw was, by the summer of 1946, being carried out by SPB. Poland, however, is largely a peasant country and most of her citizens live in villages. The Polish peasants have always been desperately poor and when the war was over they began to organise themselves into groups known as Peasant Self Aids, with a view to improving their lot. The new Provisional Government recognised them and entrusted them with the task of dividing up extra land, taken from big estates, among the peasants. Because the Peasant Self Aids were run on co-operative lines they were before long incorporated into the co-operative movement.

In Czechoslovakia, too, the co-operative movement was able to greatly improve its position. As the result of the first general election held in Czechoslovakia after the war several prominent co-operators obtained positions in the Government including Mr. Zmnhal who became Minister of Trade. One of the first things he did was to prepare a Bill for Parliament for the setting up of a new Co-operative Council. The purpose of this Council is to bring together all the many kinds of co-operative organisations—consumers, producers, agricultural credit and so on—which before the war had worked quite separately. They are still to work independently but through the Council they will confer regularly and plan ways of mutual help. Czech co-operators also decided to create a new type of co-operative organisation. This is a kind of co-

operative wholesale society for small traders and craftsmen working on their own. Through this co-operative wholesale such people—who before the war had often been hostile to the co-operative movement—will be brought into the co-operative movement although still working as independent traders.

Bulgaria, Hungary, Roumania and Spain, all had co-operative societies of one kind or another. So have the countries whose stories will be told in the chapters which follow.

CHAPTER XIV

FROM MEDIAEVAL TO MODERN CO-OPERATIVES IN SWITZERLAND

Hundreds of years ago, on a bright summer's day, one might have seen on the grassy slopes of an alp—the word really means the pasture-land on a mountain-side—in the country now called Switzerland, a group of cowherds, minding their cows. The language spoken by them would have sounded strange to their modern descendants, because the period of which we write was the Middle Ages ; but the scene would not have greatly differed from the one which the traveller may see today. Towering above would be the snowy peaks of the mountains, and tucked away in the valley below would be the village with its church and cottages. On the grassy alp would be a few roughly-built chalets, probably not so very different from those to be seen now ; these would have been built by the cowherds themselves of rough hewn logs, the crevices stuffed with moss and the roofs made of slabs of wood and sods, wedged with great stones. Although their costumes have changed, one may still see cowherds, as soon as the warm summer days come, leading the cows away from the valley up the grassy mountain slopes as was done in those ancient times. Here, like their ancestors before them, the cowherds remain, living in these rough little summer chalets, until the chilly

autumn days come when they must return once more to their homes in the valley.

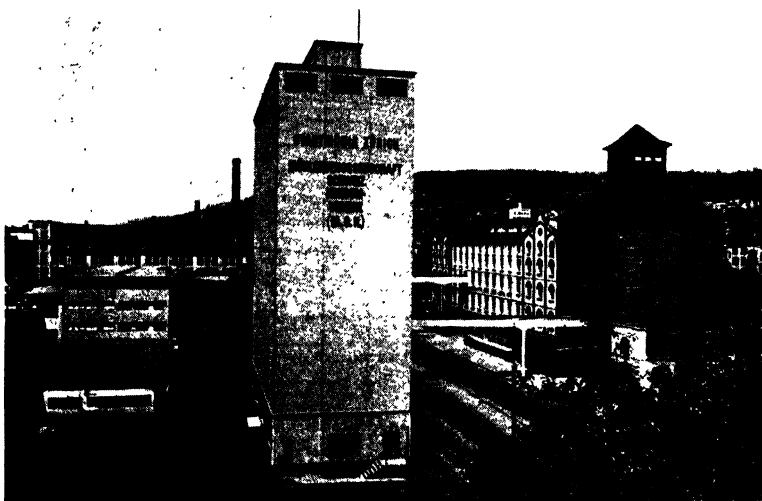
Perhaps you are wondering what the cowherds do with all the milk from the cows. That was the problem which faced the farmers and their cowherds in the Middle Ages. They wanted to make good cheeses with the milk, but that meant having a dairy. Finally they solved the problem by joining together and building a co-operative dairy on the alp. A co-operative dairy in the Middle Ages! Of course it was not quite what we think of when we use those words today. However, the Swiss people proudly claim that, although their existing co-operative dairies are run on very different lines, yet they really can go back to the Middle Ages for their first ventures in the field of co-operation.

The first modern agricultural co-operatives as we know them began in the late 1870's. The eastern part of Switzerland is mainly agricultural and it was here that these co-operatives began. The central society formed in 1886 is called the East Swiss Union and it has two departments. The first is the agricultural department, which acts as agent between the big wholesale dealers and the separate societies; the second is a provision wholesale formed in 1890. As most separate societies have their own local store, the two departments are merely a business convenience. Swiss agriculture is undoubtedly thoroughly organised by the various co-operatives.

In the western part of Switzerland—the industrial part—the consumers' co-operatives had their begin-



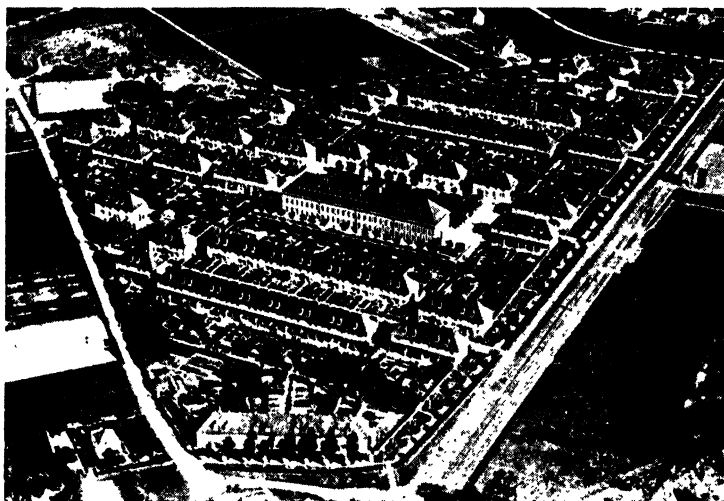
THE CO-OPERATIVE STORE AT FREIDORF



MILL AT ZURICH OWNED BY THE MILLING CO-OP. OF SWISS CONSUMERS' SOCIETY
By courtesy of the Swiss Co-operative Union

nings. The very hungry years of 1847 and 1848 led to the establishment of co-operative stores, and a number of food societies were formed to supply cheap corn and meal. The parent store of Switzerland dates from this period and was the Zurich Consumers' Society, which began as a bakery in 1851. It was not until 1863 that the Rochdale principle of dividends according to purchase was introduced, but soon this became accepted everywhere. A General Union of Swiss Co-operative Stores was formed with its headquarters at Basle, and right at the end of the century a wholesale was established. Agreements have been reached between the East Swiss Union and the General Union, and they do not compete with each other in the same territory, while in addition they do much joint purchasing. Today nearly half of the people in Switzerland buy their goods from co-operative stores. The Swiss Wholesale Society, known as U.S.K., owns amongst other things two big flour mills and the largest meat factory in Switzerland.

One of the things of which Swiss co-operators are most proud is a co-operative garden village not far from the city of Basle. This village is called Freidorf and it was built just after the First World War. A wise and far-sighted Swiss co-operator named Dr. Jaeggi was chiefly responsible for carrying out this idea. It was made possible by the money received by the Swiss Co-operative Wholesale Society as compensation for goods which it had bought from a foreign country and which never arrived because they had been seized on their way to Switzerland at the out-



FREIDORF CO-OPERATIVE VILLAGE

By courtesy of the Swiss Co-operative Union

break of the war. It was decided to use this sum, which was quite a large one, to build a co-operative village. Not only were the houses to be built by a special co-operative housing society, but all the people chosen as tenants were to be co-operators who wanted to show the world how successful a co-operative colony could be. Many of the new tenants were employed by the Co-operative Wholesale Society in Basle and by the Basle Retail Consumers' Society. There are 125 houses in the village, and of course the only shop is the co-operative store. There is a co-operative kindergarten for the little children of the village, while the other children go by bus to Basle to school. If you were to visit Freidorf you would be impressed by

what seems a very big building for so small a village. You would find all kinds of activities going on inside. On the ground floor are the store and restaurant and kindergarten. Upstairs there is a hall, cinema and class rooms for the Swiss Co-operative College. Above are dormitories for students and visitors. Life is never dull for the 150 families at Freidorf, as there are all kinds of co-operative activities for them to choose from—choirs, an orchestra, educational classes, films and dramatic performances. In another part of the village there is a building where girls study domestic subjects and are trained to be good housewives, and saleswomen in the co-operative stores.

Switzerland is a very lovely country with her glorious mountains and lakes, and one of her chief industries is that of providing for the many thousands of visitors from all over the world who come to spend their summer holidays there or to enjoy winter sports on the snow-covered mountains. It is not surprising, therefore, that the Swiss co-operative movement should want to do something to help its members to have good holidays. This has meant providing accommodation for which ordinary working people can afford to pay. Consequently two co-operative holiday homes have been built near the shores of two of Switzerland's most beautiful lakes—Lake Lucerne and Lake Geneva. Many of the people who spend their holidays in these homes do not have to pay anything, as those who spend most at the co-operative stores during the year are given free places, each co-operative society being allowed to "give away" a



YOUTH HOSTEL IN THE OLD CASTLE OF ROTBURG

By courtesy of the Swiss Co-operative Union

certain number of free places. The children have their own holiday and convalescent home in the Jura Mountains.

But young Swiss co-operators take a special pride in the Youth Hostel which they themselves helped to create out of the ruins of an old castle, which stood on a lovely hill near Basle. It was very picturesque, but nobody could live in it as it was only a crumbling ruin. In 1934 in Switzerland, as in most other countries at that time, there were great numbers of young people who could not find work. The Basle Society wanted to provide a youth hostel, but to buy or build a fine new hostel would have cost a great deal of money. However, as the old castle was of no use to anybody

they were able to buy it. Then the young people who could not get work were given the task of restoring the castle under the direction of a good architect, and of making it fit to live in, and a very fine job they made of it. It is known now as the Rothberg Youth Castle. The co-operative society did not keep the castle for members of the movement only. They handed the key over to the Swiss Hostel Association at the opening ceremony so that all Swiss young people should have the chance to use it. Indeed, young people from other countries are also welcome. The Swiss Youth Movement actually came into being in 1942, though there were groups, of course, before that date; at the beginning of 1940 there were 23 groups. The youth movement publishes a monthly journal in French and German.

When the Second World War broke out Swiss co-operators were busy with plans for building a home for old people. Now they can feel that something special has been provided for co-operators of all ages—from the children in the Freidorf kindergarten to the old people whose working days are over.

CHAPTER XV

CO-OPERATION IN SCANDINAVIA

One day, some years before the Second World War, an American sat at breakfast in a London hotel. He was puzzled by some markings on the egg the waiter had placed before him and called to him to know what they were. "All our eggs and bacon come from Denmark. They are the best in the world," he was told. "The Danish farmers," the waiter went on as he warmed to the subject, "run everything themselves through their co-operatives." The markings, he explained, were the farmer's number in the co-operative, by which it was possible to check the quality of all the eggs. The waiter was evidently a keen co-operator, for the American was so fascinated by the story he had to tell about Danish co-operatives that the very next day he set sail for Denmark, in quest, he tells us, of that hen's egg. He found in the Danish co-operative movement something much bigger than a hen's egg! He discovered that Denmark was one of the most prosperous and happy countries he had ever visited, and everywhere he went he found co-operative societies.

He learned, however, that Denmark had not always been so prosperous. Old men could remember the days in the last century when there was hunger and

poverty in the land. It was then that the first co-operative stores were started.

In the year 1861, at a place called Thisted, in Jutland, the local pastor, whose name was the Rev. Hans Christian Sonne, was taking the service in the church. The subject of his sermon was Christian virtue. To the astonishment of the pastor and his congregation, a poor man interrupted the sermon by calling out, "Virtue is well enough in its way, but it does not feed us ; a piece of bread would be more in our line."

The pastor was not shocked by the interruption. He believed it to be a Christian duty to feed the hungry, but the question was how? He had heard that poor people in England had discovered a way of helping themselves by running co-operative stores, and he decided to go to England to find out how they did it. The result of this visit was the opening in 1866, at Thisted, of Denmark's first co-operative store.

But many Danes are farmers and they needed something more than stores to help them. They were too poor to go in for expensive farming, and consequently their products were of inferior quality and were not wanted by other countries. Then one day in the winter of 1881 a young man came to an inn in the western part of Jutland. He sent an invitation to farmers in the neighbourhood to come to the inn on a certain afternoon, when he would show them how to make the best butter. Quite a number of farmers turned up, and the young man suggested that it would be a good thing if they joined together and engaged



DELIVERING MILK AT A CO-OPERATIVE CREAMERY, DENMARK

E.N.A.



A ROOF TEA-GARDEN AT A CO-OPERATIVE RESTAURANT, STOCKHOLM

E.N.A.

the services of an expert. The expert would visit the farms and show farmers how to produce good butter, and then all the butter could be sent to a single centre for proper packing. The farmers were interested but thought it would be better if they joined together to have their own dairy to which the milk could be sent. This they did, and in 1882 the first co-operative dairy was established. It was the beginning of co-operative dairying in Denmark, and before long the quality of Danish farm produce so improved that it was second to none. In 1887 the first bacon factory was established.

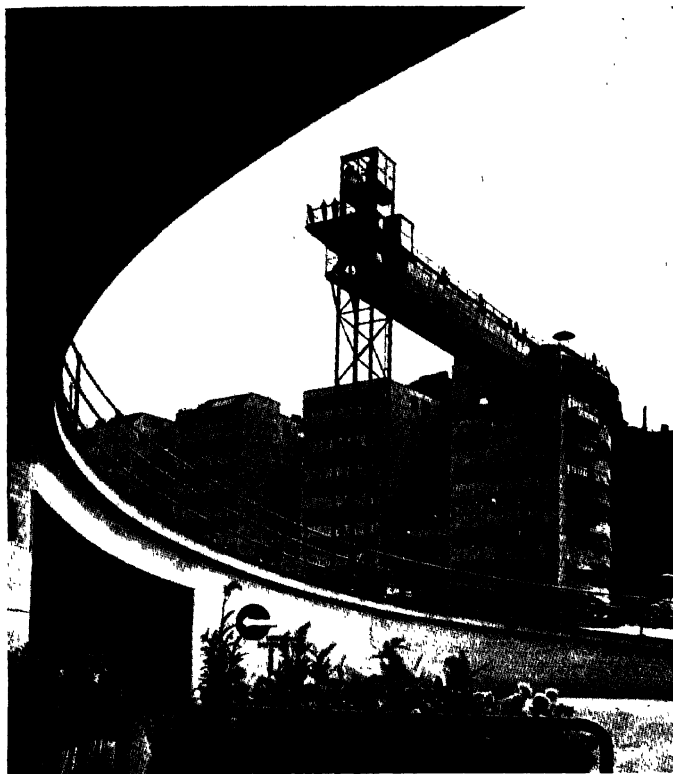
The Danish farmer now has his relationship with the outside world through a variety of co-operative agencies. His necessities he buys at the co-operative retail store ; what he saves he deposits with the co-operative bank, while it is to this bank also that he goes for loans. His fertilisers, seeds, etc. he obtains from co-operative buying and import associations and his electricity from a co-operative power plant. He sends his eggs to the Danish Co-operative Egg Export Co. and his cattle to the Danish Cattle Export Co-operative; his cream he delivers to the co-operative dairy and his pigs to the co-operative slaughter house. Generally speaking it is usual for the farmer to belong to a number of co-operative societies covering all his economic needs. The various societies are united in the Federated Danish Co-operative Association which is in turn directed by the Central Co-operative Council.

The movement as a whole owes a great deal of its

early success to the folk education begun by Bishop Grundtvig. Danish folk high schools established on lines similar to those begun by Grundtvig did much to strengthen the fellowship of Danish life. On a Danish farm the family and hired men live together and eat from the same table ; in the same democratic spirit they live together at the folk schools. The Danish farmers are willing to forego a small gain in the present in return for advantage to the community in the near future. On the example of the folk schools various groups have been formed, including athletic clubs, reading circles, singing societies. Many of the folk high schools have become very well known throughout the world ; the oldest and most famous is that of Askov, in Jutland.

During the Second World War the Germans occupied Denmark, but the Danes were allowed to carry on with their co-operative societies because the Germans knew that they would not be able to buy such good butter and bacon if it were not for the co-operatives.

Denmark's neighbour Sweden is another important co-operative country. The 1860's saw attempts at imitating the Rochdale Pioneers, but it was not until the formation of a central authority, the Kooperativa Förbundet, in 1899, that the movement made any real progress. The Kooperativa Förbundet, or K.F. as it is popularly called, is a combination of the Co-operative Union and the Wholesale Society. Because so many different functions are carried out by this one organisation, a specially friendly relationship has



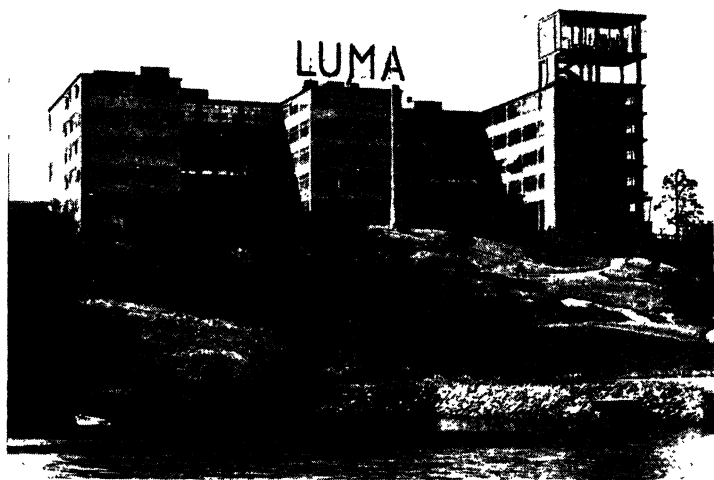
THE HEADQUARTERS OF THE SWEDISH CO-OPERATIVE SOCIETY

E.N.A.

grown up between the retail societies and K.F. The result of this relationship can be seen in the very great unity which the consumers' co-operative movement of Sweden shows today.

Although Sweden is not a big country it has some

very important industries. Its people thought that some of the goods made in their factories were being sold at prices that were much too high, and the owners were in consequence making very big profits. This in most cases was due to the fact that all the factories making certain goods belonged to the same companies. In other words these companies had a monopoly. The Swedish Co-operative Movement decided that they would bring prices down and see that the Swedish people—and not only members of the co-operative societies—were charged fair prices. One of the things that Swedish people complained of was the price of electric light bulbs. The electric lamp factories in Sweden were owned by a German firm, and this meant that most of the high profits were going to Germans. The Scandinavian Wholesale Society (which serves Denmark, Finland, Sweden and Norway), decided that it would build its own electric bulb factory so that it could sell lamps cheaply. The German firm did not like this and asked the Manager of the Swedish Co-operative Wholesale Society to come to see their Director. “We’re quite prepared to sell the bulbs cheaply if you will give up building your factory,” the Swede was told. “If you don’t, we’ll ruin you by selling the lamps so cheaply that you won’t be able to compete with us.” “We shall merely be grateful to you if you do that,” was the unexpected reply, “because there is a vast difference between the consumers’ co-operative factory and your other competitors. All we want to do is to bring down the price of lamps in the interests of our consumers.”



THE SCANDINAVIAN CO-OPERATIVE LAMP FACTORY AT STOCKHOLM

By courtesy of the Co-operative Union

The result was that the Co-operative Luma Lamp Factory was built in Sweden and later another in Oslo, Norway. It brought down the price of electric light lamps not only in Scandinavia, but also in Britain, because the English and Scottish Co-operative Wholesale Societies bought Luma lamps for sale in British co-operative stores.

The Swedish Co-operative Movement has enabled many working people to have good homes of their own. The Stockholm Co-operative Housing Society was formed in 1916, and today a very large proportion of the people in the city live in co-operative flats. Most of them are very charming dwellings and are

fitted with labour-saving devices. There are co-operative laundries in each block which are equipped with the most modern washing machinery and mangles. In a small separate building there is a clever device which automatically beats rugs and mattresses and disposes of the dust. Then there are co-operative nurseries in each block where mothers who go out to work can leave their babies for a small charge. Open-air playgrounds and well-equipped playrooms for older children are also provided.

K. F. carries on a good deal of educational work. It has its own press, publishing offices, a correspondence school, as well as co-operative study groups and a staff training college. The college called *Vår Gård* (Our Home) is a beautiful residential college situated in ideal surroundings a few miles from Stockholm. In Sweden as in Great Britain there are Women's Guilds. The study groups also do valuable work.

Farming is of great importance and farmers take a leading part in the Consumers' Co-operative Movement. The Government realises this and has helped the development of Agricultural Co-operation. The farmers have their own association—the National Union of Swedish Farmers (*Svenska Lantmannens Riksförbund*) founded in 1905, and this co-operates in many ways with K.F.

Sweden was more fortunate than the other Scandinavian countries during the Second World War. The Germans did not attack the country and she remained neutral.

Norway was the most unfortunate of the three countries during the war, for not only was the country occupied by the Germans but because of their heroic resistance the Norwegian people were persecuted and the Norwegian Co-operative Movement and its leaders suffered a great deal. But perhaps it was because the Norwegians knew that co-operation was opposed to all that Germany stood for, and because it was the only democratic organisation that was allowed to remain in existence, that although the co-operative societies could not do nearly so much business as before the war the numbers of members considerably increased. About one out of every three families obtains its goods from the co-operative stores in Norway. Norway is a dairy country containing many small farms, and the farmers too have their co-operatives. Since the production of milk is very unevenly distributed over the different seasons, great quantities have to be stored for use at times when the output is small. Co-operative cold storage depots have been established for this purpose.

Much of the farmers' produce is sold by auction, and the auction-hall in Oslo for the sale of vegetables and fruit is owned by the co-operative. The hall is shaped like a lecture theatre, and each purchaser has a seat with an electric button on the desk in front of him. There is a large clock-face with the buyer's number on it at one end of the hall, and when a particular buyer presses his electric button his number is lit up on the clock-face showing that he wishes to purchase.

Norway, Sweden, Denmark and Finland have joined together to form a Scandinavian Co-operative Wholesale Society through which each Scandinavian country can buy the goods it needs from other countries. Much of what they buy is purchased from the English and Scottish Co-operative Wholesale Societies.

CHAPTER XVI

CO-OPERATION IN RUSSIA

In almost all countries the shops and factories belong either to private people or companies or else to co-operative societies. In the Union of Soviet Socialist Republics no shops or factories are owned by private people or companies. They are all publicly owned. Some belong to the State or the municipality, and others belong to co-operative societies.

It was not always so in this vast country which covers one-sixth of all the land in the world. At the time of the First World War the country was an Empire ruled by a Tsar, who was able to do much as he pleased without considering the wishes of the people. Eight out of every ten persons were peasants and lived in the country. Very few people could read and write—only one in every four or five persons. The older peasants had been born serfs and could remember the days when human beings were bought and sold like cattle. It was only between 1861 and 1865 that serfdom was ended in Russia. Britain got rid of serfdom in the Middle Ages. The majority of the peasants were too poor and ignorant to use modern methods of farming, and so most of them got barely enough food to feed themselves and their families. Indeed, in the years when the crops failed there would be famine and many people would die of hunger. Few good roads

existed, and there were not nearly enough railways for so vast a country, so that it was not always possible to send food to hungry districts. In the cities the workers were no better off, for they were miserably paid and lived under dreadful conditions. Writers and other leaders who tried to get these injustices removed were often thrown into prison or were transported to Siberia. It is not surprising that when the news of the Rochdale Pioneers penetrated to Russia some of the people wished to form their own co-operatives. The first attempts at co-operation were made in 1864—one in the Urals and one in Riga. The people had only just been set free from serfdom, but this, unfortunately, did not mean that they were free to do as they liked and the Tsarist government did all it could to prevent the growth of the movement. A co-operative movement could not develop until the Government changed its attitude, and this it did in 1905, after the Russo-Japanese War, in an attempt to prevent revolution.

The Russians took very easily to co-operation, because from early times the peasants had co-operated in the use of common grazing-grounds and in certain other ways decided upon at a village meeting called the *mir*. By 1914 the movement was quite strong, but it was not until after the Russian Revolution in 1917 that it developed to its full extent.

It took the Russian people some years to bring about the reforms which have changed Russia from a backward agricultural country into a modern industrial one. Just before the outbreak of the Second World



WALKING HOME FROM THE FIELDS OF THE COLLECTIVE FARM



THE SMITH OF A COLLECTIVE FARM RECEIVES HIS SHARE OF THE NEW GRAIN CROP
Pictorial Press Photos.

War the changes were so remarkable that people who knew the old Russia were amazed at the progress that had been made in the time. Great numbers of the peasants had gone to work in new factories in the towns and cities, so that only 65 per cent of the people still worked on the land. All children, both in towns and villages, had to go to school, and even the grown-ups had to learn to read and write. The peasants had quite changed their methods of farming, so that they were able to grow far more food. In order to be able to use tractors and other agricultural machinery that were much too expensive for a single peasant to buy, the farmers in a village would agree to work their farms together and to share the money received from the sale of the crops. This is a form of co-operation, but it is not exactly a co-operative society. It is called a collective farm.

Suppose you were to visit a Soviet Collective Farm, what would you see? You would probably see a long straggling row of separate little houses, built perhaps of wood and painted in bright colours. Each cottage has its own kitchen garden with fruit and vegetables, and each peasant has his own poultry. Many have a few pigs and probably a cow or goats. You are sure to be invited into one of the cottages and asked to sample some of the peasant's produce, for the Russian people are very hospitable. This produce is grown by the peasant and his family for their own use. But the peasant spends most of his time working on the collective farm, which will probably be some distance away from the village street. The collective farm may

grow grain chiefly in its fields, or it may be a big dairy farm or a fruit farm. It is controlled by a management committee which is elected by the people themselves and is responsible for the management of the farm and the giving of work to each group. All the working members, including women and girls, are placed in labour groups (or brigades), and special work is given to each group. The group leaders check up on the amount and quality of work done by their members, including household tasks, and they are paid accordingly. The payment to collective farmers is calculated in "workday" units, that is the value of the average amount of work that can be done in one working day. Each type of work has a standard payment, and special skill is also paid for. In this way each worker feels he is getting a fair return for his labour.

Each collective farm has to prepare a plan stating what it can produce, and this is sent to a regional planning authority. This authority, after considering each plan, draws up a scheme for the whole area stating what it requires from each farm. The individual farms are allowed to discuss what is expected from them and to send their criticism to the planning office where the final decision is made.

Now all this, although a form of co-operation, is not a co-operative society. But if you walk once more through the village you will certainly see a co-operative store and probably a co-operative bakery. Every Soviet village today has its co-operative store, which is run rather like those we have seen in other countries. A meeting of members is called each year to decide



BOARD MEETING OF A VILLAGE RURAL CO-OPERATIVE



CHECKING UP ON PRODUCTION AT THE "AUTOSTAMP" ARTEL

Pictorial Press Photos.

what shall be done with the profits. It may be that the village wants a library or a new playing field—or a brass band! Whatever it is—and probably many different suggestions will be made—it may be a long time before the meeting makes up its mind as to how it would prefer to spend the money. Dividends are also paid to the members.

All the local co-operatives are linked together in a co-operative wholesale society called Centrosoyuz, and each district has its co-operative union. These organisations have to have big staffs, and they have offices in different parts of the country. Many of the administrators and experts employed by the Co-operative Movement are women. Some of them were village women who had not had the opportunity of a proper education as children. The co-operative unions, however, have their own colleges and institutes where people can be properly trained. In order that married women shall have the same chance to go to such a college if they want to, a nursery is provided for little children, so that if Mother cannot leave Baby behind when she goes to college she can take him with her!

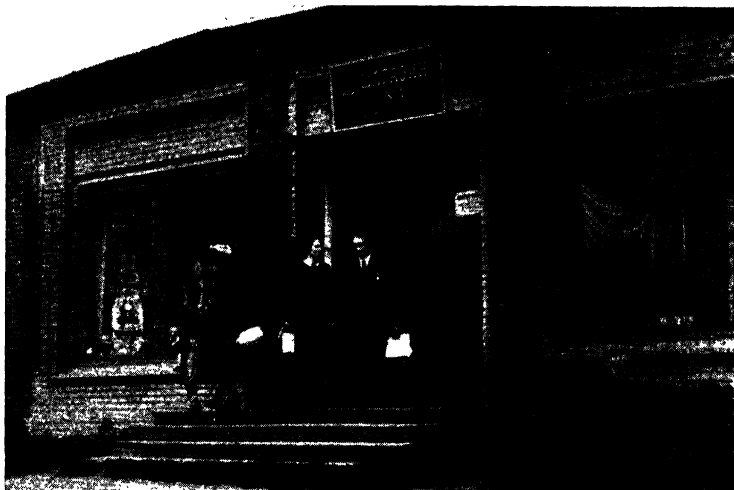
As in our country, co-operative societies in the Soviet Union run restaurants, bakeries and factories, and because they are purchasing and marketing societies, the main products dealt in are eggs, wool, leather, furs, rags and metals. For about ten years co-operative shops were only to be found in villages. Since 1946, however, they have again operated in towns, though many shops are owned by the Municipality or the State. As in the case of the collective farms, the

consumers' co-operatives have to let the planning committee know each year what they would like to do before an area plan is drawn up. In 1940 the consumers' societies had a membership of 36,000,000 with over 210,000 different stores.

Although you will not find co-operative shops in the towns you may find small productive co-operative societies, usually known as handicraft societies. A group of tailors, shoe makers or carpenters may form a small co-operative society and own their own workshops, for making clothes or shoes or household goods, selling their products in their own shops. These handicraft co-operatives are voluntary organisations electing their own managing committee, and are run by the members at their risk and for their own benefit.

The kind of things they may produce is decided by the various planning authorities, though they are supplied with raw materials and machinery to carry out the plans. Near the seashore and by the banks of the great rivers fishermen will form themselves into co-operatives, and the Russian people obtain much of their fish supplies through them. In many places co-operative housing societies have been formed through which people can build and buy their own houses or flats. The children of co-operators are not forgotten either, and they may spend the summer in holiday camps in beautiful surroundings.

During the Second World War, when so much Russian territory was devastated by the German armies, the co-operative societies did remarkable work in helping to keep the hard-pressed Red Army supplied



SHOP NO. 1 OF A VILLAGE RURAL CO-OPERATIVE



A FACTORY IN STALINGRAD
Pictorial Press Photos.

with things it needed. They set up thousands of new workshops where shoes, sheepskin coats—which are needed during the bitter winter weather—and harness for the horses of cavalry regiments were made. They also started special farms in order to increase the food supplies for rural workers who could not buy as much food in the co-operative store as in peace-time. Housewives who could not leave their homes to go and work in a workshop made dresses, stockings and other woollen goods in their own homes, and the articles were afterwards distributed through the co-operatives. At the co-operative institutes thousands of nurses were trained, whilst other co-operators organised visits to hospitals where they wrote letters for wounded men and read to those who were not well enough to read for themselves.

Although it was difficult in wartime for members of the movement in Russia to keep in touch with those in other parts of the world, they were able to exchange ideas with co-operators in Great Britain, and despite the war they joined in celebrating the centenary of the opening of the Toad Lane store. Through the visit of leading British co-operators to Moscow that year members in both countries were able to exchange helpful ideas. Indeed, the difficult days of the war brought the peoples of the two countries closer together, and they came to understand and respect one another better, even though they did not always look at things in the same way.

CHAPTER XVII

CHINA'S "WORK TOGETHERS"

If you were to ask a Chinese boy or girl who was the greatest Chinese of modern times, you would be told Dr. Sun Yat-sen. He was the founder of the Chinese Republic at the beginning of this century (1912), and his ideas as to what was good for his country still guide the people of China. In every school in China the older pupils study his ideas in a book he wrote called *The Three Principles of the People*. Dr. Sun Yat-sen was the first Chinese leader to suggest that co-operative societies would be one of the best ways of helping the people of China to escape from the terrible poverty in which most of them lived.

But Dr. Sun Yat-sen did not live to see these ideas carried out, though he saw the beginning of the first of China's co-operative organisations. This was a bank at Shanghai called the National Co-operative and Savings Bank. Three years later there began to spring up in many parts of China rural credit societies such as we have seen at work in India and elsewhere, and a bad drought in the year 1921 led to an increase in their number. To help the farmers who had lost their crops through the drought, foreigners in China who were helping to distribute food to the hungry people suggested that the farmers should form credit societies amongst themselves. By the end of 1922, 1,200 such

societies had been formed. The severe flooding of the Yangtse in 1931 led to a very rapid increase in them, and in 1944 the number had risen to about 82,000. In the meantime other kinds of co-operative organisations were arising.

During these years the Chinese people not only were having to face the difficult problems caused by frequent droughts or the flooding of their great river, the Yangtse, but were also disturbed by quarrels and fighting amongst their political leaders. Then came a still worse disaster for unfortunate China. Her neighbour, Japan, who had been watching these troubles, decided that China was too weak to resist an invader, and, beginning in 1931, she gradually occupied the four north-eastern provinces, now known as Manchuria. Further attacks on Chinese possessions led to open warfare in 1937, and although Japan was far better armed than China, the brave Chinese people for years fought heroically to defend their country.

During this war with Japan a new kind of co-operative movement began in China, and an Englishman, an American and a New Zealander all worked together with the Chinese in starting it.

In August 1938 the Shanghai Promotion Committee was formed, having as one of its aims the helping of the war effort by finding employment for people and giving technical training to refugees. This committee is now popularly known as "Indusco". Plans for the erection of small factories were drawn up by Rewi Alley, a New Zealander, together with Lu Kuang-mien, a co-operative expert educated in Scotland.

The British Ambassador, Sir Archibald Clark-Kerr, told Generalissimo Chiang-Kai-Shek about the Indusco scheme, and he welcomed it, and in August 1938 the Association for the Advancement of the Chinese Industrial Co-operatives was formed.

At the time when Rewi Alley and his friends were working out their plans, tens of millions of Chinese peasants—men, women and children—were fleeing in terror away from the coast where the Japanese armies had taken possession. The poor homeless people were starving, and although the Chinese Government were doing what they could for them, it was impossible to provide for so many. What made things worse was the fact that nearly all China's factories were in these coastal districts, and this meant that amongst the refugees were most of China's skilled workers. China had never needed the help of her skilled workers as much as she did then. What was to be done?

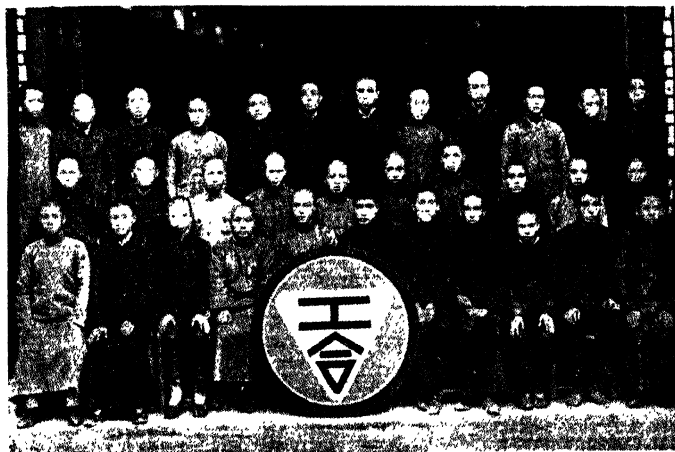
Rewi Alley and his friends found the answer. The



WALL NEWSPAPERS FOR
SELF-EDUCATION

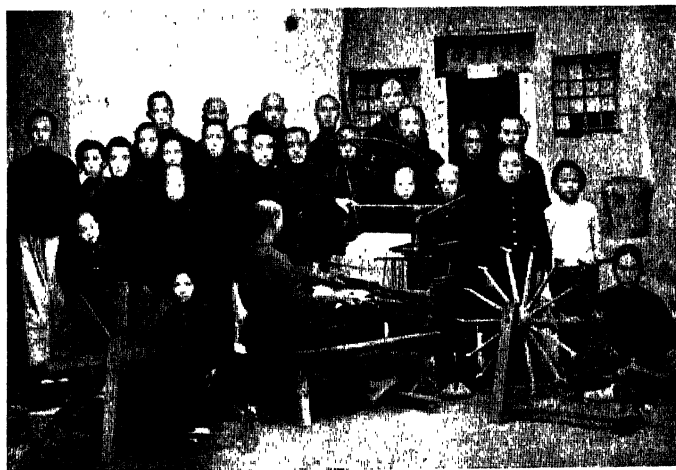
people would be persuaded to come together and set up small workshops, where they would produce some of the goods that China needed so badly. These workshops would be co-operative workshops, run by the people working in them. The central committee, Indusco, would lend them a little money to buy supplies, and when this money was returned it could be used to help to start more industrial co-operatives. The members would elect a management board and decide by a majority vote all questions affecting the running of the organisation, including the distribution of dividends. Engineers, together with other technicians, would be needed by the industrial co-operatives to get in touch with the people in order to start the workshops. Fortunately for China an American missionary named Joseph Bailie had always believed that China needed engineers to solve her problems, and in the past had arranged for carefully chosen Chinese to go to the U.S.A. to be trained. These engineers were now of immense value to China.

The Chinese co-operator, Lu Kuang-mien, succeeded in starting the first of the industrial co-operatives, of which before long there were to be more than two thousand. Lu was in a place called Paochi where thousands of starving refugees were gathered, most of them living in mud shacks or hastily hollowed-out caves. Along the road Lu had met an old blacksmith who told him that he had walked 150 miles from his home, and that he had been able to do odd jobs on the journey so as to get a little food. A number of other blacksmiths were in a similar plight to his own.



E.N.A.

A GROUP OF PROMINENT OFFICIALS OF THE HUNAN CO-OPERATIVE
SOCIETY

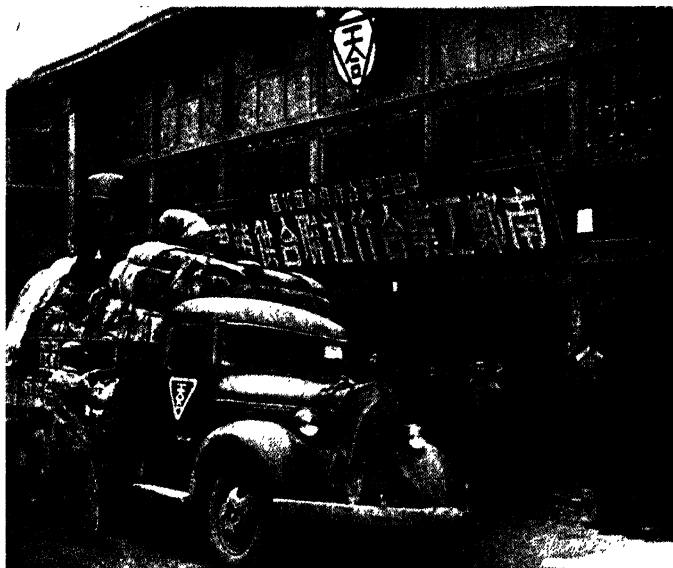


E.N.A.

A CHINESE INDUSTRIAL CO-OPERATIVE SPINNING AND

“Why don’t you work together instead of each working separately?” asked Lu, and went on to suggest that they should talk to some of the other blacksmiths and see what they thought of the idea. The old man was interested, and so were the eight other blacksmiths to whom Lu talked. But they were a little suspicious. Lu talked like a business man, and business men did not want to help you unless they were going to get something out of it. What was he going to get out of it? Lu promised to lend them money to get some supplies which they could all use, and explained that if they lived together they could live more cheaply. He suggested that they should come to his office the next day to talk things over. The next day he waited, but nobody came. They were still suspicious. So Lu put up some posters explaining what was meant by a “Work Together”—the Chinese description of a co-operative. Soon crowds began to gather round the posters and to talk excitedly about the new idea. When the blacksmiths saw how interested the other people were, they decided to risk it and told Lu they were ready to form a Work Together. So China’s first industrial co-operative was started. They were lent £20 to help them, and within fourteen months they had repaid it all with interest.

One day, a few months after the blacksmiths had opened their co-operative foundry, a Chinese craftsman in another part of China spelled out a notice in a newspaper about the industrial co-operatives. It was, he decided, a wonderful idea. He was a poor man, and so in order to travel to the district centre of the

*E.N.A.*

NANCHENG. THE HEADQUARTERS OF THE CHINESE INDUSTRIAL CO-OPERATIVES

co-operatives he had to borrow money for his fare. His idea was to make blankets, and the co-operative could supply plans of a model loom on which to make them. He was given the plans, and a loan of money, and as soon as he reached home he showed the plans to the local carpenters and asked them to make some looms. But alas! they could not understand them. After a few weeks the craftsman was able to find some refugee carpenters in another town who were able to make a loom. It had to be carried all the way back to his home town, and here, with a model to go by, the local

carpenters were able to make a dozen like it. But whilst they were busy with the work the idea occurred to the carpenters that if the weavers could have a "Work Together" there was no reason why they should not have one themselves. And so it came about that they, too, formed a co-operative. This particular blanket co-operative and others like it made so many blankets that they were able to supply the Chinese army with millions of them.

In the beginning each co-operative sold its own goods, but in 1939 a union of thirty societies was formed to take care of distribution and raw materials. As new co-operatives were organised they sent one representative to the Union.

Many of the co-operative workshops had to move from time to time because of the approach of the Japanese armies. When this happened the tools and machines had to be packed and taken, together with the workers and their families, to a safer place. To make it easier to do this, Indusco Committees divided the country into three great areas. Those workshops furthest from the front would be the ones that had the biggest machines. Between these and the enemy's territory would be those which might have to move ; these would be small industrial groups with a vast organisation of co-operative transport. Last of all there would be some small co-operatives where members were clever and brave enough to work in secret places behind the Japanese lines. These workshops could supply goods and munitions to the Chinese guerilla forces. The manager of one such co-operative



UNLOADING LEATHER FOR A LEATHER GOODS CO-OPERATIVE

was asked where they obtained the metal. "Oh," he replied, "our men go secretly at night to the railway and pull up some of the lines. And", he added with a twinkle, "the Japanese are very obliging, they always replace them, so that when our men go next time there are more to pull up!"

Two years after the blacksmiths had started their co-operative in 1938 over two thousand co-operatives were making more than a hundred different kinds of goods, including paper, soap, shoes, pottery and iron goods. Even miners had been able to form a co-operative and were mining coal and tin. The co-operatives not only made enough money to pay all the members for their work, but had some profit left over. Some of

this money was, as in the case of the blacksmiths' co-operative, put aside for what was called a Common Good Fund. The members would decide how to spend the fund, and usually it was spent on opening elementary schools for their children. Later a number of co-operatives would join together and start something that would benefit all of them. For instance, they decided it would be a good thing to have an educational institute where technical experts could be trained and helped to do research work that would benefit the societies. Recently a Central Educational Institute was set up in Chungking to co-ordinate the educational and research work of the movement.

Unfortunately the Chinese people—and their co-operatives—have had to face many setbacks during their long war with the Japanese. But because of these industrial co-operatives China has a firm foundation for her future reconstruction.

CHAPTER XVIII

CO-OPERATION IN THE U.S.A.

Twenty years before the Pioneers of Rochdale opened their store, Robert Owen crossed the Atlantic to preach co-operation in America. He set up in Indiana a co-operative village called New Harmony, and his example encouraged others to try to improve the lot of the people, which, owing to the introduction of the factory system, was very hard indeed. A preacher named Ripley established a co-operative colony at Brook Farm in 1841, and the followers of a French co-operator named Charles Fourier set up what were called Phalanges—a form of co-operative club—all over the country. These attempts to form co-operative villages, however, like that of Robert Owen, all failed.

The people themselves next tried to better their working conditions. At the very time when the Pioneers were meeting together to discuss opening the store in Toad Lane a group of men in Boston, Massachusetts, having formed what was called the New England Workingmen's Association, also met to see if they could improve their conditions. They had never heard of Rochdale and had no idea what was being planned there. A tailor named John Kaulback suggested that the Boston workers should form a "buying club" and buy their household goods at wholesale

prices. They did so and found that they saved so much money in this way that a year later, in 1845, they decided to open a little co-operative store. It succeeded so well that five years afterwards there were more than a hundred such stores, and still their number increased. The stores then banded themselves into what they called a Protective Union. But not all of them were run on sound lines, and owing to quarrels amongst the members and wrong management the stores finally began to fail. Civil War broke out in America in 1861, and this was another severe blow to the movement. Soon one by one the stores closed. Though they had been run on co-operative lines they had not adopted the Rochdale principles.

After the Civil War a new co-operative movement was begun, this time among the farmers. Great changes in the methods of farming had been brought about through the war, and in the Southern States, where the war had been fought, the farmers had suffered severe hardship and often ruin. The new co-operative movement, called the Grange, founded in 1868 by Oliver Hudson Kelley, seemed an answer to their difficulties. Co-operative buying and selling was planned, stores were established throughout America, and these at first were very successful. However, the movement began to fail here and there, and this affected other stores. An attempt was made to introduce Rochdale principles seven years after the movement began, but it was not successful. By the end of the century most Granges had failed.

Other attempts at co-operation were made, for

example, by trade union organisations having the strange names of the Sovereigns of Industry and the Noble Order of the Knights of Labour, but they all were unsuccessful. America was not yet ready for co-operation. Its peoples were too busy pioneering the country.

Between the period of the American Civil War and the First World War the population of America increased enormously. People from nearly every country in Europe flocked to America to seek their fortunes and a new way of life. Some of these new immigrants had belonged to co-operative societies in their native lands. Often they could not speak English and so tended to settle in the land of their adoption in little communities where they could be with people from their old country. Some of these nationality groups formed small co-operative societies for peoples who came from a particular country, such as Norway or Finland. These people made important contributions to the development of the co-operative movement in the United States.

There was, for instance, a group of Finnish housewives in the state of Illinois. They were very indignant when they discovered one day that the price of milk had gone up. They decided to form a "buying club" and buy their milk from a farmer so that they could get their milk at the old price. Their husbands were so pleased with this plan that they decided to form a co-operative society, which in time came to be known as the Co-operative Trading Co. This society now operates a dairy, grocery store, etc.

Other co-operative societies formed by these nationality groups were to set up boarding-houses or hostels where people from, say, Scandinavia or Finland, could get the kind of food to which they were accustomed, and where they could use their mother tongue.

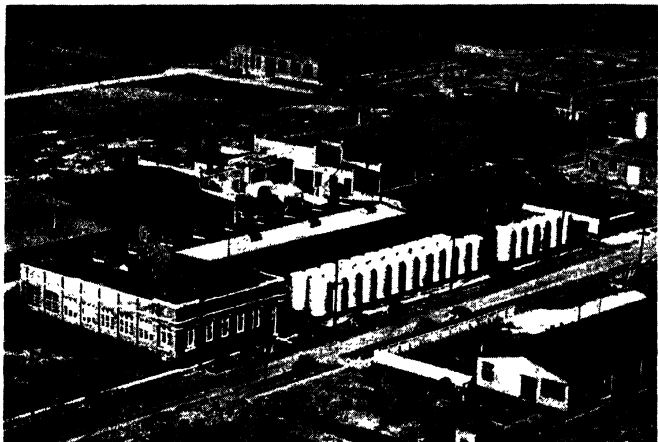
Native Americans themselves still carried on their efforts to establish co-operatives. However, consumers' co-operation could not get under way in industrial communities until the severe depression of 1929. The ordinary American looks to the day when he will be "the boss" either of a big business or a small concern, and this attitude does not encourage the growth of co-operation. With the farmers it was a different story: they had had to face many difficulties and serious losses after the First World War and they felt the need once more for co-operation. Thus they have taken the lead in giving to the United States her largest and most successful consumers' organisations.

As we have seen, the Granges were the farmers' first attempt at co-operation. They were not really ready for it then; later, when conditions were more favourable, they carried on where they had left off, and today the Grange Co-operative Movement is an important factor in American co-operation. The Grange League Federation has the distinction of being the one co-operative in America that has been able to open great numbers of branch shops.

There are two other farmers' co-operative organisations: the Farmers' Co-operative and Educational Union, founded in 1902, and the American Farm

Bureau Federation of 1913. Very many different kinds of co-operatives have been established, including dairy, cotton, tobacco and oil co-operatives.

Most American farms are very big. Many of them are a long way from a railway station, and so the farmer depends very much upon motor transport. Not only is this the case, but he uses a good deal of petrol—or gasoline as he calls it—to run his tractors and other farm machinery. When the price of oil went up, the farmer decided once more to try the co-operative way out of his difficulty. It was decided that the co-operative should open filling-stations where the farmer could buy his petrol. “If we could buy crude oil we could manufacture our own lubricating oil,” someone suggested. Soon co-operatives were manufacturing lubricating oil. “If we had our own oil wells and refineries we should be able to get our crude oil much cheaper,” said some enterprising person. It was an exciting prospect, though some people thought it would be impossible for the co-operatives to compete with the great oil companies. But it was decided to make the venture although there were many difficulties to be overcome. In May 1940 the first complete co-operative oil refinery, supplied from its own wells, was dedicated in Philipsburg, Kansas. It was a great day for American co-operators. A crowd of between twenty and twenty-five thousand people, some of whom had travelled as much as eight hundred miles, assembled for the event. Boys and girls from fifteen schools joined in a mile-long procession to cheer the hundred co-operative oil transports. The

*Reynolds News*

THE CO-OPERATIVE OIL REFINERY, KANSAS CITY

co-operatives now have 280 oil wells and 1,270 miles of pipe-lines to the co-operative refineries.

At the petrol co-operative filling stations the farmer today can buy not only petrol and motor oil but tyres, batteries and electric appliances. In fact, he can buy most of the things in this line that he needs on his farm, at his petrol co-operative. The farmer's wife decided that if her husband could save so much money by buying the things he needed through the co-operative, then there was no reason why she should not buy her groceries in the same way. So alongside the co-operative petrol station there is usually to be found today a co-operative groceries store as well.

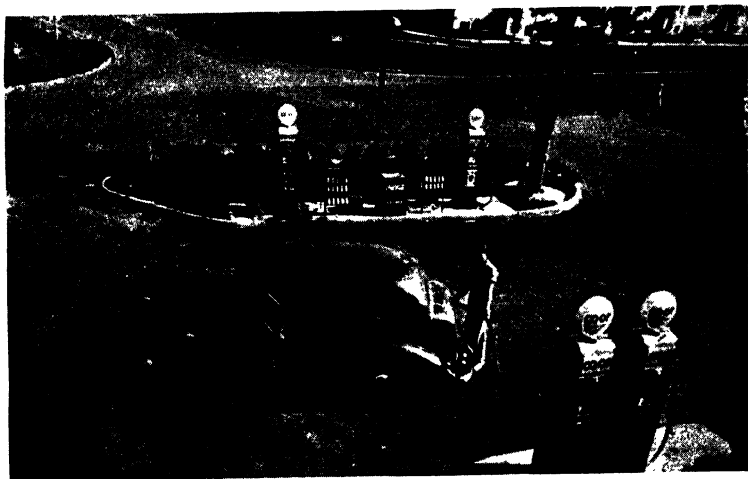
In some of the country districts the children have a long way to walk to school, and so the co-operative

society runs a children's bus service to take them there. Other rather surprising services undertaken by American co-operatives are the provision of telephones and electricity. In the United States the Government does not own the telephones as in this country. They are instead operated by private companies. Before the first World War farmers and people living in small remote towns often found it impossible to persuade such a company to provide them with a telephone service. Consequently special co-operatives were formed to provide telephones in lonely places. There are still a good many co-operative telephone societies in America, although it is no longer difficult to persuade a big company to carry the telephone to isolated farms. In the same way rural areas often could not get an electricity service, and again electricity co-operatives were formed to erect poles and wires, to "buy" current and to undertake the maintenance and repair of lines.

With the coming of the trade troubles in 1929 which resulted in widespread unemployment, the people of the towns turned to co-operation as a solution to their difficulties. Stores were established in many towns throughout the country, and the majority were successful. Co-operative societies were formed in big cities like New York to help working people in many ways besides providing them with stores. Co-operative housing associations were formed so that people could be provided with good flats in an overcrowded city such as New York which, like London, has some bad slums. A block of flats provided by one of these co-



A CINEMA IN THE PLANNED COMMUNITY OF GREENBELT, U.S.A.



A CO-OPERATIVE GARAGE IN GREENBELT.
Photos. by courtesy of the U.S. Information Service

operatives has its own assembly hall for the tenants and special playrooms for the children. Another co-operative, in addition to these, provides in its blocks of flats a library and a sports club, whilst another has a cafeteria and a roof garden. In all of these, educational classes and social activities are carried on. The consumers' movement is now growing very rapidly in America.

Credit unions are very important in the new types of co-operative organisations developed in America in the twentieth century. The object of these Unions is to form a co-operative society for saving or lending, and the societies are organised in the places where the members work so that payments due from them can be collected on pay-days. The members of a particular union will all work in the same factory or trading concern, and since most of them are well known to each other, the risk of the loan not being returned is very little and so the rate of interest can be small. In 1934 a law was passed by the United States Congress making credit unions legal, and now under the national organisation of the Credit Union National Association the movement is making good progress. It is still further helped by a co-operative insurance society.

There was no nationally organised consumers' movement in the U.S.A. until the formation of the Co-operative League of America in 1916. This was mainly the work of Dr. Warbasse, who led the movement for about twenty-five years. The League's aims were merely to collect information and provide the local co-operative societies with information and advice. However, as yet it unites only a section of the

consumers' co-operatives. Most of the recent increase in membership is due not to the growth of consumers' societies selling ordinary goods, but to the fact that a number of farmers' supply associations already in existence have learned to serve the farm in its dealings both as a producer and as a consumer of goods. The petrol co-operative we have described is one of this type. Local consumers' retail societies are united in regional and wholesale societies, sixteen of which have formed a National Co-operative Incorporated Purchasing Agency.

The Co-operative League carries on a great deal of educational work. It runs a training school—the Rochdale Institute—in New York, while there are also, of course, co-operative study circles and clubs. A good deal of propaganda is done, and great use is made of the press and radio. There are about fifteen co-operative publications in circulation, including weekly and monthly issues. Most of them are published by agricultural co-operative societies, oil associations, and producer societies. A number of co-operative societies have their own radio services, for in America there are many private broadcasting companies and not just one publicly controlled corporation as in this country.

One of the things that prevented the American co-operative movement from growing as quickly between the two wars as did the movement in Great Britain was the fact that in the United States there was no organised political Labour movement. In Great Britain the co-operative movement, trade unions and

the Labour Party have kept in close touch with one another and this has helped all of them. In the United States people were inclined to turn to the co-operative movement when things were bad, and then to leave it and to pin their faith to free competition when prosperity returned. During the period of mass unemployment a few years before the outbreak of the Second World War important changes came about in the field of American co-operation. The widespread misery during this period, which is usually spoken of as the depression, caused Americans to think differently about many things. American co-operators felt that they ought to join together with all those who shared their ideals. Some time before the outbreak of the war they elected as President of the Co-operative League of the U.S.A. Mr. Murray Lincoln, who was secretary of the Farm Bureau Co-operative Federation of Ohio. This brought agricultural co-operatives and consumers' co-operatives much more closely together than they had been before. Great changes were taking place also amongst American trade unionists, and one effect of these was to make many trade unionists, particularly those belonging to a federation of trade unions called the Congress of Industrial Organisations, much more interested in the co-operative movement. In some of the new large housing estates, near great industrial centres like Detroit, the members of the co-operative societies are today nearly all trade unionists. At a place called Dillonvale, Ohio, where there is one of the oldest American co-operative societies, miners, railway workers and other workers were so keen on their

consumers' society that before long they were able to open ten co-operative stores. One of the things this society is proud of is its brass band, which often broadcasts.

American co-operators not only were changing some of their own ideas but were leading the way in regard to changes in America's way of looking at the outside world. Here is an example : leaders of the co-operative movement in Scandinavian countries in 1928 invited a group of young American adult wage-earners to come to Europe on an inexpensive study tour. The tour was so successful that an American Co-operative Travel Study Organisation was set up, and for the next ten years several hundred Americans, with their teachers and leaders, came over to Europe every year to study co-operative societies, trade unions and other democratic institutions in Europe. In connection with these tours a summer school was set up in the Austrian Tyrol where lectures were given on these matters by well-known lecturers from different countries. This school continued until Hitler ended it by his invasion of Austria in 1938. But before the war came to an end American and European co-operators and youth leaders were making plans for starting the summer school again.

Up to the outbreak of the war most Americans had felt very safe and thought that Europe was too far away for its troubles to have much to do with them. The war changed this feeling of safety, and Americans began to realise that the best way for them to be really safe was for everybody to unite to keep the peace.

Many American co-operators, who for a number of years before the war had been studying world affairs at first hand, were amongst those who took the lead in urging that their country must in future work together with other countries in preventing wars, instead of thinking that she could make herself safe by living in isolation from the rest of the world.

The American co-operative movement continued to grow during the war. One thing that helped it was that one of the chief American statesmen of this time—Mr. Henry Wallace—had taken a special interest in farmers' co-operatives. He was able to do a great deal to help them because for a time he was Secretary of Agriculture in the late President Roosevelt's Cabinet. With Government help, farmers' consumer and producer co-operatives were set up for very poor farmers, many of whom were Negroes. They were helped to obtain land, tools and other equipment. They grew cotton and finally they were given assistance in setting up co-operative ginneries, packing plants, mills and stores. Today quite a number of farmers' co-operatives have their own big factories for manufacturing high-grade fertilisers and other farm products.

Many young Americans are also becoming keen co-operators through their college co-operatives. Most of these are set up to run small boarding-houses for students on co-operative lines. Students get to know about the co-operative movement for the first time through these college co-operatives, and as a result not a few of them have decided to work for the co-operative movement when they leave college.

CHAPTER XIX

SOME LATIN AMERICAN CO-OPERATIVES

Of the various countries which make up the New World, Brazil is the largest. It is larger even than the U.S.A. though its population is very much smaller.

If you visited Brazil you would probably travel there by a steamer which would take you into the lovely Bay of Rio de Janeiro, the Brazilian capital, and one of the finest natural harbours in the world. No sooner had you landed than you would find yourself in the heart of the busy city. Although everybody would be talking Portuguese, a reminder that the country was first colonised by, and for a long time belonged to, Portugal, you would find that most of its inhabitants were darker than the people of Portugal. This is because in days gone by great numbers of Africans were brought to the country as slaves, and in modern times their descendants have married people from Portugal and other European countries who have settled in Brazil. There is one Portuguese word that you would soon learn, and that is *fazenda*. The *fazendas* are the farms or plantations which grow the crops that are the source of Brazil's wealth. The most important of these crops is coffee, for Brazil supplies the world with more than half its coffee. The coffee *fazendas* extend for miles and miles ; there are in fact about six million acres under cultivation with nearly



A SCENE ON A COFFEE DRYING GROUND, SAO PAULO, BRAZIL

E.N.A.

three billion coffee trees. The centre of the Brazilian coffee trade is the city of Sao Paulo. Here you will smell the pungent scent of coffee wherever you go, and you will find the polite Brazilians very ready to show you how they produce and market coffee.

Visitors to Sao Paulo who are interested in the industry are usually taken to see the coffee *co-operativas*. The co-operatives produce only a very small proportion of the total output, but in the State of Sao Paulo, where most of the coffee *fazendas* are, there are fifteen coffee co-operatives, and in the city itself they have a union of coffee-marketing co-operative societies.

Although coffee is the most important crop grown

in Brazil, many other things are grown as well. There are, for instance, many vineyards, and a Vine-Growing Co-operative was the first co-operative society to be started in Brazil. This was in 1929. Since then many other Brazilian farmers have formed co-operatives, including about ninety co-operative dairies. By the time of the outbreak of the Second World War there were in all 397 societies. More than a hundred of these were marketing societies, over sixty were credit societies, and sixty-five were industrial productive societies. During the war the movement made further progress, and how great this was can be seen from the fact that in 1943 nearly as many new societies were formed as existed altogether in 1939. In 1943 there were 1,964 of them. In order to help co-operators a new law was made in October 1943, and this made it still easier to form societies. Brazilian co-operators were able to claim that it was they who first exported oranges from the country.

Although Brazil is the biggest of the South and Central American countries, there are several other large countries, too. Mexico is the most important of the Central American States, and she is in fact the most important co-operative country in Latin America. Co-operation began in Mexico about the same time as in Brazil, but it spread more quickly. This was partly because the President of Mexico was specially interested in the formation of rural co-operatives. Many reforms were carried out by the Government, and these included the dividing-up of some big estates between small farmers and helping them to form co-operatives.

In August 1942 a National Co-operative Confederation was founded in Mexico which joined together Workers' Productive Societies and Consumers' Societies. There are 1,250 productive societies with about 45,000 members, and 800 consumers' societies with 150,000 members.

The Argentine has had co-operative societies longer than any other Latin-American country. Attempts to form co-operatives were made in the nineteenth century, but it was not until 1905 that a co-operative society called *El Hogar Obrero*, which means the Workers' Home, was started. This society was set up in order to build over 300 houses for its members, and was so successful that afterwards it built large blocks of flats. By 1944 it had about ten thousand members, and it provided co-operative stores and a credit society for its members as well as homes. Altogether there are about six hundred co-operative societies of different kinds in the Argentine.

A hundred years after the opening of the Toad Lane store in Rochdale, co-operators from six Latin-American countries—Colombia, Cuba, Ecuador, Panama, Peru and Venezuela—met together at a place called Popayan in Colombia, to discuss their common problems. They decided to set up what they called a Bolivarian Co-operative Union. Simon Bolivar was a great South American leader and statesman, to whom all these countries owed a great deal. All the co-operative societies in the countries of Latin America were welcome to join the new Union. This coming together of the countries of Latin

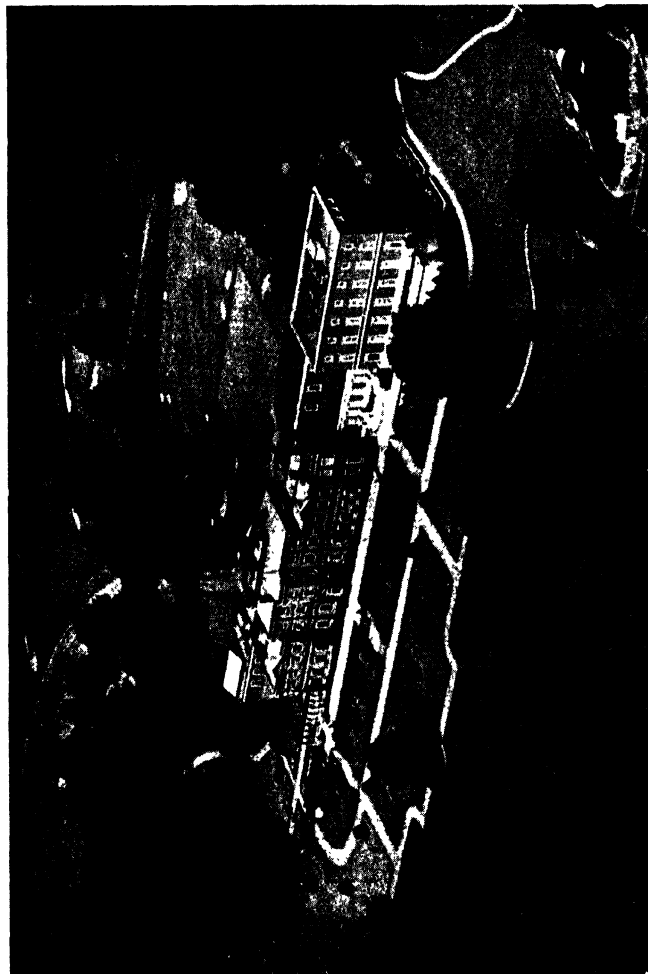
America had been the result of the setting-up of Co-operative Study Centres and Institutes in different Latin-American countries. Those studying at these centres got to know what co-operators were doing in other parts of the world, and particularly what their neighbours in Latin America were doing, and this led them to want to work more closely together.

CHAPTER XX

CO-OPERATORS LOOK TO THE FUTURE

On an August day in 1895 more than two hundred co-operators from fourteen different countries met in London. They had agreed to meet because they believed the time had come when members of the movement from all over the world should join together to help one another. The people who assembled to discuss this important matter came from many distant lands—from the United States, from India, from Russia, from the Argentine, and from several European countries. They decided to set up an International Co-operative Alliance with an office in London. By 1939 the Alliance had grown so strong that co-operative societies in thirty-four countries belonged to it. These societies represented many millions of people, and the Alliance could claim by then to be the biggest international organisation of ordinary people in the world. During the ten years just before the Second World War the Alliance did a good deal to bring co-operators together by arranging international co-operative schools in different countries and by holding international conferences of co-operative educationists.

Partly as a result of this work, and partly because co-operative societies doing business with other countries felt the need for working more closely with



THE CO-OPERATIVE COLLEGE, STANFORD HALL

co-operative societies in those lands, an International Co-operative Trading Agency was set up at the end of 1937. The largest of the wholesales—the C.W.S. of England—had had trading depots in different parts of the world for many years, and some of the wholesale societies elsewhere also had depots in other lands, so it was very useful for them to consult together sometimes.

Meantime the Alliance was working closely with the International Labour Organisation, which is a special organisation to improve conditions of labour. An international committee was set up at Geneva, which brought together members of the Alliance and members of agricultural co-operatives who belonged to what was called the International Commission of Agriculture. The chairman of this committee at the outbreak of the Second World War in 1939 was Mr. John G. Winant, who soon afterwards was asked by President Roosevelt to go to Britain as United States Ambassador.

Long before the Second World War came to an end, statesmen from the United Nations began to discuss with one another plans for repairing the destruction caused by the war and for trying to make the world a better place. It was a question not only of rebuilding towns and villages destroyed by the war, but of growing food for the millions of people who had not been getting enough to eat, and of seeing that they had properly paid work so that they could afford to buy sufficient food and other necessary things. Everybody agreed that these problems were so difficult that no nation could solve them by itself, but that all would have to

help one another. So it was agreed that people from different countries would have to get together to talk over matters.

One of the most urgent things was to see that farmers all over the world grew enough of the right kinds of food. In June 1943 people of many nationalities who knew all about farming and other food problems met together at a place called Hot Springs in the United States. When they talked things over they decided that if they were to make a success of their task they would need the help of co-operators. Some people said that their countries had not many co-operative societies and that it was not easy to start them. Everybody thought this was a pity, and it was agreed that governments should do what they could to help in the forming of co-operative societies. In telling governments how they thought co-operators could help in solving the world's food problem, the people at the Hot Springs Conference explained that members of co-operative societies "have confidence in the recommendations and guidance of their own co-operative organisations which they know operate in the interests of their members and of society in general". They also said that "the democratic control and educational programmes which are features of the co-operative movement can play a vital part in the training of good democratic citizens". The governments of the United Nations agreed that these and many other suggestions made at the conference were good, so later on they set up a Food and Agricultural Organisation by means of which they could work together to produce more food.



Ford Motor Co. Ltd.

THE FIRST TEN OF THE FIFTY FORD LORRIES SENT TO THE FRENCH CONSUMERS' CO-OPERATIVE MOVEMENT AS A GIFT FROM THE I.C.A.

It was not surprising that governments should feel that the assistance of co-operators was necessary. During the war the United States had given special help to Britain and the other United Nations by an arrangement called Lend-Lease, under which America sent great quantities of war supplies and food to Europe. The American Government had had to depend on the American co-operative societies for much of the food sent in this way; in fact no less than one third of all Lend-Lease food sent to Europe came from co-operative societies.

It was felt that there would be plenty of work for the Food and Agriculture Organisation to do even when all the more serious difficulties left behind by the war had been overcome and indeed it would take several

years to get over these special problems. Millions of people had been driven from their homes, both in Europe and in Asia, and they had to be helped to get back. Many were ill and most of them had not been able to get enough food during the war. To assist countries to overcome these difficulties it was decided to set up a special organisation called the United Nations Relief and Rehabilitation Administration, but as this is such a long name most people simply call it UNRRA. At first it was thought that UNRRA would be needed for five years, but it was discontinued in 1947 as it was then hoped that countries would be able to manage without outside support. In the meantime the services of all sorts of people were needed—doctors, nurses, government officials, canteen workers and others—and in addition organisations like the Red Cross and Y.M.C.A.

People of different nationalities were able to join together in this way to care for people in the countries which had been most hurt by the war. Among the organisations which it was suggested could be of use in these tasks were the co-operative societies. In several countries, long before the war was over, co-operators had made plans for helping co-operative societies in those lands that for a time had been conquered by Germany to begin work again when once they were free. The International Co-operative Alliance appealed to co-operators everywhere to give every possible assistance they could, and with the same intentions the Co-operative Societies in Great Britain started a special fund for this purpose called the



Photo : Bruce, Göteborg

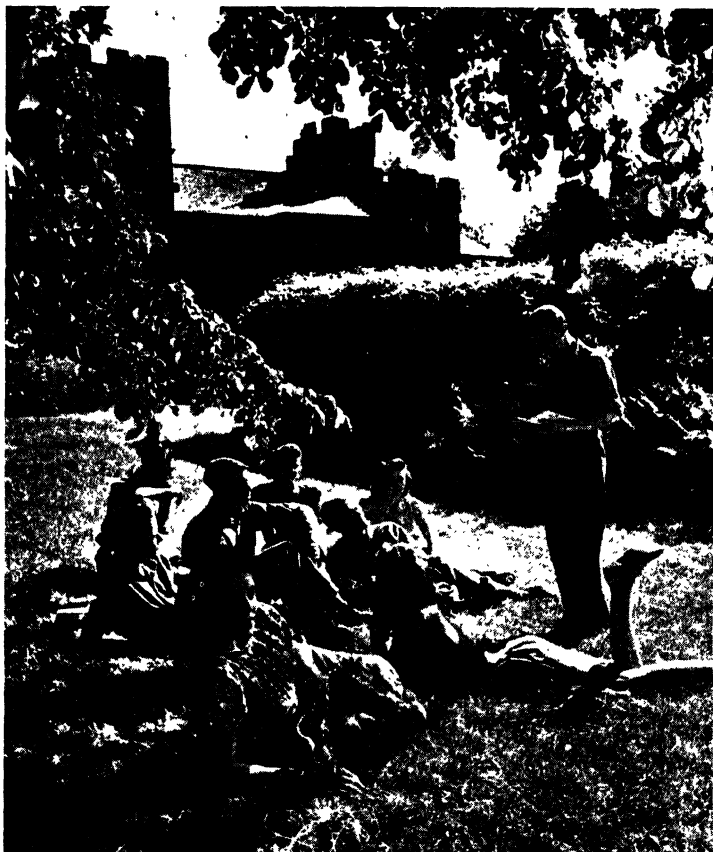
LOADING SUPPLIES SENT BY THE SWEDISH CO-OPERATIVE WHOLESALE
FOR U.N.R.R.A.

Freedom Fund, and set up a society called the Anglo-Chinese Development Society in support of the Chinese co-operatives. The Co-operative League of the U.S.A. was one of the first bodies to offer assistance to UNRRA. The Swedish co-operatives decided to do what they could towards supplying the needs of their neighbour country, Norway, who had suffered greatly through the war.

One of the many effects that the war had on the

people of Great Britain was to remind them of the millions of British subjects of many races in different parts of the world. Indians, Africans and West Indians, for instance, joined the armed forces of the British Empire and fought side by side with white people from Great Britain. Ordinary British citizens came to realise that not enough had been done by Great Britain to give these parts of the Empire the education, medical help, and many other services which we take for granted at home, and it was agreed that after the war this must be put right. As we saw in another chapter, suggestions were made by the British government as to how this could be done in Africa, and amongst other things it was felt that co-operative societies could play an important part in bringing about these changes.

But when co-operators look to the future they have chiefly in mind the boys and girls of today who will be the leading citizens of the world tomorrow. They cannot, however, be worthy leaders unless they have the right training whilst they are still young, and have an opportunity of learning early what responsibility means. Not only co-operators but governments and leaders of other organisations realised that more must be done than ever before to train young people to become responsible citizens. In Great Britain, during the war, boys and girls had to go to Labour Exchanges and register as soon as they reached the age of sixteen, whether they had left school or not. They were asked whether they belonged to a cadet corps or a youth club or other youth organisation, where they



Picture Post

THE CO-OPERATIVE YOUTH CENTRE, TONG HALL

were likely to get some training in citizenship. In each town the local authority set up youth committees, made up of leaders of the chief youth organisations in

the neighbourhood, including the co-operative youth clubs. It was the duty of these committees to interview the boys and girls who had to register, and to let them know of the youth organisations they could join and so learn how to play their full part as good citizens. The co-operative youth clubs formed one of these organisations.

Because co-operators were looking to boys and girl as the leaders of the future, they decided that to mark the centenary of the Rochdale Pioneers they would give young people some beautiful residential centres. To buy and furnish such centres a special co-operative society, called Co-operative Youth Centres, Ltd., was launched in Great Britain, and in the summer of 1944, one hundred years after the opening of the Toad Lane store, two of these centres were opened. One of them is Tong Hall, Yorks, a beautiful old mansion built in the reign of Queen Anne, and standing in ten acres of land. Here eighty young people at a time can have a combined holiday and co-operative study course. The other centre is a fifteenth-century castle called Dalston Hall, in Cumberland, which is surrounded by 136 acres of parklands. Collington Rise, at Bexhill-on-Sea, Sussex, was opened later, and more centres have been planned. Young co-operators from other lands will be invited to make use of them as well as British young people.

Co-operative societies in other countries, too, made plans during the war to give their young people a better chance of being trained as leaders. As one American co-operator wrote : " Let's give our boys

and girls a chance to prepare themselves to build a better tomorrow."

Perhaps the best summing-up of the whole matter was made by another American who said, "No triumph is secure unless youth believes in it."

It is in that spirit that a world torn by war is setting its face to the task of helping youth to build the happier world of tomorrow

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