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REPORT

OF THE

FIRST INTERNATIONAL

CO-OPERATIVE CONGRESS.

HELD IN THE

HALL OF THE SOCIETY OF ARTS,

ON

19th, 20th, 22nd, and 23rd AUGUST 1895.



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P. S. KING & SON, 12 & 14 KING STREET, WESTMINSTER, S.W.

THE INTERNATIONAL CO-OPERATIVE ALLIANCE, 15 SOUTHAMPTON ROW, LONDON, W.C.



E. VANSITTART NEALE.

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FIRST BALANCE-SHEET-INTERNATIONAL

Dr. R	RCEIF	TS.				
1895.				*		
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" Earl Grey (Reception Account)	•		•	•	-	58 13 7
" Amount due to Mr E. O. Green	ing ·		•	•	•	347 10 10

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FIRST BALANCE-SHEET.

INTERNATIONAL CO-OPERATIVE ALLIANCE.

31ST DECEMBER 1895.

CO-OPERATIVE ALLIANCE, 31st December 1895.

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Foreign Delegates -	•			5 12 9	
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Reception Committee -	-			189	
Telegrams · ·		-		0 4 10	
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Bank Balance	-				47 5 9
Cash in hand	•				0 3 1
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E. O. GREENING.

INTRODUCTION.

THE holding of the First International Co-operative Congress in the Hall of the Society of Arts, London, from 19th to 23rd August last year (1895), marks a very distinct and important step in the history of the co-operative movement, for it seems destined to bring about closer relations among co-operators of all countries. As the sederation among themselves of the Co-operative Societies within each country has given them a strength and a development otherwise impossible, so must the alliance of the co-operators of each country with those of every other result in a widening of knowledge and in a mutual encouragement and support whose ultimate effects cannot fail to be greater still. Such an alliance must powerfully help them to accomplish the task they have taken in hand—the task of peacefully and by voluntary association working out an organisation of industry in which the production and distribution of wealth shall be carried on in the common interest, and upon agreed principles of equity and reason. Therefore, in issuing the Report of the Congress which definitely formed this alliance, it seems right to put on record briefly the steps which over a good many years led up to it.

Every body of co-operators is, by the very principle it professes, driven to desire union with every other body of co-operators. It is therefore only natural that from early years of the movement attempts should have been made from time to time to bring about relations between the co-operators of different countries. So early as 1869, when the first of the existing series of British Co-operative Congresses met in London, delegates from foreign countries were summoned to it. In an article entitled "1869 and 1895," published in Labour Copartnership for

November last, Mr J. M. Ludlow pointed out the international character of the earlier Congress, and contrasted it with the one of which this book contains the Report. Mr Ludlow wrote:—

"The first professedly International Co-operative Congress has been successfully held, and the bases laid down of an International Cooperative Alliance. It seems important to point out that though this is a new fact, it is not a new idea, but only the outcome, the orderly development of an old one. The Co-operative Congress of 1869—held also in the hall of the Society of Arts—the first of the series since continued from year to year in this country, was distinctly international, though not in name. Co-operators seem often to be a short-memoried folk, and twenty-six years make a comparatively long period to look back to. It is therefore worth while to recall the fact that out of 112 members of the committee by which that Congress was called, eighteen, or over sixteen per cent., were foreigners; * that out of fifty-eight societies represented by delegates, three, or over five per cent, were foreign ones (two German and a Swedish), and that including the representative of a German society in London, there were three foreign delegates present, Germans all—the last two figures being the more temarkable as contrasted with the absence of German delegates at the present Congress, notwithstanding the occurrence of several German names in the list of its 'Présidents d'honneur.' Thus the existing yearly series of Co-operative Congresses for the British Isles springs directly from an international basis.

"Nor is it uninteresting to notice—nothwithstanding the havor made in the co-operative ranks by death during the last quarter century—the personal links between the two Congresses. Mr Greening is the real father of the International Congress of 1895; the calling of that of 1869 was decided on at the rooms of the Agricultural and Hortivaltural Association, and his name, with those of T. Hughes, G. J. Holyrake, Hodgson Pratt, H. Solly, R. Newton, and of our departed friends Vansittart Neale and James Hole, besides my own, are connected with both. The tendency of co-operative sympathies to become hereditary is moreover shown in the occurrence of such names as 'Rev. W. H. Channing' in the list of 1869, and 'F. A. Channing, M.P.,' in that of 1895; or again of 'Lloyd Jones' in the former, and 'M. L. Lloyd Jones' as assistant secretary in the latter. What is

^{*} Vir., four French (M. Arlés Dufour, of Lyons, M. Louis Blanc, M. E. Feuiller, M. Algeria, Dr Hubert Valleroux); six German (Dr Lujo Brentano, of Aschaffenburg, Dr Max Hirsch, of Berlin, Professor Huber, of Wernigerode, F. Lemar, of Solingen, Professor Edward Pfeiffer, of Stuttgart, Franz Wirth, of Frankfert); three Italian (Prof. C. C. Cabella, of Genoa, Giuseppe Dolfi, of Florence, Professor Vigano, of Milan); two Danes (W. S. W. Faber, of Copenhagen, 2002 Pastor Sonne, of Thisted); one Swede (Axel Krook, of Gothenburg); one Swea (Dr G. Vogt, of Berne); and one Greek (Ion Perdicaris).

missed in the recent Congress is the strong trade unionist element present in that of 1869, comprising representatives of the Amalgamated Engineers, of both the Amalgamated and Associated Carpenters and Joiners, of the Ironfounders, and of the Silk-twisters of Leek. Still, more than one trade unionist attended the meetings of the late Congress, and one at least took part in its proceedings, and the names of at least four trade union secretaries appear on the list of 'adherents,' besides other well-known unionists. On the other hand, instead of the five M.P.'s, who figure on the list of the Congress of 1869, that of 1895 was presided over by a peer, whilst many other peers, amongst them a bishop, and five M.P.'s were vice-presidents, besides other members of both Houses who figure on the lists of 'adherents' or 'subscribers.'

"On the whole, if the subjects discussed were very much the same, it may be said that the Congress of 1895 knew better what it wanted than that of 1869. The twenty-six years of interesting experience will not, I think, have been wasted."

For a good many years after 1869 it does not appear that much was done in the direction of international relations between co-operators, but during the last ten or twelve years the attendance of delegates from various foreign countries has been a frequent feature at Co-operative Congresses in England and on the Continent. Especial mention should also be made of an important gathering of cooperators from many countries held in Paris in 1889, one of many Congresses held in connection with the International Exhibition of that year. It was the Fourth Congress of the French Co-operative Distributive Societies, and was also called "First International Congress," being internationalised, if one may so say, by the presence and participation of representatives from England, Denmark, Switzerland, Norway, Italy, Belgium, the United States, Mexico, Brazil, and the Republics of South America. Though it dealt to some extent with co-operation in production, credit, and other forms, it was as above indicated primarily a Congress of Co-operative Distribution, indeed only delegates of distributive societies were admitted

It may, however, be claimed that it was in Great Britain the first practical steps towards the forming of an International Alliance were taken, and that it was by British co-operators mainly that the work was subsequently pushed on to completion. The Co-operative Union of Great Britain has published the following account of its part in the matter:—

The first step in this direction was taken at the Congress held at Derby in 1884, when Mr Harold Cox, who had been in communication with French co-operators, expressed on their behalf a desire for a closer connection with the co-operators of this country. Mr J. T. W. Mitchell moved, and Mr G. J. Holyoake seconded, the following resolution:—

That this Congress expresses its gratification at the announcement made by Mr Cox of the wish of the Parisian co-operative societies to enter into regular relations with the English Co-operative Union, and authorises the Board to take all necessary steps for the establishment of such relations on a plan to be brought before the Congress next year.

Mr H. R. Bailey moved, and Mr A. H. D. Acland seconded, the next resolution, which was as follows:—

That this Congress requests the United Board to appoint from its number a special committee to inquire into and report to the next Congress upon the state of co-operation—productive and distributive—in other countries.

The Central Board then passed the following resolution:-

That, in compliance with the resolution of Congress, a special committee be appointed to inquire into and report to the next Congress upon the state of co-operative production and distribution in other countries, and that it consist of one representative from each section (except the North-Western, which shall elect two members), to be appointed by the sections at their first meeting, with power to act at once.

The following members of the Central Board were appointed as the Special Committee, viz.—Messrs A. Scotton, H. R. Bailey, J. Crabtree, S. Taylor, J. Lochhead, G. Hines, and J. Lewis.

This committee met, and through the General Secretary obtained a large amount of information relating to co-operation in foreign countries. This information was laid before the Congress at Oldham in 1885, and will be found on pages 78 to 116 of the Congress Report for that year.

At the Congress of 1885 there were two delegates present from the French co-operative societies, namely, Messrs G. Marty and J. Nicole; also at this Congress representatives were first appointed to attend as delegates from the British Co-operative Congress the Congress of French co-operative societies. The delegates appointed were Messrs

E. V. Neale and A. H. D. Acland. Messrs H. R. Bailey, E. O. Greening, and A. Scotton, along with the General Secretary, were then appointed as Foreign Inquiry Committee for the ensuing year. This committee met on 25th July 1885, and passed the following resolution:—

That with the object to obtain correct and continuous information as to the progress of co-operation in other countries, the gentlemen now named be invited to act as foreign correspondents of the Board, and, in the event of their compliance, to be duly acknowledged as such.

The committee also agreed upon the heads of a circular to be sent out to all foreign correspondents, asking for information in regard to the various co-operative efforts in their respective countries. Through the efforts of the chairman of the committee, the Government of the day was induced to collect, through its consuls abroad, information on co-operation in other countries. This information was published in a blue-book in the year 1886.

The next step towards an international alliance was taken at the Plymouth Congress in 1886, where M. de Boyve attended as a representative of the newly formed French Co-operative Congress. He then proposed to name for three years a committee for directing international co-operation, to sit either in Manchester or in London, and made the following suggestions for its guidance:—

- (1.) This committee should correspond with all the co-operative centres in Europe, Australia, and America, to induce them to adopt the high principles of co-operation, by intervening in all conflicts between capital and labour.
- (2.) The committee should invite all co-operative centres to be represented in the Congresses, if not by an immediate delegate where the distance was too great, yet at least by a co-operator instructed to make a report on the state of co-operation in the county he represented.

In this Congress Report there also appears a mass of information respecting co-operation in other countries, which will be found on pages 94 to 110 of the Report for 1886. After Congress, the Central Board reappointed the Foreign Inquiry Committee, which consisted of the following:—Messrs A. Scotton, W. S. Harper, J. Carr, J. T. W. Mitchell, J. Deans, W. T. Carter, and J. Young.

The committee held a meeting on 20th November 1886, when a plan was laid before it for the inauguration of a connection between co-operative institutions of different countries, according to the ideas thrown out by M. de Boyve at Plymouth. M. de Boyve's outline for a scheme of International Co-operation had also been approved of at the Congresses of Lyons and Milan. The scheme, which had been settled in consultation with Messrs Fougerousse and Luzzatti, represented.

senting respectively the co-operators of France and Italy, was as follows:--

SCHEME FOR PROMOTING INTERNATIONAL CO-OPERATIVE UNION,

Arranged at a meeting at Milan between Messrs Fougerousse, Luzzatti, Vigano, Holyoake, and Vansittart Neale (International Committee on the relation between Co-operative Societies).

- 1. The general central office of the committee shall be provisionally at Paris.
- 2. There shall be a special office in each nation, to be fixed by the federation of the co-operative societies of that nation. Provisionally the centre shall be at Manchester for England, Paris for France, and Milan for Italy.
- 3. The cost of each national centre shall be borne by each cooperative society of their nation. The general cost of the central office shall be borne by the national co-operative federations jointly. A general budget shall be prepared each year, and laid before the different national federations, whose contributions are requested.
- 4. The central committee shall meet once a year at the place where the co-operative congress of some one of the confederated nations is held. The meeting shall take place before the congress, and, if possible, during the day immediately preceding it.
- 5. Provisionally, during the first year, M. Vigano, Mr Vansittart Neale, and M. Fougerousse accepted the office of secretaries of the three special committees of Italy, England, and France, of preparing the definite forms to be proposed for the constitution of the committee.
- 6. M. Fougerousse also undertakes to act as Secretary for the central office.

This plan was submitted to the following meeting of the United Board, when it was decided that the General Secretary should communicate with Germany, in order, if possible, to bring that country into the alliance.

We now come to the Congress of Carlisle in 1887, where, in addition to M. de Boyve, who attended as the French delegate, we had a representative from America in the person of Mrs Fales. M. de Boyve then proposed that the Co-operative Alliance should be formed on the following basis:—

- (1.) In each country that joins the alliance, let a committee of three or five members, to be named by the Congress, take the title of "The Co-operative Alliance Committee," and correspond with all other committees, to exchange their ideas on the question of social and international peace, whilst abstaining from all that can touch in any degree on internal political questions.
- (2.) Let the co-operative newspapers of these countries mutually reserve a column for the communications of the committees.

The Congress then passed the following resolutions:-

- (1.) That it is expedient to form an International Co-operative Alliance, for the promotion of co-operative organisations and social peace.
- (2.) That for this purpose, in each country which joins the Alliance, a committee of such number of members as the co-operative centre of union in that country may determine, be appointed by it with the title of the Co-operative Alliance Committee; to correspond with all similar committees, and exchange their ideas on questions relating to social and international peace, while carefully abstaining from all that touches, in any degree, on internal political questions.
- (3.) That the co-operative newspapers in these countries be requested respectively to give insertion in a special column to the communications of these committees.
- (4.) That the following gentlemen be the first members of the British committee:—Messrs A. H. D. Acland, W. S. Harper, G. J. Holyoake, J. T. W. Mitchell, and E. Vansittart Neale, with power to the United Board to add to their number.

The Foreign Inquiry Committee appointed by the Congress of 1887 did not meet during the year. The reason given by the General Secretary in his report to the United Board, on 2nd March 1888, was the difficulty felt by him in determining what programme to lay before it.

The Congress held at Dewsbury, in 1888, was attended by M. de Boyve, representing the French Congress, and communications were read from Italy and America, giving information as to the progress of co-operation during the year in these countries. The following gentlemen were appointed to form the International and Foreign Inquiry Committee for the ensuing year, namely, Messrs G. J. Holyoake, J. T. W. Mitchell, M. Neil, A. Scotton, and E. V. Neale; and they were empowered to enter into arrangements with the representatives of the Economic Section of the exhibition proposed to be held in Paris, with the view to imparting every information required concerning co-operative action and progress in this country.

It does not appear that the International and Foreign Inquiry Committee held any meeting during the year following the Dewsbury Congress, but in that year it was arranged, in accordance with the power given by Congress, to have on view at the Paris Exhibition a monument showing the progress of British co-operation.

At the Congress held at Ipswich in 1889, a paper was read by Mr Vaughan Nash on the subject of "Co-operation in Relation to International Commerce," when the following resolutions were passed:—

(1.) That it be an instruction to the Central Board to consider if

the time has arrived when a journal of International Cooperation can be started with a probability of success.

- (2.) That it be an instruction to the representatives at the French Co-operative Congress, in September next, to confer with representatives whom they may meet there, upon the most practical means available for advancing International Co-operation.
- (3.) That Mr E. V. Neale be requested to translate Mr Nash's paper into French, German, and Italian, for distributing at the French Congress, and amongst the distributive and productive co-operative societies on the Continent.

At the same Congress the following gentlemen were re-elected on the International and Foreign Inquiry Committee, namely, Messrs G. J. Holyoake, J. T. W. Mitchell, M. Neil, A. Scotton, and E. V. Neale.

In this year again, we find that the committee had no meeting.

In consideration of the difficulties which had been encountered by previous committees, the Congress held at Glasgow in 1890 did not reappoint the International and Foreign Inquiry Committee, and therefore since that year communication with other countries has been maintained simply by interchange of deputations between one country and another at the various Congresses, also by the correspondents, who have been in constant communication with the central office.

At the Huddersfield Congress (1895), as the result of a recommendation made in the report of the Central Board to Congress, the International and Foreign Inquiry Committee was reappointed, the following gentlemen being elected to act for the year, namely, Messrs W. Crooks, J. Deans, F. Hardern, D. M'Innes, and R. Powell. The paragraph in the report which recommended the reappointment of the committee was as follows:-"During the year we have had frequent and lengthy correspondence with our co-operative friends in other countries, especially in France, Germany, and Italy, in regard to a proposal to establish an International Alliance. It will be remembered, no doubt, that at last Congress we reported that we had received an invitation to be represented on the committee of an International Alliance which was then being promoted in London, with Mr E. O. Greening as convener. There can be no doubt that there is a genuine desire amongst our fellow co-operators on the Continent to have closer international contact on a basis equitable to all parties. The desire is to hold International Congresses in all countries in rotation, and to take advantage of all the various kinds of co-operative effort now in existence. We therefore suggest the re-appointment of the International Foreign Inquiry Committee, a committee which Congress formerly sanctioned, but which was allowed to lapse on account of difficulties which stood in the way of holding meetings.

This committee, if reappointed, might be authorised to make full inquiry into the matter, and confer with any other body of co-operators having the same object in view, so as to prepare and submit a plan by which all contentious elements might be removed, and the difficulties which now stand in the way of joint action be cleared away. It is important to bear in mind that the work of an international committee would be entirely different in character to that ordinarily carried on by the Central Board, hence special care should be exercised in appointing representatives who possess special qualifications for the position."

The resolution appointing the committee reads as follows:—

That an International and Foreign Inquiry Committee be formed, to consist of five members, and that the committee have power to make full inquiry into the question of an International Alliance, and to confer with any other body of co-operators having the same object, with the view to establish a plan for complete International Co-operative Alliance.

At the meeting of the Central Board held at Huddersfield, this resolution was brought up, when Messrs W. Crooks, J. Deans, F. Hardern, D. M'Innes, R. Powell, and the General Secretary were constituted a committee to carry out the ideas suggested in the report to Congress.

This committee was called together in London on 6th July 1895. The only matter which came up for discussion was the consideration of the attitude which should be taken by this committee towards the International Congress, which was then being organised, and to decide whether the committee would assist in its organisation. The committee met, along with the committee which was then working in London for that purpose, and after discussion it was resolved:—

- (1.) That on the understanding that the Co-operative Union forms the British Section, and deals with all communications relating to British co-operative societies, and pending the consideration and final determination of the constitution of the proposed International Alliance, we, the Foreign Inquiry Committee, decide to join the executive of the International Alliance, and work with them in the organisation of the first International Congress.
- (2.) That the General Secretary of the Union be joint-convener of the first International Congress.
- (3.) That a circular be sent out to societies requesting their support to the Congress.
- (4.) That the members of this committee attend the Congress for the purpose of forming a judgment as to the possibility of establishing a successful International Co-operative Alliance.

A second meeting was held at Manchester, on Saturday, 14th September 1895, when the proceedings of the International Congress,

held in London, 19th August and following days, and the resolutions passed thereat, were considered and agreed to. The committee, while not pledging themselves to every detail contained in the Congress resolutions, were unanimously of opinion that, in the interests of co-operation generally, it was desirable to bring together into closer union the various branches of co-operation in all countries, and that it was eminently advisable to form an International Co-operative Alliance, and to hold International Congresses, and they therefore recommend the Co-operative Union, as representing British co-operators, to join heartily in the efforts to make the Alliance an established success.

It was then resolved:-

To recommend the United Board to make an annual grant of £20 to the funds of the International Alliance, so as to have the right of sending twenty representatives to each Congress, and that in the event of this recommendation being agreed to, the twenty delegates be divided among the sections, reserving two delegates to be direct representatives of this committee.

The committee also decided that if the United Board approve of the plan above mentioned, a general circular be prepared and sent out to societies, giving a summary of the objects of the Alliance, and some information as to its provisional constitution.

It was reported that in reply to the circular authorised at last meeting fifty-nine societies had subscribed £106. 5s. 6d. towards the expenses of the late International Congress.

It will thus be seen that in 1887 and 1888 the Foreign Inquiries Committee of the Co-operative Union had ceased to hold meetings, and in 1890 the Co-operative Union abandoned its efforts to establish systematic relations with the co-operators of other countries, upon its Committee for the year reporting that no opening for practical work was apparent. In the spring of 1892, Mr Edward Owen Greening, who had been Chairman of the Co-operative Union's Foreign Inquiry Committee in 1885, called the attention of Mr Edward Vansittart Neale to the position, and suggested to him that an effort should be made to establish an alliance of those co-operators in every country who were struggling to advance the movement in the higher branch of co-operative production based on copartnership of the workers. This would avoid the great difficulty of finding a basis of compromise between those co-operators in Great Britain who desire to establish copartnership and those who disagree with that principle. Mr Neale readily

accepted the suggestion, and undertook to draft an appeal on behalf of the new proposal. It was also arranged that the two friends (Messrs Neale and Greening) would together advance the necessary first expenses of the new movement, and act jointly as conveners of the first gatherings.

At Whitsuntide of the year 1892, when the Co-operative Union held its Annual Congress at Rochdale, a first conference was accordingly convened at the Greyhound Hotel, and was attended by many delegates of British societies, and by Messrs Charles Robert and de Boyve, who represented the French Co-operative Societies at the Rochdale Congress. Mr Neale-occupied the chair, and Mr Greening having explained the new proposals, the following resolutions were adopted:—

- "I. That this meeting approves of the principle of an International Alliance of the friends of production on the basis of the participation of the worker in profits.
- "2. That the proposals be circulated amongst societies and friends, and a meeting convened of those who give in their adhesion, at the coming Crystal Palace Festival, to take steps to form the Alliance."

Before the Crystal Palace meeting Mr Neale was unfortunately taken ill with the ailment which ended in his deeply lamented death on 16th September 1892; but on his sick bed he continued to work for the establishment of the Alliance, in which he had centred high hopes of great results. He drafted appeals, plans, and a proposed constitution, which he sent to Mr Greening, who continued the work with the help of his son, Mr E. W. Greening, and convened a meeting for 22nd August 1892, held at the Crystal Palace on the occasion of the great National Cooperative Festival of that year. At this gathering Mr E. O. Greening presided, in the absence of Mr Neale, and brought forward the prospectus embodying the objects and principles of the Alliance.

M. Froment of the Maison Leclaire, Paris, and M. Bernardot of the Familistère of Guise, attended the meeting on behalf of the co-operators of France. They

moved and seconded the following resolution, which was adopted:—

"That an International Alliance of the friends of Cooperative Production be formed, in order to establish relations of mutual helpfulness between those who are working in all countries to end the chronic warfare between capital and labour, and to establish industrial peace based on the copartnership of the worker, that shall work in harmony with all associations which accept our principles."

It was also resolved, on the motion of Mrs Lawrenson, seconded by Mr Hodgson Pratt, "That the Draft Statutes be referred to a Committee, on which shall be represented all existing organisations accepting the principle of copartnership of labour." The Committee elected was composed of Mrs Lawrenson, Miss Tournier, Messrs Edward Vansittart Neale, Hodgson Pratt, Edward Owen Greening, George Jacob Holyoake, and Albert Grey (now Earl Grey). The meeting closed with the following resolution:—

"That the First International Congress of the Alliance be convened in Great Britain in 1893, and that it be arranged to be held at the Crystal Palace in August in conjunction with the National Co-operative Festival. That an International Exhibition of the products of Co-operative Productive Societies and Profit-Sharing Firms of all countries be organised if possible in connection with the Congress."

The sad loss of Mr Neale in September 1892 left Mr Greening the sole convener of the movement, and rendered it impossible to carry out the proposed First Congress in 1893. Fortunately in this year a new interest was aroused in the work of foreign co-operators by the publication of Mr Henry W. Wolff's account of the People's Banks in Germany. Mr Wolff was an old friend of Mr Greening's, and had formerly been of great service to him in connection with the work of the Agricultural and Horticultural (Cooperative) Association. Mr Greening approached Mr Wolff, who consented to join the work of the new Alliance upon condition that its scope was enlarged so as to include Co-operative Banking, Distribution, &c. He also volunteered at his own cost to visit the co-operators of

France, Germany, Italy, Belgium, and other countries, and organise their active adhesion and help. Mr Greening on his part undertook the work at home, and to advance the necessary further funds required. In place of a First-Congress the Alliance held an annual meeting at the Crystal Palace on 21st August 1893. It was very numerously attended, the delegates including representatives from France, Belgium, Italy, Germany, and Holland. E. O. Greening presided, and the following resolutions were adopted:—On the motion of the Hon. Horace Plunkett, M.P. (Ireland), seconded by Commendatore Cavalieri (Italy, it was agreed to include within the scope of the Alliance other accepted forms of co-operation in addition to production. On the motion of Mr G. J. Holyoake (Brighton), seconded by Monsieur Kergall (Co-operative Agricultural Syndicates of France), it was agreed that the title "International Co-operative Alliance" be adopted. An amendment to this was moved by Mr Henry Vivian, of the Labour Association, and seconded by Mr Parnell. It proposed that the Alliance should be called the "International Alliance of Co-operative Associations," not in order that individual members should be excluded, but to emphasise the fact that its work should be primarily to bring together cooperative bodies, and not to get large numbers of individual members in various countries, and so possibly clash with existing bodies. Against this the importance of the individual element and the misleading character of the proposed title were urged, and the amendment was lost on a division. It was moved by Mr Shufflebotham (Coventry Watch Society), seconded by Dr Strauven (Germany), and resolved that the Alliance should in no way interfere with . local organisations, but should work in harmony with all who accept its principles. It was resolved to develop the organisation of the Alliance by replacing the Provisional Council of 1892-93 by an Executive Committee, with power to act on behalf of those co-operators of Great Britain and Ireland who should have adhered to the Alliance: and that such Committee should consist of Messrs G. J. Holyoake, Albert Grey (now Earl Grey), Edward Owen Greening, Hodgson Pratt, Mrs Lawrenson,

Miss Tournier, and a representative from all organisations joining the Alliance which should accept the principle of the copartnership of labour, and that the Presidents and General Secretaries of the Co-operative Union, Productive Federation, Women's Guild, and Labour Association should be invited to join the Committee. On the motion of Mr Hartley (Hebden Bridge Fustian Society), seconded by M. A. Micha (Belgium), it was resolved that the Executive Committee should draw up rules based on those drafted by the late Mr Neale, and submit them to an international gathering of co-operators to be held in London in 1894. Finally, on the motion of Commendatore Cavalieri (Italy), seconded by Signor Rabbeno (Italy), and supported by Dr Strauven (Germany), M. Micha (Belgium), M. Kergall (France), and Mr Dana Horton (United States), it was resolved unanimously that the representatives of foreign countries should be invited to take similar measures to those being taken in Great Britain to facilitate the International Congress of 1894, and other further action. Mr H. W. Wolff subsequently read a paper descriptive of the Continental People's Banks, and detailed information upon the subject was added by the delegates from France, Italy, Germany, and Belgium. The meeting closed with a solemn vote to the memory of Mr E. V. Neale, and by accepting an invitation to be represented at the French Co-operative Congress of 1893.

This important gathering was expected to lead to the holding of the first Congress in 1894, but difficulties again arose, and a postponement to 1895 became inevitable. The Co-operative Union, which had been invited to join, could not see their way at first to do so, on the terms suggested to them, and the organisation for the Congress proved, in other respects, full of detailed work. The Executive Committee continued to meet, and secured the adhesion of Earl Grey as their first President. Little by little difficulties were surmounted and conflicting views brought into agreement. The Co-operative Union, as already seen, at their-Huddersfield Congress (Whitsuntide 1895) appointed a Committee which definitely accepted union with the Alliance, and at length the way was paved for

the first great Congress, of which the present volume is a record.

The entrance of Mr H. W. Wolff into the proposed Alliance has already been mentioned, and his undertaking, at his own cost, to visit foreign co-operators. A very large share of the work, preparatory to the Crystal Palace meeting in 1893, and subsequently until the Congress of last year, not to mention much since that date which would be out of place here, has fallen to his share; and it is not too much to say that without this aid the Alliance could hardly have reached its present firm position. Not only did Mr Wolff carry on much correspondence explaining the objects in view, and inviting the presence of foreign co-operators, known to him, at the Conference of 1893, and the Congress of 1895, but he undertook two extended journeys on the Continent for the purpose of personal interviews. In the first he visited Paris, Berne, Milan, Padua, Bologna, Ravenna, Florence, Siena, Rome, Genoa, Sampierdarena, Altona, Alessandria, Turin, and Lyons. In his second journey, Cologne, Offenbach, and Carlsbad, where he met a number of representative co-operators, including M. Siegl, who represented Dr Wrabetz, and President Pfeiffer, Dr Richter, and others among Austrian agricultural co-operators. Thence to Dresden, Leipzig, and various places in Thuringia, visiting prominent members of societies of the Schulze-Delitzsch, Raiffeisen, and Haas types; thence to Cassel and Kempen, where the heads of the German Peasants' Associations were interviewed: thence to the Hague, and finally to Delft and Schevening, to meet Mr Van Marken of the celebrated co-operative yeast works and distillery.

During these journeys, Mr Wolff saw, on behalf of the Alliance, as many leaders of continental co-operation as possible, and was specially careful to keep in touch with every section of co-operative effort whose existence was known to him. Besides the above-named cities, he visited, at various times, and in the same cause, Vienna, Bucharest, Madrid, Pesth, St Petersburg, and many others.

Thus the two main British streams towards International Alliance had, as above seen, been united at the Huddersfield

- . Congress. Meanwhile correspondence had also been established with and support obtained from a large number of co-operative associations in other countries, among which may be mentioned:-
- In France. Société pour l'Étude Pratique de la Participation aux Bénétices. (M. CH. ROBERT, Président.)
 - Chambre Consultative des Associations Ouvrières de Production de France. (M. VILA, Secrétaire.)
 - Comité Central de l'Union Co-opérative. (M. FITSCH, Président : M. DE BOYVE, Tresorier; M. Buisson, Secrétaire Géneral.)
- ✓ Union des Syndicats des Agriculteurs de France. (M. LE TRÉSOR DE LA ROCQUE, Président; M. BOULLAIRE, Secrétaire.)
- Syndicat Économique Agricole. (M. KERGALL, Président.)

Fédération du Crédit Populaire. (M. ROSTAND, M. RAYNERI.)

Fédération Nationale des Sociétés Co-opératives de Consommation. (M. SORIA, M. TUTIN.)

Fédération des Caisses Rurales et Ouvrières de France. (M. L. DURAND, Président.

Maison Leclaire. (M. FROMENT.)

Familistère de Guise. (M. BERNARDOT.)

La Marmite, Association Co-opérative, Paris.

- In GERMANY. Allgemeiner Verband deutscher Erwerbs- und Wirthschaftsgenossenschaften (S, stem Schulze-Delitzsch). (Anwalt Dr Schenck, Dr Crüger.)
 - Generalanwaltschaftsverband ländlicher Genossenschaften für Deutschland (System Raiffeisen). (General Anwalt, Dr CREMER, Dr STRAUVEN.)
- Allgemeiner Verband deutscher landwirthschaftlicher Genossenschaften. (Anwalt KREISRATH HAAS, Offenbach.)
 - Verband der Erwerbs- und Wirthschafts-genossenschaften der Provinzen Posen und West-Preussen. (Dr KUSZTELAN.)
- In Austria. Allgemeiner Verband der auf Selbsthilfe beruhenden deutschen Erwerbs- und Wirthschafts-genossenschaften in Oesterreich. (Anwalt, Dr WRABETZ.)
- Associazione fra le Banche Popolari. (Hon. L. LUZZAITI, IN ITALY. Président; Commandatore ENEA CAVALIERI; Signor CONCINI.)
 - V Federazione delle Casse Rurali. (Signor WOLLEMBORG, Président; Signor Conting.)

Federazione delle Casse Urbani, Milan. (Signor CONTINI, Président.)

Unione Cooperativa Milano. (Signor Buffoli, Signor Guasti.)
Unione Militare, Rome. (Cavaliere G. Ponti, Direttore.)

V Casse Rurali Cattoliche di Italia. (Don LUIGI CERUTTI, Presidente.)

A Società Cooperativa Operaia di Budrio.

Unione Cooperativa Editrice, Rome.

V Federazione Italiana dei Consorzi Agrari, Piacenza.

Società Cooperativa dei Braccianti, Ravenna. Società Cooperativa dei Muratori, Ravenna.

Camera del Lavoro.

- IN BELGIUM. Fédération des Banques Populaires Belges. (M. D'ANDRI-MONT, Président; M. MICHA, Secrétaire Général.)
 "Vooruit" Association Co-opérative Ouvrière. (M. ANSEELE.)
- IN HOLLAND. Nederlandsche Co-operatieve Bond. (Dr Ettas, Secretary General of the Colonial Ministry.)
- IN SWITZERLAND. Verband ost-schweizerischer landwirthschaftlicher Genossenschaften in Winterthur. (*Prasident*, C. SCHENKEL.)

 Banque Populaire Suisse. (M. YERSIN.)
- IN ROUMANIA. Bureau des Sociétés et des Expositions Co-opératives de Bucharest. (M. BOUTCOULESCOU.)

Owing to the necessarily informal character of preliminary arrangements, the above list is by no means complete.

Among British co-operative organisations and societies, besides the Co-operative Union and a large number of societies which had adhered through it, the following had adhered direct:—The Labour Association (for promoting co-operative production based on the co-partnership of the workers), the Co-operative Productive Federation, the Guild of Co-operators, the National Co-operative Festival Council, Hinckley Boot Productive Society, Paisley Co-operative Manufacturing Society, Leicester Co-operative Hosiery Society, Household Furnishing Company (Newcastle-on-Tyne), Grays Co-operative Industrial Society, Bradford Co-operative Cabinetmakers, and many others. A large number of individual co-operators, both British and of other countries, whose names are given as Appendix A to this Introduction, had also adhered.

The Congress thus prepared over many years met at last in London on Monday, 19th August, in the hall of the Society of Arts, kindly lent for the purpose. The officers of the Congress were as follows:—

PRESIDENT.

RIGHT HONOURABLE EARL GREY.

VICE-PRESIDENTS (British).

Most Honourable THE MARQUESS OF RIPON, K.G., &c., late Her Majesty's Secretary of State for the Colonies.

Most Honourable THE MARQUESS OF DUFFERIN AND AVA, Editish Ambassador, Paris.

Right Honourable THE EARL OF WINCHILSEA.

Right Honourable THE EARL OF STAMFORD.

Right Rev. THE LORD BISHOP OF DURHAM.

Right Honourable LORD ABERDARE.

The Honourable HORACE PLUNKET, M.P.

The Honourable T. A. BRASSEY.

Mr THOMAS BURT, M.P., late Parliamentary Secretary, Board of Trade.

Right Honourable LORD REAY.

Right Honourable SIR JAMES STANSFIELD.

Right Honourable A. J. MUNDELLA.

ROBERT YERBURGH, Esq., M.P.

F. A. CHANNING, Esq., M.P.

Sir J. T. BRUNNER, Bart., M.P.

His Honour Judge THOS. HUGHES, Q.C., Chester.

Professor PATRICK GEDDES, University Hall, Edinburgh.

Rev. Canon SCOTT HOLLAND.

Rev. J. CLIFFORD, D.D., Baptist Union.

Mr J. M. LUDLOW, London.

Mr HODGSON PRATT, London.

Mr G. J. HOLYOAKE, Brighton.

Mr H. W. WOLFF, Reform Club.

Mr GEORGE LIVESEY, Chairman, South Metropolitan Gas Co.

Mr Montagu Crackanthorpe, Q.C.

Mr Joseph Greenwood, Hebden Bridge Co-operative Fustian Manufacturing Society.

Mr GEORGE HOWELL, London.

J. D. GALPIN, Esq., Messrs Cassell & Co.

PRÉSIDENTS D'HONNEUR (Other Countries).

L'Honorable Luigi Luzzatti, Ancien Ministre de Finance et du Trésor, Président de l'Association des Banques Populaires d'Italie.

M. LUIGI BODIO, Directeur Général de la Statistique à Rome.

L'Honourable MAGGIORINO FERRARIS, Ministre des Postes et des Télégraphes à Rome.

Monsieur Leone Wollemborg, Député, Président de la Fédération des Caisses Rurales Italiennes.

M. LE TRÉSOR DE LA ROCQUE, Président de l'Union des Syndicats des Agriculteurs de France.

M. DE BOYVE, Directeur de l'Emancipation, Trésorier du Comité Central de l'Union Coopérative de France.

L'Honorable Lourties, Sénateur, Ancien Ministre du Commerce de l'Industrie, des Postes et des Télégraphes, France.

M. CHARLES ROBERT, Ancien Conseiller d'Etat, Président de la Société pour l'Etude Pratique de la Participation aux Bénéfices, France.

M. D'Andrimont, Président de la Fédération des Banques Populaires Belges.

M. Dr A. E. ELIAS, Secrétaire Général au Ministère des Colonies, Ancien Président de l'Union Coopérative Hollandaise.

Professor Dr ELY, Madison University, Wisconsin, United States.

Rev. Dr LORIMER, Tremont Temple, Boston, U.S.A.

M. le Prosesseur Dr Victor Böhmert, Président du Bureau de la Statistique du Royaume de Saxe,

M. le Directeur CREMER, Président de l'Union des Caisses Rurales, Neuwied.

M. le Conseiller HAAS, Président des Associations Agricoles d'Allemagne.

M. le Docteur WRABETZ, Préddent des Associations Coopératives allemandes d'Autriche.

M. de KEUSSLER, St Petersburg, Russia.

Don JOAQUIN DIAZ DE RABAGO, Directeur du Banco de España, Santiago de Compostella, Spain.

M. A. YERSIN, Directeur Général de la Banque Populaire Suisse.

M. D. C. BOUTCOULESCOU, Député, Fondateur et Président des Sociétés et des Expositions Coopératives de Roumanie, &c.

EXECUTIVE COUNCIL.

Right Honourable EARL GREY.

Mr GEORGE JACOB HOLYOAKE, Brighton.

Mr HODGSON PRATT, Working Men's Club and Institute Union.

Mr HENRY W. WOLFF, Author of "People's Banks."

Mr THOMAS BLANDFORD, Productive Federation.

Mr H. H. VIVIAN, Labour Association.

Mr WILLIAM PARNELL, Labour Association.

Mr WILLIAM BROOMHALL, National Co-operative Festival.

Mr EDWARD OWEN GREENING, Agricultural and Horticultural Association.

Representing the Co-operative Union of Great Britain.

Mr FRANK HARDERN, North-Western Section.

Mr JAMES DEANS, Scottish Section.

Mr WILLIAM CROOKS, Northern Section.

Mr ROBERT POWELL, Southern Section.

Mr DUNCAN McINNES, Midland Section.

Mr J. C. GRAY, General Secretary, Co-operative Union.

Representing the Women's Co-operative Guild.

Miss WEBB.

Miss Tournier.

Mr M. LLOYD-JONES, Assistant Secretary (British Correspondence).

Mme. MARIE-LOUISE HALL, Assistant Secretary (Foreign Correspondence).

EDWD. OWEN GREENING, Chairman, National Co-operative

Festival. J. C. GRAY, General Secretary, Co-operative Union of Great Conveners. Britain,

A list of delegates and visitors present is given in Appendix B, but this it is feared is incomplete, owing to many having omitted to register their names. From it, however, it will be seen that the countries where co-operation exists were almost all well represented at the Congress, with the unfortunate exception of Germany. Owing to the negotiations which had taken place at the Huddersfield Congress, as already mentioned, and subsequently, the final invitations to the Congress had been unavoidably delayed; and so it came about that the dates of the German Co-operative Congresses clashed with that of the international one, and the German societies were unable to spare any of their leading co-operators to attend the latter.

A very brief bird's-eye view of the proceedings will be of interest, and serve as a guide to the full report. arranged that the Congress should sit on five days, and that on the Saturday the delegates should take part in the great National Festival which the British co-operators hold every August at the Crystal Palace. On the first day Earl Grey presided. The business included the inaugural address of the president; presentation of reports on cooperation in most of the chief countries of the world; the formal creation of the Alliance; the appointment of a provisional committee; the consideration of a constitution for the Alliance; and finally, the question of promoting international commercial relations among co-operators. this and each following day two distinguished co-operators of other countries acted as vice-presidents of the day, but as a matter of practical convenience the president of each day was an Englishman. Most of the speaking was in English, with which some of the foreign delegates showed themselves familiar. A good deal, however, was in French, and some little in Italian and German. Mr Adolphe Smith rendered admirable service as interpreter.

The second day, Tuesday, 24th August, Mr J. M. Ludlow presided, in the absence of Judge Thomas Hughes, Q.C.—since deceased—his old friend and co-worker among the Christian Socialists of 1848. The subject of the day was Co-operative Production and Profit-Sharing, introduced by a paper of the Hon. T. A. Brassey.

Wednesday morning was devoted to Co-operative Credit or People's Banks. Mr H. W. Wolff presided, and introduced the subject.

On Thursday the subject was Distribution, the specially British branch of co-operation. Mr Frank Hardern, of Oldham, Chairman of the Parliamentary Committee of the Co-operative Union, presided, and Mr R. H. Tutt, Secretary of the Southern Section of the Union, read the paper.

A considerable part of Thursday afternoon was devoted to considering the draft provisional constitution of the Alliance brought up by the Committee appointed to prepare it. Eventually the greater part of this was adopted, but two articles were referred back for reconsideration. Mr Hardern having had to leave, Mr J. C. Gray, General Secretary of the Co-operative Union, took the chair for the latter part of the business.

On Friday morning Mr Gray resumed the chair till the question of the constitution was disposed of, and a Central Committee, to act until the meeting of next Congress, had been appointed, with Earl Grey as President. Professor Henry Sidgwick (Cambridge) then took the chair, in the unavoidable absence of Lord Reay, and introduced the subject of the day, Co-operation in Agriculture. The Hon. Horace Plunkett, M.P., read a paper fully describing the agricultural co-operative movement in Ireland. Several delegates spoke on the similar movements in their own countries, and the discussion was adjourned till the evening at the Crystal Palace. The Committee on International Commercial Relations then presented its report, and was continued in office, and the delegates proceeded to the Crystal Palace to be present at the opening of the Annual Co-operative Flower Show, believed to be the largest flower show in the world. Afterwards the discussion on Co-operative Agriculture was resumed, and with this the formal sittings of the Congress came to an end.

The resolutions passed, including those for a provisional draft constitution, are collected together and printed as Appendix C to this Introduction, besides appearing in their proper places in the report.

Friday afternoon was, however, only one of three occasions on which the delegates visited the Crystal Palace. On the Wednesday afternoon the Congress had not sat, and the delegates had taken part in the opening of the Labour Association's Annual Exhibition of Co-operative Productions, with which was combined on this occasion a small exhibition of co-operative productions from the Continent. On Saturday the delegates were again at the Crystal Palace attending the National Co-operative

Festival, attended by over 36,000 persons, mostly cooperators, from all parts of the United Kingdom. At mid-day the foreign delegates were entertained at lunch, and subsequently they took part in the open-air demonstration on the terrace.

Besides what has been described above, the delegates were afforded opportunities of visiting many of the public institutions and co-operative societies in London. They were received by Lord Grey at the South Kensington Museum, by special permission of the authorities, on Monday evening; by the Hon. T. A. Brassey and Lady Idina Brassey on Tuesday evening; by Mr and Mrs E. O. Greening, Mr Felix Moscheles, and others. They were also elected honorary members for the week of the National Liberal Club.

It will thus be seen that both on its scientific and its social side the Congress passed off with great success; indeed, almost the only subject for regret connected with it was that the great abundance of matter for discussion exceeded the time at disposal. It is nevertheless confidently believed that the report of the sittings, and the special reports contained in this volume, comprise a greater amount of information on co-operation in a world-wide aspect than has ever been got together before. They, however, by no means represent the ideal which the Alliance has set before it, and which it intends to realise in spite of difficulties of language and all other obstacles. In the late autumn of this year, 28th and 31st October, it will hold in Paris its second Congress, at which further progress will be marked in the work of collecting information and bringing together in mutual helpfulness the co-operators of all nations.

APPENDIX A.

ADHERENTS TO THE INTERNATIONAL CO-OPERATIVE ALLIANCE PREVIOUS TO THE MEETING OF THE FIRST CONGRESS.

The late EDWARD VANSITTART NEALE, General Secretary, British Co-operative Union.

Mr EDWARD OWEN GREENING, Member of Central Board, Co-operative Union; and Managing Director, Agricultural and Horticultural Association Limited, London.

Most Noble THE MARQUIS OF RIPON, K.G., Hon. Secretary of State for the Colonies.

Right Hon. EARL GREY, Howick.

Right Hon. EARL OF WINCHILSRA.

Right Hon. EARL OF STAMFORD.

Right Hon. LORD BRASSEY, K.C.B., Normanhurst Court.

Right Hon. LORD ABERDARE, G.C.B., Duffryn.

Right Rev. THE LORD BISHOP OF DURHAM.

Right Rev. THE LORD BISHOP OF MANCHESTER.

His Honour Judge THOMAS HUGHES, Q.C., Chester.

The Hon. T. A. BRASSEY, President, National Co-operative Festival, 1894. The Hon. HORACE PLUNKETT, M.P., Irish Co-operative Organisation Society.

Hon. and Rev. Canon FREMANTLE, Canterbury Cathedral.

Mr GEORGE JACOB HOLYOAKE, Member of Central Board, Co-operative Union; and President, Brighton Co-operative Society.

Commandatore ENEA CAVALIERI, Roma, Presidente della Federazione dei Sindicati Agricoli.

M. FITSCH, Président du Comité Central à Paris.

M. BERNARDOT, Familistère de Guise.

M. FROMENT, Délégué de la Maison Leclaire.

M. KERGALL, Président du Syndicat Agricole Economique.

M. CHARLES GIDE, Professeur d'Economie Politique à la Faculté de Droit de Montpellier.

M. MICHA, Secrétaire Général de la Fédération des Banques Populaires Belges. CHARLES ROBERT, La Société de la Participation et la Chambre Consultative. Dott. UGO RABBENO, Professor of Political Economy at Modena University.

Herr Dr STRAUVEN, General Anwaltschaftsverband Landlicher Genossenschaften für Deutschland.

M. J. DE WATTENWICH, Elsenau, Suisse, President de l'Union des Syndicats d'élevage de bétail.

Signor ROMEO MINGOZZI, Bologna.

Signor RAFAELLE GHELLI, Bologna.

Signor Pacifico Marchesini, Budrio.

Signor G. AGNINI, Deputato al Parlamento, Finale (Emilia).

M. PRÉVEL, Directeur du Crédit Co-opératif de Lorraine, Metz.

M. HENRI VAUDÉMONT, Conférencier.

Signor Adolfo Sanguinetti, Deputato al Parlamento, Cairo Montenotte (Piémont).

Cavaliere Enrico Bordini, Direttore della Società Vetraria, Altare.

Signor FREDERICO SCOTTI, Direttore della Banca Popolare, Acqui.

Signor Allessandro Tornaghi, Direttore della Società Cooperativa di Produzione, Sampierdarena.

Cavaliere GIU SPINGARDI, Presidente della Banca Popolari di Spigno.

Cavaliere ARISTIDE RAVA, Presidente della Lega Italiana fra la Società di M.S. dei Commessi e Viaggiatori.

M. W. T. SKALON, Conseiller d'Etat, Wasiti, Ostrow.

Signor GIUSEPPE GARIBOTTI, Camera del Lavaro, Cremona.

Mr H. W. Wolff, Author of "People's Banks," Reform Club, London.

Late Mr E. T. CRAIG, of Ralahine, Hammersmith Co-operative Society.

Mr Tom Mann, President, Dockers' Union.

Alderman BRN TILLETT, London County Council; General Secretary, Dockers' Union.

HENRY BROADHURST, Esq., M.P., Leicester.

Mr Dadabhai Naoroji, M.P., London.

Mr MARK OLDROYD, M.P., Dewsbury.

Mr S. STOREY, M.P., Sunderland.

Mr HENRY J. WILSON, M.P., Osgathorpe Hills.

Mr J. BODENHAM, M.P., Newport.

Col. Hon. Sir FRANCIS C. BRIDGEMAN, M.P., Neachley, Shifnal.

Mr J. H. WILSON, M.P., General Secretary, Sailors' and Firemen's Trade Union.

Mr C. A. V. CONYBEARE, M.P.

Mr GEORGE HOWELL, M.P., London.

Late Mr JAMES HOLE, Agent to Association of Chambers of Commerce of the United Kingdom.

Mr Hodgson Pratt, Chairman, International Peace and Arbitration Association.

Professor James Stuart, Cambridge University.

Professor P. GEDDES, F.R.S.E., Edinburgh University.

Professor A. MARSHALL, Cambridge.

Miss Margaret Benson, Archbishop's Palace, Addington Park, Croydon."

Miss Hamilton, Sundrum.

Rev. WM. MACGREGOR, M.A., Atherstone (Co-operative Hat Manufacturers).

Rev. T. A. SEED, Chertsey.

Late Rev. HENRY SOLLY, Croydon.

Mr N. W. HUBBARD, Grand Counsellor, Independent Order of Good Templars.

Lieut.-Colonel CHARLIE FORD, London County Council.

Major CRAUFURD, Grenadier Guards.

Mr GEORGE THOMSON, Messrs W. Thomson & Sons Limited, Profit-sharing Woollen Manufacturing Society, Huddersfield.

Mr W. CHANCE, J.P., Farnborough.

Mr Wm. Bousfield, J.P.

Mr J. WALTER SAVAGE LANDOR, London.

Mr W. L. ROBINSON, The Elms, Coventry.

Mrs Mary Lawrenson, Central Committee, Women's Co-operative Guild.

Mr JOSEPH GREENWOOD, Member of Central Board, Co-operative Union; and Manager, Hebden Bridge Fustian Society.

Mrs ELIZABETH BLACKWELL, M.D., Hastings and St Leonards Society.

Mr Frank Hardern, Chairman, Parliamentary Committee, Co-operative Union.

Mr WM. JOHN DOUSE, Member, Central Board, Co-operative Union, Nottingham.

Late GEORGE EVANS, Ex-Chairman, Productive Committee, Co-operative Union.

Mr R. NEWTON, Hon. Member, Central Board, Co-operative Union.

Late JOSEPH HEPWORTH, President, Co-operative Watchmakers, Coventry.

Mr WM. DAN THOMAS, Member of Central Board, Co-operative Union, Western Section.

Mr Thomas Blandford, Secretary, Co-operative Productive Federation.

Mr HENRY VIVIAN, Secretary, Labour Association, London.

Mr PETER M'CONNELL, President, Fife and Kinross Conference Association.

Mr JOHN HARTLEY, Hebden Bridge Fustian Manufacturing Society.

Mr JOHN W. FAWCETT, Secretary, Leeds Co-operative Society.

Miss E. C. SHARLAND, Kensington and Notting Hill Society, London.

Mr ARTHUR RANSOM, Bedford.

Mr B. N. WISE, Legislative Assembly, Sydney.

Rev. Canon SCOTT HOLLAND.

Rev. Dr LORIMER, Tremont.

Alderman THOMAS JONES, Newport.

Mr L. P. FORD, formerly Attorney-General, Transvaal.

The late Professor TITO PAGLIARDINI, London.

Mr CHAS. THOS. DYKE ACLAND, Devon.

Mr ROBERT POWELL, Member of Central Board, Co-operative Union, and Rochester Co-operative Society.

Mr EDWARD W. GREENING, President, London Productive Society.

Miss L. E. MARTINEAU, Associate, Women's Guild.

Rev. JOHN CLIFFORD, D.D., President, Congregational Union.

Mr WM. A. HILTON, President, Bolton Society, Lancs.

Mr W. DALLAWAY, Hon. Secretary, Educational Committee, Brighton Society.

Mr F. THOMAS, Woolwich Arsenal Society.

Mr G. E. WARREN, Woolwich Arsenal Society.

Mr FRED. GEORGE BARNS, Battersea Arsenal Society.

Mr THOMAS GEORGE FELLOWS, Peckham Society.

Mr GEORGE TERRELL, Horsham Co-operative Society.

Mr H. WM. SARGENT, Horsham Co-operative Society.

Mr R. CRISP, Horsham Co-operative Society.

Mr M. M'CARTHY, Wood Green Society.

Mr F. R. Ensor, Crawley Society.

Mr W. J. Budge, East London Society.

Mr James E. Truscott, Kentish Town Society.

Mr J. WADSWORTH, Kentish Town Society.

Mr Alfred J. Hyder, Borough of Hackney Society.

Mr Sylvanus Wilkins, London.

Mr HENRY GALLOWAY, Co-operative Cabinetmakers, Bradford.

Mr Alfred Ingle, Manager, Co-operative Cabinetmakers, Bradford.

Mr JOHN TODD, Darlington.

Mr BALLARD, Manager, Boot Manufacturing Society, Kettering.

Messrs Clarke, Nickolls, & Coombs, Profit-sharing Manufacturing Confectioners, London.

Mr George Matheson, Hackney Wick.

Mr Albert Bath, Sevenoaks, Kent.

Mr ALFRED H. TAYLOR, Profit-sharing Firm, Malton.

Mr ROBERT MARTIN, Profit-sharing Printer, West Hartlepool.

Mr WALTER J. PENNEY, President, Sheerness Economical Society.

Mr THOMAS HAILING, Profit-sharing Printer, Cheltenham.

Mr R. BINNS, Profit-sharing Corn Merchant, Derby.

Mr ALEX. HUTCHINSON, President, Paisley Manufacturing Society.

Mr L. MAKOVSKI, Messrs Waterlow & Sons, London.

Mr N. F. ROBARTS, F.G.S., Manager, New Welsh Slate Co. (Profit-sharing).

Mr JAMES BONAR, Bookbinders' Society.

Mr W. C. STEADMAN, Secretary, Barge Builders' Trade Union.

Messrs Newman & Son, Profit-sharing Printers and Account Book Makers, London.

Messrs J. W. PETTY & Sons, Profit-sharing Colour Printers, Leeds.

Mr JOHN WRIGHT, New Brompton Society, Kent.

Mr EDWIN CARTER, Leicester Boot and Shoe Manufacturing Society.

Mr Edward John Parsons, Penge Society.

Mr D. L. WHITE, Chelsea and Fulham Society.

Mr S. K. FOSTER, Morton, Bingley.

Mr ROBERT TAYLOR, Secretary Assington Co-operative Farm.

Mr Hugh Gibb, Mauchline Co-operative Society, Scotland.

Mr GEORGE BAINES, Failworth Society, Lancs.

Mr James Kirkpatrick, Secretary, Carlisle South End Society.

Mr JOHN CRAIG, South Durham District Co-operative Association.

Mr JAMES SIMPSON, Greenock Society.

Mr JOHN MUNRO, Paisley Manufacturing Society.

Mr THOMAS RAWLINSON, Chairman, North-East Lancashire District Association.

Mr Wn. COPE, Birmingham Society.

Mr JOSEPH DELL, Co-operative Printing Society, London.

Mr Archibald C. Husband, Belfast Society.

Mr JOE E. SUGDEN, Langley Mill Society.

Mr HERBERT TAYLOR, Metropolitan Equitable Society.

Mr NATH. J. SKELTON, Secretary, Metropolitan Equitable Society.

Mr James Mann, Harwich Society.

Mr GEORGE HUBBARD, Profit-sharing Architect, London.

Mr Wm. HOLMES, Hetton Downs Society, Durham.

Mr THOMAS E. OLIVER, Architect, Hetton Downs, Fence Houses, Durham.

Mr F. F. ROGET, Scottish Industrial Association.

Messrs Burroughs, Wellcome, & Co., Profit-sharing Manufacturing Chemists, London.

The late Mr S. M. BURROUGHS, London.

Mr BONHAM CARTER.

Mr CHARLES CHANCELLOR, London Productive (Cocoa Manufacturing) Society:

Mr W. LANDER, Bolton Society.

Messrs F. S. SIMMS & Co., Profit-sharing Brushmakers, St John's, N.B., Canada.

Mr T. W. Bushill, Messrs Bushill & Sons, Profit-sharing Manufacturing Stationers, Coventry.

The WM. DAVIES Co. LIMITED, Profit-sharing Bacon Curers, Toronto, Canada.

Mr DAVID GEORGE RITCHIE, Oxford Co-operative Society.

Mr R. G. TATTON, Cadogan Terrace, S.W.

Mr CORRIE GRANT, Barrister-at-Law, London.

Mr THOMAS M. HOGG, Norwich Society.

Mr JOHN POTTER, Leicester Boot and Shoe Manufacturing Society.

Mr C. CASTELL, Wimbledon Society.

Mrs A. E. WORLIDGE, Woolwich Society.

Mr Hy. GEORGE COPUS, Wimbledon Society.

Mr F. ADAMS, Co-operative Cabinetmakers, Bradford, Yorks.

Mr Joseph Davis, Assistant Secretary, Dulwich Reform Club.

Mrs Cicely Crackoft, President, Hackthorn Branch, Women's Guild.

Mr EDWARD PRAILL, London.

Mr EDWIN NICHOL, Sunderland Society.

Mr Wm. MACDONALD, Thornliebank Society.

Mr J. E. CARVER, London.

Mr F. G. ORWIN, Sutton, Surrey.

Mr GEORGE WATSON, Burnopfield Co-operative Society.

Mr JOHN MATHER, F.C.A., Manchester.

Mr JOHN MACKENZIE, Withington.

Mr WM. CAMPBELL, Leeds.

Mr G. M. HICKS, London.

Mr Felix Moscheles, London.

AND OTHERS.

APPENDIX B.

LIST OF DELEGATES AND VISITORS TO THE FIRST INTERNATIONAL CO-OPERATIVE CONGRESS,

AUGUST 1895.

FRANCE.

DELEGATES.

M. CHARLES ROBERT

Société de la Participation aux Bénéfices.

Union Coopérative.

Chambre Consultative des Associations Ouvrières de Production.

Société du Musée Social.

M. PAUL ROBERT - Société de la Participation aux Bénéfices.

M. le COMTE DE ROCQUIGNYN Union Syndicats des Agriculteurs de France.

DE FAYEL.

M. CONSTANT FURNE - Syndicat Agricole, Boulogne-sur-Mer.

M. H. Buisson - - Association d'Ouvriers peintres "Le Travail."

M. JULES MANY - - Société de Propagation du Crédit Populaire.

M. TORRENT - - Société Cooperative de Production.

M. KERGALL - - Société Economique Agricole.

VISITORS.

M. VICTOR DELAHAYE - St. Ouen, Seine, France; and London.

M. P. S. LASSASIE - - London.

M. le BARON DE COURCIL - Ambasseudeur de France.

M. C. H. VILLARD - Paris.

M. E. V. CLAVERY - - Consul Suppléant de France.

Mme. GRANDINET - London.

ITALY.

DELEGATES.

Signor ENEA CAVALIERI - Associazione fra la Banche Popolari, Rome.

Signor CHARLES GOETZLOF - Unione Cooperativa, Milan.

Signor Eugenio Benazzoli Do. do. do.

Signor GIUSEPPE CROCE - Lega Nazionale delle Cooperative Italiane.

Cooperativa Guantai, Milan.
Cooperativa Aste Dorate, Milan.
Cooperativa Dei Contadini, Cremona.
Cooperativa Ghiaroli Carettieri, Cremona.

Cooperativa Consultativa, Cremona.

Signor CARLO PELIZZARI - Unione Cooperativa, Milan.

VISITORS.

Signor GIOVANNI DALLA

"La Opionione," Rome. VECCHIA

Signor V. PAPUCCI Tribuna, Rome.

BELGIUM.

DELEGATES.

M. et Mme. CHARLES DΕ

OUÉKER Federation des Banques l'opulaires.

Chambre du Commerce Anglo-Belge, Belgian. M. EDOUARD SÉVE Consulate.

Président des Banques Populaires Belges. M. D'ANDRIMONT

Secretaire Général des Banques Populaires M. A. MICHA Belges.

VISITOR.

First Secretary, Belgian Legation. M. H. JOOSTENS

HOLLAND.

DELEGATES.

Hoofdbestune van Eigen Hulp Gravenhage. Mr Peereboom Voller

Dr A. SLOTENAKER do. Do.

VISITOR.

Netherlands Consul. Mr H. S. J. Maas

SWITZERLAND.

DELEGATES.

Herr RECTOR ABT Vice-President des Verbändes Ostschweiz Landw. Genossenchaften Bunzen.

Vice-President des Verbändes Ostschweiz Herr Schramli Steinmann Landw. Genossenchaften Bunzen.

SERVIA.

DELEGATE.

Director of the Agricultural Co-operative Bank Mr MICHAEL AVRAMOVITCH of the Department of the Danabe, Semendria.

AUSTRIA-HUNGARY.

VISITOR.

Mr Endre Gyorgy -Hungary.

DENMARK.

DELEGATE.

 Danish Consul. Mr HARALD FABER

VISITOR.

Liert COUNT AHLEFELDT

LAURVIG Danish Legation,

RUSSIA

VISITOR.

Mr S. J. RAPOPORT

London Correspondent of *The Nowsti* (St Petersburg), London.

UNITED STATES OF AMERICA.

DELEGATES.

Dr LORIMER · · · Tremont Temple, Boston.

J. R. Allen - - American Economic Association, Georgetown,

Texas.

N. O. NELSON · · · Nelson Manufacturing Co., St Louis, Miss.

VISITORS.

JOHN HOLLANDER - "Johns Hopkins" University, Baltimore.

W. M. C. STEVENSON - Pittsburg.
E. W. ORDWAY - New York.
CHAS. ZEUBLIN - Chicago.
J. P. PUTNAM - New York.

AUSTRALIA

DELEGATE.

FRANCIS H. SNOW, J.P. - Adelaide.

INDIA

DELECATE.

KRISHNA MENON

- College of Agriculture, Madras.

ARGENTINE REPUBLIC.

DELEGATE.

Rev. W. C. RHYS - - Chubut, Argentina.

ENGLAND.

DELEGATES, ADHERENTS, AND VISITORS.

Right Hon. Earl Grey International Co-operative Alliance.
Right Hon. Earl Stamford Vice-President, Labour Association.

The Countess of Stamford.

Hon. T. A. Brassey - International Co-operative Alliance.

 → Hon. Horace Plunkett, Irish Agricultural Organisation Society.

M.P.

F. A. CHANNING, M.P.

International Co-operative Alliance.

I. M. LUDLOW

Hon. Legal Adviser, Labour Associations and Co-operative Alliance.

J. M. LUDLOW - - - Hon. Legal Adviser, Labour Association.

GEORGE LIVESEY - Chairman, South Metropolitan Gas Co.

GEORGE HOWELL - International Co-operative Alliance.

Professor Sidgwick - International Co-operative Alliance.

F. HARDERN, J.P. - North-West Section Co-operative Union.

J. G. HOLYOAKE	# *
Edward Owen Greening -	
220200011 2 2011 1	International Arbitration and Peace Assoc.
J	General Secretary, Co-operative Union.
Joseph Greenwood	
H. W. Wolf	International Co-operative Alliance.
J. WALTER SAVAGE LANDOR	Italian Chamber of Commerce.
Thomas Blandford	Co-operative Productive Federation.
HENRY VIVIAN	Secretary, Labour Association.
ROBERT POWELL	Co-operative Union.
WILLIAM CAMPBELL	Brownfield's Guild Pottery.
N. J. SKELTON	Metropolitan Equitable Co-operative Society
THOMAS BROWN	Lincoln Co-operative Society.
GEORGE THOMSON	W. Thomson & Sons Limited.
F. E. BINSTED	Co-operative News.
CHARLES FLETCHER	International Co-operative Alliance.
CATHERINE WEBB	Women's Co-operative Guild.
ELIZABETH TOURNIER -	Women's Co-operative Guild.
George Barns	Battersea Co-operative Society.
Т. Неатн	Woolwich Co-operative Society.
F. J. CANDY	Cambridge Co-operative Society.
J. M. Welch	Portsea Island Co-operative Society.
A. M'LEOD	Royal Arsenal Co-operative Society.
Aneurin Williams	Co-operative Leather Manufacturers.
R. H. Tutt	Co-operative Union.
Tom Mann	Independent Labour Party.
ELIZA ELLIOT	Women's Co-operative Guild.
JESSIE ELLIOT	Women's Co-operative Guild.
Miss Greening	Women's Co-operative Guild.
R. Newman	Central Board, Co-operative Union.
W. SHARMAN	Labour Association.
Austin Williams	Co-operative Insurance Co.
C. COOPER · · ·	Guild of Co-operators.
W. WICKHAM	Irish Co-operative Agency.
T. G. GARDINER	Southern Section, Co-operative Union.
G. MUTTER	River District Co-operative Society.
J. Edwards	Dudley Bucket and Fender Society.
A. H. KEENE	Portsea Island Co-operative Society.
W. J. Morr	Portsea Island Co-operative Society.
J. H. Dix	Leeds Co-operative Society.
W. H. PENNEY	Sheerness Co-operative Society.
William Donkin	International Co-operative Alliance.
A. K. CONNELL	Vice-President, Labour Association.
John L. Trevor	Labour Church Society.
SYDNEY FOULGER	Ipswich Co-operative Society.
G. KERRIDGE	Ipswich Co-operative Society.
EDWARD E. BERRY	Society of Arts.
H. LLEWELLYN SMITH -	Board of Trade.
GEORGE NEWELL	Leicester Co-operative Hosiery Society.
JOHN POTTER	Leicester Co-operative Boot Society.
JESSE MARLOW .	Desborough Co-operative Society.
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JESSIE ELEONORA BURTON -	Chelsea Co-operative Society.
S. Bamford	Co-operative News.
R. FAIRBAIRN	Co-operative Lighterage Association.
W. Broomhall	National Co-operative Festival.
F. BALLARD	Kettering Co-operative Boot and Shoe Society.
W. BALLARD	Kettering Co-operative Distributive Society.
	Edmonton Co-operative Society.
• •.	Civil Service Commission.
• •	Kettering Co-operative Clothing Society.
A * -:	W. Thomson & Sons Limited.
•••	Social Democratic Federation.
S. Matheson	Clarke, Nickoll, & Coombs.
CHARLES WRIGHT	
ELIZABETH FOXWELL	
FELIX MOSCHELES	International Co-operative Alliance.
R. Applegarth	
M. Chambers - · ·	Ealing Self-Help Society.
JAMES DEANS '	Scottish Section, Co-operative Union.
ISAAC MORT	Stratford Co-operative Society.
W. H. HEY	Birmingham Independent Co-operative Soc.
G. E. PRITCHETT, F.S.A	Society of Arts.
A. Goodsik	London Institution.
CHARLES WILLIAMS	London Institution.
J. MARSHALL	Brixton Result Co-operative Society.
Mrs Holyoake Marsh -	Kentish Town Co-operative Society.
H. Pumphrey · · ·	
Duncan M'Innes	Midland Section, Co-operative Union.
George Lewis	
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J. H. HARRIS W. BAMFORTH	
J. HARTLEY JOHN LAMBERT	9 1
•	
Major DE WINTON	
W. Martin Wood Arthur Brownfield -	•
Edward W. Greening - Rev. Percy Dearmer	London Productive Society.
	Christian Social Union.
	Woolwich Royal Arsenal Society.
A. FAIRWEATHER HAROLD MOORE	Agricultural and Horticultural Association Ltd.
H. S. OMANANEY	Agricultural and Horticultural Association Ltd.
Mrs Walter Savage Landor	Co-operative Society, Lewisham.
	Hornsey.
	Croydon.
	London.
	Chelsea.
	Chelsea.
	London.
J. Quaii.	Lewisham.

J. Oliver	
W. BATEMAN	- Hanover Square.
J. M. GOLDIE · ·	- London.
Mrs Greening	· Lee, Kent.
Mrs Hill	- Sale, Cheshire.
Mrs Greening Mrs Hill	- Londen.
J. FORSTER	- London.
Elizabéth Pearce -	- London.
	- Hendon.
G. J. Weir - ·	- Drumarel, Enniskillen.
J. Edwards	- London.
A. W. BOND	
J. W. PRIOR	
M. RICHARDSON	- Walthamstow.
Miss Heyermanns -	- London.
ESTHER GRUNDE -	- London.
E. TRUELOVA	- Hornsey.
I. H. MORGAN	· Walworth.
Miss Heyermanns Esther Grunde E. Truelove J. H. Morgan Adolphe Smith	- National Liberal Club.
H. WHERRY ANDERSON	National Liberal Club.
Miss CADE	- South Norwood.
Miss Bowling	
James Long	
W. E. BEAR	
Mr and Mrs EDWARD CHITT	ry Devon.
	- Devon.
Madame Van der STRAELN	
	- Fulham.
Miss CLAYTON	Hampstead.Hampstead.Richmond.
Miss Clayton Bernard Dunning - D. S. Laurie	- Hampstead
D S LAUDIR	Richmond
E. H. BAILEY	- Leamington.
Major D'Aubigny	- Wimbledon.
The late Alderman T.	Wilibiedon.
CHAMBERS	- Woolwich.
W. T. BOOLER -	
	- Stoke Newington.
J. Spencer Hill -	- Clifford's Inn, London, E.C.
H. A. SHERRY	
J., T. FITCH H. L. TAPERIL	- Hendon.
H. WARNER	- London.
Major-General Owen Jones	Ranstead
O. VALERN - · ·	
T. W. Fox	- London
	 Co-operative Institute Society.
Mrs J. Harord Howard	
	- AND MAKE MA

APPENDIX C.

RESOLUTIONS OF THE INTERNATIONAL CO-OPERATIVE CONGRESS, 19th, 20th, 21st, 22nd, and 23rd AUGUST 1895.

I. Moved by Mr G. J. HOLYOAKE, Brighton. Seconded by M. CHARLES ROBERT, Paris.

"That the organisations and individuals which have signified their adhesion, be and they are hereby constituted the International Co-operative Alliance to continue the work commenced by the late Edward Vansittart Neale and his friends."

II. Moved by M. D'Andrimont, Belgium.
Seconded by Mr Robert Powell, Rochester.

"That a Provisional Central Committee of the Alliance be elected to consist of the following:—Messrs Cavalieri, J. C. Gray, E. O. Greening, A. Micha, N. O. Nelson, Charles Robert, Aneurin Williams, and H. W. Wolff."

"That this Provisional Committee be instructed to consider a suitable constitution for the Alliance and to report to this Congress before its close."

III. Moved by Mr H. W. Wolff, London.

Seconded by M. EDOUARD Sève, Belgian Consul-General.

"That a Committee be appointed to consult with the Provisional Committee already appointed, with special reference to the subject of trading relations among the co-operators of all nations."

IV. Moved by Mr E. O. GREENING, London.

Seconded by Mr R. H. Tutt, Secretary, Southern Section, Co-operative Union.

"That the following be appointed to this Committee:— Messrs Abt (Switzerland), Faber (Denmark), W. Savage Landor (London), Wright (Manchester), Ponti (Italy), Soria (France), De Quéker (Belgium), Peereboom Voller (Holland), Bignall (Civil Service Supply Association), and Miss Tournier (Women's Guild)." And it was agreed that these, together with Messrs Blandford, Ballard, Powell, Greenwood, Croce (Italy), and Count Rocquigny (France), should form the Committee.

V. Moved by Commandatore Cavalieri, Italy.
Seconded by Mr George Thomson, Huddersfield.

"That this Congress, believing a large extension of Co-operative production to be desirable, urges upon co-operators the advisability of greater activity in the establishment of co-partnership workshops in every country, and requests the Central Committee to collect and distribute information upon the subject, and, if possible, to submit to the next Congress a report embodying practical proposals for uniting and consolidating and extending the work of organisation in every country engaged in developing this branch of the movement."

VI. Moved by M. CHARLES ROBERT, France.

Seconded by Mr N. O. NELSON, United States of America.

"That this Congress, being strongly convinced that no permanent settlement of the relative position of Capital and Labour is practicable without the admission of the worker to a share in the profits over and beyond the ordinary wages, and that such admission is possible in a manner fair alike to employers and employed, urges upon all employers of labour the adoption of the practice indicated; and desires to put its opinion on record that fidelity to the co-operative principle requires all co-operative associations employing labour to assign to their workmen a fair share of the profits."

VII. Moved by Mr A. K. Connell, London. Seconded by Mr Dix, Leeds.

"That in the opinion of the Congress it is desirable for the higher development of co-operative production that where the principle of profit-sharing is applied, arrangements should be made for capitalising a fixed portion in the name of each worker as a part of the capital by the aid of which he is employed."

VIII. Moved by M. A. MICHA, Belgium.

Seconded by Commandatore CAVALIERI, Italy.

"That this Congress being satisfied from the experience collected in continental countries that the practice of Co-operative Banking, organised on the principle of pure self-help, is calculated to confer great benefits upon the working classes, declares that the efforts now being made for extending this practice, more particularly in the United Kingdom, are deserving of all practical support, and expresses a hope

that means may be found for linking together in closer union the bodies practising Co-operative Banking in various countries."

IX. Moved by M. Jules Many, France. Seconded by M. Charles Robert, France.

"That this Congress is of opinion that in every country mixed Joint Committees should be formed by the different branches of Co-operation, viz., Supply, Production, Building, and Credit, with a view to establish such relations as cannot fail to be of advantage to each of those branches."

X. Moved by Mr N. O. Nelson, United States of America. Seconded by Dr Slotemaker, Holland.

"That this Congress heartily congratulates the Co-operator's of Great Britain on the wonderful success which has attended the co-operative store movement, which by its adaptability to the requirements of all classes, and by its power to accumulate capital in the hands of the workers, is calculated to afford facilities for the extensive development of industry by the working classes of all countries that will ensure for them a brighter and happier future."

XI. Moved by Mr J. C. GRAY, General Secretary, Co-operative Union.

Seconded by Mr BAMFORTH, Manchester.

"That this Congress urges the necessity of all co-operative institutions of whatever form, whether distributive or productive, keeping steadily in view the many opportunities afforded by the co-operative organisation for promoting social education in true citizenship, and for this purpose advises the establishment by all societies of educational funds, Women's Guild branches, and other auxiliary institutions calculated to encourage this end."

XII. Moved by Mr J. DEANS, Scotland.
Seconded by M. CHARLES ROBERT, France.

"That this Congress believes that the interest of Cooperation will be advanced and accelerated by all societies adopting the principle of profit-sharing amongst their employees; the capitilisation of this share of profit in order that the employees may enjoy a provision when old age compels them to cease work; the extension to every employee of facilities for understanding the higher social objects which co-operators seek to introduce, and inducing them to become enthusiastic co-operators as well as contented and faithful co-workers in the stores." XIII. Moved by EARL GREY.

Seconded by Mr KERRIDGE, Ipswich.

Supported by M. M. AVRAMOVITCH, Servia.

"That this Congress recognises the extreme gravity of the agricultural crisis throughout Europe, and sympathising with the trials of all classes which depend on the land for their incomes, commends to their attention the adoption of co-operative methods as a practical means for mitigating the evils of the present, and for paving the way to a better and more prosperous future. That we would especially commend the efforts now being successfully made to establish associations for agricultural supply and sale of farm produce, co-operative creameries, agricultural banks, profit-sharing farms, labourers' and peasants' stores, and allotment associations."

XIV. Moved by Mr N. O. NELSON, United States of America.

Seconded by Mr G. J. HOLYOAKE, Brighton.

- "That the best thanks of this Congress be accorded to:-
 - "The Council of the Society of Arts for granting the use of their Hall and Rooms.
 - "The Lords of the Council of Education for placing at our disposal the South Kensington Museum.
 - "The Council of the Agricultural and Horticultural Association for the use of their offices.
 - "The Readers of the various papers.
 - "The Press, for admirable reports.
- "And to the following for kindly hospitalities extended to the members of the Congress:—
 - "Right Hon. Earl Grey.
 - "Lord Brassey, the Hon. T. A. Brassey, and Lady Idina Brassey.
 - "Civil Service Supply Association.
 - "Co-operative Wholesale Society.
 - "Civil Service Co-operative Society.
 - "Woolwich Arsenal Co-operative Society.
 - "Stratford Co-operative Society.
 - "The Warden and Residents of Toynbee Hall.
 - "The Council of the People's Palace.
- "And most especially to the promoters and organisers of this most admirably arranged and successful Congress."

RESOLUTIONS PRELIMINARY TO THE PREPARATION OF A CONSTITUTION OF THE INTERNATIONAL CO-OPERATIVE ALLIANCE.

Article 1.

"An International Co-operative Alliance is created between the Associations and persons now or hereafter adhering to the work commenced by the late Vansittart Neale and his friends; to promote co-operation and profit-sharing in all their forms."

"The Resolutions of the first International Co-operative Congress, (London, August 19th to 23rd, 1895) shall serve as guides for the preparation of Statutes for the Alliance, and for its operations. These resolutions are as follows:— (See pages 34-37.)

Article 2.

"The Alliance does not interfere with politics or religion."

Article 3.

- "The objects of the Alliance are defined to be :-
 - (a) "To make known the co-operators of each country and their work to the co-operators of all other countries by congresses, the publication of literature, and other suitable means.
 - (b) "To elucidate by international discussion and correspondence the nature of true co-operative principles.
 - (c) "To establish commercial relations between the co-operators of different countries for their mutual advantage."

Article 4.

"The Alliance will be careful to act, as much as possible, through the organisations existing in the various countries."

Article 5.

"The Provisional Central Committee, created by the resolution of August 19th, is continued in office, with the title of Central Committee, until the end of the next Congress."

"The following are the members thereof:-

Monsieur	D'ANDRIMONT	•••	•••	Belgium.
,,	Місна	•••	•••	"
Monsieur	E. DE BOYVE	•••	•••	France.
**	Kergali.	•••	• • •	,,
"	CHARLES ROB	ERT	•••	**
• • •	CRÜGER			Germany.

Mr J. C. Gray	***		• • •	Great Britain.
Mr Edward Ow	en Gri	EENIN	G	23
Rt. Hon. EARL G	REY	•••	• • •	"
Miss Tournier	•••	•••	• • •	"
Mr Aneurin Wi	LLIAMS			72
Mr HENRY W. V	VOLFF	• • •	• • •	11
Commandatore E	NEA CA	VALH	ERI	Italy.
ONOREVOLE LUIC	31 Luzz	ZATTI	••••	,,
Mr N. O. NELSON				United States.

"The Committee shall have power until next Congress to add to its number new members, chosen from among persons who are members of the organisations adhering to the Alliance, or who adhere individually."

Article 6.

"The Central Committee shall elect from its own members an Executive Bureau, composed of Chairman, Deputy Chairman—who may also act as Treasurer—and a Secretary. This Bureau shall sit in London."

Article 7.

"That the following form the Executive Bureau of the Alliance:--

EARL GREY, President and Chairman. H. W. WOLFF, Treasurer.

E. O. GREENING and J. C. GRAY, Hon. Secretaries, with A. WILLIAMS, as Assistant Hon. Secretary."

Article 8.

"The Central Committee shall prepare for, and present to, the next International Congress, a complete Constitution for the Alliance, embodying the objects and principles of the Alliance as defined by these resolutions and upon the following lines:—

- (a) "The Alliance shall have a Central Committee which shall be elected at the next International Congress, and thereafter shall retire, and be renewed by halves at each Congress. The order of retiring shall be determined at first by lot, and afterwards by seniority. Retiring members are re-eligible."
- (b) "In each country there shall be a section, or several sections, of the Alliance, and each section shall have a Sectional Council. All co-operative bodies and co-operators who shall have adhered to the Alliance as individuals, within any section, shall be represented on the Sectional Council."
- (c) "The Constitution shall determine the respective functions of the Central Committee and Sectional Councils; the amount of subscriptions, and the right and scale of voting."

Article 9.

"Until the next Congress the Central Committee shall appoint one or more correspondents in each country; and may determine their functions."

Article 10.

"There shall be Congresses of the Alliance at intervals of not more than three years, as the Central Committee may determine. These Congresses shall be held, as far as practicable, in each of the allied countries upon invitation from that country accepted by [the Central Committee. The next Congress shall be held next year."

Article 11.

"Co-operative organisations, and individuals, desiring to adhere to the Alliance may be admitted to membership. (a) By the Central Committee until next Congress, and (b) thereafter as the Constitution may determine."

"The Alliance includes two classes of Members :-

- (1) "Organisations whose Delegates have the right to speak and vote at the Congresses.
- (2) "Persons who adhere individually without being delegated by a Society. These have the right to be present and to speak at the Congresses. Any ten of them may also appoint one of themselves to vote at any Congress. Nevertheless, the President, Vice-Presidents, Honorary Presidents, and Members of the Executive Council of the Congress of 1895, although only adhering as individuals, shall have the right to vote at the Congresses."

Article 12.

"Subscriptions to the Alliance until its next Congress shall be at least two shillings per annum for an individual, and at least £1 for an organisation."



EARL GREY.

PROCEEDINGS OF THE CONGRESS.

THE Congress assembled shortly after 10 o'clock on Monday morning, 19th August 1895, in the rooms of the Society of Arts, Adelphi, London.

THE PRESIDENT (the Right Hon. Earl Grey), who was loudly cheered on rising to address the delegates, said:—Gentlemen.—We have met here to-day, the representatives of different organisations, widely removed indeed in language, but clearly united in aspirations, to take counsel together to see how far the co-operative principle has been, or can be, applied to industrial enterprise in our respective countries.

But before we embark on the proceedings of this Congress, or before we attempt to deal with its subjectmatter, it is my sad duty to refer to the loss we have suffered in the death of Mr Edward Vansittart Neale, to whose unselfish and untiring energy our meeting here today is due; and it would in my opinion only be a fit compliment to the memory of the truest and most conscientious of men, who pledged himself in such an untiring manner to bring about this Congress, for us to devote one moment of absolute and reverent silence to the contemplation of his memory and his inspiriting example. That example will always remain to stimulate us in that noble faith which he lived up to every hour of his life, by devoting his untiring energy and his considerable fortune to the great and ennobling principle of co-operation, which an earlier generation was accustomed to regard as Utopian, but which is a practical possibility to-day. The object of this Congress is, as you know, to prepare the way for the formation of an alliance, and provide machinery which will enable the friends of co-operation all over the world to keep themselves informed as to the methods adopted in different countries. In England, if I may refer to our own country first, we have by an organisation, developed and controlled by the co-operators themselves, without any outside assistance, enabled upwards of one million and a quarter members, not only to obtain for their families unadulterated goods for their money, but in addition to divide among themselves the enormous sum of between four and five millions per annum, which profit, had it not been for their organisation, would have gone into the pockets of other people. In this distributive branch the people of: England, may claim, without being accused of want of modesty, to be the teacher, and not the pupil of other nations, but in other branches we have much to learn from our foreign friends.

Italy holds out to other nations examples of what may be done on behalf of workmen's associations, which, not having sufficient capital to purchase the raw material, contract to supply the labour required to work up the material supplied by the State or other outside agencies. Also, we welcome to-day Signor Cavalieri, to whom we look for information as to the working of the co-operative banks, which have conferred great benefits on the poorer classes of the Italian people. We may also look to other countries besides Italy as to the working of mutual credit and co-operative banks, especially to Germany. With regard to the latter country, we may well look there to study the careful and scientific methods of its people. It was Germany that first successfully introduced the system of peasant banks, which I sincerely hope we shall in this country have sufficient energy to imitate.

Unfortunately our Congress clashes with the festival of the German Agricultural Banks, otherwise we should have had the benefit of a large number of delegates from that country, who would, I have no doubt, have given us the great benefit of their experience. To turn from Germany to Belgium, we hope to learn from our distinguished friends, MM. D'Andrimont and De Quéker, something of that

vast Belgian Co-operative Federation which at its birth was vast Belgian Co-operative Federation which at its birth was ridiculed as a wooden sword, but which has now assumed so firm a position. The representatives of Denmark will, I hope, give us a report on the working of the co-operative creameries, which have proved such a blessing to the small struggling farmer in that country, and I am sure that if their example were followed in this country it would confer a great benefit on the poor hard-worked farmer over here. The United States have also sent their representative, Mr Nelson, with some hints perhaps bearing on co-operative creameries, which we shall greatly value. With reference to Mr Nelson, I cannot refrain from offering the heartfelt thanks of this Congress to him for coming from his home in far off St Louis, U.S.A., to assure us that the United States do not intend to be left behind in this Conference of the different countries of the world, who hope to secure for labour its proper participation in the profits of industry. We shall, I am sure, learn with peculiar interest what he has to teach us on this occasion, on the question which will occupy our chief attention during this week, the consideration of how best we can promote in industrial enterprise the profit-sharing principle. Last, but not least, we come to France, and I have great pleasure in announcing that we have been fortunate enough to get several delegates from that country. They will be able to tell us something about co-operative workshops. And I feel confident that what they have to say will be to our mutual helpfulness and advantage. They will be able to tell us that the co-operative workshops, founded by the genius of Godin, have proved that when a real solidarity of interest has been established between employers and employed by associat-ing them in the close ties of a united and inseparable partnership, the greatest security that ingenuity can devise has been provided against the recurrence of strikes and lock-outs. They will be able to tell us that the plan of dividing to labour part of the profits gained year by year, after interest has been deducted for use of capital, has been good, not only financially, but also for creating a feeling of brotherhood and mutual helpfulness throughout the whole of the staff.

There is no doubt that profit-sharing schemes establish a feeling of brotherhood among employers and employed. The employer no longer grinds his workmen to get as much out of them as he possibly can for the smallest amount of wages, but the profit-sharing principle creates in him a feeling of help and sympathy towards the employees. The employees, on the other hand, do not grumble, but do their utmost to make the concern profitable, knowing full well that it will be to their benefit. A solemn duty rests upon this Congress to make known this fact to all employers in England and on the Continent, and to let them know that it has been proved both in France, and also in this country, that it is the only true solution of the difficulties that sometimes arise between employers and employees. The time has gone by when the taunt could be flung at the working classes of this country that they were not fitted either morally or intellectually for the bestowal of this right. We can point to over one hundred and twenty satisfactory businesses, which at the end of 1894 had a capital of £799,460; sold in the year £1,372,424 worth of goods, and made a profit of £65,852 (after deducting losses of £3,135 made by a few of them). The sum of £8.751 was paid as labour's share of the profits. Last year, the Scottish Wholesale Society realised a profit of 161 per cent. on the £160,000 invested in its productive departments, and this profit was divided among the purchasers and the workers. Is not that a splendid example of the practicability of the profit-sharing principle? (Applause.) I am very pleased to notice that Mr Livesey is present, as he will be able to give us some valuable information as to his experience with the gas-workers. I am sorry that Mr Maxwell cannot be present, but our friend Mr Greenwood, of Hebden Bridge, will no doubt inform the Congress as to his experience of the profit-sharing principle. I think that the testimony of these gentlemen will show that wherever the profit-sharing principle has been adopted, it has given satisfactory results. When he gave evidence before the Labour Commission, Mr Bushill said, "It acted as a lubricant, reducing the liability to friction between individuals and departments, encouraged fertility of resource in over-

coming difficulties, and devising cheaper methods of production." He further stated that it introduced a system of mutual foreinanship, and that consequently the cost of supervision was greatly reduced. The profit-sharing system also reduces to a minimum that poisonous antagonism between employees and employers, which constitutes to-day the greatest danger with which civilised society is threatened. In every part of the world where labour has a fixed and limited interest in the product of the industry in which it is engaged, we find the same ugly phenomena in varying degrees, in the rival camps of employers and employed. We find suspicion, secrecy, angry jealousy, and growing discontent. So notorious is the fact that under the existing wage system the constant effort of labour is to reduce the value of the services rendered to the lowest point, that when in this country, in 1892, a Royal Commission was appointed to inquire into the questions affecting the relations between employers and employees, and the conditions of labour generally, the Daily Chronicle, a newspaper which deservedly enjoys the reputation of being most friendly to the claims of labour (hear, hear), expressed the hope that the Commission would attempt to guide the aims of labour into the proper direction, pointing out, in clear and unmistakable terms, that at the present time labour has but one object, which is to do as little work for as much money as possible. Two great evils result from the attempt of employers to pay as little as they can, and of employees to do as little as they can in return. The national output, on which the prosperity of society depends, is diminished, and the average standard of character, on which the greatness of the State depends, is deteriorated. The two great ends the members of every community desire are material prosperity and nobility of character. If, therefore, it can be proved, and undoubtedly it can, that the wage system, when unsupplemented by any right to share profits, so far from helping us to reach these desired ends, tends directly to restrict the output, and degrade the man, we find that it is imperatively necessary to find some better plan. (Applause.) I do not wish it to be said that I attack the principle of payment by wages in

all its branches, but I say that in those cases where the individual operative has no other bond of union with his employer than the wage he receives, and the work he gives, and when he naturally adopts the tone of his brother operatives, who look at everything from the standpoint of how much they can get for how little they can do, then I say that in those cases the wage system is directly responsible for encouraging selfishness, for obliterating the sense of duty and of service to others, and for dwarfing the higher moral side of human nature. (Cheers.) I have watched for many years the operation of the wage system in agriculture, and have long come to the conclusion that it tends to degrade the worker. What we want is some system of remunerating labour which will raise the dull and soulless automaton into the cheerful, hopeful, and thinking man. The experiences of Godin, Leclaire, Bushill, Livesey, Thomson, Greenwood, and a host of others, lead me to believe that the only way to vitalise the human automaton of industry back to manhood, is to convert the hireling, with limited personal interest, into the partner, with wide and enlarged sympathies—a partner anxious for the welfare of the business by reason of the interest which comes from his partnership in the industry in which his labour is engaged. Years ago M. Godin pointed out that i just as labour had ascended from slavery to serfdom, and from that to wagedom, no one could venture to put a limit to its march until it had reached that perfect system in which the hireling has been absorbed into the partner. We stand to-day on the first step of the final transition. We look forward with hope to the proceedings of the Congress, because we believe that the influence which will flow from it will concentrate the reforming energies of this generation on the high work in which we are engaged, namely, to seek to convert the hireling into the partner. (Cheers.) It may be asked, if it is true that the present wage system is defective, why does not the profit-sharing principle loom large in our national industries? I rejoice to be able to say that there is a steady growth in this country in the number and importance of our profit-sharing industries. I believe that as soon as the conditions are favourable to the

application of the profit-sharing principle to existing industries, an increasing number of capitalist employers will seize upon the opportunity to establish their industries on a profit-sharing basis.

The new social spirit, which is asserting itself every day with increasing force, prompts many employers to admit of their own accord the rights of labour to participate after capital has received its proper interest. The only difficulty to-day in the way of applying the principle of profit-sharing to our industries is in many cases the unfortunate want of profit to divide. We have been passing through an unusually long period of descending prices, and until that fall is arrested, and producers are able to face the future with confidence, it is only natural that many thoughtful employers should hesitate to approach their men with schemes of profit-sharing, and thus raise hopes which may be disappointed. There is also the timidity about making a change in the established system - a timidity natural to all who prefer to lead easy lives. Some employers who have introduced the principle of profitsharing into their establishments have been shunned by their neighbours. In other cases the trade has refused to accept the articles manufactured by them. I hope that these and similar obstacles will become things of the past as soon as we are able to create a public opinion in favour of that principle of justice, which acknowledges that labour should be admitted by right to a share, with the other agents of production, in the profits of the industry in which it is engaged. Now, in order to raise that strong public feeling in favour of converting the hireling into the partner, we in England necessarily look to two great institutions—the trades unions and the co-operative wholesale enterprises—who have not as yet ranged themselves on our side. I rejoice to know that leading members of trades unions-notably Mr Thomas Burt and Mr Tom Mann-have publicly identified themselves with this great movement. But the trades unions as a body have not declared themselves in favour of the profit-sharing principle. A tremendous responsibility rests upon them, for in proportion as their influence is used for or against this great step

towards the emancipation of labour, so will the transition be hastened or postponed. A still greater responsibility rests upon the Co-operative Wholesale Society of England. which in its desire to benefit its million customers, has refused to admit its employees to any share of the profits to which their labour contributes. Still I am aware that the advocates of profit-sharing have strong forces working for them among the co-operative societies of England. Gentlemen, I have always maintained that the principle which seeks only to make profit out of the labourer is a pagan principle; the principle of Christianity is that a man should have a share of the produce according to the utility of his work. The principle which Godin laid down as to profit-sharing is admirably adapted to the present time. It is a demand which self-respecting labour ought to make, and which when made capital ought to be disposed to grant. I thank the meeting for the great honour they have bestowed upon me in asking me to preside at the first International Congress; and I think it only right to have used the position to draw your serious attention to the relations between employers and employed. I hope that your proceedings this week will do something to hasten on the true emancipation of labour, and pave the way for the admission of the partner-worker into an everincreasing number of industries. (Loud and continued applause.)

Mr J. C. GRAY (Co-operative Union of Great Britain)—I think it is better that we should take as read the various reports from the delegates of different countries represented, as copies have been placed in the hands of every delegate attending the Congress.

There being no opposition, this course was agreed to by common consent.

Mr E. OWEN GREENING (Agricultural and Horticultural Association, London) then addressed the Congress on the subject of the proposed International Co-operative Alliance. He said—I deem myself happy in having lived to see to-day the prospect of the fulfilment of our highest hopes—a union of the friends of industrial peace throughout the kingdoms. Like you, sir, I feel the absence of my



J. C. GRAY

revered and beloved friend, Edward Vansittart Neale, who was with us in the first difficult steps of our march, but only lived to see into the promised land. He was not fated to enter. Yet he toiled to the last to make the path easier for us; and in the faith of anticipation I know that he enjoyed some of the glory and some of the good which it is ours to realise. Remembering how this International Alliance—the crowning work of our half century of labour -has been held in view by all the great founders of our movement everywhere, it may seem as if we are late in entering upon this stage of our development. Other interests less important than ours have preceded us. Trades unions, the fighting forces of industrialism, have had many international conferences; the men of science and the men of trade; the public organisers of postal, railway, and telegraphic services; the leaders in warlike development and the honoured advocates of peace; the missioners of religion and the ministers of health-all these, and many others, have achieved some sort of international union for themselves, whilst we have seemed laggards in the race. But we have this consolation as regards the past, that during the half century of our co-operative existence we have been laying the foundations of our work deep and strong in many places; and now that the time is ripe for a general union, I believe we can confidently count upon sufficient force and adequate means to sustain it. moderate estimate of the membership of our co-operative movement in all lands where it is established gives us a grand total of five to six millions; and as these are mostly heads of samilies, they represent a population of probably twenty millions of people at least. If they were all gathered in one land, under one government, the world would realise that a new empire of the first rank had grown into existence in the last half of our century. And the glory of it is that ours is wholly a commonwealth of concord—(hear)—a product of peaceful evolution, a natural outgrowth of ideals—relying for success upon the attractiveness of equity and mutual generosity embodied in practical business. Wherever our ideals have found a lodgment in the hearts of a few villagers or town artisans, or wherever

they have attracted the sympathies of good men amongst the rich, there we have seen springing up societies of supply or co-operative workshops, or perchance credit banks. We have seen these small communities grow into greatness and become the nursing mothers of other societies in their own neighbourhoods. Then we have seen them federate into district and national organisations, steadily and surely realising the uplifting of the people by training the masses to work out their own emancipation.

I hope I may be permitted, without offending the susceptibilities of any, to point out that the internationalising of these peaceful co-operative organisations which we now propose is a more hopeful and a more practical work than any existing proposals of national collectivism, because we need not wait for the conversion of a political majority anywhere, nor are we under any necessity to attempt the difficult and dangerous task of coercing unwilling minorities to adopt our methods. We base our plans upon the greatest and most stable of all bases, the willing union of men and women who have common purposes, consistent ideals, agreements of methods, one social faith and hope for themselves and for one another. Our co-operative internationalism has the grand advantage of recognising and tolerating the beautiful fact of variety of gifts to the peoples. The inspiring vivacity of the genius of France; the solid strength of British industry; the scientific cast of German thought; the graceful polish of Austrian character; the artistic force of Italian talent; the acuteness of Belgian enterprise; the logical bent of Dutch development; the cosmopolitan beauty of Swiss ideas; the bravery of Russian hopefulness; the infinite resourcefulness of American inventiveness—all the varied mental powers of nations developing themselves freely in co-operative organisations, which are everywhere self-governed, and therefore everywhere under the inspiration of liberty. Now that we arrive at the time to federate ourselves for mutual help and for the common good, we find to our satisfaction and delight that there is hardly any product of agriculture, of manufactures, of commerce, of art, of science, of financial arrangement, which is not to be found in our movement;

and as a rule, everything is good of its kind, because the co-operative workman is inspired by co-partnership and profit-sharing to honour himself in his work, and to produce what is excellent. So wherever we may establish our central international agencies, we shall be able to give the assurance to one another, and to the world, of honest supply to be obtained through them. That is an enormous advantage at the outset. It is worth a million sterling spent in self-laudation by advertisement. (Cheers.) We have next the great advantage of a ready-made goodwill in our mutual regard. My own society—the Agricultural and Horticultural Association, of which I am Managing Director-buys millions of coloured lithographs in which to pack the seeds we supply. We know there are co-operative producers of such lithographic work in France. We only want the medium of a common agency to bring us into relations with our French brethren. It is so with the British stores, who purchase enormous quantities of the farming products of Denmark and Holland, the fruits of Italy, the sugars of Germany, the oils of Russia. The co-operators of all countries will find consideration in Britain for their samples and quotations; and in turn we believe that the co-operative workshops of Great Britain will need little introduction to obtain an inspection of the cloths and calicoes, the cutlery, metal, and other goods, which we can offer to co-operators abroad.

Thus our co-operative movement will be found to be the needful supplement to the grand idea of freedom of commerce amongst all peoples, and the most certain pledge of a future reign of peace amongst nations when co-operation has reached its full development. It remains to consider the lines upon which we ought to establish our new International. And here I think our course is clear. Our constitution should be inclusive, so as to gather up all elements of strength and success. I do not mean by this to suggest any surrender of principle. By all means let this Congress, and future ones, clearly decide what is essential to the practice of true co-operation, and use the immense moral power of a grand consensus of opinion to bring all our friends to accept agreed views, and to cause

small local dissensions to cease. But wherever essentials in principle are accepted, let us tolerate every variety of organisation which can fairly be recognised as co-operative. Let us keep an open door for every co-operative organisation to come into the Alliance, and for every willing individual to work in the cause. Let the conditions of membership be few and simple, the necessary payments light enough, the organisation sufficiently elastic in its character. Details had better be left to be arranged by a small committee chosen from the representatives present who are interested in our project, and this committee should present a report before the close of the Congress; but we should, I think, agree upon the general characteristics of our Alliance before we separate. Each country should pledge itself to establish a centre in which information should be available to all of what is doing by co-operators in other countries. These centres should recognise it as their duty to circulate widely the literature of international co-operation, being careful to work as far as possible through existing organisations. The International Alliance should seek to establish new organisations for propagandist work where none already exist; to put new life into the old organisations; to keep records of everything relating to co-operation at home and abroad; to spread a more comprehensive knowledge and conception of the full meaning of mutuality applied to every phase of human life. The International Alliance should, I think, abstain from any form of trading; but it should be the business of the International Committees to found suitable commercial agencies which will bring existing co-operative business organisations into relations with those of other countries. A sample-room, an office, and above all, a competent agent. animated with the true co-operative spirit, will be needed, and little more. Let each agency begin with small expenses and a moderate establishment. Let us be content to grow slowly, but steadily, into the larger developments worthy of our mighty movement. We have to learn by experience exactly what can be done in the new field of work, and how it can be best done. Such has been the policy which brought us success in the past. And these methods have



G. J. HOLYOAKE.

the advantage of educating and training our people to do their own work. Great communistic ventures attempted through sudden political and social revolutions often fail because they leave the mass of the people unchanged. We must ever bear in mind the examples of the wise co-operative leaders of the past, who have been content to carry out their most far-reaching plans gradually whilst leading the people step by step along with them. So when those wise leaders have passed away, their work has stood firm, as we see the people themselves understanding, appreciating, and upholding it. If we agree to develop our new internationalism in this spirit, and by these methods, the Congress of to-day will, I am sure, be found to have created new and durable links in the chain of human brotherhood which co-operation is slowly but surely forging for mankind. (Cheers.)

The PRESIDENT—I have now to call upon Mr G. J. Holyoake, the father of co-operation, to propose to you a resolution.

Mr G. J. HOLYOAKE (Co-operative Union of Great Britain and President of the Labour Association), who was received with applause, proposed the following resolution:-"That the organisations and individuals which have signified their adhesion be, and they are hereby, constituted the International Co-operative Alliance, to continue the work commenced by the late Edward Vansittart Neale and his He said—In the days of my earliest political recollections (1832) the name of Earl Grey was a name of hope and honour in every working-class circle interested in Reform, and it is a good omen for labour that the Earl Grey of 1895 is our President to-day. The resolution assigned to me to move, constitutes the new International Alliance to which Mr Neale looked forward, and which has become possible by the advocacy of Mr Hughes, Mr Ludlow, Mr Morrison, Lord Ripon, and by the initiative of Charles Robert, M. de Boyve and Mr Greening, to whose devotion and resources in device we owe the organisation of this Congress. It was in this very hall, in 1869, that the first Congress for the furtherance of Rochdale Co-operation was held, and in this hall, twenty-six years later, we propose to raise the

standard of International Co-operation. The word Internationalism is itself an education. It carries the outlook from town to county, from county to country, from native country to other countries, until an educated sentiment of industrial friendliness embraces all nations. It was Louis Blanc who first made the term solidarity familiar to us. France is the fertile land of ideas. Italy endows ideas with art, Germany endows them with their worth of thought, as Mr Greening has eloquently said, and America entertains with a noble hospitality to industrial enterprise. Co-operation is the common interest of all. Our President, Earl Grey, has spoken of the feeling of antagonism that exists between master and man; we, as co-operators, want to end this conspiracy of inefficiency and distrust between employer and employed. But there is something else which we desire to end even more strongly, and which is in a great measure to be done by international co-operation, if it be extended on the right lines—and that is the animus that sometimes exists between nations. Unless the principle of co-operation and profit-sharing is extended to other countries, we in England, do what we may, can never raise the worker from the automaton state, for other countries will flood this country with wares made by miserably paid workmen. In early co-operation, one of the fundamental aims was not to seek State aid, nor permit, if we could help it, State interference. Co-operators can take care of themselves

The other day Mr Shaw, Solicitor-General for Scotland, said, with respect to a great measure of public equity, that "they ought to create a new sense." That is what Co-operation seeks to do. It began in the revolt of the moral sense against internecine competition, which it seeks to mitigate, competition and brotherhood being contradictory terms. We believe co-operation imparts security to capital, honesty to trade, and equity in the remuneration of labour; and to this end we seek to found an International Co-operative Alliance. (Applause.)

M. CHARLES ROBERT (France) seconded the resolution in the name of the French societies he represented, and said—My Lord, ladies, and gentlemen, brother co-operators,



DE BOYVE.



CHARLES ROBERT.

I have the honour to be delegated to this Congress by four societies—the Société de la participation aux bénéfices, the Union coopérative des Sociétés françaises de consommation, the Chambre Consultative des Associations ouvrières de production, and the Société du Musée Social. The first is a society of employers, who, by means of profit-sharing, raise their workmen and employees to the rank of fellowworkers with a common interest, and make friends of them. The second, composed of convinced and determined cooperators, represents that portion of the working population which, seeking to emancipate itself by peaceful and lawful means, finds in distributive co-operation, properly understood, a lever capable of raising the working classes.

My friend De Boyve was delegated with me by our Co-operative Union. Being unavoidably prevented from coming to London, he sends you his sincere excuses and affectionate remembrances. I deeply regret his absence. M. de Boyve was in 1885 the promoter of the Distributive Co-operative Congresses in France. The following year, at the Plymouth Congress, he spoke of the creation of an International Alliance, and he took part in the preliminary meetings which were held on the subject at Huddersfield in June last. In Paris, in 1889, our French Co-operative Union organised with his help an International Co-operative Congress, in whose work the venerable and lamented Vansittart Neale largely collaborated.

The third French society from which I have received a delegation is the Consultative Chamber, which represents in our country the upward movement of co-operative production. Resting firmly upon a Co-operative Credit Bank, it comprises at present 69 associations out of a total of 120. Applying the great principles of solidarity and justice, these associations have for rule the distribution of profits between labour, intellect, and capital. By a letter of 16th August, signed by its Secretary, the citizen Vila, the Consultative Chamber expresses its regret at being unable, notwithstanding its strong desire, to send you one of the members of its adhering associations. It has kindly charged me to be its spokesman, conveying to all the members of the Congress its sympathetic salutations.



Lastly, the fourth society whose mandate I bear is the Société du Musée Social, officially recognised by the French Government as "of public utility," created and endowed, at different times, with a sum total of about two millions of francs, by M. le Comte de Chambrun, a member of the aristocracy resembling many whom you have in England, since he is devoted heart and soul to industrious and honest democracy. He is a member of the old nobility of France, who this day, taking a deep interest in the cause of social progress, with the hope of serving both France and mankind, has just founded competitions, with two prizes of 25,000 francs each—one for the best work on profit-sharing, the other for whoever shows in the most complete manner the benefits which the principle of association can bring about for the workers of the towns and of country districts.

These four French societies, which, with many others, represent among us the liberal-minded employers, equitable distributive co-operation, productive co-operation enlightened by experience, intelligent and generous aristocracy, offer you their most cordial and fraternal salutations. (Applause.)

Signor ENEA CAVALIERI (Italy) said—It is a logical necessity to spread the network of co-operation over the various countries, especially as the spirit of commerce and of capitalists, against which co-operation fights, is peculiarly audacious and unscrupulous in choosing its plan of campaign, without any regard to geographical boundaries or to nationality. Sooner or later, the problem must be solved. Although the work which is being inaugurated may possibly not give any speedy practical result, yet the significance and loftiness of its aim will make a mark. By replacing the fierce and dishonest market competition by the disinterested methods of co-operation in the field of supply, and at the same time substituting labour associations for the humiliating slavery of capital in the field of production, the tranquillity and welfare of the citizen as well as the prosperity and solidarity of the nations have been visibly augmented. Therefore, by employing the same weapons in a more extended area, still further results may follow, which will. little by little, ensure peace in the world.



COMMENDATORE CAVALIERS.



COUNT DE ROCQUIGNY.

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COUNT DE ROCQUIGNY (France) gave reasons for his adhesion in the following words: - I have the honour to represent at this Congress a new form, and indeed, I may also say, a new force, of co-operation, the French Agricultural Syndicates. I have not, indeed, any authority to speak in the name of our 1,500 agricultural syndicates, but I am here as the delegate of their most important group, L'Union des Syndicats des Agriculteurs de France (the Union of the Syndicates of French Cultivators), which numbers at present 550 agricultural syndicates, having in the whole 400,000 members. In the name of these syndicates, I adhere to the project of an international understanding, and of cordial and practical relations to be established between the co-operators of all countries and in all the branches of co-operation. This Alliance cannot to our mind, injure the noble ideas of patriotism which we all, to whatever nation we belong, deem it an honour to cherish in our hearts, and which remain as necessary and as legitimate to-day as at any other epoch of the world's history. But the necessity of remedying social inequalities, of improving the lot of the working classes, has widened in our days that feeling of the human solidarity which has overstepped the frontiers of States. It has given birth to co-operation, it has produced the marvels of co-operation, so especially striking in this free country of Great Britain. In this matter we all can. nay, we ought to, unite and help one another. Co-operation has general interests common to all peoples; we have to define them and to defend them, acting in concert against its enemies. We have also to promote the application of its principles. Finally, and coming to matters practical. since every country has its special products, it is very clear that distributive co-operation has everything to gain by furnishing itself direct from the co-operative production of the countries which can supply it, and by thus withdrawing itself from the overcharges and the adulteration of trade. It is in this spirit that I have the pleasure of bringing to the project of an International Alliance the adhesion of our agricultural syndicates, which represent agricultural cooperative production in France.

M. ABT (Switzerland) expressed his gratitude on behalf

of the Swiss co-operative societies for the reception given him. He represented a society mostly made up of small agricultural landholders, most of whom had adopted the principle of the Equitable Rochdale Pioneers, and on their behalf he supported the resolution. He was glad that England had taken up the idea, because he believed that with its practical business notions it could carry it to a success. (Cheers.)

M. DE QUEKER (Beigium) said that it was very necessary for the isolated societies he represented to enter into a Federation, and get greater strength by such a union. The International movement would in less than a year receive inestimable benefits if the Alliance were carried out. He therefore supported the resolution. (Cheers.)

M. MICHA (Belgium) recalled the fact that two years ago he met some of the leading co-operators in London to consider the practicability of this idea. How great an advantage the Alliance would be he was aware. He approved it in the name of social peace, and as the co-operators of small countries like Belgium were above all interested in it, he supported the resolution. (Cheers.)

M. D'ANDRIMONT (Belgium) said—In the name of the co-operators of Belgium, invited to this Congress, I thank you for your kind welcome, but I tell you very sincerely, this welcome does not surprise us. We have long known the great hospitality old England exercises so generously towards foreigners, and above all towards the Belgians. We are both flattered and honoured by the same. International Alliance, in which you invite us to take part, is a work which must be of the happiest results, as it springs from a sentiment of human brotherhood. It will give the co-operative movement an authority and power whose beneficial effects will quickly make themselves felt. We most sincerely offer our best wishes for the complete success of this Congress, whose labours, I am convinced, directed by our eminent President, will reach and maintain the highest level we set before ourselves to attain.

Mr N. O. NELSON (United States of America) said— On behalf of the co-operators and co-operation, in all the various forms it has assumed in America, I am pleased to



M. D'ANDRIMONT.

support what has already been said by the delegates from the different countries. If my reward for travelling over 4,000miles from my home in St Louis to attend this Congress, was only to hear what I have heard this morning, and to listen to the wise words of advice spoken by the gentleman who occupies the chair, I should consider myself well repaid. But what I am particularly pleased to see is that the moral element in manhood has been placed well to the front. We in the United States have not ceased to look to the mother country, and to the Continent of Europe, for advice and instruction. We are not so self-sufficient as to be incapable of learning from those countries which have had larger experiences than we. I am, therefore, glad to say that the examples of Leclaire and Godin in France have found many followers in the United States of America. There are in the United States a large number of profit-sharing industries and businesses, and a large number of co-operative societies; but owing to the extent of territory, which is between three and four thousand miles in length, and about two thousand five hundred nailes in breadth, we have not yet been successful in federating them. (Cheers.)

Miss Tourner (Women's Co-operative Guild)—I wish to call the attention of the Congress to the fact that not one of the various speakers who have addressed us has said one word about woman, or her position in the movement. I do not, of course, wish to throw cold water on our meeting here to-day, but I do wish to remind you that if you want to succeed in your efforts, then you must get the co-operation of us women. There are millions of women in the world, and, without being self-assertive, I venture to remind you that millions of women can be made a mighty force either for evil or for good. It is all very well to go to the women at the beginning of the movement, and ask us to buy the goods you have to sell. (Laughter.) But I want to remind you that, besides purchasing goods, we want a voice in the movement. We all had mothers, and perhaps the majority of you have wives, therefore you know that the world cannot go on without women; and I am sure the co-operative movement would not have attained its present proportions

but for the help of the women. We are fully alive as to what is passing, and we unanimously wish to help forward that grand movement for our own benefit and that of the race. (Cheers.)

The resolution was then put to the meeting, and the President declared it carried unanimously.

Mr GEORGE LIVESEY, South Metropolitan Gas Company, cordially proposed a vote of thanks to the President for his admirable address. This was seconded by a delegate, and carried with cheers.

FIRST DAY-AFTERNOON SITTING.

The PRESIDENT resumed the chair shortly after two o'clock.

M. D'ANDRIMONT (Belgium) proposed the following resolution:—"That a Provisional Central Committee be elected, to consist of the following: Messrs Cavalieri, J. C. Gray, E. O. Greening, A. Micha, N. O. Nelson, Charles Robert, Aneurin Williams, and H. W. Wolff. That this Provisional Committee be instructed to consider a suitable constitution for the Alliance, and to report to this Congress before its close."

Mr ROBERT POWELL (Co-operative Union of Great Britain) said—I have very great pleasure in seconding this very important resolution. This morning we unanimously decided that it was desirable that an International Co-operative Alliance should be established. That being settled, we now ask you to appoint a Provisional Committee to go thoroughly into the matter. The Provisional Committee, I take it, from the list of names which the proposer of the resolution has submitted to you, and which I cordially second, will be a fully representative body, embracing, as it does, representatives of the various nationalities. It will be the duty of this Committee to draw up rules and regulations for the suitable constitution of this Alliance. I do not intend to weary you by any lengthy remarks as to the

desirableness of forming the Alliance. That ground has already been well gone over this morning, and we have concluded from the remarks of the gentlemen from various countries who addressed this Congress, that the step proposed to be taken is highly desirable. I am glad that our foreign friends will be able to join us in the deliberations which are necessary to bring about this International Alliance. This is a time of peace, and we welcome to this Committee all the gentlemen who are called upon to draft the constitution of this Alliance. They will have but one goal before them, that of drawing together the co-operators of England and the various countries of the Continent in a happy union. (Applause.) This Co-operative Alliance, Mr President, appears to me to be a good thing to look forward to. We believe that a good time is coming for the people, and in the work of promoting the happiness of all nations of the earth, the co-operators are joining in their organised thousands. We intend to do our share to promote human brotherhood, and to do all we can for the mutual benefit of each other. (Cheers.) Mr President, with these few remarks I have the greatest possible pleasure in seconding the proposition.

A DELEGATE—I do not think that we have been favoured with sufficient information as to the constitution of this Committee. We have a laudable object in view, but the methods we are adopting to accomplish it are not what I should consider satisfactory. We have been asked to consent to the election of a Committee, but as to how long that Committee should remain in office, or when it should report to us the result of its deliberations, not one word has been said. When may we expect a report?

The PRESIDENT—We shall receive a report from this Committee before the close of the Congress.

The DELEGATE—I should think that in addition to the names already mentioned by the proposer of the resolution, some of the delegates present could suggest a few additional names to be added to the Committee.

The PRESIDENT—It is quite open for the meeting to take whatever course it likes.

The DELEGATE—I suppose the Committee will make

recommendations to the Congress before the business of the week is finished?

The President—Oh, yes.

The DELEGATE—I should think it would be desirable to have a few more gentlemen added to the Committee.

Mr E. OWEN GREENING — It would be altogether undesirable to have too large a Committee for the work now to be done, and I think the gentlemen named by the mover of the resolution would be representative enough to thoroughly consider from all points of view what you are going to depute them to do.

The PRESIDENT—Yes. I really think the Committee proposed will be a very capable one. (Hear, hear.)

The resolution was agreed to.

INTERNATIONAL TRADING RELATIONS.

Mr H. W. WOLFF moved - "That a Committee be appointed to consult with the Provisional Committee already appointed, with special reference to the subject of trading relations among the co-operators of all nations." He said-Before we take another decisive step, I should like to offer a few remarks on the resolution before us. The co-operative movement has made many achievements, and one of the crowning victories which falls to our lot is the establishment of an International Business Agency. I hope that the discussion on the subject will not be prolonged to very considerable length. But I can give you a complete history of this movement. About eighteen months ago I attended a Congress of the French Agricultural Syndicates at Paris, where the questions we are now called upon to deal with were fully considered. On every side it was recognised that a great benefit would be conferred upon the co-operators if an exchange of commodities could be efficiently organised; and that if we could do business together without the interference of the middleman, the co-operative consumers of each country would considerably benefit thereby. The French Agricultural Syndicates have always kept this movement before them, and they are indeed very enthusiastic over it, and wherever I have gone



H. W. Wolff.

I have found the same amount of enthusiasm. Whether in Italy or Switzerland, they are all agreed that it is desirable that the course proposed by the Conference of French Syndicates should be adopted.

M. EDOUARD SEVE (Belgian Consul-General) seconded the resolution.

A DELEGATE—I should like to know whether this question will be so promptly and thoroughly considered that at the time of the rising of the Congress we shall receive a report that will enable us to go with sufficient information to our respective societies.

Mr H. W. WOLFF—We have arranged for the Committee to meet as often as possible during the week. I may say that the question is not a new one, for it has been considered at the various Continental Conferences that I have attended during the past few years. Of course it will be the duty of the Committee to consider the question of the sale of co-operative productions in all its bearings. The Committee will have to deal with the productions of agriculture, as well as the various commodities produced for sale in the various countries.

M. C. FURNE (France) said:—I can give an unqualified support to Mr Wolff's motion. For a long time past the French producers have been in conflict with the people engaged in the disposal of their produce, and I think that if arrangements can be made by the co-operative societies in the various countries for the direct exportation of the produce from one country to another, it will be to the considerable advantage of the producers, as well as of the recipients. I also think that it will have a tendency to draw the people of the nations together in one common union, and, as a previous speaker has ably put it, to promote the "federation of the world," each and all having one object, and all working for the brotherhood of man. The various agricultural syndicates of the country to which I belong have for a long time past recognised the need of an organisation for the direct exportation of their produce, for which at times they are unable to find a market. such a scheme can be arranged, the French people will regard it with the highest satisfaction. (Cheers.)

M. CHARLES ROBERT (France)—On this matter I thoroughly agree with those who have preceded me. Should such a scheme as the one proposed to the Congress be successful, it will greatly enhance the prosperity of the countries concerned, and will in great measure conduce to the happiness of each nation. I am able to say that the French consumers and the French producers would hail the innovation with the greatest possible pleasure. The question of credit will have to be thoroughly considered, in order that the system may be placed on a sure foundation; prices will have to be studied; tariffs will have to receive no less attention; modes and times of payment will have to be arranged. All these will doubtless receive adequate attention from those responsible for the working of the scheme. I can therefore give my unqualified support to the movement, and express the opinion that the proposals will meet with the satisfaction of all true and loyal co-operators.

M. SEVE (Belgian Consul General in London) expressed the opinion that this scheme would be a practicable one, and one which would receive the support of all co-operative societies. He was glad to find that at the first International Congress, held in England, the representatives of English societies had taken up the question with much zest. He gave Mr Wolff's motion his warmest and cordial support.

Mr W. CAMPBELL (Leeds)—Mr President, ladies, and gentlemen, in the few remarks which I have to make, I shall endeavour to make it clear to you that I most warmly support any movement which tends to bind the co-operators of various countries together. I believe, ladies and gentlemen, that the co-operators of England will, at the conclusion of this Congress, have shown the foreign delegates that their earnest desire is that co-operators of every country should unite. Our distinguished and esteemed friend, Mr Holyoake, spoke our true sentiments this morning, when dealing, in his able manner, with the question of the Co-operative Alliance. The position which Mr Holyoake has filled, and still fills in such a distinguished manner, makes us feel that there still remain men in the movement who are worthy successors

of Kingsley, Maurice, and Neale. But I must confess, Mr Chairman, that I was a little surprised at your designating our esteemed friend Mr Holyoake "the father of co-operation." I think I am the oldest living exponent of co-operative ideas -(laughter and hear)-for when Mr Holyoake was in his teens, I was a fully grown man, advocating the splendid cause of co-operation. (Applause.) I am delighted to be here to-day to testify to the great benefits which I have derived from co-operation, and it is to me a source of the greatest gratification that, in the closing years of my life, the movement into which we have put our hearts should have made such great headway as to enable us to meet in conference with the representatives of foreign associations to bring about ah alliance which is calculated to add to the happiness of the people. I have looked forward to this Congress for some time, and I have certainly experienced a great amount of pleasure to find that we have realised what I have been hoping to see for many years. It need hardly be said that I strongly support the resolution that has been submitted to the meeting. I believe that in this movement is the future elevation and salvation of the working classes. I have occupied a humble position in the movement for the last seventy years, during which time I have been a constant worker in the co-operative cause, and I still look forward to a realisation of our highest hopes. The resolution submitted to the meeting contains proposals of a farreaching character; and when I consider how marvellous has been the growth of the co-operative movement, how great the benefits conferred on mankind, how much happiness we have secured for those who take part in our movement, I find that my labours, however humble they have been, have not gone unrewarded. I have great pleasure indeed in offering these few words in support of the object proposed to be established to-day, and I heartily support the resolution.

The President—I notice that this discussion is being warmly sustained by various representatives. It augurs well for the future of our movement, as it shows that we have a devoted band of workers, who are determined to prosecute co-operative ideas to wider developments.

Mr THOS. BROWN (Bow, London)—It gives me great pleasure this afternoon to be here, because I am one who believes that if we are to make any great headway with our movement, we must not confine our exertions to our native country alone, but we must extend the sphere of our labour by international co-operation among the various countries, to the benefit of all concerned. We shall be able through our Alliance to have an exchange of views, which will enable us to make great developments in our practical work. I quite hope that when the Committee now proposed favours us with its report, we shall be able to arrange a system which will prove highly satisfactory in actual practice.

M. ABT (Switzerland) heartily supported the resolution, and looked upon it as a necessary step in co-operative work. He pointed out that already a good deal of international trade is carried on in Switzerland. Fruit and other produce are sent to other countries, facilities for which are provided by the governing authorities. The system which is in vogue to a great measure dispenses with the aid of the middleman, for the parties are able to deal directly with one another. He further pointed out that under the new Alliance the Swiss co-operators will be able to take many things from England. Industrial disputes will be lessened considerably as international relations increase.

Dr SLOTEMAKER (Holland)—I know English but little, and I cannot express my feelings so well as if I were to speak in my own language to-day. (Laughter., But I will do my best. (Applause.) I can inform you that we co-operators of the Netherlands look forward very hopefully to the result of this week's conference. I think that if the proposal now before us is carried out we shall improve both intellectually and materially the co-operators of all countries. The work of co-operation in the Netherlands is progressing very rapidly, and by the figures, which you will read in our report, you will see that my statements are borne out. We have established in the Netherlands a system of mutual life assurance in addition to our other co-operative work. If we have been able to do what we have accomplished in Holland, I am sure we may look forward with hope to the

future, when we shall be able to join the co-operators of other countries in consultation, and do what we all consider best for the common welfare of our movement. I do not expect that I have made myself sufficiently clear to those present, but you must take the will for the deed. I have said all I can, and I thank you. (Applause)

Mr JOSEPH GREENWOOD (Hebden Bridge)—I do not think that I have any new ideas to put before the Conference, but I have been asked to express my views on the resolution submitted to it. I think if we can establish international trading through the Co-operative Alliance it will tend to bring about a highly satisfactory state of things. At Hebden Bridge we have a large workshop where the fustian industry is carried on, and we are able to produce the goods on terms advantageous to those who do business with us. Experience has proved that if international co-operative trading can be brought about, we shall be able to arrange satisfactory terms, whilst dispensing with the middleman. Because, even with the middleman's profits to provide, we have been able to export many thousands of pounds' worth of our goods. We are, moreover, large buyers of foreign I conclude that if we are able to establish dvewoods. markets where equitable terms can be mutually arranged by the representatives of the various societies, we shall be greatly assisting the production of goods such as we manufacture at Hebden Bridge, and in other co-operative workshops. I think, too, it is right that we should do all we can to help on the proposed movement, for it would promote the interest of the societies both as buyers and sellers.

Signor ENEA CAVALIERI (Italy)—I approve of Mr Wolff's motion, and specially appreciate it from the practical point of view. The Italian agricultural syndicates act similarly when they federate and form a central society. This has power to invite proposals for trade: where possible, to satisfy directly and reciprocally the requirement of both parties, and to watch over the interests of co-operators in dealing with outsiders, where there is excess in supply or demand. By these means the agricultural syndicates, which singly could not have obtained any reduction in

the price of manures, owing to the production being entirely in the hands of people imbued with self-interest, succeeded in compelling them to give way, and now the prices that prevail are reduced about one-half, and are still remunerative. By uniting in one total demand the needs of supply associations, as is done when these needs are dealt with by federations of Co-operative Societies, the institution of productive Co-operative Societies is greatly favoured, because then they may count upon a natural and secure outlet for their produce. And taking into consideration the market of the whole world, I think it might possibly lessen the acuteness of crises, in which now the excess in demand is augmented by the wild greed of speculators, and each one endeavours to oust his own brother worker; whereas, united and in harmony, they would conquer more easily the difficulties of the situation, without provoking disorder and ruin, first abroad, and then at home. I may cite, for example, the drought of two years ago, which caused a dearth of hay in many districts. The agricultural syndicates were able to adjust the supply and demand among adjoining provinces, and to meet foreign demands with offers which were favourable to both parties. I think, too, that by this method it will be easier to diminish the disadvantageous effects which the natural monopolies of one country have on other less favoured countries. I may instance the monopoly of coal in England, and of wine and other agricultural products in Italy. Direct exchange and certainty in the quality of the products will facilitate trade. As no trade is without a central agency to guide it and to set it in operation, this proposal of Mr Wolff is most opportune and suitable.

The PRESIDENT—I see by the reports which M. Cavalieri presents that a large amount of profit has been distributed among the employees in Italian societies. This, I consider, is a splendid example of what co-operation should be.

Mr M'LEOD (Woolwich)—Speaking as to the division of profits, I am able to say that the system has worked extremely well with us. We have now between two and three hundred employees, men and women, and we have

divided over £1,000 a year between them. Our profits are something like £14,000, and we have been able to divide a fourteenth part of that amount among the employees. During the last twenty-two years we have divided £9,000 profit among our employees, and during the first half of the present year £543. I certainly wish to record my warm sympathy for the scheme that is now proposed to be adopted. If we can provide mutual markets for foreign produce, it will bring us into closer relationship with our foreign brethren, and no doubt we shall be able to dispense largely with the middleman, who in almost every industry steps in between the producer and the consumer. I think, too, that the goods we should receive from foreign producers, through the medium of a co-operative trading Alliance, would be of a considerablely better quality than we often now receive. At Woolwich we have gone in for farming and market gardening, and we cultivate something like fifty-two acres. We are also large buyers of foreign produce, indeed we sell twice as much foreign as English produce. If an Alliance can be established I have every reason to believe that we shall be able to have an interchange of views which will enable us all to improve the quality of our productions, and will help to rescue agriculture in great measure from its depressed condition everywhere.

COUNT DE ROCQUIGNY (France)—The experience already obtained in the trading relations between the various agricultural societies and syndicates and the consumers' societies of France leads us to believe that if the suggested arrangement can be brought about, it will considerably improve the relations between the different countries. We shall be able to considerably reduce adulteration and fraud, but we shall have to be very careful in order to avoid those great crises which periodically recur. The societies will have to have some sort of guarantee, and it will be necessary to carefully draw up rules and regulations in order that the management of the various branches shall be properly conducted. With a proper system of credit, I have not the slightest doubt that international trading arrangements will work very satisfactorily.

Mr N. O. Nelson (United States)—I quite agree with

the proposition that has been placed before the Congress. By it, it is intended to place co-operative consumption and co-operative production more clearly before the people of all nations; to unite the producers of each country, and to draw them together as one body. It would be well if we took time to thoroughly discuss this great question, as we cannot do everything all at once, and to hurry matters would, I venture to think, result in our failing to accomplish the objects we have in view. The thing we wish to arrive at is to establish an interchange of views in order that we can organise a truly co-operative basis for our international trading. In this matter I cannot promise great things for the United States; we are young yet, and little acquainted with sound political economy. The ends we have in view are two, to make honest goods, and to make honest men, and if we can arrange our system, so that every worker in the co-operative army receives a portion of the benefit which accrues from his exertions, we shall be doing a great work. There is nothing more likely to demoralise men than competitive trading. I live a considerable distance from the centres of co-operative operation, and I find it very difficult to understand the various methods which are in force on the Continent. I am heartily in accord with the propositions that have been put forward for the extension of profit-sharing, and am in a position to lay before you figures which are very convincing as to its efficacy; and I consider that this question is closely bound up with the establishment of a co-operative alliance between the various nations. From becoming acquainted with M. Godin's work at the Familistère of Guise. I was led to adopt profit-sharing in my own works ten years ago. The result has been that in some years the workmen have received dividends amounting to a large percentage on their wages. There is also a provident fund managed entirely by the employees, who number between four and five hundred. Recognising the social evils of large towns, we started building a new factory and village five years ago, on a tract of land removed from any large centre of population, and we have now about two hundred workers there, and a co-operative store. Another question, which

forces itself upon the notice of all co-operators, is an improved educational system. We have started in connection with our societies an industrial school in which the education is considered vastly superior to other schools. Our young people are taken into the schools, and up to a certain time they receive a liberal education, combined with which they are given a trade. I am one who takes a very hopeful view of the future of co-operation. I believe that if we are able to assure to the workers the proceeds of their work, as well as giving them a share of responsibility in the management, we shall greatly extend their interest in their labours. (Cheers.) I think that having a resolution before this meeting, such as the one which has been proposed, will have a stimulating effect upon our work, because it opens up so great a future. I am old enough to remember that once, whenever the name of Ruskin was mentioned, it was received with a sneer, but it is not so now. I have been able to find several passages in Mr Ruskin's writings which I consider have a direct application to our present position in the co-operative movement. The present outlook is a highly gratifying one, and we are able to congratulate ourselves upon great achievements. I cordially support the proposition.

M. DE QUEKER (Belgium)—In heartily supporting this resolution, I should like to point specially to two or three matters which will require the careful attention of the Committee. The question of tariffs levied upon foreign trade is one, and the credit of the various societies which may engage in international relations is another. Great care will have to be exercised so that the producers may have a proper guarantee for payment. I would suggest the preparation of a list of both productive and distributive societies for circulation among the members of the Alliance, so that no confusion need arise as to the standing of the societies. The position of women in our movement, and of women's work in general, is another matter which seems to me to bear upon this proposal. There is great need for more knowledge on the Continent as to English women's work and women's societies; and vice versa, for more knowledge in England as to the same matters on the Continent.

If this could be brought about, something might be done to attack the middleman and the sweater.

Mr BLANDFORD (Productive Federation)-My reason for intervening in this discussion is that it is desirable to emphasise this point, that to make the movement for international trading relations a success we must not join it with a sole view to our own benefit, but rather in the belief that others would benefit as well. In that spirit I can promise that the Productive Federation, and the productive societies which compose it, will enter into it. Our organisations will have a heavy strain put upon them by this new development, but I believe they are equal to the task. must not endeavour to drive hard bargains, but to work together in order to obtain some of the large export trade now in the hands of private capitalists. For a long time I have been of opinion that the exchange of commodities between different nations should not be left entirely in private hands. For unless we can get that trade, there will always remain a number of men outside the pale of co-operation employed on ordinary wage terms.

Mr VIVIAN (Labour Association)—I can fully endorse all that has been said by the previous speakers as to the desirability of the organisation of international relations. I have long been an enthusiast upon this question, and like many other young men in the movement, I have considered it as one of the greatest importance to us as co-operators. I have therefore been glad to hear the question taken up with so much spirit and energy by our friends from the Continent. Our work is clearly defined, and we must commence at once. I hope the delegates will remember Mr Blandford's words, for he represents a federation of thirty productive societies, who will take part, if possible, in international trade. I venture to warn the Committee against allowing the co-operative movement to become the happy hunting ground of firms who merely adopt the word "co-operative" to give them a stamp of stability, and to become popular. In London a start has been made in the formation of a national depot for the productions of cooperative workshops, and I do not see why it should not



H. VIVIAN.

become an international affair. In that depot is a centre around which something might be done.

The PRESIDENT then put the motion to the Congress, and, on a show of hands, declared it carried unanimously.

Mr E. OWEN GREENING—I have now to move the appointment of the Committee. This Committee will be entrusted with a work which must be considered of an importance hitherto almost unknown in the history of co-operation. It will have to go thoroughly into details, and it is necessary that the members of so responsible a Committee should have the highest qualifications. suggest Mr Ballard, of the Kettering Boot and Shoe Works: Mr Powell, of the Co-operative Union; Mr Joseph Greenwood, Manager of the Hebden Bridge Fustian Works, and we shall suggest two or three others. We do not want to monopolise the Committee for Great Britain, but it is necessary to have a sufficient number of members in this country to carry on the large amount of work, which will be involved here, and to collect the necessary informtion. But each country will be represented, and probably in addition to the names we mention others will suggest themselves to the delegates. This is a large question, and it is essential that we should select a committee of men who are conversant with every branch of affairs represented in our movement. It is also necessary to have the counsel of men who are engaged in the actual work of the societies, for on them it is fully recognised that the success of this new co-operative departure will almost entirely depend. We shall have to consider this great movement without the slightest prejudice in favour of our own nationalities, and it is necessary to approach the question with a determination to succeed, as the obstacles will be many and great. We shall probably be able to obtain information from every important industrial centre, as everywhere we have some comrades enrolled in the army of co-operation. We shall have to ask for help from each member of the Committee in getting statements as to the relative positions of cooperative production, and the next twelve months ought to contribute one of the largest chapters that has ever been added to the history of our movement.

The following were then nominated by delegates to form the Committee:—Messrs Abt (Switzerland), Faber (Denmark), J. W. Savage Landor (London), C. Wright (Manchester), Ponti (Italy), de Larnage, Kergall, and Soria (France), de Quéker (Belgium), Peereboom-Voller (Holland), Bignall (Civil Service Supply Association), and Miss Tournier (Women's Guild); and it was agreed that these be added to the names suggested by the Organising Committee, viz., Messrs Blandford, F. Ballard, R. Powell, Joseph Greenwood, Guiseppe Croce (Italy), and Count de Rocquigny (France).

Mr E. O. GREENING moved the appointment of the above list as the Committee.

Mr TUTT (Secretary, Southern Section, Co-operative Union of Great Britain)—I will content myself with very formally seconding the appointment. I think the names submitted to you form a very satisfactory list.

A DELEGATE—I should like to know what duties this Committee will have to carry out, when they will sit, and when they will furnish us with the result of their deliberations.

Mr E. OWEN GREENING—They will meet during the year, and will endeavour to give effect to the first resolution. The Committee will, I think, be able to furnish the Congress with some information respecting their work before the rising of the Congress, as preliminary meetings will be held during the Congress week.

Mr J. M. LUDLOW (Labour Association)—It is indeed with the greatest possible pleasure that I call upon you to make some recognition to the President for the able manner in which he has conducted our business. The Chairman to-day bears an honoured name, and one that has been known in connection with some of the greatest movements of this century. In turning over the pages of a book which gives an historical outline of the co-operative movement I recently came across several passages relating what occurred at our first National Congress held in 1869. That Congress to a large extent embodied the conception of international co-operation. To-day we are carrying out that original idea. I think the course taken to-day is one of the most

important steps since the inception of the co-operative movement in England. It is difficult to realise that the labours of the Rochdale Pioneers have developed so quickly. I sincerely thank the Chairman for the manner in which he has presided to-day.

Mr E. OWEN GREENING — I call upon Alderman Chambers, our representative working-man co-operator on the London County Council, to support this motion.

Alderman CHAMBERS—In seconding this proposition I have little to add to what has been said by previous speakers. I have only to record my thanks for the Chairman's able manner in conducting the business of Congress to-day. (Cheers.)

The vote of thanks was passed by acclamation.

THE PRESIDENT — My thanks are due to you for having, under my guidance, if I may term it such, carried out the day's business in such an expeditious manner. I rejoice that it has been my privilege to preside over this assembly, to assist the cause which we have at heart, and for which we intend to do all we can. We have now come to the conclusion of a hard day's work. (Hear, hear.)

The Congress then adjourned.

EVENING RECEPTION BY THE PRESIDENT

IN THE

THEATRE OF THE SOUTH KENSINGTON MUSEUM.

At the reception given in the evening to the delegates by Earl Grey, in the Theatre of South Kensington Museum, his lordship said—We have had enough speeches to-day, and to-night we intend to have a little recreation. I extend to all the foreign delegates a hearty welcome. During the week they will spend in this country I hope they will be able to find a little time for relaxation; and it is very gratifying that so many kind friends have come forward in order to ensure the comfort and happiness of the delegates during their stay in this country. I am sanguine that at the end of the Congress they will all leave England perfectly satisfied with the result of their labours.

The evening was passed with music, and in inspecting the art treasures of the Museum, which, by the kindness of the authorities, were specially shown by the staff of the Museum to the delegates.



His Honour Judge Hughes.

TUESDAY—SECOND DAY—MORNING SITTING.

Before the chair was taken, the following letter from His Honour Judge Hughes, Q.C., who had been announced as the President of the day, was read to the Congress by Mr E. Owen Greening:—

"County Circuit, No. 9, 16th August 1895.

"DEAR GREENING,—If we were in the position we were in twenty years ago, I would run any risk, even that of scamping my last week of circuit work, rather than not turn up on Tuesday next; but as things stand, I can't, because I oughtn't. My regular deputy is also revising barrister, and told me, at our last talk, that he could not be relied upon before October, and it would be probably worse than useless to employ a mere casual in the last week, when all odds and ends of business, of which only the regular judge knows the ropes, have to be looked up and arranged. Then, again, the time is happily past when any man in particular is wanted. We are at last, thank God, on the top of the mountain beyond which the co-operative happy valley and the 'good time coming' lie, and all that is needed, as I tell Joseph Greenwood, is a few steady old roadsters to keep the coach out of the ditch. . . . Once more, you have got at your elbow the most fit Englishman for President in J. M. Ludlow, who was a co-operator in 1848, speaks French perfectly, and, I daresay, German and Italian: drew our first Industrial and Provident Societies Bill; and knows more of the French and other Continental schools than any living Englishman. I have written much the same to Lord Grey (a quite unique first President by the way), whom pray consult on the subject.—Ever yours,

"THOMAS HUGHES."

Mr E. OWEN GREENING—We have now to decide as to who shall preside over our deliberations to-day. I do not think we could have a more capable President than Mr J. M. Ludlow, and I move that he take the chair in the absence of Judge Hughes. (Applause.)

This being agreed to by acclamation, Mr LUDLOW took the chair, and said-My friends, my first business, in standing up in this place, is to apologise for doing so. You expected—you had a right to expect from the announcement made—to be addressed by a much better, as well as better known, man than myself, my old friend Judge Hughes. It is rightly a sore disappointment to you to find yourselves jobbed off with a very moderate person like myself. Believe me, no one can feel more deeply than I do the disappointment we have sustained. Yet to me there is one compensation for the mischance—that it enables me to speak of our absent friend in terms I could scarcely have used to his face—to tell you (what indeed many of you must know already) that a nobler Englishman does not breathe-upright, generous, high-minded, chivalrous, deservedly loved by all those who come in contact with him, for there is not a drop of gall in his nature, and he is absolutely incapable of stooping to aught mean, base, or underhand. I say this—and I have a right to say it—not because I am his oldest surviving friend, nor yet because for years and years we fought side by side in what at least seemed to be the good fights of the day, but because I had the privilege at one time of my life to live for several years side by side with him in two semi-detached houses, with a common library and a common garden, and that during that trial of a very healthy communism on a small scaleto say nothing of our occupying rooms in the same set of chambers at Lincoln's Inn-we had the most glorious opportunities in our daily intercourse of falling out and quarrelling that any two men ever had, and never fell out once; so that at least, in speaking of Judge Hughes-Tom Hughes, let me call him-and in praising him, I know what I am saying. And in addressing you on the subject of cooperative production, I know that I have always been so much at one with him in the matter that I am not likely to depart much from the spirit of what he would have said to you, however hastily prepared and inferior may be my matter. Together with him and other friends, now nearly forty-

five years ago, I first engaged practically in the promotion of productive co-operation. Our endeavours failed after a few years—we have never in the least wished to disguise that fact—but I don't think that any of those who worked with us ever regretted to have engaged in them. We were able for the first time to obtain for co-operation in this country suitable legislation. Nay, more, for although the Co-operative Congress of 1869, as I endeavoured to show yesterday, started in a distinctly international spirit, it can be traced to the Co-operative Conference held in London in 1852, at which Mr Hughes and I were present, and which was called together by the then Society for Promoting Working Men's—i.e., co-operative productive—Associations. This Conference appointed a Committee, by which in turn Conferences were called the next year in Manchester, and the year following in Leeds; and, if I am not mistaken, the Conference Committee thus appointed continued from year to year; but after a time became confined to the Lancashire and Yorkshire societies, and is the same body whose adhesion rendered possible the calling and success of the London Co-operative Congress of 1869, the first of the existing series. I believe, therefore, that the whole present organisation of the co-operative movement in this country springs, if I may use the term, lineally from co-operative production. It is well-known that co-operative production in this country shows itself in two forms—either as an independent growth, or as an outgrowth of co-operative consumption. Both forms are good if rightly used, if the claims of the worker to full consideration and remuneration, which include to my mind a share in the management of the concern whose prosperity he is building up, be recognised. He may indeed remain satisfied without this, as the splendid experience of the last Leicester strike in thé boot trade showed, when the workshops of the Cooperative Wholesale Society and those of the independent society of the boot trade remained equally unaffected. I have, however, no wish to set co-operative production against co-operative consumption. The two functions are necessary each to the other. We produce to consume; we consume to produce. Between the consumer and the

producer, however, as soon as trade rises beyond mere barter, there grows up the function—if duly fulfilled, the almost sacred function—of the distributor, bringing, it may be, over oceans and continents the fruits of production to meet the wants of the most distant consumer, or, on a smaller scale, organising the details of consumption—if the distributor be an honest man-so as to secure to the consumer full weight and measure and good quality, and fair price to both producer and consumer. But as between producer and consumer, what we have always to bear in mind is that consumption is easy, production difficult. It is much easier to travel by rail or by steamer than to construct a railway or a liner. There can, therefore, be nothing to wonder at if co-operative consumption in its development surpasses co-operative production. But the difficulties attendant on co-operative production, instead of telling against it, morally tell in its favour. things are difficult. A man who has never wrestled with a difficulty does not know what manhood is. easier than to recount the failures of co-operative production. But for every seed that grows to maturity, how many must always perish; and to every man of sense and pluck failure is always the best teacher of success, if its causes are duly investigated; and the figures laid before the Congress by its delegates show that, in spite of, by the help of, all past failures, co-operative production in this country, even under its most difficult form, that of the participation of the workers in the profits and management, is steadily advancing. (Applause.)

The President then addressed the foreign delegates, more especially, in French. He said—Gentlemen and dear colleagues in the great work of co-operation, I am charged by my colleagues on the Committee to address to you a few words, in a language which in my childhood was my own, and to wish you all welcome. To co-operate, to work together—that is, to pursue one and the same end by means which agree, which aid each other, which unite together—is indeed the great work of humanity, is the essence of all civilisation, of all well-being, of all morality. Without co-operation, nationality has absolutely no existence, liberty

disappears before force, morality is but an empty word. is only in proportion as men co-operate, work together to establish peace, security, the empire of law, the right of the weak to protection, that society becomes possible. One may therefore say that in every nation worthy of the name, every one except the criminals (and under the name of criminal I include the pure egoist)—every one, I say, works together in a certain measure, and is more or less of a co-operator—very often, no doubt, without knowing it, as M. Jourdain talked prose without knowing it, nay, even while denying loudly that he is anything of the sort. And we, if we may call ourselves in a special sense co-operators -because we aim at establishing co-operation in new spheres (I mean new in relation to the history of the human race), in those in which hitherto competition, the doctrine of "Every one for himself, and devil take the hindmost," still reigns and desires to reign for ever-we do not seek therein to separate ourselves from our fellowcitizens, nor from our brothers of other nationalities. It is the whole world which we invite to co-operate with us. And it is for this reason, friends, that you are here, you co-operators of all nations. We are by no means satisfied -whatever be the result of this Congress, we shall never be satisfied—with that one-eyed, stammering, lame, halting co-operation which shuts itself up, which imprisons itself within frontiers. We say that the nations were not made to slaughter one another, nor even to be jealous of one another, to trip one another up on every opportunity in politics, finance, literature, and I know not what else; but rather to aid one another, to work in concert, to co-operate. We feel that we all have something to learn one from another, some assistance, some counsel, some encouragement to give or to receive. Pray observe that international co-operation exists already, and upon the most vast scale. You have a lively proof thereof in the duties - which unluckily keep him away from us-of one of our honorary presidents, the Minister of Posts and Telegraphs of the kingdom of Italy. On the same list you will find the name of a former Minister of Posts and Telegraphs in France. Already all the civilised nations of the world—and some of

the semi-civilised—assist one another to pass letters, newspapers, telegrams, money orders (Russia only excepted for money orders), from one end of the world to the other. Two neighbouring nations shall be armed to the teeth one against the other; but while awaiting the outburst of war. so often foretold, they by a splendid, a sublime inconsistency, will rival one another in trouble and in zeal to pass from one to the other, in all safety, post-cards, letters, the little money aids sent by a poor father to his son, by a poor son to his old mother. If even while facing one another with jealousy and threatenings, the nations can co-operate so far, can one conceive that they should not go further? Is Signor Ferraris anything but a commander of the vanguard in the great army of international peace a peace which can only be realised by co-operation! Welcome, then, all of you to old England, friends, cooperators of almost all nations, from the colossal federation of North America to those little countries which have nevertheless, their honoured place in the history of the world—glorious little Switzerland, which upon occasion knows how to take the initiative in a matter of international interest: Switzerland, so original in its political constitution, and whose "Referendum"—giving usually irrefutable evidence of the practical wisdom of her people—is the envy of the larger nations; Holland, with its splendid past, its colonial empire, its vast commerce; Belgium, with its busy industries, and, more recently, the bold enterprises beyond seas directed by its sons. And let us all be faithful to our name. During these few days of personal intercourse, let us help one another. Already the very fact of our meeting is a challenge to those backboneless creatures in presentday society who call themselves decadents (decadents), and talk of a fin de siècle (end of a century or epoch). those who carry a high heart, for those who work, for those who help one another, the centuries never end, they are always beginning. This first Congress of International Co-operation, is it not a new century, a new epoch, which opens? (Loud and continued cheers.)

The Hon. T. A. Brassey then addressed the Congress on Co-operative Production and Profit-Sharing. He said:



HON. T. A. BRASSEY.

There are few people, in this country at any rate, who are not familiar with the extraordinary growth of the co-operative movement during the past fifty years. Through the opportunities it has afforded for thrift, through the training it has given in the management of business, the co-operative store has played a very large part in the social and material progress of the people. It has given invaluable help in the solution of many problems, which to the statesman or social reformer of fifty years ago appeared almost insoluble.

A certain school of co-operators seem to think that co-operative principles have found their fullest development in the store, and that they cannot be applied to a solution of the new problems with which we are face to face to-day. In an address which it was my privilege to give as the President of the Co-operative Festival of 1894, several ways were pointed out in which co-operators could use the large accumulations of capital at their command. None in my judgment would be of greater value to the community than in assisting in the application of co-operative principles to production.

Co-operative production implies labour co-partnership; and labour co-partnership can only be said to exist in those workshops or industrial undertakings where, (1) a definite and fixed share of profits is allotted to labour over and above the established or current rate of wages, (2) arrangements are made for the worker to capitalise all or part of this profit or other savings in his industry, (3) through this capital the worker is admitted to membership, and has a vote at the business meetings of the shareholders.

Experiments in labour co-partnership are no new thing either in this country or abroad. We are all familiar with Mr Godin's enterprise, which in the course of twelve years transferred £180,000 in shares to the workers, Mr Godin himself receiving all the while 5 per cent. on his capital, and a substantial salary for his business management. The history of the Maison Leclaire at Paris is also well known. In the United Kingdom the earlier experiments in co-operative production, or labour co-partnership, were in many cases discouraging; but it cannot be admitted for

one moment that the history of the movement is such a record of failures as Mr Benjamin Jones's book would seem to show. A very large number of the societies of which Mr Jones gives particulars are joint-stock companies, and nothing more; many are simply consumers' societies. It is estimated, from a careful analysis which has been made, that not more than ten per cent. of the societies with which Mr Iones deals are societies in which the true principles of labour copartnership have been recognised. In every new movement there must be a percentage of failures. It was many years before the Rochdale Pioneers showed how co-operative principles might be successfully applied to distribution. While the number of registered societies in England and Wales was 746 in 1871, no less than 844 associations of consumers were registered between 1870 and 1889 which have ceased to exist. This large percentage of failures took place when the store movement was already established on a solid basis. With regard to the productive movement, the figures have only been collated, through the agency of the Labour Association, for the last ten years. The percentage of failures during this period, and especially during the latter half of it, has been small.

The first question which it seems to me should be discussed to-day is this,—Are those who believe in cooperative production justified in their claim that the movement is now established on a solid basis? In support of the contention we can point to a continuous growth since the year 1883. I do not wish to weary the attention of this Congress with a mass of figures. I will only give the position of the movement for the year 1894.

No. of Societies.	Share, Loan, and Reserve.	Trade.	
120	£799,460	£1,371,424	
Profit.	S Loss.	Share of Profit. oss. Workers.	
£68,987	£3,135	£8,751	

No less than twelve of these societies built or commenced to build, new factories during the year 1894. The returns already received for the first half of the current year show a most encouraging improvement. The members of this Congress are well aware that during the

past few years trade in this country, as well as in most countries, has been passing through a period of severe depression. The fact that these copartnership societies have been able not only to hold their own, but to make headway, when so many private firms have been overwhelmed, is the strongest evidence that can be adduced in favour of the contention that the movement is now established on a solid basis.

It may be well for the Congress to consider, in the next place, whether the principles of labour copartnership are capable of universal application to every branch of productive industry. A reference to a list of the productive societies will show that they are engaged in a great variety of manufactures. No less than eleven societies are making boots. Several are engaged in the manufacture of clothing stuffs,-cotton, linen, silk, fustians, woollens, and tweedsas well as in the hosiery and tailoring trades. There are societies of cabinetmakers, builders, printers, bakers and leather manufacturers. Horse collars and padlocks, cutlery and watches, nails and cocoa, barges and mats, pottery and bricks, are made by copartnership societies. This list at any rate shows that copartnership principles are capable of wide application. In some branches of industry, as for example in shipbuilding, where a large capital is required at the outset, there have been few if any attempts to apply copartnership principles. In other industries, notably in agriculture, the successful experiments have been few, the failures have been numerous. This remark must be taken as applying mainly to the United Kingdom. On the Continent, the value of co-operation, whether for creditbanking or other purposes, has been much more generally appreciated by the tillers of the soil. We must not forget that we have the Scottish Farming Association, and the Cooperative Creameries which have been recently established in Ireland mainly through the untiring energy of Mr Horace Plunket. The work which is being done by the society composed of the representatives of these creameries, bids fair to revolutionise the Irish agricultural industry, and merits the closest attention from everyone interested in agriculture.

Before attempting to form a conclusion as to how far copartnership principles are applicable to modern industry it is necessary to refer briefly to the assertion of a leaderwriter in the Times, that co-operative production was a hot-house plant. I disputed this assertion at the time. may be pointed out again, now that those societies are the most successful which have started with a very small capital, found mainly by the workers. Outside capital did not offer itself until they had proved by the result of one or two years working that the undertakings were likely to be successful. Where private employers, such as Messrs Thomson and Messrs Brownfield have turned their factories into copartnership concerns, the assertion of the Times may have some apparent foundation. It is more apparent than real. an increased share of the products of their industry accrues to the workers, it will be as the result of their own increased exertions. The heads of both firms are. I believe, satisfied with the result of their experiment as far as they themselves are concerned. They have opened up another avenue of development, and it is to be hoped that their action will be largely followed by other employers. From a general review of the whole movement, I think we may conclude that copartnership principles are capable of wide but not of universal application at the present time. The management of a copartnership workshop requires a high degree of intelligence and a considerable knowledge of business principles, not only on the part of the managers but of the members. The necessary business capacity is not to be found in all classes of the working community. The facilities now offered for elementary, higher, and technical education, and the opportunities for acquiring business capacity that are afforded in the management of the co-operative store, and in the investment of the funds of our great friendly societies were only in their infancy fifty years ago, we are surely justified in believing that the time is not far distant when the adoption of copartnership principles will become the rule instead of the exception in _industrial undertakings.

There is a third aspect of co-operative production which it would certainly be well for the members of this Congress

to consider to-day. In England, as in all the civilised countries of the world, what is generally known as the labour problem has occupied of late a large and ever increasing share of public attention during the last few years. The workers have become better organised. All have demanded an increasing share of the product of their labours, some have claimed to control the means of production. These demands have been often met by a determined resistance on the part of the employers who have learnt from their workers the need of organisation. The result has been that in the past few years, there have been a large number of industrial disputes, far more wasteful, and far wider in their effects, than such disputes were in the days when neither party was so well organised. remedies have been tried, many others have been suggested, the chief of which are sliding scales, arbitration, conciliation boards, State-appointed boards of arbitration, direct employment of labour by municipal authorities, or by the State. Much trouble has undoubtedly been averted by sliding-scales, by arbitration, and by boards of conciliation on which employers and employed meet face to face. But the sliding-scale does not work well when prices are falling; the award of an arbitrator, even of such a champion of the cause of labour as Mr Burt, is sometimes disregarded; and the members of a conciliation board sometimes fail to agree. It is admitted by Sir John Gorst that State-appointed boards of arbitration cannot compel an employer to run his factories at a loss, or a workman to work for less wages than he is willing to accept. The direct employment of labour by the London County Council has not been successful in averting labour disputes.

May not we turn with greater hope for the solution of this great problem to the movement we are discussing here to-day. In a copartnership workshop the worker does obtain control of the means of production but only by his own exertions, and by accepting a share of the responsibility. The record of the past ten years shows how successful labour copartnership has been in avoiding industrial war. Copartnership workshops have on more than one occasion demonstrated their value to the workers during a labour

dispute in outside workshops. For example the Burnley Self-Help Society kept its members employed throughout the dispute in the cotton industry some two years ago when other factories were closed, and during the present year co-operative boot factories were at work throughout the dispute in the boot trade, the workers paying their levies as trade unionists to the support of their fellow-workers in the private trade. It is because experience has shown that we have got in the principles of copartnership a satisfactory solution of the relations between capital and labour, and it is because I believe that the gradual extension of co-operative principles to all means of production will be of incalculable advantage to the community that I have thrown myself heart and soul into this movement.

It is impossible to conclude this paper without some allusion to the relations between the distributive and the productive sides of co-operation. If those who believe in the application of co-operative principles to production had succeeded in convincing all co-operators of the soundness of their views the labour problem would have been more than half solved. There has not been, until quite recently, much disposition on the part of the older branch to recognise the younger branch of the movement. Many distinguished co-operators, none of whom was more distinguished or more generally respected even by those who did not agree with his views than the late chairman of the English Wholesale Society, took up an attitude of what might almost be called hostility. They refused to admit copartnership principles in the factories established by the Wholesale Society, maintaining that the employees of the Wholesale already controlled the means of production, and had a voice in the management of the workshops where they were employed, through being members of a co-operative store, the co-operative stores being the constituents of the Wholesale Society. The amount of control exercised by an employee of the English Wholesale over his workshop by this roundabout process was infinitesimal in any case, and it seems to me that the argument is materially weakened, if it does not break down, owing to the fact that only a proportion of the employees of the Wholesale are members

of a co-operative store. There are indications that these ideas as to the relations between the Wholesale Society and its employees are losing ground. There has most certainly been increasing sympathy shown by co-operators as a body to the younger branch of the movement during the past two years. The distributive societies have supported the productive societies not only with trade but with capital. The English Wholesale Society has to some extent supported the productive societies with their custom. The Scottish Wholesale Society has adopted co-partnership principles in the shops under their control. When the English Wholesale Society see their way to follow the example of the Wholesale Society of Scotland, and use their great influence to draw together the two branches of this splendid movement, a revolution on peaceful lines will be in a fair way of being effected in our industrial system. The co-operative market with its sales aggregating £50,000,000 a year is a very large one. If every article sold in a co-operative store were produced under copartnership conditions, co-operators would secure a large control over the means of production.

Within the limits of the movement they would be able to regulate supply and demand, and counteract to a great extent the disastrous effect of seasonal trades and the consequent irregularity of employment. Every worker in a co-partnership workshop should be a member of a co-operative store, every co-operator should see that the goods he buys at his store are produced in a co-partnership workshop. The co-operative movement has been described as a "State within a State." It will in truth be a State within a State when the two branches of the movement are closely united and doing each their part in the work which lies before them. What is possible under the British flag is possible in other countries. English co-operators have learnt much from co-operators in France, in Belgium, and elsewhere. You, gentiemen, who have come from abroad to attend this Congress, may learn something from us. I have left to you the task of giving the most recent information with regard to the progress of co-operation in your respective countries. Let me in conclusion express my

sincere pleasure that so many distinguished gentlemen have taken the trouble to attend this Congress. The interchange of views which will take place during this week cannot but have a beneficial effect on the co-operative movement throughout the world.

The President—A resolution will be now proposed to you by Signor Cavalieri, and will be seconded by Mr G. Thomson, after which you will be at liberty to make any observations on it.

Signor ENEA CAVALIERI (Italy) then proposed the following resolution:-" That this Congress, believing a large extension of Co-operative Production to be desirable, urges upon co-operators the advisability of greater activity in the establishment of co-partnership workshops in every country, and requests the Central Committee to collect and distribute information upon the subject, and, if possible, to submit to the next Congress a report embodying practical proposals for uniting, consolidating, and extending the work of the organisation in every country engaged in developing this branch of the movement." He dwelt upon the social importance of co-operative productions, and of the principle of profit-sharing, which was its vital element. He justified the latitude allowed by his resolution on the ground of the advisability of not merely respecting the various developments of the principle, but of deriving benefit from them.

Mr G. THOMSON (Huddersfield)—I have had some considerable experience for over nine years of the benefits of co-operative production, and I cannot but desire to see the extension of this form of industry to every other country. If we are able to get a more general application of co-operative production, I am sure that it will be a considerable benefit to all concerned. However, in adopting the co-operative principle, it would be better to get it adopted in existing concerns than to close those concerns by starting fresh ones: better to strengthen existing co-operative concerns than to start new ones. We in Britain fully appreciate the considerable advantage that would accrue from our having larger markets for the productions of co-operators. An international market such as has been described in the terms of a preceding resolution, is cal-

culated to raise considerably the industries of the country. My own society, I may mention, which does so large a part of its business with the open market, does already 25 to 30 per cent. of its trade abroad, especially for France, but not with foreign co-operators. Our experience is that the standard of quality demanded in foreign distributive societies is lower than that demanded in the English. It has been said that our work has been carried on through a charitable motive. That we know to be entirely untrue. (Applause.) We do not carry on our work from a philanthropic point of view. There is no mere philanthropy in this movement whatever. It is business of the highest order. (Cheers.) I believe in justice, and I have as profound a contempt for mere philanthropy as Carlyle himself. The only way that we can be just is to extend to the workers, including those in the Wholesale Society's productive works, the fruits of the labour they have done for the supply of the necessary articles of life. (Cheers.) I second the resolution.

Mr G. J. HOLYOAKE—I entirely agree with the resolution, and wish to draw attention to the exceeding moderation of the aims and objects of this resolution. We believe that a large extension of co-operative workshops and co-partnership is desirable. I have seen in the Press statements that co-operators were under the impression that they were going to change the order of the world, that they were under the impression that they could remove all the evils which people complain of. I have always thought that there was no greater indication of the quack mind than a belief that anything would cure everything. (Hear, hear.) We have been careful to guard the public against forming that impression. We have never held that it was possible for us to remove every evil with which society is afflicted. But what we have said is that we can remove or mitigate many of the evils which are produced by competition or by unjust monopoly. Our aims are modest. It has been stated that should the workers receive a share in the benefits produced by their labour, they ought also to share the losses. With the exception of a few employers whom I could count on the fingers of one hand, I never

knew any one who did not reduce wages of his workpeople long before he thought of reducing his own. That is always the first consideration of the employer. On a crisis in the trade, the employer at once takes steps to reduce the wages bill. I maintain, therefore, that the workpeople do share, and always have shared, in the losses. classes are equitable in spirit, and are willing to share losses under equitable conditions properly understood by them I remember that when the late Lord George Manners tried the co-operative principle on his farm, his friends said to him, "How about your farm hands when you do not make any profit?" "Well," he replied, "the farm hands had a share of the profits when there was profit, and when there was no profit they were quite willing to accept lower wages While the depression lasted they were as anxious about my interest as if they were receiving a profit. If it had not been for that generous sentiment and that love of equity towards their employer, my losses would have been far, greater than they were." (Applause.) The able paper by the Hon. T. A. Brassey has clearly portrayed the work that is being done by co-operative societies. My hope is that we shall see a greater extension of that work, and that we shall do what lies in our power to extend it.

The PRESIDENT—Having had the views of several English representatives of co-operation, I think the Congress would benefit by the opinions of our foreign friends. M. D'Andrimont will support the resolution.

M. D'Andrimont (Belgium) said—In Belgium, if on the one hand we have obtained a real success in the creation of People's Banks, which, considering the limited extent of our territory, are both numerous and prosperous, we have on the other hand to regret that the attempts made to create productive co-operative associations have seldom come to anything. In my opinion this check, which I trust will only prove momentary, is largely due to ignorance of the somewhat complicated methods of organisation required in this kind of co-operation. We have therefore to educate, and that education will be made easier by our law on co-operation—a law which leaves little to be desired. On our return to Belgium, my friends and I will make it our duty

to instruct our honest and industrious working classes in the very great advantages which would result for their moral and material well-being from the creation of productive co-operative societies. One of the arguments we shall put forward will be the splendid results we have ascertained in England, where these associations are taking a marvellous development. As for our distributive societies they are multiplying fairly satisfactorily. Unfortunately they have for the most part political propaganda for their object. This is a deplorable fault. As regards our agricultural syndicates, we state with pleasure that day by day new ones are being created. They work smoothly, and our cultivators greatly appreciate their benefits. (Cheers.)

Dr LORIMER (United States)—I am here as à student, not as a speaker. It is many years since I began to take an interest in the work of co-operation. I think it is necessary, if amelioration of existing evils is to be brought about, to have an extended co-operative system throughout the world. I think we have suffered for too long a period, and now is the time to seek measures in order to redress the many grievances and to mitigate the many evils that to-day confront society. I have read most of the writings of the eminent co-operators, but there is one man to whom I am indebted for many kindnesses, and that man is Mr George Jacob Holyoake. He has to-day stated what has often been said of our movement, that we have been under the impression that we could cure all the evils of society. has most ably refuted that contention. (Hear.) I rejoice exceedingly at the presence of the foreign delegates, for it shows that we are a universal party, cherishing hopes for the promotion of that time of which Tennyson, in one of his beautiful poems, sings-

(Applause.) One of the speakers this morning spoke about benevolence and philanthropy. ! agree with what he has said. The fact of the matter in my judgment is, philanthropy is very much over done, and justice is not done enough. (Loud cheers.) Benevolence was paraded always

[&]quot; "When the war drum throbs no longer, and the battle flags are furled, In the Parliament of Man, the Federation of the world."

as a loving woman beautiful to look at, but poor Justice was another sort of woman with a cross look upon her face, an unkind-looking sword, and a pair of grocer's scales in her hands, which never seemed to balance evenly. (Laughter and cheers.) That is justice, and we turn away from justice. I do not think these are fair representations. I believe in charity to a certain extent, but many of the actions which are represented as charity are a mere contradiction and travesty of the term. It is well to be charitable in a sense, it is well to perform good deeds to our fellow-men, but above all let us be just. (Cheers.) If we had more justice and less charity at the heart of things, there would be a less number of naked people, the hungry would be fed and there would be a better world. I shall not intrude long upon you, for I should simply be going over the ground already traversed by the previous speakers. I was very much struck with the reports of the good work that has been accomplished in England and in Continental countries, and I am glad to find that there has been such a great advance towards our ideal. In America, unfortunately, we make perhaps too much of the individual, but the collectivist principles as enunciated by the co-operative movement will tend to lessen the many evils which assail us to-day, and will bring hope and joy to those whose life is constant misery. I think that if the good work is carried forward in Europe, it will show its results to Americans and give them an opportunity of understanding the real value of co-operation as it is understood in England, Belgium, France, Germany, Italy, and to some extent in other countries. read in the papers before I left home a statement made by some miners in one of the Western districts to an employer of labour. They asked their employers to assure them and their families food, clothing, and shelter, and if they were granted that, the workmen would not ask any wages at all, thus showing that the men were practically willing to return to a state of serfdom. That was in order that the men's wives and children should not have to cry out for food when labour was suspended. This, in my opinion, is a clear proof of the need for the extension of co-operation. this is necessary in America, how much more necessary in

countries where labour and social problems innumerable are awaiting solution. You must never forget that America is practically only one hundred years old; you must not forget that in that short period a nation has been called into being, and this is the difficulty which we have to deal with. Yet we have hope. This century has produced the libraries, we have founded universities, we have established schools, and we are causing the wilderness to blossom. Only give us time, and in the United States co-operation will, in my judgment, take deeper root—deeper than even in the Old World. I want to say to all of you, Never be discouraged-give us time. During our American war an order was given that a battery be taken, and the men moved up to take the battery. They were driven back. The officer in command said to the general, "The boys can't do it;" the general replied, "Give them time." men advanced again, and were forced to retreat. The general was not discouraged, but again repeated, "Give them time." They renewed their strength and vigour, and on a third attempt they succeeded in taking the battery. They had been allowed time and had succeeded, and I say if you will allow us time to fully understand the blessed principles of co-operation, we shall recognise that within our grasp lies the power with which we can heal the social wounds of the present day. (Cheers.)

The PRESIDENT—Dr Lorimer has, with his wealth of

The PRESIDENT—Dr Lorimer has, with his wealth of expression, clearly stated the position of America, and I am sure it is the opinion of us all that America has at this Congress two able representatives of co-operation in Dr Lorimer and Mr N. O. Nelson. (Cheers.) Dr Lorimer will be able to go back to America with the assurance from us that his people will be "given time" in order to fully grasp what our aims and objects are.

Monsieur H. BUISSON (France) said: I feel a very lively pleasure in finding myself in the midst of the co-operators present at this Congress. To see men so eminent come together in such numbers from all civilised countries to exchange their views on the most favourable means of establishing co-operation among the institutions of men, is a spectacle well calculated to confirm us in our belief that

it is a system capable of introducing profound and salutary changes into social conditions.

It is the characteristic of just and generous ideas to arise at the same time in thousands of brains: co-operation has had this advantage. It was born in all countries the day when human beings, finding themselves too weak, sought the support of one another. In a word, association, or co-operation, is as old as humanity.

To give to each one an equitable share in the produce of his labour, that is the end of co-operative production. It is Equity taking the place of Benevolence; it is Solidarity—common interest—taking the place of Charity. For such a work, with such a programme, it is not surprising to find all those who have any care for the future sacrificing a little worldly fortune, and sometimes much of their quiet, to devote themselves to the promotion of co-operation.

It belonged to the country which first saw co-operation organised in a practical fashion to invite us to these sittings. We congratulate that country, and we heartily wish that the step it has taken may bear the best fruits. Gentlemen, we will not hide from you that we are come to this Congress less to bring it any light of our own than to learn of you, and if possible to see how you practise co-operation. In distributive co-operation your practical character has served you admirably: you are beyond contest the first in it.

We have in France brilliant examples in productive co-operation; but the checks have been, unhappily, so numerous, that it is a duty to inquire everywhere where it is practised, if there are means more apt to make it succeed. We hope to attain to this, thanks to the International Congresses which you propose to organise.

We will, therefore, inform you of the working of our societies, and we shall beg of you to do the same with regard to those of Great Britain, then we shall perhaps succeed in solving the problem which so imperiously demands solution, namely, that of finding the formula of an organisation in which the rights of the workers should be recognised in the matter of the profits of the business, and in which they should be permitted to take a part in the management proportionate to the help they give as a factor

in production, without this intervention of theirs ever being able to endanger the future of the society.

In our country, co-operative productive societies are essentially composed of working men. In most of the societies the capital belongs exclusively to the members. One may say that in France co-operation, in all its forms, is only honoured among the working class.

The first workman's society for production in France was founded as early as 1830; but it was only in 1848 that, under the influence of the theories put forth by those great thinkers—Fourier, St Simon, Prudhon, Cabé, Comte, and others—numerous attempts at societies of diverse forms were made. Societies, consisting of workmen only, and some of little masters and workmen, multiplied in an extraordinary manner. In the single year 1848 more than two hundred were founded. The absence of commercial experience, and the want of sufficient education among the workers, were the causes of numerous failures.

Then followed the Empire, which perceiving in these groups a certain resistance to its attempts against liberty, succeeded, by coercive means, based on the law relating to meetings, and above all by demanding from the societies the immediate payment of sums which had been lent to them by the Government, in ruining them almost all. Since that period, co-operation in our country has had its ups and downs. At the least glimmer of liberty immediately working class societies were formed, which disappeared altogether, or only became more rare, according as the men in power were more or less liberal. From 1866 to 1868 a fairly large number of societies were founded. The war of 1870 caused the ruin of almost all these societies—five only survived the disaster; but as soon as the country had recovered calm, and, at the same time, liberty, co-operative societies formed again—at first slowly, then from the year 1880 more rapidly.

At present there are 135 co-operative productive societies, 65 of them in Paris and 70 in the provinces, more or less in all parts of the country. The majority of the productive societies are formed with limited liability, and the right to vary their membership and the amount of their

capital. About ten of the oldest of them are constituted as what is called "a company with a collective name." *

Here is a definition which we have given to association, as we practise it: "Workmen's association for production aims at uniting the efforts of a certain number of workers in collective action directed towards the good of all, and giving to each one the profit of his labour."

This, indeed, is the spirit which runs through the rules of the societies; but if the desire of equitably sharing the profits of the undertaking is common to all, the means of doing so are very varied. One may say that there are as many systems as there are societies. The rules seem to reflect the state of mind of the founders of the society. They are also necessarily coloured by the circumstances which gave birth to it. Thus, in certain societies the fear of capital goes so far as to forbid the taking up of more than a certain number of shares by each workman member, and if by chance the rules do not level all members in the matter of the number of shares which they may hold, they generally do so as to the power which this capital can give them. The number of votes in the general meetings is limited to one only, whatever be the amount of capital paid by the shareholder: so that a member who has paid 10 francs, representing the tenth of a 100-franc share, has the same weight in voting as he who has taken and paid up 10 or 20 shares. That is certainly a profound mistake, but this is not the moment to discuss it. This fear of capital is sometimes matched by fear of the "master," whom the members for ever fear to see rising again in the person of the manager or director; and if there were any possible means for the society to get along, even at some little disadvantage, without appointing a manager, many societies would certainly have so provided in their rules.

There are also societies whose rules allow any workman belonging to the trade to take up shares; and others which, before admission to membership, impose certain stages, and demand certain conditions more or less severe.

^{*} In this case there are certain partners with limited and others with unlimited liability.

Lastly, there are those organised by the trade society which only admit trade unionist members.

Divergences so profound in the constitution of the societies have not produced results so opposite as one might expect. Experience and practice in business have almost always brought back to reason whatever was exaggerated, and that explains how extremely favourable results have been obtained with rules the most different, and in appearance the most opposite. One cannot prove this better than by giving here the history of three associations which in their forms show the utmost dissimilarity and have nevertheless all three succeeded.

I. Society of Working Lithographers.

The Society of Working Lithographers is one of those societies "with a collective name" (of which I have spoken) so far as the director is concerned, and it is a society "en commandite" (or limited partnership), so far as the other members are concerned. The style of the firm is Romanet & Co. It was founded in 1866 for a period of thirty years. with a capital of 200,000 francs,* one-fourth of which was paid up. The share of each member is fixed by the committee at a maximum sum of 1,000 francs. The society is managed by directors, appointed for the duration of the society, but removable at any time. The acts of these directors are checked by the committee of supervision, composed of twelve members, elected for one year, onehalf retiring every six months. This committee sees to the carrying out of the rules and regulations, and every week checks the accounts. It is forbidden to interfere with the management, properly so called, of the society.

The members meet every six months in general meeting; an account is presented to them of the business and of everything which in any way interests them. The following is the manner in which the rules provide for the division of profits:-

- (1.) $\frac{1}{20}$ to each director.
- (2.) $\frac{2}{20}$ to the reserve fund.
- (3.) 1/10 to the retiring or pension fund.
 (4.) The remainder in proportion to the paid-up capital.

^{* 25} francs = f.1.

Each shareholder has only one vote in the general meeting.

This society of working lithographers had a very difficult beginning, custom being slow to come to it; but courage and faith in their undertaking enabled them to overcome these difficulties, and at last success showed itself. and the work carried out by the society was very much sought after, not only in France, but also abroad. prosperity, so gallantly conquered; was all of a sudden endangered by the failure of one of the most important! Paris publishers, and the society was itself forced to make arrangements with its creditors. This catastrophe, far from causing—as might have been expected—desertion in the ranks of these co-operators and the immediate ruin of the society, only drew tighter the bonds of friendship amongst its members. There were, indeed, some desertions, but the bulk of the army remained around the flag of the society. Through long years, by force of work, through discipline and by doing without not only profits, but interest on their capital, these workers succeeded in conquering their difficulties, and in paying their creditors in full.

Well, there happened a thing almost incredible, and which in our eyes is a still greater proof of the force of mind which association gives to the workers The same catastrophe happened a second time, and a second time with the same self-denial, by the same means, the society, made its way out of the dire situation. Its last failure reached 340,000 francs. Well, on the 31st July last the creditors were paid to the last penny, and the balance sheet for 1894 showed a net profit to divide of 15,275 francs. Moreover, the Society of Lithographers is highly thought of in its trade, and its members as individuals are no less so among the workmen of their "trade Society," who regard them, with good reason, as men of extraordinary, energy and genuine superiority. I must add, that in spite of all these troubles the society has never failed to pay the rate of wages fixed by the lithographers' trade union.

The society has gained numerous prizes at exhibitions but the best prize—the prize which it desires and which it will soon obtain—is its commercial rehabilitation, which

will be hailed by all our societies as a great victory in the cause of co-operation.

II. THE SOCIETY OF WORKING UPHOLSTERERS.

The Society of Working Upholsterers, at the same time that it is a co-operative society with variable capital, is also a society on trade society lines, that is to say, it was created at the instigation of the trade union of its craft. To belong to it, one must be nominated by one of those already members; be a working upholsterer, and between the ages of twenty and fifty; must take up one share of fifty francs and pay up one-tenth thereof, that is to say, five francs. This society is an application of the principle of association in its widest spirit.

The Society of Working Upholsterers as yet only employs a very small number of workmen and women. It has, nevertheless, 115 members. Except the manager and foreman, who have permanent positions, all the members can claim to work in their turn for a period of not more than fifteen consecutive days. The society is managed by a committee of management composed of seven members appointed for three years by the general meeting. committee has most extensive powers in the management of the society, and can delegate them altogether, or in part, to the manager, chosen from its own number. The management of the committee is subject to check by another committee composed of three members, appointed for three years. By rotation, one member of this latter committee is appointed each year in the place of one who retires. The shareholders meet in general meeting twice a year. profits resulting from the society's operations are divided as follows :--

- 5 per cent. to form a provident fund.
- 50 " reserve fund.
- capital to be distributed as dividend upon shares.
- 25 , to labour in proportion to wages received.

The Society of Working Upholsterers was founded in 1884, with a capital of 6,850 francs, of which only one-tenth

part was paid up. It has steadily increased its capital in proportion as it has grown. The capital to-day is 30,000 francs paid up, and on 31st December last it possessed reserves amounting to 45,000 francs; the special savings funds of the members reached the figure of 10,000 francs; finally, the provident fund has a capital of 5,600 francs. Since its foundation, the society has credited its shareholders with a sum of 19,000 francs, which represents about 6½ per cent. per annum on their capital, and the sum of more than 13,000 francs has been allotted to labour as share in profits. Both of these sums have been credited as additions to capital.

This society is in a very good financial position. It is on the road to become an important business, the leaders whom it has chosen, and whom it has never changed, being very much liked by its customers and by the Government departments, which for this reason entrust every year more and more of their work to this interesting society. The prizes which it has gained in the different exhibitions are as follows: Workman's Exhibition, 1886, gold medal; Labour Exhibition, 1891, silver medal; Exhibition at Lyons, 1894, silver medal.

To my mind it is remarkable that this society, based on the widest democratic principles, and beginning with the most slender resources, in an industry considered one of luxury, has given strong proof of such good discipline among the members, and has succeeded with such a large body of members in gaining so great stability. Everything leads one to believe, and it is to be hoped, that it will continue to prosper, and be an example of what workers can do—even a numerous body of them—when they are joined together by community of ideas and interests in a task so difficult as workmen's co-operation for production.

III. LE TRAVAIL ("WORK")—A SOCIETY OF WORKING PAINTERS.

I ask your permission, gentlemen, to give you the history also of the association which I have the honour to manage—the Society of Working Painters, called "Le Travail," 50 Rue de Maistre, Paris.

Towards the end of 1882, seven comrades, working painters, and myself resolved to form a society. Six of us managed to procure, with much trouble, the sum of 500 francs. That was but little for men who wished to enter the building trade. With extreme difficulty—so befogged and complicated is the law which regulates us—we at last succeeded in getting registered as a limited liability business, with a capital and membership subject to variations. Our commencement was extremely difficult—no connection, no orders, no dealer willing to give us credit or materials. At last we were reduced to making ourselves sub-contractors under a builder, who undertook to supply us with materials and plant, and with money on account, to pay the workmen, whom we employed besides ourselves. Need I say, that to get all this we had to accept ridiculously low prices.

We were doing capitally, and would certainly have gained a few thousand francs, if the builder in question had not gone into bankruptcy, and caused us to lose not only this profit but also the whole of our capital, we having been obliged to make all advances to pay our fellow workmen who were not members.

However, there remained to us a little plant, and a little—a very little—confidence on the part of the dealers with whom we had been brought into relations by our first contract. Most happily there remained to us also plenty of courage. Adversity had made men of us, and nobody thought of giving up the struggle, in spite of a position so full of dangers. We stinted ourselves in the matter of salary to the sum absolutely indispensable for our food and that of our families; watches, and the few trinkets of the women, went the way to the pawnshop; but the society lived on.

In this position—and this will give you an idea of the confidence with which we were filled—we took a contract amounting to more than 200,000 francs. According to all our competitors, the low price which we had agreed to was madness. This opinion was not by way of making our task easier. All the dealers refused to supply us. It was a friend of ours, a democrat, who, although of small

means, gave us a certain amount of credit, and became our intermediary with the big merchants. We made up for the low prices by the work we did, and, to put it shortly, we carried our contract to a successful end. The architect of the works, a most worthy and most kind man, took a liking to us, and by his recommendation opened many doors to us which beyond all doubt would otherwise have remained for ever closed against us. We were saved!

From that day our society has not ceased to prosper, which of course does not mean that we have always been in smooth water. You would scarcely believe it, gentlemen, if I told you that on the contrary we have had to struggle hard against difficulties, which became greater in proportion as our business became larger. All this is nothing to-day, for we are almost at the top of the hill, and we should not grudge once more giving a pull at the collar if the coach were to stick in the mud.

Our association, as I have told you, is constituted as a limited liability society, with a capital of 25,000 francs, made up of 100-franc shares. Each member can hold 10 shares, and the founders 20 shares. On entering the association, a member is only allowed to take up one share: the others he acquires by means of the deductions stopped off his earnings, in the proportion of one halfpenny per hour of work. When the amount of these deductions reaches 100 francs, the member receives a fresh share. In the general meetings the votes are in proportion to the number of shares: each member has one vote for each five shares which he holds, which amounts to voting in proportion to seniority and to capital.

Since the foundation of our society, that is to say, during thirteen years, we have amended our rules three times. The dominant idea in these changes has been to find a solid and durable basis for our undertaking. It is this idea which has made us deem it necessary to establish in our society an organisation which does not exist in any other society, that is to say, a sort of family council, composed of nine members, who are called "founders." The rules provide that the name of "founders" shall be given to the nine members who signed the document forming the Society, and to those

afterwards chosen by the general meeting to fill vacancies occurring among those nine; that number must always remain the same. While the general meetings may, by ballotting a three-fourths majority, expel an ordinary member, "founders" can only be expelled after a resolution to that effect passed by the "Family Council." "The founder members," says Rule 33, "form within the Society a Council, to be called the Family Council, whose high mission it is, by means of a close union among themselves, a similarity of views, interests, and aspirations, to assure the stability, the existence, and if possible the perpetuity of the Society. To this end they shall watch with the greatest care that the rules and the regulations of the Society are always carried out in the spirit in which they were conceived." The Family Council has no right to interfere in any way with the management of the Society, which rests entirely with the Managing Committee. It can only, through the voice of its senior member communicate to the Managing Committee its opinion upon any important question capable of seriously affecting the success and the future of the Society. By a majority of two-thirds of its members, the Family Council can disallow any resolution of the general meeting which seems to it likely to imperil the Society, or to cause it to leave the path which its founders traced out for it. It can also, by a simple majority, oppose any change of rules tending to alter or diminish vested rights. The Family Council has the duty of settling all disputes between the members, or between the Society and a member. At the request of the Managing Committee, and by a majority of two-thirds, it may, in certain serious and urgent cases, pronounce the expulsion of a member. At the next following general meeting it must justify its decision, which however cannot be reversed if the Council persists in it. Further, no investment can be made without the consent of the Family Council, nor any mortgage of the Society's land or buildings. Lastly, it is provided that in case of dissentions within the Society, the Family Council, by a majority of two thirds, and as a last resort, may bring about the dissolution of the Society.

All the workers, even those who have only worked a

single day, enjoy a share amounting to 30 per cent. of the net profits. In the twelve years since its foundation, the Society has distributed in this way 60,908 francs. Like all the workers' productive associations in the building trades, "Le Travail" employs from time to time "auxilliaries," that is workers who are not members. These receive the wage fixed by the schedule of the City of Paris, and in addition share in profits, as above stated, in proportion to the number of hours they have worked.

Various philanthropic organisations have been formed within the Society, such as Provident Fund, Mutual Benefit Society, and Old Age Pension Fund. These organisations are supported partly by a percentage of profits received from the Society, and partly by the subscriptions of the members. On 1st January 1895 the capital of the Old Age Pension Fund was 47,387 francs, and that of the Provident Fund 7,529 francs.

The Society takes apprentices, and by preference takes them from the families of the members. If it takes any from outside, they are always orphans or the children of persons in misfortune. This it does on principle and to help the disinherited. No indenture is made, the lad begins at once to earn a franc a day. Tools and working clothes are found him by the Society, advances are made him to live upon, and his pay is raised twice a year on the recommendation of his shop foreman. On an average the earnings of an apprentice for the three years considered as the duration of his apprenticeship are from 2,500 to 3,000 francs.

The rules show also this peculiarity, that the members, after belonging to the society for fifteen years, may remain shareholders for part of the shares which they own. They cannot, however, without the leave of the Managing Committee, attend the General Meetings or interfere in the business of the Society. But the member who has reached the time for his pension may, if he desires, remain a shareholder and enjoy all the rights of other shareholders.

To show you that our Society has ceased to be a "bogey" to frighten people, I could give you an imposing

list of our customers, including the Ministry of Agriculture, the Ministry of Public Works, the Post and Telegraph Department, the City of Paris, and many private individuals for whom we have executed important works. Finally, to give a more exact idea of the results we have obtained, I ask permission to read you some extracts from our last year's report:—

SUMMARY OF OPERATIONS FROM THE FOUNDATION.

Year.	Total of Work Executed.	Total Paid for Labour.	Cost of Materials.	Gross Profit.	
	Francs.	Francs.	Francs	Francs.	
1882	***	•••		•••	
1883	97,537	41,637	28,645	19,910	
1884	177,025	50,102	30,048	27,105	
1885	147,657 '	46,567	27,524	12,146	
1886	199,735	59,544	32,195	16,968	
1887	99,482	44,050	18,505	12,700	
1888	175,261	63,737	31,649	26,185	
1889	342,473	136,209	42,329	49,675	
1890	290,533	112,264	51,351	51,320	
1891	317,690	92,483	48,986	54,007	
1892	443,115	110,378	60,888	68,336	
1893	535,834	143,191	78,164	\$3,922	
1894	621,061	194,743	89,328	99,235	
	3,447,408	1,094,911	539,617	521,514	

Expenses, Charges, and Net Profits from the Foundation.

Year.	Gross Profit.	General Expenses.	Bad and Doubtful Debts Written off.	Depreciation and Reduction of Preliminary Expenses.	Net Profit
1882	Francs.	Francs.	Francs.	Francs.	Francs.
1883		2.005	11.470		1.28-
1884	19,910	3,995 8,350	11,479	151 218	4,285 6,034
1885	27,105 12,146	5,368	12,501	1 1	• -
1886	16,968	12,125	262	313	597 4 217
1887	12,700	11,164	202	396	4,217
1888	26,185	14,965		197	1,139 9,602
1889	49,675	21,330	1,419	2,217	25,378
1890	51,320	25,153	749 823	{	24,394
1891	54,007	26,808	784	949 2,806	23,60S
1892	68,336	31,341	75	1 1	33,380
1893	83,922	38,153	/ / /	3,539 587	45,181
1894	99,235	39,157	708	1,266	58,103
·	521,514	237,913	34,670	13,008	235,922

LAROUR	ACCOUNT	FROM	THE	FOUNDATION.
LADUUK	ACCOUNT	1110.11	1111	I CONDAILON.

Уеа г.	Number of Hours Worked by			Profit to	Rate per	Number
	Members and Permanent.	Assistants.	Wages.	Labour.	Hour.	of Profit- Sharers.
			Francs.	Francs.	Francs.	i
1882		•••	ļ . [•••		!
1883	31,588	9,659	41,637	952	0.023	39
1884	35,293	19,971	50,102	1,300	0.023	53
1885	35,125	19,888	46,567	•••		•••
1886	55,427	10,637	59,544	845	0.025	39
1887	39,850	9,304	44,050	•••	•	•••
1888	52,132	16,709	63,737	2,125	0.031	53
1889	57,448	62,323	136,209	6,038	0.05	259
1890	83,040	37,497	112,264	5,744	0.05	106
1891	69,343	47,213	92,351	5,526	0.05	811
1892	69,257	70,973	110,378	9,156	0.07	108
1893	96,746	92,004	135,332	13,210	0.07	207
1894	119,587	126,703	178,779	16,008	0.07	· 344
	744,836	522,881	1,070,954	60,908		•••

CAPITAL ACCOUNT, &C., FROM THE FOUNDATION.

Year.	Capital Subscribed.	Capital Paid up.	Ordinary and Special Reserves.	Interest on Divi- dends on Shares.	Rate per 100 France Share.
	Francs.	Francs.	Francs.	Francs.	
1882	6,400		•••	•••	•••
1883	3,600	7,216	1,173	1,587	18.32
1884	10,000	4,129	1,618	2,307	14.10
1885	•••	2,330	43	553	5.∞
1886	•••	1,194	845	1,914	11.56
1887	•••	2,786	138	873	5.00
1888		236	2,125	3,925	19.88
1889	•••	406	6,038	9,446	49.48
1830	•••	400	5,754	9,∞3	47.50
1891	•••		5,526	8,609	49-34
1892	5,000	833	4,578	10,141	51.48
1893	•••	3,366	6,605	14,355	62.68
1894	•••	1,200	5,336	17,213	71.42
	25,000	24,100	39,783	79,932	•••

I ask your pardon, gentlemen, for having been so long. In France all co-operators are convinced that productive societies, founded under the protection, and with the assistance of distributive societies, would have the greatest chance of success. All the Congresses have so declared, and I had

intended to ask this Congress to pass a resolution to that effect, but the resolution which we are about to pass entirely satisfies me. I am convinced that it will bear fruit, and that there will result from it things profitable to the cause of co-operation and of all workers.

Working-class association, as practised by us in France, is extremely difficult. Inexperience, the lack of commercial education, internal bickerings, selfishness, jealousy, envy, and in a word all that ignorance begets, account for this in great measure: yet we have hope.

The practice of co-operation, the spread of information, and above all, education, will certainly remedy the greater part of these difficulties; but there are some which, resulting from human nature itself, will perhaps be incurable, and against which one can but provide by regulations well thought out and well drafted.

That is the work of these Congresses, that is the task to which we shall all apply ourselves, each one bringing the help and the light of his own experience. In doing this we shall be doing a work useful not only to our respective countries but to all mankind

Mr VIVIAN (Labour Association)—From the foregoing speakers we have gathered that the work of productive societies has been attended with great results. The speeches we have had from the delegates, especially our foreign friends, show us that if we persevere better results will attend our labour in the future. The Hon. T. A. Brassey referred to the Times statement, that co-operative production was a hothouse plant. I for one am in a position to refute that—(Hear, —for some of our societies are among the most successful traders in the open markets, and this has been clearly proved before the Royal Commission on Labour and other bodies. I am in a position to give facts in support of my contention. I can give some information as to the silk trade in Maccles-There is a factory founded upon the co-operative principle which failed when it dealt in the co-operative market, but when it went into the open market it turned out a great success. From that co-operative factory seven-eighths of their goods are exported to other countries, and strange to say the bulk of them are imported again and

sold as foreign goods. (Loud laughter.) Our English customers seem to like the foreign article, but it will probably not be any consolation to them to know that what they purchase as Parisian goods are really manufactured within the confines of their own country. I may mention another branch of industry which can be considered a weighty argument against the statement of the Times writer—I mean the padlock trade. It is well known that the padlock trade was at one time a very sweated industry—in fact, I could almost say the most sweated industry there was. at Walsall, we have a society doing two-thirds of the padlock trade of the town, and doing it almost entirely in the open market. Since the society has been at work, it has lifted the padlock trade out of that former undesirable position, for to-day, the employees under co-operation receive adequate remuneration, and most of the padlock trade of the town is carried on on the co-operative basis. Formerly in that industry disputes were the order of the day. Now they are almost impossible. Except in a very extreme case, the employers dare not lock the men out, for if necessary the Padlock Society would be able to direct the trade into its own channels. I entirely concur with what Mr Holyoake has said as to the aims and objects of the co-operative movement. Reform is desirable, and I would especially insist that any method of industrial reform which we desire to adopt must be elastic, and not cut and dried. At Leicester, Kettering, and elsewhere, where the boot strike was keenly felt by those who had been employed in private workshops, we have been highly successful, for during the recent dispute our men were constantly employed. These instances which I have mentioned go to prove that cooperative production has, with an extended field of labour, a brilliant future. Our system inspires the men with a higher ideal, and gives them ideas of better workmanship. We must extend our productive system if we want to make true men and women.

The PRESIDENT—We have had from Mr Vivian some striking examples of what co-operation has achieved. Mr Vivian as an official of the Labour Association, with a full grasp of the difficult problems which are before us all, is



J. GREENWOOD.

qualified to speak as to the success which has attended productive co-operation. Mr Greenwood, another intimately associated with labour, as Manager of the Hebden Bridge Fustian Manufacturing Society, will favour us with a few remarks before we put the resolution. He will be a fitting successor to Mr Vivian.

Mr J. GREENWOOD (Hebden Bridge)—I wish to say a few words in order to add my testimony to what has already been given as to the success of co-operative production, although our aims and objects have been ably expressed by the previous speakers. Our movement has had many notable achievements, and can boast of men who have had noble ideals. Time was when we workers had to strive for our social needs and political freedom. Many of us can remember what difficulties our friend Mr Holyoake and other friends of the co-operative movement had to encounter in those days. To-day we meet under happier and brighter prospects. We have a link with the past in Mr Holyoake, and hope of the future in Mr Vivian, Mr Aneurin Williams, and Mr. Blandford. They are three of the many young men in our movement willing and determined to go forward with the cause which we older cooperators entrust to them op Irdo not think my words will be disputed by any delegate present when I say that the co-operative mantle could not have fallen on more able shoulders than the young men Is have mentioned. Turning from personalities to the practical side of our movement, I really think we have cause for rejoicing. I, as a Christian Socialist, look with delight on what has been the outcome of the work of the co-operative pioneers of '48 to '52. have read articles in the Economic Review by you, sir, and others, who have all had a complete knowledge of the early co-operative movement. To me those articles have been full of instruction, full of thought. It was my privilege in years gone by to have talk with Edward Vansittart Neale as to our work at Hebden Bridge. He came amongst us as humble and modest as we workmen; he took an interest in our work, and gave us constant advice in connection with the establishment of the Fustian Manufacturing Society. For the past twenty-five years I have been intimately

associated with co-operative production there and elsewhere, and during the past sixteen or eighteen years I have been a member of the Central Co-operative Board. During the whole or the principal portion of that time, my attention has been more particularly directed to the productive side of the movement, and I can confidently say that the cooperative movement has had striking proofs of success in that branch of its work. (Cheers.) Our figures at Hebden Bridge compare favourably with those of private manufactories. We have, moreover, an educational movement in connection with our Society, and have courses of university extension lectures, in which the workers take part. am pleased to say that some of the workers have distinguished themselves by taking scholarships, and attending the summer meetings at Oxford. It was my pleasant duty to be Chairman of the Co-operative Exhibition at Huddersfield, and there I was able to point out the benefits that accrue from co-operative co-partnership. wages of a fustian cutter were formerly only 9s. per week, under co-operation they have been raised to 18s. and a share of the profits. I can confidently hope that the good relationship between our employees and the Board of Management at Hebden Bridge will continue, and the Society will maintain its prosperous condition. I can also hope that we shall be able to arrange improved systems of profit-sharing in co-partnership societies, and in particular to provide for the capitalising of the profits which are made year by year. (Applause.)

A DELEGATE—I really think that however pleasant it is to hear what good work has been accomplished by the various societies, we should certainly have some limit to the speaking, or we shall be unable to get through the entire business. I move that each speaker be allowed only ten minutes in future.

Mr G. THOMSON (Huddersfield)—I will second that.

THE PRESIDENT—It is recognised by all the delegates of the Congress that it is desirable that the work should be carried out as expeditiously as possible, but I do not think it will be necessary to pass a restrictive resolution. I think every speaker will shorten his remarks as far as possible.

A DELEGATE—I give notice that this afternoon I shall move that ten minutes be allowed each English delegate, and that it be an instruction to the foreign delegates that it is desirable to shorten their addresses as much as possible.

Dr SLOTEMAKER (Holland), dealing with the material aspect of the question, said he entirely agreed with the resolution. The Dutch Federations have shown an earnest desire to promote profit-sharing. He thought that the opinions expressed by the delegates augured well for the future of the cause of co-operation.

THE PRESIDENT then put the resolution to the meeting, and it was carried unanimously.

The Congress then rose.

SECOND DAY—TUESDAY—AFTERNOON SITTING.

On the President of the day, Mr J. M. Ludlow, taking the chair,

A DELEGATE said—With reference to the length of the speeches of the delegates, I wish to move the resolution of which I gave notice before the adjournment for luncheon. The terms of the resolution are that English delegates should speak for ten minutes, and that foreign delegates be requested to make their speeches as brief as possible.

ANOTHER DELEGATE—Mr President, if that resolution is submitted to the Congress I shall move an amendment that fifteen minutes be allowed. I do not think we can expect movers and seconders of resolutions and the foreign delegates to cramp their remarks in such a manner as the mover of the resolution suggests, but they should all be requested to have consideration for the future business of this Congress by making their speeches as brief as possible.

THE PRESIDENT—I do not think that we in a friendly gathering of this description can lay down any hard and fast rule. All of us desire to get through the business as

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expeditiously as possible. I think the recommendation of the delegates will have the desired effect without resorting to the hard and restrictive means suggested. (Hear, hear.)

Earl GREY—I entirely concur with what the Chairman has said respecting the length of speeches. I do not think it is necessary to put the resolution to the meeting, for I have no doubt that its principle is accepted by the delegates. (Hear.)

The proposal then dropped.

M. CHARLES ROBERT (France) proposed the following resolution:—"That this Congress, being strongly convinced that no permanent settlement of the relative position of capital and labour is practicable without the admission of the worker to a share in the profits over and beyond the ordinary wages, and that such admission is possible in a manner fair alike to employers and employed, urges upon all employers of labour the adoption of the practice indicated; and desires to put its opinion on record that fidelity to the co-operative principle requires all co-operative associations employing labour to assign to their workmena fair share of the profits." He said—In proposing this resolution, I emphatically declare my opinion that there should be a sharing of the profits between labour and capital. The application of this principle should be recognised as a matter of liberty and justice. (Applause.) Profit-sharing in itself is but a method of remunerating labour; it is connected, like wages themselves, with a higher principle of natural justice and of unwritten law often recalled by Godin, that, namely, of remuneration in proportion to the aid given and the risks run by each of the factors in production—labour, talent, capital. This law of natural justice serves as a corrective and counterpoise to the economic law of supply and demand, which thereby ceases to be an "iron law." The contract of labour, freely agreed under these conditions by the workman and the employer, is therefore a perfect contract, which, if the industry be prosperous, allows the workman to receive on the one hand the fair standard wage which provides the means of living, and on the other hand an eventual share in profits, which may provide for the future. Instead of

blindly directing their efforts towards an increase of the fixed wages, which increases the cost of production and closes the markets, the aspirations of the workers might usefully turn towards profit-sharing, provided, of course, that this be done in good faith, without any thought of a systematic and fierce strife against the employer, or of revolutionary agitation. There are several members of the Congress who would, in addition to profit-sharing, give the employees the right of a voice in the management. This is a grave and delicate question. There is no objection in principle if we are dealing with the general meetings of a society which has workmen-shareholders, and sees good to appoint one of them a member of the committee of management. It is not the same thing as regards workmen who are not shareholders. The audit of the accounts by an independent expert accountant, and the establishment of a "Joint Workshop Committee," with the right to advise in certain matters, are possible and indeed desirable, but it is impossible to recognise a voting right as belonging to employees who have no financial responsibility. be possible to carefully consider the question of "Joint Workshop Committees" at the next Congress. For the rest, it is essential, in the interests of all, to safeguard the directing authority which is necessary to every enterprise.

THE PRESIDENT then called on Mr N. O. Nelson (St Louis, United States) to second the resolution.

Mr N. O. NELSON—I wish to address myself to the resolution from the standpoint of a business man, a practical manager of a productive society. I am one who believes that labour is entitled to what it earns, and that the profits should be shared to the fullest extent. I entirely agree with what M. Robert has said as to the justice of this principle, and I have not the slightest doubt that if it is applied in its entirety it will tend to bring about a more satisfactory solution of the labour problem. We shall in fact have established a better system of business between man and man. (Applause.) Undoubtedly the general application of the principle will be difficult to achieve, but I have not the slightest reason to doubt that co-operators will be able to surmount these difficulties, as they have

surmounted other difficulties in the past. (Cheers.) The present system has failed, and there is an urgent necessity for one different from buying men's time like pieces of dry goods. No one can turn off with a sneer the idea of establishing a better system of employment than that which, as some say, history has brought us. The system is a bad one. From the standpoint of a business manager, I would say that the state of siege in which the business man finds himself, first, in competition with those in similar trades to himself, and, secondly, in competition with his employees as to the division of the product, makes it an uneasy post to fill, and for my own sake I plead for a change to a better system. The present plan is a wasteful one, not only in the marketing of goods but also in the adulteration of them. Travellers are sent abroad, a multitude of advertisements are put out, and scores of things done which are really unnecessary. Under a proper system only such goods will be put before the consuming public as are wanted, and the goods will carry with them the personnel of every man producing them. There is not only an economic waste, but there is a moral waste in the competitive system. I refer not only to adulteration but to the desire to give out the least and get the most. Men often tramp the streets out of work when there is plenty. Sometimes by reason of combination to hold up prices, production is withdrawn and staffs reduced. I hope cooperation will promote regular employment, and check these commercial crises. Philanthropy is not wanted. The division of profits should be on a purely business basis in the ordinary sense, for a man is entitled to that which he himself produces. What we want to arrange is that every man should have a suitable opportunity to produce the most that is possible, and to share in the whole of the produce. Employers might do a great deal towards changing the system, and they should be shown that while they are in the midst of a vicious system they can still do justice. By giving their workmen a share in the management it will tend to encourage a greater interest in their work. For many years various labour associations have insisted upon the necessity for the workers sharing in the profits of

co-operative production as well as having a voice in the management. These are noble aspirations, which have gradually commended themselves to the public sympathy. Co-operation has been the means of educating workingmen, and it would be a mere contradiction of the principles of co-operation if we were now to disregard the claims of the men we have educated. I entirely agree with M. Robert when he says that every account book should be opened to the inspection of the workmen, so far as possible. Employers will be taking a step in the right direction when they recognise the justice of the principle which to-day you are asked to affirm.

Mr H. W. WOLFF here read a letter from Dr Victor Böhmert (Germany, President of the Statistical Office of Saxony, and one of the Honorary Presidents of the Congress), in which the writer declared that the establishments already founded on the principle of profit-sharing were certain to act as encouragements to others, and to hasten the advent of industrial and social peace.

Mr DIX (Leeds)—I have great sympathy with most of the resolution, but I cannot support it in its entirety. No doubt it is highly desirable that the men should receive a share in the profits, but I do not think it is desirable that they should control the management. I really think the latter portion of the resolution should be struck out. If that is not done, I am afraid I cannot support the resolution. [The speaker was evidently under a misapprehension, there being no words in the resolution referring to a share of the management.]

M. ABT (Switzerland)—I entirely agree with the resolution. In my country, in several instances, a portion of the profits is shared with the workmen. Not only has the moral effect been very satisfactory, but the workmen, more strongly interested in their labour, have done more and better work in shorter hours than before. As a rule we look in Switzerland in quite a different way upon the participation of capital in the profits. The societies which leave the profits entirely or partially to capital, are more or less akin to joint-stock companies. In Switzerland the Associations can get all the money they want without any

difficulty at the current low rates. All that the Associations give in return is a punctual payment of interest, and an almost absolute security. But the profits are divided exclusively among the producers or the consumers, or both.

Mr Aneurin Williams—I entirely support the resolution. The Labour Association, with which I am connected, has for many years advocated the sharing of profits with labour. Public sympathy has been obtained for the principle, and we may congratulate ourselves also upon the great success in the practical working of the system. The Association has to a large extent educated the workers of the country who have come in contact with its propaganda, and we can take credit for having been able to enrol a large number of supporters of co-operation. Reverting to Mr Brassey's address, I may point out that the £8,757 paid out of profits to labour last year did not represent the whole advantage, nor even the whole money advantage, of the profit-sharing principle to the workers in the cooperative workshops. They had also the advantage of the provident funds. Then, too, their employment was more regular than was the case with many private firms, while they were paid the highest wages, so that their benefits might reasonably be set down at double the actual bonus given. The £68,000 profit made included the interest on share capital, which to a considerable extent belonged to the workers. The co-operative distributive societies sell over £50,000,000 worth of goods every year, and it is obvious that the working classes could do much to support the productive concerns, and so help themselves, if they could be made to fully recognise the importance of our principle. We have achieved great results, but we may reasonably expect a greater advance in co-operative production in the future.

Mr Krishna Menon (College of Agriculture, Madras) was introduced by the Chairman as another evidence of the international character of the Congress. He said—I am glad to know more of the principles you are advocating, for in India labour, especially agricultural labour, is not fairly remunerated. In earlier days there was a system of profit-sharing between the landowner, the farmer, and the

labourer in Southern India, but the administration of the early English officials led to an alteration, whereby the position of the agricultural labourer has been reduced to one of day labour, in which he has no claim to the profits he makes. The old system had several redeeming features, especially in times of scarcity, when the labourers were protected by a contribution from the community. present profit-sharing is not known to the industrial classes of India-save to a certain extent among the higher servants on the railways. I think a very great boon would be conferred upon India by the International Cooperative Alliance if the deliberations of the Congress were distributed far and wide throughout the great dependency, so as to make the people understand the advantages and benefits of co-operation. In conclusion, I should like to suggest that if the Congress were to impress the necessity for such a propaganda upon the Government of India, a sympathetic response would be met with.

M. D'Andrimont described some of the ways in which Belgian employers helped their workmen—in letting them have coals at cost price, and building dwellings at cheap rates of repayment. But the Belgian workman was not a shrewd man, and the co-operators of the country were doing their best to educate him to a higher knowledge of his own power and influence.

Monsieur TORRENT, delegate (and founder) of the Cooperative Cork Manufacturing Society in Boulou, France, then said: The subject of my speech will be societies of production generally, and the following is a summary of the matters I shall touch on:—

1st. Productive societies: various.

2nd. Object: work, solidarity, profit-sharing.

3rd. Conditions of their creation.

4th. Means to make them succeed: customers.

First, co-operative productive societies: kinds. Productive societies may be founded with capital and intellectual elements derived either from distributive societies, or from workmen only, properly so-called, or partly from workmen and partly from persons devoted to co-operative production,

as originally there were found persons specially devoted to distribution.

Of these three kinds the first is easy to large distributive societies, and will always succeed, because the customers are already found, the sale of the manufactured produce and the continuity of work always assured, and also because the inner commercial organisation is ready made.

The second is very difficult, and will seldom succeed, because workmen as a rule are not well educated, have no aptitude for business in organising or selling, and above all, because being poor, they are without capital, and being isolated, they can never have credit.

As for the third kind, which in another assembly (the Grenoble Co-operative Congress) I have called a mixed productive society, it may easily succeed, because it rests on one side on the workmen, and on the other on certain special intellectual aptitudes, and because the union of these two elements of industry being assured, a third—the indispensable money—will not hesitate to come to them in the shape of shares, loans, or credit.

In a word, this mixed kind of co-operative production is nothing but the partnership of "Money-Capital" with "Labour-Capital," whereof a happy application was made in France by M. Godin, at the Familistère of Guise.

Secondly, object: labour, solidarity, profit - sharing. The object of productive societies should be to give a just satisfaction to the factors involved. As to "Labour-Capital," it should have a first share in the form of wages, a second in the form of collective services, these two charges being drawn from the gross profits, and a third in the shape of a share in the net profits.

Moreover, the rate of wages should, if possible, be rather above the normal rate of the district; the collective services should deal with the pleasures of life as well as its sufferings; and the profit-sharing should be based upon the paid-up shares held, and upon the wages received.

As regards "Capital-Money," it should first receive interest fixed at the legal rate, a charge, like wages, upon the gross profits; and in addition a share in the net profits, based on the money paid in.

Capital, in the form of credit or loan, is only entitled to interest determined by agreement, such interest being a charge upon the gross profits.

Thirdly, conditions for creating co-operative productive societies. The first necessary factors are, in addition to an intense co-operative faith, a devotedness without bounds, an honesty well proved, special and general knowledge both technical and commercial; in a word, all the elements of this class, intellectual and moral, which are usually the peculiar property of the employer.

But even when that is secured, it is not sufficient. It is also necessary that the "Money-Capital" be large enough for the society to make a good figure on the market for the produce which it manufactures, or the work which it does. For in this age of unlimited competition, the last word often only belongs to the wealthiest, and customers only go to, and only remain with, those who give the most satisfaction, as well in quality as in price, variety, get-up, rapidity, &c. &c.

Fourthly, success: connection. The means within the reach of co-operators to make productive societies succeed, and to cause many of them to arise, of all kinds, and in all countries. This consists in giving their custom to the productive societies. Each one ought, either as an isolated co-operator or as one of a group, to bind himself, and make it a rule to give his orders to productive societies only, at an equal price to that asked by other makers.

That is an easy sacrifice, which will give every cooperator, without paying a penny extra, the satisfaction of having done for pioneers, and friends treading the same path, an act of social solidarity. And this material support should be exercised in associations as well as in families, towards individuals as well as towards the State, if that be possible.

In a word, custom being the factor which sets work going, and the essential condition of success, co-operators of all countries should consider it a sacred duty always to give their individual custom to productive societies, to give that of their associations, and, if it can be done, of those in touch with them; and that effective support should not be

local only, nor confined to a district or a nation, it should be international.

The PRESIDENT—Our foreign friends have told us much as to the participation of profits. They all seem to favour the resolution that has been submitted to us. I have now to call upon one of the representatives of a great industry in the south of London. Mr George Livesey will be able to give us considerable information as to the profit-sharing system which has been adopted by the South Metropolitan Gas Company.

Mr GEORGE LIVESEY—Time is short, and I do not intend to weary you with a long speech. Much has been said about profit-sharing. I think the term profit-sharing is an unfortunate one, and does not adequately express the meaning of the principle to which it is applied. I think the term used by our French friends-namely, participation—a better and a more suitable term. For years past co-operation has been practised in the gas world, in so far as the sliding scale of prices involves a participation between producers and consumers. We of the South Metropolitan Company have gone further, and we have come to recognise that labour is entitled to a share. I believe in sharing profits to the fullest extent; but as to a share in the responsibility in the management, I do not see how you can give it so fully. I propose to give you a short history of the introduction of the profit-sharing system into our works. In the year 1889 the trade union had got all our stokers into their organisation, and it became a question of finding some means of attaching the workers to their employers' interests, or of parting with the control of the works to the The profit-sharing scheme was therefore introduced, whereupon the union called the men out on strike. That strike failed. It was at first provided that the profit-sharing workers should have no share in the management. Later capitalising the dividend on wages as shares, thereby making the workers shareholders, was introduced; until now they have some £25,000 at stake in shares of the company, besides £40,000 left on deposit at 4 per cent.; and only last week the Directors decided to go to Parliament for powers to enable labour to be represented on the Board. I

have talked the matter over with some trade union leaders. including Mr Burt, who tell me that the experiment is sure to succeed if labour chooses the best men to represent it. Shareholders are commonly thought to be sordid, but in the South Metropolitan Gas Company that is certainly not true, for there we are inclined to treat labour in a very warm-hearted manner, and to show the men every consideration. Now Mr N. O. Nelson has told us that his opinion is that labour is entitled to what it earns; but the question is, What does it earn? Profits are made by all engaged in the industry. Profit is the joint product of labour, capital, and ability—(applause)—and the difficulty is to find what share labour should receive. I am one who has found out the advantage of profit-sharing. A cheerful worker, I may say, is five per cent., and perhaps far more, better than an unwilling and despondent worker. process common to all gas companies, the cost for labour in carbonising the coal at the works of the South Metropolitan Gas Company comes out at 5d. per ton lower than it does at the works on the other side of the river. Our cost is 2s. 7d. per ton, whereas with similar companies, which are not profit-sharing, the cost is 3s. With these few remarks I have made in support of the resolution, I will now conclude.

The PRESIDENT—I am sure we are all indebted to Mr Livesey for the practical illustration he has given the Congress.

EARL GREY—I should like to ask Mr Livesey a question. I understood him to say that a certain cost was 2s. 7d. a ton, while other firms were paying 3s.—that is a difference of 5d. Can he tell us in money what that saving represents in a year?

Mr GEORGE LIVESEY—From ten thousand to fifteen thousand pounds a year. (Applause.) About the whole amount of the bonus to labour.

EARL GREY—I thank you very much. I think that is one of the most important pieces of information this Congress has elicited. (Applause.)

A DELEGATE—And that saving, my Lord, is only in one department.

Mr RICHARD FAIRBAIRN (Co-operative Lighterage

Association,—I think the resolution before this Congress commends itself to every supporter of co-operation. We are all indebted to Mr Livesey for the information which he has given to the Congress. By the extension of the principle to various branches of industry, we shall hear of many labour disputes being avoided. I warmly support the resolution.

Mr H. W. WOLFF then read a paper by Dr Victor Böhmert, President of the Statistical Office of the Kingdon' of Saxony, on "Profit-Sharing in Germany." He said, for the space of something like a generation, Germany had been compelled by circumstances to direct her main attention to the recasting of her political organisation. The war of 1866, between Prussia and Austria, brought about the establishment of the North German Federation. The Franco-German War of 1870-71 led to the reconstitution of the German Empire, with Prussia at its head. To the new political organisation so founded, the German nation stands indebted not only for its common political constitu, tion, its common Parliament, and the common right of the franchise accorded to all German citizens, but also for very important economic and social reforms. The restriction previously put upon trade, upon the right of settlement, and the right of marriage have been swept away. Weights and measures, legal procedure, carriage, post, telegraph, and railways, have everywhere been remodelled, and made alike Customs and duties previously levied within the borders of the empire have been abolished. New acts applying to the entire empire have been adopted, regulating in a uniform way the procedure of Courts of Law, the law of bastarding the law relating to the relief of the poor, the laws on co operation, the laws on protection of labour, life insurance accident insurance, and old age pensions. Inasmuch as the last-named law, having for its object the insurance of working men against various adverse contingencies, imposed upon employers substantial sacrifices in the interest of their me there was little disposition during the two past decade towards granting other concessions, or making fresh individual efforts in the direction of the improvement of previous systems of remunerating labour, or the general adoption



VICTOR BÖHMERT.

a system of profit-sharing. The Socialist movement, tending to accentuate the battle between classes, added a further hindrance to the application of pacific means for settling the difference between capital and labour. It is only within recent years that evidences have become apparent of a change for the better in that respect. Employers have by degrees became accustomed to the burden laid upon them by the new law for providing for their old disabled workmen, and they are beginning to realise that such changes, satisfactory or not, do not exhaust the measures of duties which they owe to those who laboured for them. But that in addition to the personal protection accorded, labour is entitled to a tangible share in the increased profits of favourable years. Accordingly, in this the most recent period, a number of industrial establishments—some engineering works, some cotton mills, porcelain works, chemical factories, nursery gardens, bookbinders' shops, and other works employing hand labour, have begun to practise to a larger or smaller extent the system of profit-sharing in some form or other. In the kingdom of Saxony alone, a small but highly industrial country, there are no less than five fresh instances of such admission of the workmen to a share in the profits, which have been recently reported by the factory inspectors. It has become a familiar occurrence for large employers to leave upon their death a more or less substantial sum to their workmen. Herr Breuest, a large mill-owner of Dresden, died in 1892; he left, not only to every man employed in his refinery 1,000 marks to be paid out of his estate, but to every woman employed for the same period 500 marks. Substantial legacies are, in addition, discovered to have been left to superior employees of the same establishment, to say nothing of 300,000 marks bequeathed to the city of Bayreuth in aid of charitable institutions. The instances quoted are but a few selected from a large number, all referring to the year 1894, in which German employers have assigned a share of the riches accumulated during life, at any rate at the close of their career of business, to those who had toiled and earned these riches with them. are other employers, however, who prefer not to wait until

after death, but during their lifetime to enjoy the satisfaction of a sense of having done something for labour, and securing a good reputation for their establishment allowing their workmen to share in the profits as a matter of right in years of prosperity. By this means relations between employers and employed have become more natural, more in accordance with justice; profit-sharing has created a genuine association between capital and labour. which helps to efface contrasts between conflicting interests. and nip social differences in the bud. An employer is after all nothing more than the requisite administrator of an establishment maintained by the common effort of all who take part in the work, and it appears his natural interest not to disassociate his workmen altogether from that which is created by their hands, and the fruits of industry. There are arguments alike of justice and of expediency which call loudly for a share to be allowed to workmen in the profits But to you there are considerations appealing to the heart and to the conscience, which clamour for the same thing When employers direct their undertakings with their hearts they will find that their workmen likewise serve them with heart and conscience. Such service of conscience is sure to produce richer fruits. The establishments founded upon the principle of profit-sharing, accorded by recognised agreement, are sure to act as factors of encouragement and education far beyond the sphere of their employment, and they may be counted upon to contribute to the advent of social peace. The good results of such practices have in Germany become apparent within the last ten years, in various ways. It was in 1894 to 1895, the masters and men engaged in the tobacco trade stood together shoulder to shoulder, in order to ward off the threatened conversion of their free trade into a State monopoly. It has been pointed out lately with much justice and increasing emphasis that it is not enough to stand together in order to resist attack from without, but there is room and scope for much common effort, with regard to points of interest and agreemen between masters and men, and that many vexed question such as the proper working hours for women and children sanitation of workshops, a just tariff of wages and profit

sharing, might be altogether peacefully settled by kindly concord and agreement between employers and employed. As the German Empire grows to be more and more consolidated as a State, and as confidence in security abroad and order at home becomes more and more confirmed, German manufacturers may be expected to become more and more disposed to settle questions of employment and wages according to more perfect rules, and therefore to show themselves more and more disposed to accept the principle of profit-sharing. Evidence is not wanting of the fact that a higher sense of moral duty and a feeling of brotherhood are gaining ground amongst the population. Government and municipal authorities alike are giving time and attention to the proposal of improved regulations in their own workshops for the benefit of the employees. Their example naturally stimulates the care and solicitude of private employers, bestowed in their case upon individual workmen. There is then good reason to hope that before many years have passed, Germany will take her place prominently among the nations in the international movement already in progress to promote a further expansion and extension of the system of admitting labour to a share in the profits of industry.

Mr R. H. TUTT (Co-operative Union)—Like preceding speakers, I wish to record my sympathy with the terms of the resolution. I certainly think that attention should be paid to the question of profit-sharing, and wherever possible this principle should be applied to women, as well as men, for then we shall ensure the due recognition of all labour. I think, Mr Chairman, the proposition should be modified at the word "workmen," in order to prevent any serious difference of opinion as to the meaning of the latter portion of the resolution.

Miss TOURNIER (Women's Guild)—As the first female speaker I wish to occupy your time only for a short period. I entirely agree with the terms of the resolution, but I really think that the wording should have been a little more explicit. I should like to have it made clear that the resolution includes women as well as men in the term workmen."

Mr BLANDFORD (Productive Federation)—There was one point in Mr Nelson's remarks which I think deserves our consideration, and that was when he referred to the influence of a common interest between employer and employed in preventing strikes and lockouts. But there is another point: if the resolution was carried out in its entirety there would be less irregularity of employment, and the evils arising therefrom, I fear, are greater even than the evils arising from strikes and lockouts. In the cases of factories belonging to private owners the proprietor dies and sometimes leaves his property in incapable hands unable to manage a productive concern successfully. The workmen suffer from no fault of their own in such cases, when they are sent out to join the ranks of the unemployed. Such could not be the case in a system formed of industrial co-partnerships managed by the workers responsible for their own success or failure. Then there is another point in which co-partnership tends to regularity of employment, inasmuch as the profits of good times are not drawn out of the business and spent, but by being capitalised as shares in the names of the workers, are retained to enable the business to bear the strain of bad times. I heartily support the resolution which is before you.

The PRESIDENT—Since the opening of our proceedings this afternoon a gentleman has come amongst us whom I am sure you will be glad to hear speak a few words on our movement. Professor Bryce needs no introduction to a gathering of co-operators, and I am sure the few words he will address to us will afford us food for reflection and something to occupy our attention, and be of service in aiding to bring about a solution of the many difficulties with which we are beset.

The Right Hon. Professor BRYCE, M.P., who was received with loud cheers, said,—Upon my entry into this chamber it was my intention not to make a speech, but in deference to the wishes of the Chairman I will offer my opinion on the cause of co-operation, the success of which we are so deeply interested in. I can only say that I am pleased to see such a representative Congress assembled in London. There is not a subject which is more deserving on

sympathy and interest than the working out of the various forms of co-operation. We are all apt when we get deeply interested in a subject not to keep our minds sufficiently open to new facts, but to allow our ideas to become too fixed. Especially in co-operation is that undesirable, for co-operation is eminently a matter for experimental study. We are watching one of the greatest experiments ever made to bring about a settlement of the many difficulties which present themselves to reformers. The co-operators have embarked on an experiment to which the whole field of political economists and social reformers turn their attention with interest, and I may say with hope that they will be able to render assistance in the bringing about of a better state of society. What legislators have to do is to watch very closely the experiments that are being made, and where necessary render what assistance they can to help co-operators to come to a satisfactory conclusion. I have been much struck with the reports of co-operative production which you have received from the various delegates. These should afford you the greatest gratification. I feel strongly the value of the experiments that have been made, and the schemes which are in the contemplation of eminent co-operators and of the recruits which you are adding to your fast-growing ranks. I regard the social side as of no less importance than the economic side of the movement. It makes all classes feel that their interests are really united, and it diminishes the antagonism which is supposed to exist between classes. The social side of the movement should bring people together, and convince them that their interests are really one. The results of the application of profit-sharing have been varied—as I have found in studying a blue-book issued about two years ago on the subject—and the plan has not always borne the fruits the promoters desired. It now becomes of importance to eliminate the causes which have led to misfortune, and to carefully study the nature of the industries in which it can best be applied, and what are the economic advantages to be expected. As regards distributive co-operation, it is, we know, an unqualified success. In the productive side of the

movement the results have been more varied, but you must go on with your experiments. I am glad that co-operators have succeeded in doing without special legislation, and for this reason I am convinced that the results have been more deeply laid. Co-operation will gain largely by the deliberations of the present week, and I am sure that when the time comes for measuring the amount of work that has been accomplished, all of you will agree that considerable light has been thrown upon the subject. Co-operation is a branch of science which has had many triumphs, and I will venture to say that many more triumphs are reserved for it in the future. (Cheers.)

The PRESIDENT—I am sure the few words—probably too few—which Professor Bryce has addressed us will, as I said at the outset, afford as food for reflection. We are indebted to him for having at so short a notice spoken such words of encouragement. (Applause.) I will now put the resolution, and in accordance with the suggestion I will omit all the words after profits. The resolution now reads as follows—"That this Congress being strongly con vinced that no permanent settlement of the relative position of capital and labour, is practicable without the admission of the worker to a share in the profits over and beyond the ordinary wages, and that such admission is possible, it a manner fair alike to employers and employed, urges upon employers of labour the adoption of the practice indicated and desires to put on record its opinion that fidelity to the co-operative principle requires all co-operative association employing labour to assign to their workmen a fair share in the profits."

The resolution was then put to the vote, and declared carried unanimously by the President, amid cheering.

Mr A. K. CONNELL (Labour Association) then moved

Mr A. K. CONNELL (Labour Association) then moved — "That, in the opinion of the Congress, it is desirable for the higher development of co-operative production that where the principle of profit-sharing is applied, arrange ments should be made for capitalising a fixed proportion it the name of each worker as part of the capital, by the aid-of which he is employed." He said—I have great pleasur in proposing this resolution as a member of the Labour

Association. The purport of the resolution is this, to add the capitalisation of profit to the sharing of profit with labour. In this way the worker becomes a part-owner of the capital with which he works, and as a part-owner of the capital he gains a voice in the control of his own industry, and becomes responsible in his degree for loss should the business make one. The resolution points out the natural path for the workers to proceed from mere profit-sharing as servants to full co-partnership. I feel very strongly that workers should be encouraged to invest in their own workshops, and so obtain some share in the management. This will induce a greater sense of responsibility and interest in their work, and enable them to understand the difficulties of industry and commerce.

Mr DIX (Leeds) seconded the proposition, and said when the society he represented had adopted the first resolution, they would have no difficulty in adopting the second. He recognised the interest it would create on the part of the worker in the concern.

Mr GREENING gave a resumé of the great profit-sharing controversy in the English co-operative movement, and, recognising the progress they had recently made in productive co-operation, took a very hopeful view of the future of the idea. He added—I am glad that the hand of conciliation has been offered at the Huddersfield. Congress between the two sections of British co-operators which have hitherto fought upon the question of profit-sharing and management-sharing. I understand that the principle of co-partnership is accepted as the basis of the proposed conciliation movement, and I believe the proposal to confer upon the working out of the principle is a proposal made in all sincerity by both parties.

Mr Walter Sharman (Labour Association)—I rise to support this resolution. When we advocate the extension of co-operative production on a co-partnership basis as a method of conducting industry, we must be prepared to meet the accusation of failure so often brought against it. Now I have given very minute attention to the long list of so-called co-operative failures in production, which compose so large a part of Mr Benjamin Jones's well-known book.

The analysis I have made shows that those failures include businesses of every variety, from joint-stock companies upwards, but very few of them indeed were co-partnership concerns. Therefore the true moral to be deduced from Mr Jones's book is this, that if you start your co-operative production on co-partnership lines your chance of success is ten times as great as on any other.

The resolution was then put and carried unanimously.

Mr E. O. GREENING—I may point out that it is desirable we should commence punctually at ten o'clock to-morrow morning, and will ask our kind friends and the foreign delegates to kindly bear in mind to be in their places early, in order that the business may be begun as promptly as possible. In the afternoon we go to the Crystal Palace, where we shall see some results of our past labour in promoting the principles of co-operation in the workshops, whose productions are displayed at the Palace.

The Congress then rose.

EVENING RECEPTION AT LORD BRASSEY'S.

In the evening the Hon. T. A. Brassey and Lady Idina Brassey received the delegates at the house of Lord Brassey, in Park Lane, where they had an opportunity of seeing the many curiosities collected by Lord Brassey during his travels.

THIRD DAY—WEDNESDAY—MORNING SITTING.

On the President of the day, Mr H. W. Wolff, taking the chair, Mr E. OWEN GREENING read the following letters to the Congress:—

From Sir David Dale, Bart.

"WEST LODGE, DARLINGTON, 17th August.

"DEAR SIR,—I am obliged by your letter of 14th inst., and its enclosures. I regret, however, that it will not be possible for me to avail myself of your invitation to the Congress meeting, which takes place this month.—Yours faithfully,

DAVID DALE."

From Lord Charles Beresford.

"H.M.S. 'ALGIERS,' CHATHAM, 17th August 1895.

"SIR,—In reply to your letter of 10th inst., I am directed by Captain Lord Charles Beresford to inform you that he regrets that he will not be able to be present at your Congress.—I am, Sir, your obedient servant,

"S. ATWOOD."

From Lord John Hervey.

"ICKWORTH, BURY ST EDMUNDS, 29th August.

"Lord John Hervey regrets that he is not able to accept the invitations of the International Co-operative Congress, and that of Earl Grey, and of the Honble. T. A. and Lady Idina Brassey, kindly forwarded to him by Mr E. Owen Greening."

From Francis Hervey, Esq.

"ICKWORTH, BURY ST EDMUNDS.

"DEAR SIR,—I thank you for your letter of the 16th inst. and enclosures, and regret to say that I shall be unable to attend the International Congress.—Yours faithfully,

"FRANCIS HERVEY."

From the German Ambassador.

"GERMAN EMBASSY,
9 CARLTON HOUSE TERRACE, 19th August.

"The German Ambassador regrets that he will be unable, in consequence of being out of town, to avail himself of the invitation which he had the honour to receive from the Executive Council of the International Co-operative Congress of 1895, to attend the Congress at the Society of Arts, John Street, on 19th August, and the following days."

From Sydney Buxton, Esq., M.P.

"I regret that it is out of my power to take part in the Congress."

From the Right Hon. A. J. Mundella, M.P.

"My name is heartily at your service, and I am entirely in sympathy with your work, but I dare not undertake to attend your meetings, as I have much work to do before leaving town about the 20th. I shall come in if possible."

From the Right Hon. the Earl of Pembroke, Shugborough, Stafford.

"Lord Pembroke regrets that he will be unable to take part in the International Co-operative Congress."

From the Most Hon. the Marquis of Ripon, K.G., Studley Royal, Ripon.

"I am sorry to say that it will not be possible for me to attend the International Co-operative Congress. I have left London in order to get some rest after my three years' hard work."

From the Right Hon. Sir James Stansfield, Burt., Castle Hill, Rotherfield, Sussex.

"I am not coming to town at present, and shall not be able to attend your Congress, but it has my entire sympathy."



M. VON WATTENWICH.



MAGGIORINO FERRARIS.



EUGENE ROSTAND.



M. L. DURAND.



LEONE WOLLEMBORG.

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A. E. ELIAS.



Hos L. Luzzatti.

Mr GREENING further announced that letters of regret had been received from the following:—

The Right Hon. Lady Brownlow.

The Right Hon. Lord Battersea.

The Right Hon. the Lord Mayor.

Sir Charles Dilke, Bart.

Sir Robert Edgcumbe.

Sir Julian Goldsmid.

Sir John Leng.

Right Hon. C. Seale Hayne, M.P.

Rev. Gerard Bancks.

Rev. Canon Samuel A. Barnett.

Hamer Bass, Esq.

Geo. Bastard, Esq.

J. Bodenham, Esq.

Geo. Cadbury, Esq.

T. B. Clark, Esq.

W. O. Clough, Esq.

Montagu Crackenthorpe, Esq.

Geo. Dixon, Esq.

L. R. Ensor, Esq.

J. Storrs Fry, Esq.

Lawrence Hardy, Esq.

William Maxwell, Esq. (President of the Scottish Co-operative

Wholesale Society, Glasgow).

F. Rogers, Esq.

Apologies were also received from the following who were not able to be present:—

Hon. L. LUZZATTI, President of the Association of Italian People's Banks.

Hon. MAGGIORINO FERRARIS, Italian Minister of Posts and Telegraphs.

M. J. AGNINI, Member of the Italian Parliament.

Prof. L. WOLLEMBORG, Member of the Italian Parliament, and President of the Italian Union of Agricultural Banks.

Rev. D. L. CERUTTI, President of the Italian Union of Catholic Banks.

M. LE TRESOR DE LA ROCQUE, President of the Union of Agricultural Syndicates of France.

M. YERSIN, General Manager of the Swiss People's Banks.

M. VON WATTENWIEL, of Elfenau, President of Co-operative Associations for Cattle-raising in Switzerland.

M. LOURTIES, Senator, late French Minister of Commerce.

M. MORON, Directeur of the French Office du Travail.

M. A. FONTAINE, Sub-Directeur of the French Office du Travail.

Dr A. ELIAS, Secretary General of the Colonial Ministry of the Netherlands.

M. VAN MARKEN of Delft.

M. MAHILLION, Directeur of the National States Saving Banks of Belgium.

M. Anseele, President of the Co-operative Association "Vooruit" of Ghent.

Senor DON JOAQUIN DIAZ DE RABAGO, Directeur of the Santiago de Compostella Branch of the Bank of Spain.

M. DEQUENNE, Chairman of the Familistère de Guise.

KREISRATH HAAS, President of the Agricultural Co-operative Association of the German .

COUNT ZOLTOWSKI, of Miganovo, Posen.

Rev. P. WAWREYNIAK, of Schrinin.

Dr WRABETZ, President of the German Co-operative Association of Austria.

M. BACH, Directeur of the Agricultural Credit Society of Dresden.

M. E. COLLARD, Chairman of the Co-operative Building Society "Pierre du Foyer," Marseilles.

M. REXERODT, Chairman of the Hesse-Cassel Union of the Raiffeisen Association.

Rev. A. SELL, Chairman of the Thuringian Union of Raffeisen Associations.

President PFEIFER, Chairman of the Raiffeisen Association of Bohemia.

M. SIEGL, President of the Co-operative Credit Association of Kaaden, Bohemia.

M. H. RICHTER, Secretary of the Union of Raiffeisen Association of Bohemia.

M. BUTCULESCU, Chairman of the Union of the Co-operative Association of Roumania.

Dr Von Keussler, of St Petersburg.

Prof. Dr ELY, Madison University, Wisconsin.

Rev. N. P. GILMAN, Secretary of the Association for the Promotion of Profit-sharing, Boston, Mass., U.S.A.

Prof. Dr Victor Bohmert, Dresden.

Generalanwalt CREMER, President of the Union of Agricultural Banks of the Raiffeisen System in Germany.

Dr CRUGER, First Secretary of the Union of Co-operative Association of the Schulze-Delitzsch System in Germany.

H. GREFF, Directeur of the Co-operative Dairies of the Rhenish Peasants' Association.

M. P. DOUMER, French Minister of Finance.

M. G. FRANCOIS, of Douai.

M. E. ROSTAND, President of the Federation of French People's Banks.

M. A. CH. RAYNERI, Directeur of the Banque Populaire of Mentone.

M. L. DURAND, President of the Union of Agricultural Banks of France.

Rev. Père LUDOVIC DE BESSE.

M. DE BOYVE, of Nimes.

M. PREVEL, Directeur of the Credit Co-operative de Lorraine.



M. YERSIN.



M. KERGALL.



PAUL DOUMER.



PROFESSOR GILMAN.

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М. Ворго.



LAROCHE JOUBERT.

- M. Bodto, President of the Statistical Bureau of Italy.
- M. BUFFOLI, President of the Co-operative Union of Milan.
- M. CARLO CONTINI, President of the Union of the Agricultural Banks of Lombardy.

Prof. UGO RABBENO, of Modena.

- M. GIUSEPPE GARIBOTTI, Chairman of the Chamber of Labour, Cremona.
- M. PACIFICO MARCHESINI, Secretary of the Association of Braccianti, of Budrio.
- M. MINGOZZI, Secretary of the Chamber of Labour of Bologna.

Prof. Dr VICTOR BOHMERT wrote:—Not long after your departure from here, I have had the misfortune to become subject to a very serious gastric attack, which has left me very weak. Although to-day, after eight days' treatment, I no doubt feel better; nevertheless, I have been compelled to abandon all thought of further travelling in the month of August. I shall not be able to attend either the International Statistical Congress at Berne, nor the International Temperance Congress at Bâle, to which I had been prepared to come. I regret most that I shall not be able to take part in your Congress in London, because the subjects of Co-operation and Profitsharing have excited my lively interest for more than twenty years back.

G. AGNINI, Member of the Italian Parliament.—I am extremely annoyed not to be able to come to your Congress. A number of important engagements detain me here. Please make my sincere excuses to your comrades.

Dr A. ELIAS, Secretary General in the Ministry of Colonies at the Hague, late President of the Nederlandshe Cooperatieve Bond.—I am extremely sorry to have to inform you that it will be absolutely impossible for me to be present at the International Co-operative Congress. I have been at the watering-place of Wildinge for a fortnight for my health. I return to the Hague on the 18th inst., but the absence of the Minister for the Colonies makes it imperative for me after that date to be at the Colonial Office.

Dr CARL WRABETZ, President of the German Co-operative Societies in Austria, telegraphed:—In the name of the General Union of German Co-operative Associations in Austria, I send my most hearty greetings to the first International Co-operative Congress. May its labours give a new force and a new meaning to the words spoken by Schulze-Delitzsch: "Co-operation is Peace."

KREISRATH HAAS, President of the Union of Agricultural Cooperative Associations of the German Empire, telegraphed:—The necessary preparation for the Annual Meeting of my own Union makes it absolutely impossible for me to attend the Congress. Hearty regrets.

M. MORON, Directeur de l'Office du Travail.—I regret infinitely not being able to respond to your very kind invitation to come to London in order to attend the sittings of the International Co-operative Congress. I am obliged to leave within a few days for Berne to take part in the Session of the International Institute of Statistics. You need not doubt for one instant the sympathy which the Office du Travail accords to the co-operative movement, of which we follow all developments with interest and great attention. Co-operation is, without any question, destined to become one of the leading factors of our future social condition, and you may accordingly be sure that the Office du Travail, and myself more in particular, will continue to feel a lively interest in its movements. My office has not sufficient funds at its disposal to permit me to send a delegate in my place, but I have asked Count Rocquigny to do all that is necessary on behalf of the Office du Travail, to make me a subscriber for the Report of the Congress.

M. A. FONTAINE, Sous Directeur de l'Office du Travail.—I have to apologise for not attending the International Co-operative Congress in London, as I had promised. Family considerations, that is consideration for the health of one of my children, have compelled me to go into Switzerland at the end of July. I was still hopeful of being able to keep my word and go to London in the second half of August, but the thing proved impossible.

Prof. D. LEONE WOLLEMBORG, Member of the Italian Parliament.—I write to apologise and to express my sincere regret. I am absolutely prevented from going to London at present. I beg you to make known to the Congress my hearty sympathy with its work, and my equally hearty regret for my absence.

From the ITALIAN FEDERATION OF CO-OPERATIVE SOCIETIES (signed by the President Antonio Maffi).—The Italian Federation of Co-operative Societies salutes in the name of all co-operators in its own country the teachers and companions who have met at the Congress, awaiting from the resolutions that will be taken as the password for new struggles and the teaching necessary for fresh conquests. To English co-operators especially who, from the first Co-operative Congress held in Italy in 1886, where they gave us the baptism of hope, have followed our action with interest through five other Congresses, and have encouraged us with the authority of their example, and who finally have given us welcome proofs of their power and organisation, taking part last year in Milan at the first International Working Men's Exhibition. It sends salutations.

The Federation charges its delegates, Messrs Eugenio Benazzoli, Giuseppe Croce, Carlo Goetzlof, and Carlo Pelizari, to bring in the name of all workers in the cause in Italy a message of gratitude, friendship, and hope.

DON DIAZ DE RABAGO, Director of the Santiago Branch of the Bank of Spain (prevented from coming by quite recent loss of two children).—I beg you to express to your International Congress my warm sentiments and good wishes in respect of the growth and development of co-operation in all countries, and no less in respect of the desirable success of the International Co-operative Alliance. And I beg you to do the same on behalf of the Co-operative Societies of Spain, which have done me the honour of selecting me as their representative.

Hon. MAGGIORINO FERRARIS, Italian Minister of Posts and Telegraphs.—I am very thankful to you for your kind invitation and your kind note, but after much hesitation I felt it impossible for me to come over to London this season for the Congress. I came to Acqui for a couple of days, but I leave to-day for Rome again. The Senate is still sitting, and official business will go on yet for some weeks.

Owing to general elections everything is very late this year in Italy, and we shall scarcely have any holidays. Your programme is very attractive, and I am sure you will have quite a success.

- M. LE TRESOR DE LA ROCQUE, President of the Union of Agricultural Syndicates of France.—I should have been happy to prove by figures and facts how rapidly our ideas advance in France. We shall still have a tough struggle to go through in support of the Co-operative Supply Societies. Legislation hampers us by narrow restrictions, and the influence of trade hinders our attempts to have it changed. However, Agricultural Syndicates keep multiplying every day, and become more and more powerful. They are fully aware of the fact that they are the bodies most interested in the growth and extension of Co-operative Societies, and I have no doubt that within a comparatively brief time they will succeed in triumphing over the obstacles which are now placed in their way.
- G. GARIBOTTI, of Cremona, Camera del Lavoro.—I am extremely sorry not to be able to attend your International Co-operative Congress. Our Co-operative Society of Cremona will be represented by my friend Giuseppe Croce. I most sincerely hope that the Congress will help to provide some practical solution of the important questions having reference to the greatest possible development of Co-operation in Labour, and Co-operation in Supply, as direct means of effecting improvements in the social and moral condition of the labouring classes.
- M. PAUL DOUMER, Deputy of Yonne.—Contrary to what I expected, it will be an entire impossibility for me to go to London for the International Co-operative Congress. I thought I should be able to get away from the General Council of the Yonne after the opening. However, important questions are to be brought forward which absolutely require my presence at the very time of your Con-

gress. I deeply regret this clashing of engagements, and beg you to make this known to your colleagues of the Congress.

M. MAHILLION, Directeur General of the National Savings Bank of Belgium.—I hope sincerely that this undertaking will be crowned with success. I know how large is the scope of co-operation, and to what great extent it is capable of supplying essential elements for the wellbeing and the improvement of the lot of those who are willing to put it into practice.

Hon. L. Luzzatti, President of the Italian Associations of People'
Banks.—I am sick and very weary, and cannot come to your Congress. I have forwarded our good friend Cavalieri to go and represent our association. The state of my health absolutely prevents me from coming. Hearty good wishes in your work. I shall be with you in spirit.

Dr H., CRUGER, First Secretary of the Union of Co-operative Associations in Germany of the System of Schulze Delitzsch.—I need not tell you with how great interest I regard the International Co operative movement. May the expectations, which we entertain inview of a union, effectual among co-operative bodies of all countries be realised. What is wanted is to carry the Co-operative spirit into all classes of the population in all countries. Co-operation, inview of the tasks, alike economic and ideal, which it has set itself clearly proves destined to occupy a prominent place among the mean employed to bring about "Social Peace," and to reconcile conflictir interests.

It is only by an extension of co-operation, by carrying its application into production and commerce, we may hope to disarm the growth of large industry of the dangers inherent to it, without at the same time sacrificing the benefits which large industry alone combring us.

Mr E. OWEN GREENING said—We are desirous of getting through our business this morning early, in order that you can get away to the Crystal Palace as soon as possible. We want to rise shortly before twelve o'clock. Arrange ments have been made with the railway companies to convey the delegates to the Crystal Palace, where the exhibition of co-operative productions, organised under the auspices of the Labour Association, will be formally opened. O subject for to-day, as you see from the agenda paper, "Co-operative or People's Banks." The subject will be troduced by Mr H. W. Wolff. Now, I may say that they is no person more qualified to give an opinion, or explain the various systems in vogue on the Continent, than of

esteemed friend, the President of to-day, to whom I am indebted for many kindnesses in the work of organising this Congress. As a student of political economy, he has travelled through France, Germany, and the various countries where co-operation exists, and I believe even as far as Servia, in order to gain experience and information of value to the co-operative movement. In the organisation of this Congress he has travelled thousands of miles at his own cost, sparing no effort to bring together the representative co-operators of all nations.

The PRESIDENT—We have received further assurances of hearty good wishes from various European associations. in which they all express the hope that the delegates of the Congress will be able to go back to their respective countries, and be able to report to the societies sending them to the first International Co-operative Congress, what has been accomplished by individual societies in the past, and what we may hope will be accomplished in the future. (Applause.) It is not my intention to occupy your time very long. have not prepared a paper on the subject under discussion of co-operative or people's banks, owing to the considerable amount of business that I, in common with Mr Greening and other members of the Executive, have had to carry out, and I do not feel in a fit condition to address you at any considerable length. Attention has been called on several occasions to the importance of this gathering. first International Co-operative Congress has special importance in relation to the subject for the day's discussion. People's banks have hitherto been known as a quarrelsome lot, and it seems to me they have never been happy unless they were leading a cat-and-dog life. This has always distressed me a great deal, because I always think that if these good people were to unite their efforts to fight for the cause of co-operation, shoulder to shoulder, they would do an immense amount of good-more than they are doing at the present day. I have taken statistics as to the amounts paid into the banks throughout France. I have travelled about from country to country, and I have done my best to dispose people towards union. I am very glad to say that the lot has fallen to us, and I think we can justly congratu-

late ourselves for the great triumph that we have achieved in having founded the Alliance in this country. I think we shall have a lasting benefit resulting from this Congress. It seals the promises of good work in our country's weal. (Applause.) England, it must be confessed, is rather late in the day in adopting the system of people's banks; but at least we can take credit for being the scene of the first International Congress. (Hear.) To-day we have nearly all the systems of co-operative banking represented. We have in our midst M. D'Andrimont, Signor Cavalieri, and M. Micha. Apart, however, from their joining in this Alliance, there are signs of an agreement between advocates of the different systems; and, if we can get them to unite, I am sure they will do very good work. Time will not allow me to give a lengthy explanation of the various co-operative banks, but if I were asked to give my opinion as to the result of co-operative banks, I should say I consider that they promote thrift as nothing else does. They have made men of business of those who have hitherto not been men of business; and in support of that, I would call the attention of the Congress to what has been said by high authorities. Mr Goschen has said that good economics are apt to make good morals; but the main objects of these banks are—to use the phrase invented by M. D'Andrimont, and adopted by M. Leon Say—to democratise credit. Where the system has been tried, it has enabled small cultivators and others to supply their wants. Take the case of the Schulze-Delitzsch system. Hitherto poor people have had no credit, because they have no security to offer; and what is more, there have been no means of providing the security which bankers and capitalists would take. I think you will all agree with me that the whole secret of people's banking hinges on this question of security. People are trying to solve it by various means. In France they want to get the State to advance money; in Belgium, the National Savings Bank; and in Germany, they intended to devote a million sterling, and they ended by voting a quarter of a million towards the Central Bank. What we are aiming at is to establish personal credit, and not mortgage credit. The

great feature of people's banks is that they grant personal credit, and that they can distinguish between the right use and the abuse of credit. What we want to do away with is the monopoly of credit by the rich. The poor man requires credit far more than the rich, and our object is, by means of combination and co-operation, to provide some means for providing the necessary security. We do not mean to compete with the existing banks, for they have advanced money liberally to the people's banks. On the contrary, I think the people's banks will be the means of bringing more custom to the existing banks. A Scotch M.P. has told me that he owes all he has to Scotch cash credit. He began with nothing. A friend guaranteed £2,000, and that made a rich man of him. What has been done for the middle classes ought to be done for the poorer class. And we proceed practically on the same lines as the Scotch cash credit, which has conferred such splendid benefits on Scotland. I will give a brief sketch of the Schulze-Delitzsch system, the object of which is to provide credit without capital guarantee. "All for one, and one for all," was the simple principle which has produced such brilliant results in practice; and it is on this principle that Judge Hermann Schulze-Delitzsch democratised credit. Owing to the unlimited liability of the members, the credit association with which he had been associated was enabled to take up an independent position, and to dispense with all outside assistance. In other countries people experienced difficulty in understanding how Schulze succeeded in upholding for so long the principle of unlimited liability as the only permissible one. Writing in 1858, he said— "Unlimited liability is a matter of fact, and not a method of theory, not a doctrinaire scheme; without it, nothing can be done, and no money can be obtained. To these principles (unlimited liability and self-help) we hold firmly, considering them to be the only principles justifiable in economy, and rejoice to detect in them, not merely what is justifiable by argument, but more dear, what is particularly suitable to the character and manners of our people." It should be remembered the credit associations soon took a foremost place among co-operative societies. In Germany

to-day there are 1,040 such banks, which have lent out between seventy and eighty millions sterling. There has only been a failure of 91 per cent. of such banks; and I may say that that is too high. The co-operative credit system has become strong in Italy, and in Belgium has proved itself to be of great benefit to agriculturists. Another system which commends itself to our notice is the Raiffeisen system, which gives the rich a means of helping the poor without impoverishing themselves. The chief benefit of the system is that it provides a means of cheap credit. In conclusion, I contend that the extension of some such system to the United Kingdom would be of tremendous benefit to the poor of the community. It is nonsense to say that the law will not permit of the system being tried, for the Chief Registrar of Friendly Societies has approved of two sets of rules. I hope, now that we have made a start, we shall go on with the work. We have made a small beginning by starting a little bank at Monmouth, and one at Finsbury Park. In starting these banks, there is a great opening for co-operators to do great work. (Applause.) I will call upon M. Micha to move the resolution bearing on the subject. M. Micha is a man who is qualified to speak as to the success which has attended co-operative banks in his own country, and I am sure we shall derive some instruction from the remarks that he will make to us.

M. ALFRED MICHA (Belgium) proposed the following resolution:—"That this Congress being satisfied from the experience collected in Continental countries that the practice of co-operative banking, organised on the principle of pure self-help, is calculated to confer great benefits upon the working-classes, declares the efforts now being made for extending this practice, more particularly in the United Kingdom, are deserving of all practical support, and expresses a hope that means may be found for linking together in closer union the bodies practising co-operative banking in various countries." He said—The foundation of the first People's Bank in Belgium, that of Liège, goes back thirty years. The public have made deposits to the amount of a million francs. Other banks have been established, and

have grown rapidly. Taken altogether, the village banks have been less successful than those in the towns. The development of the co-operative movement has been very favourable, and the expectations of the friends of cooperation have been fully realised. (Hear.) The first co-operative societies in Belgium, notably the mutual credit associations, were maintained, not so much by the legal sanction given to their action as by the moral force of the institutions themselves. The oldest Belgian co-operative societies are the following mutual credit associations:— The People's Bank of Liège, founded in 1864, which now numbers 2,500 members, and does over 15,000,000 francs of business annually; the People's Bank of Huy, founded the following year, which from the first has enjoyed a most prosperous position; and the People's Bank of Verviers, also founded in 1865, which now, with more than 2,700 members, does a business of over 30,000,000 francs.* (Applause.) When in 1873 the Legislature consented, after repeated appeals from the Belgian Federation of People's Banks, to recognise the existence of co-operative societies, there were already nine people's banks, or associations for mutual credit, in existence, as well as ten distributive societies and one productive society. In 1875 the number of co-operative societies had become twenty, and the annual increase has grown rapidly, the accessions to the ranks of co-operative societies in Belgium during 1894 being seventytwo. (Hear, hear.) Co-operative credit banks have prospered, developed, and multiplied. The Belgian people's banks were
 all, until lately, instituted on the model of those founded in Germany by Schulze-Delitzsch. It is only within the last three or four years that we have seen agricultural banks of the Raiffeisen type growing up in the country districts. These Raiffeisen banks, all of recent foundation, are at present 21 in number, have made advances to the amount of 70,399 francs, and have 787 members. June 1894 the 24 older, or Schulze-Delitzsch, people's banks had collected 12,034 members, and the total business done by the 20, which had sent in annual reports had risen for

^{* 25} frs = £1.

the year to 156,165,228 francs. Their shareholders, who numbered 11,666, had paid in 2,309,574 francs, and those banks had been trusted with deposits to the value of 5,734,168 francs. (Applause.) Finally, sir, in Belgium we have not for the most part taken sides either for the Schulze-Delitzsch, or for the Raiffeisen system. We take account above all of the necessities of the moment, and of the localities in which the banks are required to operate. Such is the Belgian system. We observe, however, a marked tendency to reduce more and more the liability of the shareholders. All the old people's banks, which, at their foundation, had adopted joint and unlimited liability on the part of their members, have successively reduced that liability, which now scarcely ever exceeds 1000 francs, when indeed it is not limited to the amount of the share taken up, which amount is almost always 200 francs. We, in fact, think it is useless, and might be dangerous to extend the liability of the shareholders of the people's banks, beyond what is absolutely necessary.

SIGNOR ENEA CAVALIERI (Italy)—It is with great pleasure that I rise to second the resolution proposed by M. Micha, who can speak authoritatively of the favourable results obtained by one Continental nation, results which have been alluded to by Mr. Wolff as full of encouragement to British advocates of the system. Such testimony may come with greater force from the delegate of a neighbouring people, whose modes of thought and action more nearly approach the English character, but I think that the experience of distant Italy ought also to be specially dwelt upon, as being more extensive, and more triumphantly successful.

Before entering upon details, I should like to pay a warm tribute to the perseverance, single-mindedness, and enlightened zeal, shown by Mr. Wolff throughout his studies on the question, studies so exhaustive that I hesitate to glean in such a well-harvested field. I am only led to attempt it in the hope that I may be able to set forth more clearly certain causes and effects, which Mr. Wolff has, indeed, dimly perceived, but which can only be fully appreciated by one who daily deals with them.

And first of all I must be allowed, on behalf of Italy, to protest against every accusation levelled against her on the score of encouraging conflicting systems and rival teachers. Even in the trial stage, which every national institution must pass through before it can be adapted to the nation's needs, there was collaboration and not hostility amongst the workers. The venerable Vigano rejoiced at the triumphant success of the scheme which he had originally considered ill-suited to the actual condition of affairs, but which Luzzatti, with more practical intuition, had propounded and spread. Luzzatti, in his turn, was ready to sympathise in the attempts of Wollemborg, when he was attracted by Raiffeisen's theories, and sought to apply them to Italy's needs. When acting on the jury of the Turin Exhibition, I received but one recommendation from Luzzatti, and that was to deal gently with the Bank of Loreggia, then entering into competition for the first time, and to consider its lofty aims rather than the possible imperfection of its machinery. Later, in Rome, Luzzatti showed his liberality when, replying to the congratulations of Wollemborg on the issue of the new journal Credito e Co-operazione, he said, "It would be folly to indulge in rivalries, when together we can hardly make way against improvidence and usury, the greatest ills of poor peoples." Last of all, when harassed by the religious intrigues of those who wrested from the hands of Wollemborg the banner of Rural Banks, Luzzatti contented himself with reaffirming his ancient belief in friendly rivalry for the common weal. He who had helped Sella in multiplying Postal Banks, he who had on various occasions undertaken the defence of the other Savings Banks, not fearing thereby to damage Co-operative Credit Banks, now invited the People's Banks to help the Roman Catholic Rural Banks, while insisting at the same time on the superiority of our banking institutions, whose doors were open to all, and pointing out the elements of financial inferiority of all purely religious or purely political banks. Then it was that Father Ludovic de Besse, rising above the prejudices of his cloth, as Luzzatti had above the clouds of old traditions and doubtings, did homage to the greatness to

the nobility of his opponent's soul, and exhorted the new patrons of Popular Credit Associations not to shut themselves up within the ramparts of their religious creeds, for the pure doctrine of the Church forbade the employment of force to impose belief.

I trust that as Mr. Wolff has undoubtedly fallen into slight exaggeration as regards the rivalries amongst the founders of the movement in Italy, he may also have done so in a much more serious charge, which he brings against our masters in Germany. I touch but lightly on the subject, and on the other hand I welcome with hearty goodwill the keynote struck by this resolution, calling for a union of all in a common attempt to free the humbler classes from the canker-worm of debt and the rapacity of usury.

The story of People's Banks in Italy is soon told, if figures only are cited. Lodi heads the list in 1864, Cremona, Bologna, Piacenza, Siena, and Milan, follow in 1865; all had the humblest beginnings. The capital of the Milan Bank did not exceed 27,000 lire * to start with. In 1860 the number of these banks was 40, with a total capital little short of seventeen million lire; the following year they numbered 50, 64 in 1871, 80 in 1872, 100 in 1874, 140 in 1880, 540 in 1886, 700 in 1890; to-day we can The capital, reserves, and deposits grew in claim 720. proportion. At the end of 1875 the 109 banks could boast of thirty-seven millions lire capital, eight millions reserves, and 113 millions deposits; in 1890 the figures were ninety-five millions capital, twenty-five millions reserves, and 350 millions deposits.

Then questionings arose, success roused envyings, which gave rise to accusations, to ill-natured criticisms. Because several banks grew rich, without deviating in the least from their early traditions, doubts were raised as to the truly democratic character of their management. Who in England would dream of reproaching the Leeds Store because it counted 32,000 members, had a capital of

^{*} A lira should be equal to a franc (£1=25 francs), but is at present slightly depreciated.

£500,000, and did business to the tune of £750,000? The fact is that in Italy co-operation has taken the form of People's Banks as in England of Store Societies. Both set an example, both disseminated their doctrines. It may well happen that some institutions have in the days of their prosperity fallen short of the altruism which led to their foundation, as to-day in the People's Bank at Milan the ardour of co-operation has cooled, yet who will dare deny that in the days of Mangili and Pedroni it had glorious records, and that to these men is owing, in great part, the large number of co-operative institutions of that city; or who would doubt that new men will arise to guide it back to the older and better way.

People's Banks, undoubtedly, owe much to the Friendly Societies, which in a thousand ways favoured their establishment and extension; but in their turn the banks gathered all the ardent minds round the banner of cooperation, by promoting supply agencies, encouraging and founding co-operative production, offering credit to labour associations and farmers' associations. I will not enlarge on all the steps taken to encourage amongst Friendly Societies the healthy practice of an exact balance-sheet, to establish people's kitchens and labour associations, and to offer credit to agriculturists. The People's Bank of Bologna, while it invests eight million lire in loans to persons engaged in trade and manufacture, gives four and a half million to agriculturists, principally for terms of one year, under the form of current accounts, where the same rate of interest is paid on the debit and credit side, so that the farmer pays on what he actually draws.

The People's Bank of Cremona is an example of those which have opened branch offices in country districts, the better to carry on this system, and it is worthy of remark that notwithstanding this increased field of operations, the proportion of loans, only once renewed, is only 25 per cent., while those renewed twice amount to but 5 per cent. of the whole number. This bank was accused of having even embarked in mortgages on land. I do not deny that in general such a course is too daring for People's Banks, but in this case it was carried out within the most prudent

limits, and on the most truly democratic lines, so that the small holder who had seen his father's lands in danger of a forced sale, could repay capital and interest of the loan he received from the bank in 29 years, at the moderate charge of 5½ per cent., including income-tax. The importance of the results justified the venture. In the course of 19 years, 472 loans were registered, amounting to a total value of 6,700,000 lire. Further, this same bank advanced four millions to irrigation companies and the parishes, enabling the former to store the overflow from already saturated fields and divert it to dry soils, the latter to start new schools and kindergartens.

Two points here merit special attention. First, the means adopted to supplement the lack of local initiative in small places is to establish there a branch office, with the avowed intention of making it an independent centre as soon as possible. Here in England, at the Huddersfield Congress, that method was approved when described by Mr M'Innes as the plan of the Lincoln Distributive Society for extending its operations. On this principle all the extensions of the People's Banks of Cremona, Mantua, and Ferrara have been carried out. Secondly, the constitution of People's Banks enables them to benefit on a very large scale both manufacturers and agriculturists. Now, without wishing in the least to minimise the merits of Rural Loan and Deposit Societies,* I may be allowed to say that though they help the humble they never supplement medium or large incomes. The People's Banks, on the contrary, begin with the humble, but can also benefit the other two in a supplementary way.

Mr Wolff has said that one of the chief technical difficulties lies in so dealing with the non-marketable securities offered by co-operators as to render them negotiable and capable of acceptance by ordinary bankers, and he is certainly right in so far as this means that it is necessary to give a wise and sound base to personal credit. To overcome this difficulty, the conviction that People's Banks are

^{*} Casse Rurali of the Wollemborg (or Raiffeisen) type, as contrasted with People's Banks of the Luzzatti (or Schultze-Delitsch) type.

not solely loan agencies, but also Savings Banks, will do more than any State intervention or extraneous assistance. If a Bank is looked upon as merely a one-sided mechanism for constant expenditure, there naturally arises danger of excessive and incautious transactions; but if, on the contrary, there be impressed on each borrower the fact that the sum he requires is offered to him by a brother co-operator at low interest and for sound security, the true spirit of cooperation will be awakened and extensive operations be carried on, not by means of a large paid-up capital, but of an ever-increasing flood of deposits. For surely if the workman needing an advance to execute to-morrow's task is worthy of all help, it becomes a sacred duty to safeguard the earnings of yesterday's toiler. To this interlacing of interests the best results of the People's Loan Agencies must be attributed. Capital and reserve being looked upon as instruments of secondary importance, the delicate fluctuations of interest depend upon the co-relation of debit and credit. In this way the largest and best People's Banks in Italy have been able to give a very fair rate of interest to depositors, while borrowers have been charged, in many cases, I per cent. lower than the terms demanded by other agencies.

Turning to the question of bad debts, they are reduced to a minimum. The Bank of Novara, from 1872 to 1890, had but seven lire of loss on each 10,000 lire of money due. The Bank of Bologna, during the year 1894, lost but eleven lire on each 100,000 lire of its enormous business. Taken collectively, these People's Banks, as Mr Wolff also observed, have weathered one of the most acute financial crises ever known. The few that succumbed had forsaken the right path, and would have fallen without any extraneous complications. But to obtain such results the character of the co-operators, as well as of their co-operation, must be seriously taken into account.

The door for abuses is opened whenever a noble institution is confided to the care of men who do not understand its value, or worse still, use high-sounding phrases to cloak baseness and cupidity. The propaganda of co-operation must, therefore, be cautiously undertaken,

and be free of all artificial stimulus. Italian People's Banks, which grew spontaneously, rarely failed, but where they were artificially multiplied and distorted by other aims the ruin was appalling. Above all must one beware of those who preach but do not act, who criticise but labour not. Luzzatti, animated by the true spirit of co-operation, undertook willingly, not only to teach the principles of his belief, but in the early days to work as an unpaid clerk; and not even when burdened with onerous duties as Chancellor of the Exchequer did his interest flag. We owe our grandest results to a band of generous workers, possessed of but humble incomes, who worked for years with disinterested zeal till their foster-child proved itself strong and independent; nor were there wanting those who, on various occasions, accepted personal liability, when legally they might have been exempt, rather than prove unfaithful to the trust committed to their care.

Such favourable material and surroundings are surely not lacking in England. Though I must leave it to others to judge whether the foundation of People's Banks would meet a clearly felt want, I may be allowed to predict that once established they will rapidly attain most prosperous conditions.

Mr J. E. CARVER (London)—You mentioned the success of the People's Bank at Finsbury Park. We started from a humble beginning, but to-day we are in a flourishing condition; and I could narrate to you what advantages have been gained by those persons who have joined our system. Our bank was commenced by a few persons asking for the loan of money to tide them over difficulties. All classes have made applications to us, and in every instance we have found that applicants were in a position to repay the money. The amount of interest is exceedingly small, and just covers necessary expenses. As an instance, a workman came to me and said, "I have got to repair a house, but I have not got anything to go on with." I said to him, "You must find two friends, members of the bank, who will recommend you to us, stating that you are really in a position to repay this money, and giving me some idea of your circumstances, and we will see what we can do." As

a security, he left with me some life policies. The man went on with the job, and we were able to see some good results of the work of our bank, for he pays the money as regularly as clockwork. That is only one example, but it proves to me that the co-operative banking system is a good one for the workers, and from the experience I have had in my commercial life I think it is quite safe to give credit to working-men. I heartily support the resolution.

The PRESIDENT—I am glad Mr Carver has been able to give such a good account of the People's Bank at Finsbury Park.

A DELEGATE—I should like to ask Mr Carver what percentage they charge to borrowers; and if there are any profits, what becomes of them?

Mr CARVER—It is 1½d. in the pound for every month, which would be 7½ per cent.; and the profits, if there are any, go as dividend to the members.

The Delegate—I think there is room for improvement in these arrangements of the Finsbury Bank.

The PRESIDENT—I will call upon Mr Deans, of the Scottish Section of the Co-operative Union, to support the resolution.

Mr DEANS—I think it is a great mistake that I should be called upon to offer any remarks on the resolution. I came here in order to learn and to acquire knowledge on the subject, and from the observations that I have been able to make I am of the opinion that a great work lies before us in this matter of co-operative banking. The work that has been accomplished in foreign countries, so ably explained to us by their representatives, should be a good example to co-operators in this country. It has been proved to the world that these banks have been very successful, and that to-day the fallacy that it was wrong to give credit to poor people, such as is extended to them by those banks, is no longer tenable. In Scotland also we can show some favourable results in co-operative banking.

Signor CAVALIERI—I do not rise a second time to discuss the efficiency of the Scottish Banks, but to say that the patrons of the Italian Banks hold that capital must

occupy the position of servant, not of master. Acting orthis principle, whenever there are large profits to be divided they are not distributed entirely to the shareholders, but are devoted partly to increasing the reserve fund, partly to decreasing the rate of interest charged on loans, and adding to the interest on liabilities. However, great care is taken not to allow the reserve fund to accumulate too fast and that capital does not receive more than 5 or 6 per cent Some co-operators insist upon the sum remaining, after paying capital, being used for giving a bonus to the customers proportionately to the business done by them.

As to the relationship between the People's Bank and the Issue Banks in Italy, it consists only of the discounting by the latter of the bills held by the former The Issue Banks seek and accept with pleasure the bills of the People's Banks because of their excellence. The People's Banks in doing these operations with the Banks of Issue avail themselves of the common right, and are in no way responsible, either morally or materially, for the standing and doings of the large banking establishments Monsieur Many has objected that discounting with & Bank of Issue is not a co-operative operation: I answer that this discounting is an operation by which cash is acquired, and is therefore an absolutely necessary one for any banking concern. By this discounting banks obtain the moneys they require, getting rid of their useless holdings There is no difference between having recourse to third parties for discounting bills, and purchasing goods for third parties. This last operation has never been contestedwhy should the other?

The PRESIDENT—I think we are having a wealth of evidence in support of co-operative banks. M. Micha has explained to us what systems have proved successful in his country. Mr Carver has shown us how from small beginnings they have established a co-operative bank, which is of considerable benefit to the working-classes, on a substantial basis. Now Mr Deans has assured us of the great success which has been achieved in Scotland. If our friends, both English and foreign, will take these lessons to heart, we shall, when the next Congress is held, be com

pelled to devote more time to the subject, not in listening to how these banks are to be established, but in receiving reports of their successful inauguration. (Loud cheers.) We have now another delegate who is capable of explaining to us the necessity for co-operative or people's banks, in Mr Bond, of the Co-operative Farm, at Battle, Sussex.

Mr BOND-Mr Chairman, ladies and gentlemen, I am from the country at a period when all agriculturists are supposed to be very assiduous in their attention to their crops. However much I ought to be looking after my special industry, I think I should lose a great deal of information by not attending this Congress. I can only add my testimony to what has already been given by the delegates from other parts. I am forced to the conclusion that the establishment of the banks suggested by you, sir, in your admirable speech, is the necessary work of the time. It is as essential to found these banks as it is necessary to do our utmost to perfect and carry on the other work of co-operation. (Applause.) Previous speakers have stated what has occurred to their knowledge. I can add similar testimony in order to bear out our contention that it is urgently necessary to establish a successful cooperative credit system. I personally know several farmers who would derive considerable benefit if they were able to secure loans in the manner described. We have only to turn to the daily papers in order to find out how agriculturists are treated by ordinary money-lenders, and the unjust usury to which they are forced to submit in order to save not only their reputation, but the homes of their families. If we can establish these banks I am sure we shall have added another benefit to the many benefits which co-operation confers on the people of the present day.

The PRESIDENT—I am exceedingly glad to find such a great interest being taken in this new branch of our work. Our able friend, Mr E. Owen Greening, Mr Holyoake, our worthy President, Earl Grey, and Mr Ludlow, another veteran co-operator, need have no misgiving as to the future success of the innovation. It has been heartily taken up by every delegate; this augurs well for its future pros-

perity. Several gentlemen have sent up their names to support, I take it, the resolution, but as we want to leave this room within a few minutes we shall have to take the will for the deed in most cases. Mr Krishna Menon, of Madras, another careful student of our movement, should, I think, be given precedence, in order to allow him to express his opinions in support of the resolution, but before calling upon him I will read to the Congress two additional telegrams that have not long been handed to me:—

"Accept my regrets at being unable to be with you, and my warmest sympathy for your work. Greetings to the co-operators.—PREVEL."

"Accumulating occupation compelling me to forego taking part in the labours of the Congress, I send you my best wishes. The experience of 25 years has strengthened my profound conviction that the co-operative principle, in the widest sense, applied consistently and energetically, will lead to social peace. Moreover, that the reduction of the claims of capital by means of profit-sharing, but with a right to share allowed to capital also, is demanded by equity, and by the individual and collective interest of employers and of employed.—Van Marken."

A will now ask Mr Krishna Menon to address you.

Mr Krishna Menon, who was received with cheers, said—I will not, in deference to your wishes, Mr Chairman, detain you more than a few moments. I think that if we can establish co-operative banks in India it would be to the advantage of the people living there. I hold in my hand various reports, the contents of which are striking evidence in support of co-operative banks. I do not believe the benefits accruing from the formation of these banks should be confined to European countries alone, but that India should also share in the advantages. By the establishment of these banks I think we shall be conferring another blessing upon the people.

Mr J. M. LUDLOW—Mr Chairman, I should like to ask a question on behalf of a friend of mine who is absent, whether the Raiffeisen banks which have been praised so much, have not been falling very much in popular credit, and that various authorities have refused them capital since 1892?

The President—I do not think such is the case. is very difficult to get any information. Of course if you go to a bank and ask for information about another, it is not likely that you can expect a favourable account of the competing system, and probably Mr Ludlow's friend has derived his information from such a source. I regret that time will not allow other speakers upon the resolution, which I will now put to the meeting.

The PRESIDENT then declared the resolution duly

carried

M. JULES MANY (France) proposed the following resolution:—"That this Congress is of the opinion that in every country mixed joint committees should be formed by the different branches of co-operation,—supply, production, building, and credit,—with a view to establish such relations as cannot fail to be of advantage to each of those branches."

This was seconded by M. Charles Robert, and at once

put to the meeting, when it was carried unanimously.

Mr E. OWEN GREENING—I am exceedingly sorry

that our discussion has been brought to a somewhat abrupt conclusion owing to the short time at our disposal. I might inform the Congress that at the close of its deliberations a volume of our transactions will be issued. I am exceedingly pleased to perform an easy duty which I have undertaken. It is to ask you to record your thanks to the President of the day who has ably presided over the meeting. Co-operation never had a warmer friend or an abler exponent than in Henry William Wolff. (Loud applause.) It has always been a pleasure to him to render us assistance whenever we have required it. How much we are indebted to him I believe I am the only one who knows, but you are all aware that he has travelled over the whole continent of Europe in order to keep us in close touch with all the representatives of the movement. I ask you to allow me to convey the thanks of the Congress to Mr Wolff.

. Mr BLANDFORD-I can entirely concur with all that Mr Greening has said respecting the services Mr Wolff has rendered to the co-operative movement. We can show our approval by passing the vote of thanks so capably proposed by Mr Greening to Mr Wolff for presiding over the business of this morning. We shall in this way in a small measure show him that we heartily appreciate the services he has rendered in our behalf.

The PRESIDENT—Mr Greening, ladies, and gentlemen, I am very much obliged to you for the vote of thanks. If I can do anything to further the cause of co-operation you know I am always pleased to do it. What I have done with regard to the question of people's banks I may say was a labour of love; and to know that my services have been in some measure of benefit to English co-operation is sufficient return for me. (Applause.)

The Congress rose at 1 p.m., and the Delegates proceeded to the Crystal Palace for the opening of the Exhibition of Co-operative Productions.

WEDNESDAY AFTERNOON.

Opening of the Exhibition of Co-operative Productions, organised at the Crystal Palace by the Labour Association for Promoting Co-operative Production based on the Co-partnership of the Workers.

Mr J. M. LUDLOW, who presided, said—We have met here this afternoon to celebrate the ninth annual exhibition of Co-operative Productions, and I will now, call upon Mr F. A. Channing to declare the Exhibition open.

Mr F. A. CHANNING, M.P., who was received with loud cheers, said—I consider it a very high honour to be invited to open this Exhibition—an Exhibition which gives an excellent illustration of what can be accomplished by co-operation. When I was asked to perform the opening function I was at a considerable loss to know the reason I had been asked, but as I represent a district where co-operation has been highly successful, and of which that able and militant co-operationist, Mr Greening, can give such a good account, I in a great measure ceased to wonder. I am pleased to hear of the great success which you have all attained. This Exhibition is the outward and

visible sign of the onward progress of the principles we are celebrating to-day. It marks a fresh milestone on the road; certainly, gentlemen, it affords new evidence that the ideas which we have at heart are being shared by a large and increasing number of the world's workers. When I look round and see the great varieties of trades and industries which are represented, and whose exhibits are of the highest value and quality, it seems to me we have gone far on the road, and that we have left behind the criticism which road, and that we have left behind the criticism which characterised as a failure the co-operative productive movement for many years after its inauguration. Ladies and gentlemen, there is one additional very gratifying feature in the Exhibition, namely, that for the first time we have an international section. (Cheers.) We all welcome them. All co-operators in their hearts are in true sympathy with every foreign industry which is carried on on terms similar to those upon which our societies are managed. (Cheers.) I take it as a proof that the principle for which we are fighting is one of reconciliation, and we have in this new section in the Exhibition an earnest that there shall be not only a brotherhood of industries but of nations and that the only a brotherhood of industries but of nations, and that the workers are desirous of forming an alliance for the common good. (Hear.) I am of opinion that in this and other matters the co-operative movement is taking a firm stand, from which it will not recede, but that it will go steadily forward. We have made experiments in the past, and we frankly admit we have had occasional failures in this movement, but I can testify from my experience in my own constituency in Northamptonshire, and more particularly in the town of Kettering, that it has passed the initiatory stage of experiment and failure. We are constantly advancing, and we are just now taking a firm stand on new ground from which we shall not go back. We are met here to defend and support the principle that the worker should have a direct and reasonable share in the produce of his labour and profits of his work—(hear)—as well as a direct and adequate share, so far as it can be reasonably given him, in the management and control of the industry with which he is connected. This principle embodies the highest type of motive, and will secure a man's living interest in his

labour. I think the principle gives the best security for industrial peace; and further, there is in it a guarantee for the steady, for the sure economic advancement and improvement of the workers, not only in this country but in the world. I believe that there are now about 120 of these productive societies, with a capital of £800,000. Now, according to the official reports of the Board of Trade for 1892 and 1893, some very interesting information is obtain-The weekly wages lost in 1892 through strikes and lockouts amounted to £485,000 per week for an average period of about eight weeks. That was a total wage lost in 1892 of about £3,880,000. In 1893 the amount of weekly wages lost was about £800,000 per week for eight weeks, which means a sum of £6,400,000, which was diverted. from the pockets of the wage-earners by strikes and lockouts. Now, if a capital of £800,000 is enough to enable 120 co-operative productive societies to work with the success which we see demonstrated, the two sums I have named, amounting to about £10,000,000 lost in strikes and lockouts. would have provided capital for no less than 1,200 societies such as those represented in this Exhibition—(loud cheers) -which means that you would have multiplied by one hundred times the force of co-operative production in this country. By the foregoing figures you will be able to see what has come through disorganised labour; while as to organised labour, you are to witness our Exhibition. To my mind, one of the best features of the principle we are here to support is the insight it gives the worker into the inner working and business responsibilities of the industry in which he is engaged. Thereby it diminishes the risk of those losses which arise from want of discipline, from labour conflicts such as I have spoken of. It is a form of that local self-government upon which our national institutions rest; it is local self-government in industry, whereby the manual worker gets a knowledge of the other side of industry—the commercial side, and learns to bear his share of the responsilities.

Everywhere in co-operative work it has been demonstrated that its various developments are capable of federation and combination; and where one society has

obtained a firm position others grow up around it in other industries, interchanging products with it, supported by it, and supporting it in return. So, for instance, has it been in Kettering.

In conclusion, gentlemen, I would urge upon you two things. The first is that you be not content with any limited market, but make up your minds to get a command of the general market, of the great markets of the world. So will you show that your system is no mere fad, but that it brings you that success which springs from labour working under the very best conditions.

My other word to you is a warning. Beware that you do not let your movement develop into a mere aristocracy of labour. That is a danger which besets you, as it does the trade union movement. The best work of those among the working classes, who have tolerably assured their own position, is to spread the light of the principles by which they have benefited among their less fortunate brothers. Let us, therefore, always bear in mind those classes which are crushed beneath our present industrial system. We have to build up a better system for these and not only for ourselves. Our movement andst be very largely an educational one. We have to stir men up to high aspirations, and to raise them from the slavery of the passions by the power of a great idea, an idea which we embody by joining on rational lines to carry on the production of wealth. I have great pleasure in declaring this Exhibition open.

The CHAIRMAN—We are extremely grateful for the kind and cheering words which our friend Mr Channing has addressed to us. The co-operative movement is in the position of being able to boast of many able exponents of its principles. We have heard Mr Channing, an English representative co-operator, now M. Charles Robert, a man who holds a chief position in the movement in France, will briefly address you.

M. CHARLES ROBERT then addressed the meeting in French. He said—Like St Paul, I feel that there are two men in me. The one is very happy, made so by the impressions of the last few days; the other is very sorry,

because I cannot address you in your own language. I have been much struck with this Exhibition. It is true that we have had great ideas laid before us in the International Congress this week, but here one sees facts. The best arguments are those directed to the eyes, and those that one can touch. In the International Congress we have made a great alliance of the world to study the conditions of labour. Mr Channing has given us some striking figures as to strikes and lockouts. All are agreed as to the evil of these; but where is the remedy to be found? Not in chimeras, in wild schemes, but in experience, in generalising on a great scale the practical results which have been arrived at by successful experiment. For this purpose we shall bring together the facts as to such experiments in every land. In England you have fine examples of co-operation, where the sharing in profit is recognised as the right not only of those who bring capital, but of those also who bring their labour. The labourer shares in the risk as capitaledoes. As the capitalist may become bankrupt, so the dabourer runs the daily risk of injury and of death. Three things are necessary to produce as wealth—capital, intelligence, and labour. Each must have its wages, and the profit remaining must be divided among them all. What the precisely best system may be on which this can be done is a matter we have to work out. Two things, however, I desirehtogemphasise. One is that the an just treatment of labour in the division of profit should always be safeguarded by an independent audit of the accounts-independent, that is, of the owners of the business. The second is that the workers must recognise the rights of capital, and not grudge it its share of the result. It is the old case of the stomach and the limbs. stomach may appear to take a great deal and do nothing, while the limbs toil hard; but if the limbs decline to feed the stomach, they must perish. Our cause, ladies and gentlemen, is the cause of intelligence in industry, and our principle will be the triumph of equity and of solidarity. (Loud applause.)

The Hon. T. A. BRASSEY said—Respecting the Exhibition of 1895, I think I may say that it affords us all the greatest

pleasure to see such a complete display of the produce of co-operative labour as that before us. Though I have often spoken from this platform before, I have never done so with such good hope, for as I said at the Congress yesterday, I think the fact that our co-operative societies have succeeded in holding their own in bad times (as every one engaged in business knows the last year to have been) is the best evidence we can turn to in support of the success of our movement. We must not, however, expect to go very fast, for in some industries we have to train up the men to manage them, as we go along. Such at any rate has been my own experience in certain experiments I have made in co-operative agriculture.

The CHAIRMAN—We shall now hear a few remarks from a representative of one of the standing monuments of co-operative work, I mean our friend Mr Hall, of the Macclesfield Silk Society, who will make a fitting recognition of the services which Mr Channing has rendered to co-operation.

Mr Frederick Hall (Macclesfield) said—I entirely agree with what has been said by previous speakers that this industrial exhibition is one of the most important in the history of co-operation. Exhibitions are so common a feature of modern life that we have one almost everywhere; it is therefore necessary for the promoters of each one to give good reasons for their project. I think we have several good reasons for holding our Exhibition. It is nine years ago since the first Exhibition, promoted by the Labour Association, was held. Since that time we have had a record of annual successes which have shown that as time has gone on, co-partnership co-operation has been making rapid progress. The Exhibition is interesting as a show, but it is also interesting and valuable for what it denotes. The society with which I am connected, when it was started, was not considered likely to make much progress by those who were accustomed to go dividend hunting. But we have stood long enough to prove that we can carry on the difficult silk manufacture. This to my mind is another proof that co-partnership societies can live in the open market. Moreover, we have given more regular

employment to our workers than any other employer in Macclesfield; and regularity of employment is, I take it, one of the things we all desire to bring about. I may mention here that Earl Grey has been much interested in our concern, and so perfectly satisfied is he with it, that the other day he remarked to me, "I have confidence in you and your concern, and I am willing to put £500 into it." (Loud applause.) I said just now that it is possible for co-partnership societies to live in the open market, and I should advise them not to depend too much upon the co-operative stores, where our enemy is the spirit of "divi-hunting," but to push out as much as possible into the open market. This is the lesson of our experience at Macclesfield. At first we produced for the stores only, and made a great failure; then we went into the open market, and realising that our products must be as good value for the money as any the open market can show, we have made a great success. From six to seven eighths of our trade is in the foreign markets, but I hope that after the splendid advertisement we have obtained through the holding of the great International Co-operative Congress, we shall be able to cultivate a greater trade with the co-operative societies. With extended trade will probably come new co-operative capital, and this will more completely distinguish the society as part of the movement. By a curious coincidence, most of our trade at present is done with French firms who re-export the goods to this country, where they are often sold as Paris goods, their value being thereby increased about 150 per cent. (Laughter.) Finally, gentlemen, I say two things: First, do not forget the necessity of paying for brains, so as to get the best management as well as the best skilled labour. Second, no one shall persuade me that the man who gets a share in the profits is not a better man, a more valuable man, for it. With these few remarks, I beg to move a vote of thanks to Mr Channing for taking such an active interest in co-operation.

The CHAIRMAN—I will now call upon a foreign representative to add his testimony to the services rendered by Mr Channing, to whom we are indebted for coming amongst us to-day, and assisting us to make this Exhibition a success.

Signor ENEA CAVALIERI (Italy)—I join most heartily in the vote of thanks to Mr Channing, who is, I think, an able exponent of our principles, and the division which he represents in the Parliament of Great Britain should be proud to have him as a member. Our exhibition of foreign productions may probably be thought small, but I am sure it will be better and better each time. This is the first time that we foreign co-operators have come to see you, but it will not be long before we visit England again in order to attend another gathering, and I hope that in that short space of time my knowledge of the English language, like the Foreign Section of the Exhibition, may be considerably improved. (Cheers.)

The CHAIRMAN—We have not much time left at our disposal, but there are a few friends who would like to express their thanks more adequately than merely voting thanks conveys. Mr Deans, of the Co operative Union, Scottish Section, will address a few words to the meeting.

Mr JAMES DEANS (Scotland)—I am a great supporter of the principles of co-partnership. In Scotland we have not many productive societies, but every one of them shares profits with labour. From profit-sharing we have gone on to co-partnership, and from co-partnership I hope we shall go on to the workers having complete control of their own industry. We have only to look at the records to find striking proof of the success of co-partnership in preventing industrial disputes. But, nevertheless, it is sometimes asked whether co-operation can compete against sweating. In reply I would point to what the Scottish Wholesale has done for shirtmaking. It was the most terrible industry, and it was the first the Scottish Wholesale touched. The Wholesale has given better wages, beautiful workshops, short hours, and withal it finds it can turn out good shirts and compete in price with the sweater. Such is the power of justice to the worker.

The CHAIRMAN—It only remains for me to put the resolution, which is a vote of thanks to Mr Channing for his presence here to-day, and for the inspiriting and instructive address which he has given us. I put the resolution to you:—"That this meeting of Co-operators,

English and Foreign Delegates, assembled at this the Ninth Annual Exhibition of the Labour Association, tenders its heartfelt thanks to Mr Channing for kindly coming amongst us and opening the Exhibition." I need not ask for a contrary opinion, so I declare it carried. (Applause.) Mr Channing, this meeting deputes me to convey to you their heartiest thanks for the services you have rendered us this afternoon.

Mr VIVIAN having taken the chair.

Mr F. A. CHANNING, M.P., in responding to the vote of thanks, said—I can assure you that it is with the greatest pleasure that I come among you to-day. Whatever I can do in my small way, I am most pleased to do. I do not intend to again weary you with an address, but the response I make has given me one more privilege, that of moving a hearty vote of thanks to our esteemed Chairman, Mr J. M. Ludlow, for coming here to-day, and presiding over these proceedings. It needs few remarks from me to commend this to your approval. It is highly satisfactory that the friends of co-operation can boast of the services of a man with such an extensive knowledge of social questions as Mr Ludlow, and with such a record. With your permission I will move that the thanks of this meeting be given to him for his presence in the chair. (Applause.)

Mr C. WRIGHT (Manchester)—I heartily second this resolution, and thoroughly endorse all that has been said respecting Mr Ludlow. In my opinion, as workers advance in education, as they increase in knowledge and develop more self-respect, it will become increasingly difficult to conduct industry on the ordinary lines of mere reliance on the arbitrary power of the employer. I sincerely hope that in the future the success of these exhibitions will be continued, and that we shall be compelled to arrange increasing accommodation for the exhibits of foreign societies.

The CHAIRMAN—Up to the present we have had all male speakers, now we have a member of the fair sex.

Miss TOURNIER (Women's Guild)—I wish to address a few remarks to the women present, for this question affects them as much as it does the men. In women's occupations

we have to work out a system of co-operation which shall supersede the present unsatisfactory competition. We want the women of every country to know that it is possible to produce a state where they will be treated as fellow-creatures and not be considered mere machines. We must go on with our work and secure to women also the profits of the labour in which they are engaged, in order to promote an improvement in their condition. I want all men and women to grasp the co-operative ideal in all its fulness. For when we have realised it, we shall be able to look upon a contented and happy people. (Applause.)

The CHAIRMAN—If we have not time for many more

The CHAIRMAN—If we have not time for many more speakers, we have at least time for our American friend, Mr N. O. Nelson, who has come four thousand miles in order that he may gain a better insight into the working of co-operation in other lands. (Applause.)

co-operation in other lands. (Applause.)

Mr N. O. NELSON (U.S.A.)—As you have mentioned,

Mr Chairman, I have come four thousand miles to participate in the pleasure which this gathering of the world's co-operators affords, for I am one who believes that a workman should participate in the responsibility of his work, that he should share in the profits, and last, but by no that he should share in the profits, and last, but by no means least, help in the management. I came that four thousand miles as much to honour Mr Ludlow and his friends in the movement as for any one thing. For a long time the names of Maurice, Ludlow, Kingsley, Hughes, Neale, and Holyoake have been an inspiration to me. It was through them that I came into profit-sharing and co-operation. The original idea of the Christian Socialists in industry was self-employment, which meant self-help; and it is my hope that some day subjection to a master will be a thing of the past. Of that the Exhibition I see around me is a good omen to every one who is tired of industrial me is a good omen to every one who is tired of industrial strife and longs for peace. It foretells too the passing away of all that tends to estrange the peoples, for to co-operation I look for the bringing about of a better understanding between the nations of the world, for it is with the interchange of products, and the meeting of representatives of the various industries of the world, that an international brotherhood will be accomplished.

Mr VIVIAN—I am sure we could not disperse without having a few cheering words from Mr Holyoake, whose interest in everything that appertains to the prosperity of the co-operative cause is, I might almost say, boundless.

Mr G. J. HOLYOAKE said—I am glad to be present

and to see what a large growth has taken place in our productions. Born a mechanic myself, I examine goods exhibited not only in front but at back. We must seek excellence in all we make: we must add art to industry whereby to raise the reputation of our produce. In American I found that the Shaker goods commanded 30 per cent more than others, because of their known excellence. So should it be with our productions. We must make our work excellent and distinctive: the workman must put his character into it. Then we shall be able to raise the earn ings of labour faster than any trade union. Co-operation has in the past been most successful in store-keeping. This success will prove a great help to co-operative production for we have secured a market where our productions care be disposed of. Not only have we gained in that respect but we have had a fine training ground for the men who share the responsibility of the productive establishments. They have considerable experience placed within their reach, in finding out the requirements of the people (Applause.)

Mr VIVIAN—I have to put to you the resolution, a vote of thanks to Mr Ludlow for presiding, which has been so ably supported by the previous speakers.

The resolution was then put, and carried amid cheers.

Mr LUDLOW said—I am at a loss to know why I deserve so much thanks for having presided over this brief meeting I feel, indeed, overwhelmed by all the kind things that have been said. I am not in the habit of considering any work.

I have been engaged in in the co-operative movement as of myself individually; so many dear friends have had their share in it with me. All but a few of them have gone Mr Maurice, my revered master, has gone, and Neale and Lloyd Jones. I cannot dissociate myself from them as though anything I had done was mine personally for which I deserved to be praised. Neither can I dissociate mysel

from working men like Robert Newton and many others, whose friendship I have enjoyed, and from whom I have learnt so much. Yet I am no less thankful to you for what has been said. At seventy-four a man's life work is pretty nearly done, and I feel, by the fatigue of yesterday, that I have not much strength remaining. But I shall always remain a co-operator, and give what help I can to the cause. I am glad to know that the Labour Association, which is working for that cause, is in the hands of men much younger than myself, men of ability, and in whom I have every confidence. I trust this Exhibition is but an earnest of exhibitions far more extensive and beautiful. (Cheers.)

The gathering then dispersed.

FOURTH DAY—THURSDAY—MORNING SITTING.

On the President of the day, Mr Frank Hardern (Oldh.am), taking the chair, Mr E. OWEN GREENING read the following letters:—

From Professor Patrick Geddes.

"University Hall, Edinburgh, 19th August.

"DEAR SIRS,—I am sorry that I am unable to attend the Congress because of constant and daily duty at the Summer Meeting here. If any of your members, foreign or British, think of making a tour in Scotland, I shall be very glad if you will consider this as an invitation to visit our meeting. I should also be glad to arrange (2) a reception at University Hall; (3) to put up as many as we may have room for; and (4) to facilitate in any way possible their holiday in or around Edinburgh. If this invitation be acceptable to any of your members, I shall, of course, be glad to know what number approximately to expect.—Believe me, yours faithfully,

P. GEDDES."

From the People's Palace.

"People's Palace, Mile End Road, 20th August.

"DEAR SIR,—Please pardon my delay in answering yours of the 13th; but holiday-making must be my excuse. We shall be very pleased to show the People's Palace to any of the delegates to the International Cooperative Alliance either Thursday or any other evening. We have nothing going on just now, owing to the vacation, but the building would no doubt be interesting.—Yours faithfully,

C. E. OSBORN."



FRANK HARDERN.

From the Right Rev. The Bishop of Durham.

"AUCKLAND CASTLE, BISHOP AUCKLAND.

"DEAR SIR,—I very much regret that it is impossible for me to attend the International Co-operative Congress. May I, however, wish success to the meeting most heartily. The work steadily and surely goes forward.—Yours most faithfully,

F. DUNELM."

Mr E. OWEN GREENING—I am sure all our friends will regret to hear that our two esteemed supporters who are named as the Vice-Presidents for the day—Dr A. E. Elias, General Secretary of the Colonial Office of the Netherlands; and M. E. de Boyve, the Treasurer of the Central Committee of the Co-operative Union in France—are unable to be present to perform the duties of Vice-President. I think we have found two very able substitutes in Dr Lorimer, of the United States; and Mr George Jacob Holyoake, of Great Britain, and the world generally. (Applause.)

The PRESIDENT of the day—I am sure we can heartily concur with what our friend, Mr Greening, has said about Mr Holyoake. I do not think he could have expressed Mr Holyoake's sympathies for the co-operative cause in better terms; nor do I think we could have a more consistent supporter to assist in the Presidency than Dr Lorimer, of the United States. It is with the greatest possible pleasure that I submit these two names to you. (Applause.)

On a show of hands being taken, the PRESIDENT said—Gentlemen, by that exhibition of feeling, I am right in inviting Mr Holyoake and Dr Lorimer to take their position as Vice-Presidents for the day.

Mr H. W. WOLFF—I have to announce to the Congress that two new delegates have arrived from abroad—the representative of the French Agricultural Syndicates, M. Kergall; and M. Avramovitch from Servia.

Mr E. OWEN GREENING—I have to mention that I have received communications from the Civil Service Stores that two members of their Board will be here this afternoon to help the members of the Reception Committee to take the friends from here and show them over the stores. I am

sure the foreign delegates, as well as the English representatives, will show their appreciation of this kindness by going to see the wonderful stores of what I may term a most wonderful society.

The President of the day, who was received with applause, said—It is far from my intention to inflict upon you anything in the nature of an inaugural address. Some of you, I daresay, are getting somewhat tired of long speeches. addresses, and papers as well. If we can do anything towards ensuring a first-class discussion, our time, I feel quite sure, will be well spent. We all learn a great deal by reading and listening, but interchange of thought and ideas is to my mind the most useful of all. Therefore I shall do all I can to bring us to the time of discussion. I feel quite sure that Mr Tutt has something good in store for us, that he will give us an exhaustive review of the store movement as we find it—as we have it here amongst us. And therefore I won't detain you long. I notice that the principal topic up to now has been that all-absorbing one of profit-To me it is a pleasure to leave the practical arena of loss-sharing, and for a time bask in the sunshine of profit-sharing. I look at this question of profitsharing from a practical standpoint. Men want to be taught that if they share profits they must be prepared to share losses; and therefore it ought to be responsibility-sharing. In our distributive store movement members must be shareholders, or they cannot reap all the advantages. Great expectations were all the rage when this movement had its birth. Men had practically been in serfdom or slavery when the new era dawned. Workingmen had no security of tenure. Co-operation was a loosening of manacles; and if it did not bring about a repeal of hard-and-fast and binding and cruel laws that hung about the poor man's neck like a millstone, it was concurrent with that repeal. In our distributive store movement you have a marvel of organisation. Think of its magnitude to-day after the untiring efforts of half a century. Among the industrial organisations which have had their origin in the nineteenth century, none have been such a power for good as our co-operative stores, giving the strongest examples

of thrift, industry, and self-help, and none of us can possibly estimate their value in the future. In the hour of sickness, and in health, the working-man and his family have found an institution that has given him an independence and position that no other organisation could fill. According to our latest returns, the number of these societies are legion, and scarcely a city, town, or village is without its store. In England and Scotland their success has been phenomenal; and we are hoping that as peace and contentment are gained in the Sister Isle, there also co-operation may find a genial atmosphere. There are now in existence of these institutions societies to the number of 1,674, with a membership of 1,343,518. Their share and loan capital is £18,500,000; their reserve fund And loan capital is £18,500,000; their reserve lund £826,872; their re-investments amount to £7,780,000. Their sales during 1894 realised £50,000,000, with a profit of £5,000,000. They had devoted to education £38,016, and to charity £17,487. The great success achieved by these societies has undoubtedly been brought about by the existence of our Co-operative Union, over a thousand of these societies being affiliated with that institution, which constantly watches over their welfare. This Union was developed, and its usefulness made all-powerful, by the self-sacrificing and indefatigable efforts of our departed friend, Edward Vansittart Neale; and we are proud to recognise that his mantle has to a great extent fallen on the younger but not more vigorous shoulders of our present esteemed General Secretary, Mr J. C. Gray. We are met here I hope to-day and this week to unite in a bond of brotherhood, to form an International Alliance with our Continental friends; and we hope that this Alliance may be the augury of future success, and that the working men and women of this country will join hands with their foreign brothers and sisters to make co-operation known and felt throughout the civilised world. We must all of us work right on whether engaged in the distributive or productive branch. Our methods may be different, but I am quite sure our aims are the same—the emancipation of the labourer. Let us work then as if the ultimate realisation of our hopes depended on our own individual effort. Time

is short, and waits on no man. We cannot therefore be Life is uncertain; we are reminded of that every day. The principle of the International Alliance is good, it is desirable; but it is neither good nor desirable if it is not brought about in its entirety. There must be no pushing up of any particular branch or section at the cost of the others. Our distributive movement includes the two great wholesale societies; and unless they are recognised and represented, the Alliance will be incomplete. There are many ways to Rome; it is not for us to say which method is absolutely right. All methods are for the general good, and therefore must receive general recognition. (Applause.) We are fortunate in having to-day several able speakers, who are able to place the position of the co-operative store movement before the Congress. Mr Tutt, who is well known to all of us, has prepared an address in which he will give a short account of that movement in this country.

Mr R. H. TUTT (Secretary of the Southern Section of the Co-operative Union) said—The rapid growth, the extensive development, and the wide popularity of the co-operative store movement in Great Britain may be regarded as one of the marvels of the nineteenth century. Like some vast river, which has its origin in insignificant streamlets, despised or unnoticed by the traveller, on the far-distant mountain, but which eventually unite and form the river, deepening and widening as it traverses its way to the sea, becoming at last an important means of communication for the world; so the co-operative store movement may be traced to insignificant and humble beginnings, treated with scorn by some, despised by others, and viewed with distrust by a still larger class of the community. nevertheless, gone forward, uniting social forces, widening its influence and operations, until at last it has established a successful footing in nearly every centre of industry, as well as in many agricultural villages, and has enrolled within its ranks a million and a quarter of members, carrying on a trade of fifty million pounds sterling per annum. It has become an important factor of commercial life; it has engaged the attention of all classes of society; it has



R. H. TUTT.

attracted the sympathy and support of teachers of religion; it has won the approving verdict of statesmen, and has been described as a "State within a State." In the first decade of the present century, a number of co-operative stores were formed for the sale of bread and flour. These associations appear to have been the forerunners of our present store movement, and were the streamlets that helped to make the river. They were formed generally by the poorer classes of the community to protect themselves from the monopoly and extortions of the bakers and millers, who, it is said, made their fortunes rapidly and adulterated flour with impunity. In many societies the capital was raised by the working-classes entirely, while in one instance a parish mill was erected by the wealthy people for the benefit and the use of the poor. The objects of these stores were to supply the members with pure bread and flour at a cheaper rate than the millers and bakers of the districts, and to substitute ready-money for credit trading. Their method of business was to add a small percentage on the cost price, to cover working expenses and allow a small margin of profit. Gifts of bread and flour were given periodically to members out of the profits, and the remaining profit became accumulated capital, so that the shares were continually increasing in value. These stores fulfilled their purpose, and were successful for a time, but most of them have ceased to exist. One only, the Sheerness Economical Society, founded 1816, still survives. causes which led to their decay were-first, the accumulation of the capital, which, increasing the value of the shares from year to year, rendered it difficult for poor people to join the association, and enjoy the advantages of membership; secondly, the men who were the original members, and at the time of the formation of these stores supported them by large purchases, in the course of years were not able to purchase largely, because the members of their families had grown away from them, and their wants naturally became less, but they as shareholders still had their gifts of bread and flour, with share of further profits, thus taking the honey from the hive which they had done but little to gather. There was little inducement for non-

members to deal at these stores, because they had not an interest in their success, and each year the difficulty of joining became greater, so that new members were not added. the one society that has survived the changes time has wrought, its members were wise enough to profit by experience, and modernised its methods. In the year 1863 it apportioned its accumulated capital to the existing members in shares of £1 each, and became a registered society under the "Industrial and Provident Societies Act." Paradoxical as it may appear, this feature, which was really strengthening the society and placing it on a safe and secure basis, was the cause of many of its old members withdrawing from it. The number of members dwindled down till they were reduced to 172, but with this lessened number of members, and the stimulus given to trade by giving dividends in proportion to purchases, the trade was increased by 60 per cent.; and from that time it has been in the flood-tide of uninterrupted prosperity, and it now has 1,265 members, with a share capital of £16,073, and does an annual trade of £28.083.

The next phase that we find in the development of the store movement is the formation of community stores, due to the agitation for social improvements advocated so strenuously by Robert Owen. In 1828 a community store was started at Brighton, with the modest capital of £5. Their first week's sales were only 2s. 6d., but ultimately they rose to £40, and realised a profit of 10 per cent. object of the stores was to raise capital by trading to ultimately form a community on the Owenite plan. The goods were sold to members and others at the usual market prices, and the profits were intended to accumulate. Business was to be conducted for ready-money. The success of the Brighton store encouraged working-men in other parts of the country to follow the example. 1822 the editor of the Brighton Co-operator stated that upwards of seventy societies were then in existence. "Report of the British Association for Promoting Co-operative Knowledge," said that in February 1830 there were 172 stores similar to Brighton in existence; and two years later, in 1832, the number had increased to between 300

and 400. There is no doubt, however, that during this period the seeds of co-operative faith had been scattered far and wide, and had fallen into ground not sufficiently prepared for their reception. They lay buried for a time, but we in our day are gathering the fruit and reaping the harvest from those seeds, sown by generations of men who have passed away. A few of these societies struggled on, and are now embodied in the existing system of co-operation. Between May 1830 and April 1835, a period of nearly five years, no less than seven Co-operative Congresses were held in different parts of the country. At the third Congress, held in London in 1832, to which all Members of Parliament were invited, though three only appear to have been present, 800 persons are said to have attended on the day on which it assembled, indicating very clearly the popular interest in its proceedings. At this Congress a resolution was adopted affirming that the movement was confined neither to one religion nor to one party in politics, and a circular embodying regulations for co-operative societies was also adopted.

Another feature closely allied to the store movement was the establishment of bazaars, or labour exchanges, in the year 1832, also promoted by Robert Owen. From Mr Holyoake's "History of Co-operation" we learn that a bazaar was opened in the Gray's Inn Road, London, on 3rd September 1832, under the title of the "Equitable Labour Exchange." The plan adopted was to receive from workmen all kinds of goods which they wished to dispose of. A labour note measured in hours, and each hour reckoned as worth 6d., was given in exchange, the amount being calculated according to the cost of the raw material and the time required in making. With these notes the person bringing the article could go to any other part of the bazaar and obtain in exchange what he required. This movement, however, was very ephemeral.

From the years 1835 to 1844 the aspirations of the working-class for social reform were very keen; and a great deal of agitation existed for effecting improvements in the social conditions of the people. Inquiries were instituted as to the character of the persons holding social-

istic opinions, and the reply elicited was that they consisted of the most skilled, well-conducted, and intelligent of the working-class.

No great advance, however, was made in establishing co-operative stores until 1843, when the Rochdale weavers who for some time had felt the pinch-of poverty, and who it is said, were sustaining life principally on coarse meal decided to form a co-operative association, rent premises and commence business in those goods which were abso lutely necessary to maintain life. Funds being required to carry on their enterprise, they decided that the shares should be £1 sterling each. But the difficulty was to raise the capital from men who possessed nothing; the contribution were fixed at threepence per week, which were collected on Sunday mornings. After some delay, the insignificant sum of £28 was raised, and with this capital the Rochdale Equitable Pioneers' Society commenced business, and inaugurated the existing store movement in Great Britain which has taken so firm a hold on the people, and has spread in all directions. The name adopted by the society Rochdale Equitable Pioneers, sets forth in a market manner their position in the movement. To all intented and purposes they were the pioneer society of the store. movement; and, although not the first society to divided profits pro rata to trade, they gave publicity to the place of dividing profits with capitalists and consumers on a equitable basis. They decided on cash terms, both in buying and selling. Ready-money was their principle, and the profits realised to be divided in first paying interest of all paid up shares at the rate of 3½ per cent. per annum. and the remainder to be apportioned to each member in proportion to the amount of money expended at the store. The great and rapid success of the Rochdale store itself and of the whole store movement, is largely due to the factor that profits are shared with the consumer according to the amount of his trade, after paying a fixed rate of interest ob capital. It is this principle of equity that has become the chief corner-stone in our social fabric, that has attracted the attention of the public and drawn them like a magnet to the store, and that has been the stimulating force

increasing the trade. The constitution of the societies working on what is known as the Rochdale plan is that the number of members is unlimited, all may join who desire to do so on making application to the committee of the society, and signifying their intention to conform to the rules in force. A fee of one shilling is paid generally on entrance, and a copy of the rules is supplied to each member. Shares are £1 each, and may be paid in full or by contributions of threepence per week. The maximum number of shares which one member can hold in a society is fixed by Act of Parliament at 200, but societies by their rules frequently adopt a lower limit than this. The societies are governed by a committee consisting of a chairman, secretary, and committee-men, varying in number from six to twelve. The officers and committee are elected at the business meetings by the members, each member having one vote, no matter what number of shares he may hold. The officers are responsible to the members for the administration of the society's affairs; they engage the manager and employees, fix their salaries, and regulate the hours of business. As a rule, stocks are taken quarterly, the accounts balanced, and a report and balance-sheet prepared for the information and consideration of the members at a general meeting. All societies are registered under the Industrial and Provident Societies Acts, and a certificate is given by the Government Official Registrar that the rules are in accordance with law. The society can sue and be sued in its corporate capacity. The liability of members to contribute to any debts of the society, in the case of winding-up or dissolution, is limited to the amount of their shares in the society. Out of profits made, provision is made for depreciation of buildings and fixed stock, for maintaining a reserve fund, paying interest on share capital (which is generally 5 per cent. per annum), and in payment of dividend on trade (varying from 1s. to 3s. in the pound sterling). The dividends on trade vary in different localities, being lowest where competition is keenest. A large number of societies appropriate a percentage of their profits to an educational fund, which is utilised in providing readingrooms and libraries for the use of their members for lectures

on social subjects, and classes for instruction in the history and principles of co-operation, bookkeeping, dressmaking for girls, and other useful subjects. The store movement has proved a great advantage, both pecuniarily and socially, to a large number of working-men, who, having only paid £1 into a society, have become the possessors of £50, £100, and in some cases £200, by the accumulations of their dividends and interest. There are instances where members have never paid a single penny into a society, but have accumulated their dividend as non-members until it has been sufficient to make a share, and have afterwards had from £50 to £100 standing to their credit as shares. Working-men with limited wages and large families have often experienced the difficulty of saving anything out of their incomes—it is often hard to make both ends meet but through the agency of the co-operative stores they have made savings without effort, by loyal trading with the stores of which they are members. The social advantages which co-operators have gained from the store movement are that it has made many a man careful, thoughtful, and thrifty The business training which a man has in carrying on his duty in the committee room is of immense value in the moulding of his character. When he feels the official responsibility of his position, his best qualities are stimu lated, and, as a rule, he is a more liberal-minded and a more useful citizen after his term of office as a committee-man of a store. Many men have obtained their first experience of public life while sitting at the table directing the affairs of their societies, and have afterwards qualified themselves to fill places in the municipal council and on the magisteria bench. When it is borne in mind that in our sixteen hundred co-operative stores in Great Britain there are some thousands of co-operators undergoing this business training every week, it will easily be seen what a social force the co operative store has become.

Out of the store movement have grown two other institutions of vast importance to the movement itself, the Co operative Wholesale Society, which supplies the wants of the stores in England, Wales, and Ireland, and the Scottisk Wholesale Society, which performs the same functions for

the societies in Scotland. For several years after 1844, co-operative societies had to encounter the bitter opposition of tradesmen, and the smaller stores were boycotted by wholesale merchants, who, for fear of offending their customers, refused to supply co-operative stores with goods. the year 1850, a Central Co-operative Agency was started in London by the Christian Socialists, many of whom were enthusiasts in the cause of co-operation. It did a useful service for the stores in the metropolis and the South of England, but its success was not at all brilliant. In the year 1856, an attempt was made by the Rochdale Equitable Pioneer Society at wholesale trading. A wholesale department was opened by them at the request of the neighbouring societies. The scheme did not, however, work satisfactorily The outlying stores were not faithful to their promises to support the department, but only bought the goods from the Pioneer Society when it was to their advantage to do so. Bickerings and jealousies arose, followed by losses from time to time, and after about three years' experience the wholesale business was given up. Attempts were then made by the societies in Lancashire and Yorkshire to obtain an alteration in the Industrial and Provident Societies Act of 1852, by which societies might join in a federation for wholesale trading. In 1862 a bill was introduced into Parliament to amend the Act of 1852, and the passing of this bill enabled one co-operative society to hold shares in another, and the establishment of the Co-operative Wholesale Society became a possibility.

In 1863 the North of England Co-operative Industrial and Provident Society Limited was registered. It began business in 1864 in Manchester, with a capital of £999, and supplied fifty stores. The name has since been changed to the Co-operative Wholesale Society Limited. The business is strictly conducted on ready-money principles. Goods are sold to co-operative societies only. The society is a federation of co-operative societies, and no individuals are admitted as members. The shares are all transferable, and each society on joining is required to take up three £5 shares for every 20 members, but it need only pay in cash 1s. on each share taken up, so that a society with 100 mem-

bers for the small sum of 15s. is entitled to all the advantages of membership, the remainder of the share capital being made up by the accumulation of dividends on purchases and interest. It is governed by committees elected by the votes of shareholding societies. The general committee at Manchester has sixteen members, and the branch committees at London and Newcastle have eight members each. Meetings are held quarterly at Manchester, London, and Newcastle, as well as relief meetings in three other places selected from time to time, one in each district. The same business paper is considered at each of the six meetings, and delegates from societies attend in the proportion of one delegate for every 500 members in the share-holding society. The growth of the Wholesale Society has been marvellous. At the end of 1894 the number of shares taken up was 127,211. The number of members belonging to shareholding societies was 910,104. The amount of share capital was £598,496. The amount of loan capital was £972,586. The sales for the year amounted to £9,443,938. Number of societies holding shares, 1,017. The society has its own buyers in all the principal markets of the world. It sends its buyers to Greece, Turkey, and Spain, to purchase currants, raisins, and foreign fruit, and strives in every direction to dispense with the encumbrance of middlemen. It manufactures its own boots and shoes, biscuits, sweets, soap, &c. It has a flour mill on the banks of the Tyne. It owns and works a fleet of six steamers, and gives direct employment to upwards of 5,000 persons, and has played an important part in the consolidation and development of the store movement.

The Scottish Wholesale Society started business in 1868, and its success has been equally as marked as the sister association in England. This society admits its employees over twenty-one years of age to membership. The employees are entitled to send one representative to the quarterly meetings for every 150 employees who become shareholders. Direct employment is given to 2,874 persons by the society, but only 175 of them have availed themselves of the offer of co-partnership in the society which gives them employment, or about 6 per cent. The 175 shareholding employees hold

2,751 shares, with £1,460. 15s. paid up. The society has from 1870 paid bonus on labour to its employees. The system of allocation has been twice amended, that at present in force is a bonus at the same rate per pound sterling on wages earned as the dividend on members' purchases. Onehalf of each worker's bonus is retained and put to his credit, forming a special fund called the Bonus Labour Fund. This capital bears interest at the rate of 4 per cent. per annun., and is only withdrawable when the employee leaves the service of the society. The total amount paid as bonus to labour to 30th June 1894 amounted to £24,153; the amount of the bonus loan fund on same date was £1,708. The share capital on 30th June 1894 was £159,312; total capital, including loan, reserve, and insurance, £954,792; its annual trade over £3,000,000. It has extensive productive works at Shieldhall, near Glasgow, where ready-made clothing-shirts, mantles, hosiery, boots and shoes, furniture, and brushes are made. Printing is also carried on in the establishment, as well as the manufacture of confectionery, preserves, and tobacco.

Yet another, and not the least important, organisation in connection with the store movement must be briefly referred to. The Co-operative Union is the national organisation of the United Kingdom. From the early days of the store movement the need of organisation and union has been felt, and the importance of propaganda work, for disseminating a knowledge of the advantages of co-operation, has been fully realised. At a congress held in 1869, in London, a central board was formed to meet the necessity for propaganda work, and the constitution has from time to time been altered to improve the organisation of the movement. The opposition of traders to co-operation was so pertinacious and objectionable in its methods, that it was felt the only way to meet it successfully was by the union of societies to defeat their common antagonist. The business of the Union is to watch over and protect the interests of co-operative societies, and it is charged with the duty of keeping alive and diffusing a knowledge of the principles which constitute the life of the movement, and giving to its active members, by advice and instruction, the help they may require in dis-

charging the important work they have to do in their respective societies. The Union has always been active in obtaining amendments to the laws of the country for the removal of disabilities from which co-operators have suffered. It is divided into six sections, each having a Sectional Board for conducting propaganda work within the limits assigned to it. The affairs of the Union are administered by a United Board which is formed by representatives from each sectional board, but in addition there is a permanent staff at Manchester consisting of the General Secretary, Assistant Secretary, and some junior clerks. There is also a consulting solicitor, who advises societies, through the General Secretary, on all legal questions they may submit. The Scottish section has a consulting solicitor and paid secretary. The southern section also has a paid secretary. The work of the Union does not depend so much upon its staff as upon the voluntary service of the members of the sectional boards, who attend and address meetings in all parts of the country for the payment of their travelling expenses and a small fee to cover any other expenses which they may incur. The Union also carries out the Congress, which is held annually during the Whit-week, and is the body which represents the co-operative movement in Great Britain. It is maintained by subscriptions from societies at the rate of 2d. per member per annum. Its income last year from subscriptions and donations amounted to £5,350.

Although the co-operative store movement has made such rapid strides, and has been attended by wonderful success, there have been some dark spots caused by failures. The principles on which the movement is based—truthfulness, justice, and economy in production and exchange—can never cause failure if acted up to. It has been the falling away from principle that has caused failures. The work which lies before the leaders of the store movement is to stimulate the adoption of these principles, and to endeavour to improve the tone of social life by raising character. In the store movement we have been making money, and the glitter of the dividend has attracted many to it, but the greater aim should be the making of stronger self-reliant men and women who will be capable of under-

standing and doing their part in the solution of the social problems that affect their lives. Our ideal should be a fuller realisation of co-operation, not only in trade and production, but in our whole social life, where the wellbeing, the happiness, and the interests of the community should be paramount to the interests of the individual, and the true spirit of brotherhood shall inaugurate the reign of peaceful, happy, and contented generations. May we not further venture to hope that this first International Congress of men of light and leading brought together from all parts of Europe and from the United States of America, for the high and noble purpose of an interchange of thought and ideas as to the various methods adopted for improving the social condition of life of the millions of toilers in the world, may have an ever-widening influence in the establishment of truth, justice, peace, and concord among all the nations of the earth,

The PRESIDENT—I congratulate Mr Tutt on the able manner in which he has compiled the facts of our movement. This is a time for congratulation, and I will now ask Mr N. O. Nelson to move a resolution on the subject.

Mr N. O. NELSON (United States)—The resolution which I have to propose is as follows:—" That this Congress heartily congratulates the co-operators of Great Britain on the wonderful success which has attended the cooperative store movement, which by its adaptability to the requirements of all classes, and by its power to accumulate capital in the hands of the workers, is calculated to afford facilities for the extensive development of industry by the working-classes of all countries, that will ensure for them a brighter and happier future." I can only say in supporting the resolution that it is with the utmost pleasure that I perceive that the co-operative store movement is settled on a very satisfactory basis. The Rochdale Pioneers initiated a system which is seen to have proved very successful, and the facts which Mr Tutt has brought out with much emphasis convey to us the impression that their efforts were not in vain. We can hardly realise that the movement which started with only a few pounds could have reached such an enormous amount as the report

states, and as I said on a previous occasion, I hope that not only the Continental countries, but also the United States, will take this country for an example, and go forward in order to ensure the future prosperity of the cooperative movement.

Mr PEEREBOOM VOLLER (Holland) seconded the resolution. He said—I am before you with my bad acquaintance with the English language, and I suppose you will think to yourselves that I am an insufferable bore. (Loud laughter.) 'I know that if I am unable to adequately express myself you will take the will for the deed, for you all know that we Dutchmen are heart and soul in the movement. (Cheers.) We are highly pleased to congratulate you on what you have accomplished, and I am sure you heartily reciprocate our good wishes. (Applause.) I think that notwithstanding the many drawbacks that we have to contend with, our efforts will compare favourably with those in other countries. I will not weary you by giving you a tabular statement of the progress we have made, but I am able to tell you that our societies are in a very flourishing condition, and that our membership is equally good. The dividends that we have been able to declare have been very satisfactory, and it all points to what we have said repeatedly, that co-operation is a living force. To the English societies I say, "Go on, and prosper;" to the French societies I say the same; to every society, "Make as much progress as you can;" to the cooperators of the world, I say, "Unite with one link of human brotherhood." This being accomplished, we shall establish human brotherhood, and lastly, not the least, brotherly love. (Loud and prolonged applause.)

The PRESIDENT—We have heard a speech which will no doubt tend to animate us with a desire to form a union of all co-operators. I have now to call upon Dr Lorimer to support the resolution.

Dr LORIMER (United States)—It is with very great pleasure, Mr Chairman, Ladies and Gentlemen, that I support the resolution that has been presented by Mr Nelson, and so thoroughly supported by the previous speaker. I cannot speak in French and English at the

same time, and if I were to speak in French, our friends the French delegates might not understand it. (Laughter.) My first duty is to congratulate you all on the material prosperity and the continued progress which has attended your efforts. Professor Bryce has said that this is a great experiment. I entirely agree with him that it is necessary for legislators to watch our experiment, for they will be able to see how we accomplish the regeneration and the enlargement of the social life, and the emancipation of the people. As a student of history, I think the world's progress commenced with the class represented in the Rochdale movement. That was inaugurated before I was born; it is still being kept alive by the able exponents of the potent truths of co-operation, and they will continue to spread until they have infolded the whole world. I look forward to a great change in the industrial movement in the next century. A look through the pages of history shows us how co-operation had its birth. I think we are passing through a revolution, equal to, and as grand as, that known to history as the French Revolution. I think it was Mr John Burns, a member of your Parliament, who it was Mr John Burns, a member of your Parliament, who properly said that we should strive for revolution by reform, and not reform by revolution. (Cheers.) We are seeking reform by revolution; but we know that our revolution is a bloodless one. (Applause.) We in the co-operative movement have done all we can, and we intend to strive to bring about better conditions for our workers. to do what we can to enable the people of this wide world to live happy and prosperous lives. We want to make manhood grander, and womanhood purer, and so entwine around the hearts of all links of love. We look forward towards the betterment of the human family, and so we towards the betterment of the human family, and so we put into force the elevating principles of co-operation. One other word, and I am done. I want to briefly refer to the position of women. I hold that society will never reach its ultimate goal, the happiness and usefulness of life, until woman is emancipated from the innumerable, iniquitous, and uneven laws that to-day hold her in bondage. (Cheers.) Our women must be made free, for in freedom of the sex I see a glorious future for the human

race. I think you will find that woman is practical in her views. Literary men have been able to appreciate that. George Meredith, in one of his books, says woman is the practical animal, but he believes that man is the sentimental animal. Some men will talk to their sweethearts about the stars and moonshine. (Loud laughter.) The woman is practical; she is anxious to know whether the man is steady, sober, and industrious, and will make her a good husband. That is what is in her mind. (Loud laughter.) She does not pay much regard to his talk about the stars and moonshine. (Renewed laughter.) She is on the practical side, and probably she is right. I think that the problem of the liberty and freedom of woman from the bondage in which she has been held will be brought more forcibly before the world. This, combined with the brotherhood of man, will have to be accomplished before we can say we are a free and happy people. We shall stand together, and then we shall be able to realise the dream of my fellow-countryman, Robert Burns-

"For a' that, and a' that,

It's coming yet, for a' that,

When man to man the world o'er,

Shall brothers be for a' that."

(Loud and prolonged cheering.)

The PRESIDENT—I congratulate the Congress on having such able exponents of the principles of co-operation. They are the men who will carry the ideas and the objects of our movement to parts where it is as yet unknown. I will now put the resolution.

The resolution was accordingly put to the Congress, and declared duly carried by the President.

Mr J. C. GRAY then moved the following resolution—
"That this Congress urges the necessity of all co-operative institutions of whatever form, whether distributive or productive, keeping steadily in view the many opportunities afforded by the co-operative organisations for promoting social education in true citizenship, and for this purpose advises the establishment by all societies of educational funds, Women's Guild branches, and other auxiliary institutions calculated to encourage this end." He said:—I have

pleasure in proposing this resolution, because I believe that a well-founded system of co-operative education is the most important essential to the future progress of our movement. Unless we are able to educate people in regard to the true aims of co-operation, we shall find a growing tendency to look upon the movement from a commercial standpoint only. I believe that the store movement is the stepping-stone to success in all other branches of the movement—it is foundational, because it is the means by which we accumulate capital to enable us to attack the higher problems of industrial life. As compared with the more difficult problem of production, our store movement is simplicity itself, requiring only ordinary loyalty on the part of the members to make it successful; but on account of this very simplicity, and the temptation which it brings along with it to rest contented with a success which is purely financial, it is all the more necessary that we should direct our attention more and more to the complete education of our members, and more especially to the teaching of the younger generation in the higher aims of the movement. I am pleased to be able to tell Dr Lorimer that at any rate in our co-operative movement here women have not been neglected. The Women's Co-operative Guild is now recognised by co-operators as a powerful agency for good, and is always found most active in work of an educational character. With increased activity on the part of the various societies and of the branches of the Women's Guild in this kingdom, we may reasonably look forward to a more complete system of cooperative education, which implies a perfect understanding of the duties and responsibilities of our social life, and which in my opinion will tend to the lasting welfare of all nations.

The PRESIDENT—I will now ask Mr Bamforth, of the Manchester and Salford Equitable Society, to second the resolution.

Mr BAMFORTH—I represent here a society which has for some time past recognised the need of further work for educating people in the principles of co-operation, and I may say that it has put by two and a half per cent. of its

profits in order to secure the carrying out of the terms of the resolution. Our work extends over a number of subjects. We not only educate our members in the principles of co-operation, but we endeavour to increase their knowledge in other subjects. Great strides in education have been made since the early days of the Rochdale Pioneers Society. Elementary education, which was necessary in the early days of the movement, is a recognised institution, and technical education has also been established, thus in great measure relieving us of those responsibilities. What we have to devote ourselves to more especially is the educating of the people in the principles of government as well as keeping before them the cause of co-operation. With regard to the work of the Women's Guild, I would suggest that there is a field open to them in instructing the poorer classes of the community in co-operative principles.

The PRESIDENT — It seems from the speeches of

The PRESIDENT — It seems from the speeches of Mr Gray and Mr Bamforth that this question of education has been taken up with considerable spirit and energy by co-operators. No doubt this resolution will recognise that work, and will be the means of encouraging them to further efforts. I now ask Miss Webb, of the Women's Guild, to say a few words before we adjourn.

Miss WEBB—We have listened to a great many speeches as to the position of women in this movement, but I think all the speakers have shown their entire ignorance as to the position she ought to occupy in relation to co-operation. (Laughter.) Dr Lorimer and Mr Gray have said good things about women, but they have not, I am afraid, fully grasped what position she should hold. Women in the movement have held a position equal with the men; in many societies they have been granted an entrance to the share list. There was nothing probably in the rules restricting an equal position with the men, to stand side by side on the platform, or on committees, or assist in any of the work of the co-operative movement. But although the rules do not forbid them a position which I have named, women are told that all they can do to help on the work is to provide the basket power of the movement. Granted that the basket power is necessary



M. BUTCULESCU.

for the success of the movement, it is also necessary that they should have further power to assist in the work of the movement. Too much stress has been laid upon the basket power, but I think that the time has come when the further development of woman's position should take place. If we are to carry out the principles of this movement, and if we are to keep before us the ideals of the promoters of co-operation, we must extend greater privileges. Our Women's Guilds have to a considerable extent made our position clearer on that point. There are 184 branches of the guild, and we have over 8,000 women enrolled. We hope that now this International Congress has been held, we shall go considerably further to extend the rights of women, and bring about a considerable reform by recognising their work in the movement.

The PRESIDENT—Mr Holyoake wishes to say a few words.

Mr G. J. HOLYOAKE—I should like to interpose just for one moment to remark that when the first society was formed men and women had equal positions in every department. (Cheers.) We gave the same share of profits to women as we did to the husbands, although proceedings could have been taken against us for it. This was done, and in spite of the law, which we disregarded, and which Mr Ludlow assisted in getting altered, we did not make the slightest difference in the payment of the share of profits to women. We recognised that woman should be placed on a practical equality with the husband. (Cheers.)

Mr E. OWEN GREENING—We have received additional foreign letters and telegrams from absent friends and societies. I will read them to you:—

"BUCHAREST, 26, 12, 20.

"To Earl GREY, President International Co-operative Congress, London.

"Excuse absence. Roumanian co-operative societies adhere alliance. Please send resolutions of Congress. Wish you complete success. Long live England—long live members of Congress.

BUTCULESCU."

"DEAR SIR,—I greatly regret being prevented by circumstances from attending the International Co-operative Congress now in course, to which you were so obliging as to Having been actively connected with the cooperative movement in this country for the last twenty-eight years, and our (Geneva) Society being now the second in Switzerland, I should have derived much pleasure in making the personal acquaintance of your leading English co-operators, the more so as this Society corresponds already with the English Wholesale on business matters. I am sorry to say that there does not exist any statistical return of the distributive societies of this country (supposed to be nearly 200), else I should be most happy to supply the Congress with information on the subject. A methodical inquiry is, however, being gone into at present by the Central Board of the Union of Swiss Co-operative Societies, and we hope to be able within a few months to give a full 'exposé' of the organisation and extent of co-operation in our country. An account of the proceedings of the Congress will no doubt be published. May I ask you to favour me with a copy of the same (to be directed to the Geneva Society), and in case it should be had on sale, I will gladly remit the price. With best wishes for the success of your undertaking believe me, yours faithfully, and with respect,

EDMOND PICTET,

Pres. Co-operative Society, Geneva."

The Congress then adjourned for luncheon.

FOURTH DAY—THURSDAY—AFTERNOON SITTING.

The President resumed his chair shortly after two o'clock.

The PRESIDENT—It is to the interest of the delegates that we should spend as little time as possible in discussing the resolution which Mr Jas. Deans will now submit to the Congress. We have some recommendations from the Com-

mittee appointed at the beginning of the Congress, as to the preparation of the constitution of the International Co-operative Alliance. I must therefore insist upon the speakers being as brief as possible, in order that we may adjourn early.

Mr E. OWEN GREENING—I have to repeat to the delegates that the various invitations they have received from friends still hold good, and that it is desirable to get through the heavy business as expeditiously as possible, in order that our friends may take advantage of the kind invitations that have been offered.

The PRESIDENT—I will now call on Mr Deans to submit to you the next resolution.

Mr JAMES DEANS (Glasgow) moved the following resolution: - "That this Congress believes that the interests of co-operation will be advanced and accelerated by all societies adopting the principle of profit-sharing amongst their employees; the capitalisation of this share of profit in order that the employees may enjoy a provision when old age compels them to cease work; the extension to every employee of facilities for understanding the higher social objects which co-operators seek to introduce, and inducing them to become enthusiastic co-operators as well as contented and faithful co-workers in the stores." He said—Gentlemen, my duty this afternoon is a pleasant and congenial one. The motion which I have to submit to you is one in which I have taken considerable interest. have already decided on the question of the distribution of profits. I believe in profit-sharing, not only that it induces the worker to do more work, but to do better work, and what is more, it induces him to take a greater pleasure in his work. I look upon profit-sharing as a workman's right. Profit is, as I understand it, largely the product of labour, and as a consequence the worker should receive a share in that profit. It has been said that if the labourer should share in the profits he should share in the losses. Does he not share in the losses? As soon as the orders of a manufacturer lessen, the employer at once takes steps to cut down the expenses, and of course it is understood that the worker generally receives the first consideration.



HODGSON PRATT.

(Laughter.) It is essential that having recognised that it is desirable to emancipate the labourer, that we should give the workers every facility, and encourage and induce them to study the principles of our movement, to enable them to fully grasp our higher industrial ideas, and to take an enthusiastic interest in our work. I believe this will be accomplished if we carry out the terms of the resolution, which has my sympathy and hearty support, and which I hope will be unanimously received by this representative Congress.

M. CHARLES ROBERT said—I support the motion in favour of the sharing of the employees in the profits, and I object to the idea of their sharing in the financial losses of the business. The Co-operative Union of French Consumers Societies has two fundamental rules. The first is not to seek any commercial or financial profit, no dividend beyond the ordinary interest of capital, and to pay the profits or surpluses to the consumers and the reserve fund. The second rule is to give to the staff and the workmen a share in the profit, but not in the money loss. This second principle has been proclaimed by our last four Congresses: at Marseilles in 1890; at Paris in 1891; at Grenoble in 1893; and at Lyons in 1894. Our statistics show that of our 1,050 French societies, more than one-third share profits with their employees. One must not confuse the contract of partnership among shareholders with the contract of profit-sharing. The shareholders of a Co-operative Society who have invested capital may make gains or bear losses of money. As to the contract of profit-sharing without loss-sharing, it follows from the nature of things, for one cannot make a man who has nothing pay. contract is in force in favour of almost all general and assistant managers. Why should it be refused to the staff and the workmen? It is just in itself, moral, irreproachable in political and social economy as well as in law. It springs from a free agreement recognised as good and valid by the French Law Courts. The French Bill on cooperative associations and the profit-sharing contract was, on this point, passed without any hesitation by the Chamber of Deputies and by the Senate. Besides, workmen share

largely in the losses of industry through periods of unemployment and through industrial accidents. [Mr Holyoake: Hear, hear.] The capital of gold and silver may be carried off by bankruptcy: the capital of flesh and bone may be destroyed by mutilation and by death. (Cheers.)

Mr W. CROOKS (Blaydon-on-Tyne) said—I can only express my hearty approval of the resolution. I consider that labour is just as necessary to production as capital. I am pleased to say that the British Co-operative Congress has repeatedly come to the conclusion that the workers are entitled to a share of the result of their labour. We cannot expect men to take an interest in the movement if we do not carry out its principles to the letter. I believe that man is a selfish animal necessarily, and he must have an interest if he is expected to do anything.

Mr Hodgson Pratt—I should like to put a question respecting the capitalisation of the share of profits. Is it not necessary for experienced men to deal with the question? And I would suggest that in the adjournment the Committee should consider the question, and make some recommendations to us. No doubt the conditions would vary in different societies, but I certainly think we should have some system as nearly uniform as may be.

Mr E. OWEN GREENING—The other resolution has practically recognised profit-sharing in co-operative stores only. Although some portions of the co-operative movement have not yet recognised that principle, perhaps they will in time. We have very limited time in which to discuss this resolution, as we have the resolutions from the Committee you appointed the other day.

The PRESIDENT—I must express my dissent from the terms of the resolution. I believe the workers in the distributive and productive societies should share in the risks as well as the profits. I think the proper way to deal with the resolution is to say that they should share in the risks if they are going to become co-partners.

Mr LUDLOW—Are the non-members who purchase from the co-operative stores in the north, and who are allowed to participate to some extent in the profits, also interested in the participation of risks? (Hear.)

Mr M'LEOD—I think it has been satisfactorily proved that men always share in the losses. (Hear, hear.)

Mr E. OWEN GREENING—I think, in view of the other work that we have to transact, that we should pass on as soon as possible to the next business.

The PRESIDENT—I may say that I agree that we have a lot of business, but I must enter my protest against the resolution.

The PRESIDENT then read the resolution to the Congress, and declared it carried.

A DELEGATE—I think it will be more satisfactory if we had the exact numbers of the dissentients to this resolution. I am a supporter of it, but I think it would give greater satisfaction if we knew the exact strength on each side.

The PRESIDENT—In deference to your wishes, I will again put the resolution.

Mr E. OWEN GREENING having counted the number of those voting against the resolution, said to the Chairman, There are three.

The PRESIDENT—I am also against.

Mr E. OWEN GREENING—Then there are only four against the resolution.

The PRESIDENT—There are about four against it. The next business is to consider the proposals to be submitted by the Committee appointed to prepare rules for the government of the Alliance.

Mr E. OWEN GREENING—For the information of the Congress, I think it best to say that it is desirable to allow only a reasonable time for the discussion on the proposed resolutions of the Congress preliminary to the preparation of the constitution of the International Co-operative Alliance.

The PRESIDENT—Mr Aneurin Williams will read the report, copies of which will be handed round to you.

Mr HODGSON PRATT—Are you going to read them one by one?

The PRESIDENT-Yes.

Mr ANEURIN WILLIAMS then read the following report of the Committee:—"Gentlemen, according to the



ANEURIN WILLIAMS.

instructions given to us, we have carefully considered the question of a suitable constitution for the Alliance, and have come to the conclusion that it would neither be desirable nor possible to submit to you a complete proposed constitution before the rising of this Congress. We therefore beg to submit the following series of resolutions for your consideration. In these we have tried to embody the chief principles of the Alliance, and to lay down the main lines on which the complete constitution shall be drawn up, to be laid before your next Congress. The resolutions also provide for the carrying on of the work meanwhile. For the Provisional Central Committee, Aneurin Williams, reporter." The first resolution is as follows:—

"An International Co-operative Alliance is created between the Associations and persons now or hereafter adhering to the work commenced by the late Vansittart Neale and his friends, to promote co-operation in all its forms, taking for basis the principles of property, liberty, and participation in profits. The resolutions of the first International Co-operative Congress (London, 19th to 23rd August 1895) shall serve as rules for the preparation of statutes for the Alliance and for its operations."

Mr ANEURIN WILLIAMS then read the first resolution in French.

Mr J. M. LUDLOW—I shall have to move an amendment to the first resolution. It appears to me that it is not at all in accordance with facts; that it is not a fact that the late Vansittart Neale and his friends supported cooperation, taking for its basis the principle of property, liberty, and the participation in profits. They had higher views. They were Christian gentlemen, and supported co-operation from motives other than the basis of the principles of property, liberty, and participation in profits. Property is not a principle, it is a fact, and one for which I have the deepest respect. I think that we should do well to leave out that reference to Vansittart Neale and his friends, and I will move that the resolution close at the word "forms," leaving out the words "taking for basis the principles of property, liberty, and participation in profits."

Mr HODGSON PRATT—I will second that.

Mr E. OWEN GREENING—We will accept the amendment.

Mr G. J. HOLYOAKE—Are you going to omit "participation in profits"?

Mr E. OWEN GREENING—We have already decided by resolution to accept the principle of co-partnership, so it will be hardly required. (To Mr Ludlow)—What is your amendment?

Mr LUDLOW—To leave out the words "taking for basis the principles of property, liberty, and participation in profits."

Mr ANEURIN WILLIAMS—I can hardly see that it is necessary to discuss it at any great length. We have passed a resolution as to the participation of profits, and that resolution is now a fundamental one.

Mr HODGSON PRATT—I think there are some more words to be struck out.

The PRESIDENT—I think you will easily see that the words "promote co-operation in all its forms" is all that we require. I think we can pass them without any remarks. I want to be quite clear what course the Congress intends to take. I would at once withdraw if by the passing of this resolution the Wholesale Societies were excluded. I think that the words "to promote co-operation in all its forms" is sufficient groundwork for our Alliance.

Mr ANEURIN WILLIAMS—We have agreed as to participation of profits, and therefore, Mr President, on a point of order, I think we are out of order in discussing a resolution passed on Monday.

A DELEGATE—We have passed a resolution that is absolutely fundamental.

Mr ANEURIN WILLIAMS—It is a question whether you are going to include, so far as I can see, profit-sharing.

The PRESIDENT—That will exclude the Wholesale Societies entirely. I have strong feelings of my own, and if this is passed it will exclude us entirely.

M. CHARLES ROBERT—I am satisfied as to what Mr Ludlow has said as to the late Vansittart Neale and his friends having advocated the higher principles of co-operation. I am not, however, disposed to have a theoretical discussion with Mr Ludlow as to whether property is a principle or a fact. If it is not a principle, at all events it is sufficiently near it to form a very respectable basis for co-operative action. I am anxious also that the words as to individual property should be inserted in the resolution, in order to show that the Congress is not composed of Collectivists. I am a warm advocate of profit-sharing.

Mr G. J. HOLYOAKE—I do not want it to be said when the Congress is over that I am making complaints, and that I did not make them at the proper time. This Congress was called together as a Congress to promote profit-sharing. We have already decided at this Congress to promote participation in profits. It is clear that they do not intend to have it in the Wholesale.

The PRESIDENT-No, no, no.

Mr HOLYOAKE (continuing)—We have declared at this Congress, and we will declare it everywhere, that we intend that in the propagation of co-operative principles we shall recommend a sharing of profits in the workshops. If we make a declaration in favour of profit-sharing in this resolution, and carry it out, I shall be content. I do not expect us to settle it all at once, but don't let us contradict ourselves. I think it ought to be so clear in this resolution that we shall have no occasion to say that we did not understand certain things.

Mr J. C. GRAY—I wish to say, as one of the Conveners of the Congress, that it is not correct to state that it was promoted for the purpose of considering the question of profit-sharing. This Congress has been convened for the promotion of an International Alliance for the benefit of co-operation, and to bring about a better form of industry. It must of necessity include all forms of co-operation.

Mr BLANDFORD—I should like to know how far the principles accepted by this Congress are binding on the various societies?

Mr ANEURIN WILLIAMS—You will find that in the latter part of the proposed resolutions, Art. 10.

Mr E. OWEN GREENING—It will form part of the constitution of this Alliance. We cannot go to the Whole-

sale Societies and ask them to accept it. They must come to us. It is considered a necessary basis of the Alliance.

Miss WEBB-I wish to say, as a representative of the Women's Guild in this Congress, that we were appointed representatives here solely on the ground that this was to be an International Congress of Co-operators. We did not think that a principle accepted by the Congress during its proceedings would be drafted into the constitution of the Alliance. We were in hopes that this Congress would not lead to any unpleasantness between the representatives of the various societies, and that no steps would be taken to prevent any co-operators from participating in the privileges of an International Alliance. Our idea was that this Alliance should be brought about to enable every one accepting the principle of co-operation to join, in order that industrial peace, and what is more, the brotherhood of man, so eloquently spoken about by Dr Lorimer, should be accomplished. I do not think the resolution, notwithstanding the great majority with which it was passed by this assembly, was anything more than a pious wish—(oh, oh) that the principle then proposed should be carried out. If the inclusion of this portion of the resolution is to exclude certain co-operators from participating in the benefits conferred on co-operation by this Alliance, I think it should be cut out.

Mr Joseph Greenwood (Hebden Bridge)—I think it is desirable that we should carry as far as possible the true principles of co-operation in the formation of this Alliance. Of course we have agreed that profit-sharing, with participation in the control of business and workshops, ought to be in the hands of the employees. At the same time, I think it is hard to exclude a body of co-operators who are at variance with the majority on one point. I would suggest the reconsideration, in order that all may take part in this Alliance.

Mr J. OLIVER (Edmonton)—I think that this question should be submitted to the majority of the delegates. We have expressed a desire as to the system of profit-sharing; and whether it shall be included in this resolution should be carefully considered by the various representatives here, and then decided.

Mr E. W. GREENING (London Productive Society)—I think we ought to have an adjournment till the morning. Considering the heated discussion, it will be the best course. There are a good many delegates absent, taking advantage of the invitations afforded them, and it would be well that they should be present to give their opinions as to the resolutions preliminary to the preparation of the constitution of this International Alliance. It will also enable the Committee to meet in private consultation, and make any alterations, should they think it desirable.

Mr HOLYOAKE—I hope we shall be able to retain the unity with which we have carried out the business of the Congress. I think I heard the Chairman say that if the resolution was passed, it would be against the Wholesale Societies, and that they would be excluded from our proceedings. I thought it was a covert attack on profit-sharing. I hope such is not the case, for we are most anxious to avoid disunity.

At this point three delegates rose, and the President called on

Mr M'LEOD (Woolwich), who said—I wish to second the motion.

A DELEGATE—What motion is that? I think we are slightly mixed, and it will require all the Vansittart Neales and Holyoakes to extricate us. (Laughter.)

The PRESIDENT (to Mr M'Leod)—What do you wish to second?

Mr M'LEOD—Mr E. W. Greening has made several attempts to make his motion known to you.

Mr E. W. GREENING—I wish to explain that it is desirable to adjourn in order that we may have time to discuss these resolutions.

Mr E. OWEN GREENING—We have no desire to pass this through in a hurry: we are desirous of giving the delegates adequate time for its discussion.

The PRESIDENT—I hope it won't be accepted, and I suggest that it ought to be referred back to the Committee.

Several delegates rose to speak, and for some moments two or three continued to address the President at the same time. On the President calling for order, however,

Mr E. OWEN GREENING said—We are willing to accept this adjournment, and give time for consideration and discussion.

Mr H. W. WOLFF—Now I am beginning to see through it all. From what I can see, our discussion on agricultural questions is to be crowded out. We have made elaborate arrangements and preparations for the discussion, and now all our labours are lost. First of all, we were to have one full day; then we were knocked down to half a day; and now an attempt is being made to deprive us of any time at all. (Loud cries of "No.") We have sent invitations to members of Parliament, agriculturists, and the press, stating that the question would be discussed on the last day, and now it is not to take place.

M. CHARLES ROBERT said—I think that it will be better to adjourn the discussion till to-morrow morning.

Mr WOLFF—I oppose.

A DELEGATE—Will some one be kind enough to tell us what we are going to do? (Much laughter.) First of all, we have a resolution submitted to us. Then Mr E. W. Greening gets up and proposes something, and I think Mr M'Leod seconded it; but what was the gist of his motion we do not know. If this misunderstanding is going to continue, and if all the delegates like to hear themselves speak, I think the sooner we leave this chamber the better. (Laughter.)

The PRESIDENT—We shall certainly require order if we are to continue our business.

Mr OLIVER—I do not think it is our business to come to this Congress for the purpose of accepting invitations to various parties. We were deputed by our societies to come here for a special object, and not to waste our time by adjourning.

Mr BLANDFORD—I think that by postponing the first article to the morning, we shall be able to come to a better understanding.

The PRESIDENT—Well, I am afraid I shall not be able to stay, because I have to get back to Oldham tonight.

A DELEGATE—Mr President, will you be good enough to explain to us what we have before us? Are we going to consider these resolutions? are we going to waste the time? or are we going to adjourn?

Mr Wolff—I must say that it is altogether unfair if our agricultural discussion is not allowed adequate time.

. Mr OLIVER-Mr Greening's motion has not been put.

Mr E. W. GREENING—Will you kindly put my motion?
Mr OLIVER—Are we then going to adjourn altogether?
(Laughter.)

Mr E. OWEN GREENING—I think if we adjourn Article I, we shall be able to complete the rest of the resolutions.

Mr OLIVER—That was not the terms of Mr E. W. Greening's motion. If it is only for the postponement of this article, I think we are all agreed.

The PRESIDENT—As I have said before, I shall be compelled to leave the Congress, as I have to get back to Oldham to-night. It has been proposed that we should postpone the discussion of the resolution mentioned till to-morrow morning. Are you agreed?

It was then agreed that the further discussion of Resolution 1 be adjourned to next morning; and that in the meantime the Committee be requested to reconsider it, and see how far it can be altered to meet the wishes of those who have taken part in the discussion.

Mr E. OWEN GREENING—I am sure that, notwithstanding the slight difference of opinion we may have, we cannot fail to appreciate Mr Hardern's ability in conducting the business of this Congress to-day. I now ask Mr Wright to move a resolution.

Mr C. WRIGHT (Manchester)—It is with great pleasure that I rise to move that the best thanks of this Congress be given to Mr Hardern for the manner in which he has conducted the business to-day. We have had an animated discussion, but it has all been as to who are the strongest supporters of co-operation.

Mr DIX (Leeds)—I am sure we are greatly indebted to Mr Hardern for coming here and presiding over this Congress, and for the able address he gave us this morning. I heartily second the resolution.

Mr E. OWEN GREENING—I have the greatest possible pleasure in putting this resolution to the meeting, and entirely sympathise with all that has been said by the previous speakers. It is proposed that our best thanks be given to Mr Hardern for his able address this morning and for the manner in which he has conducted to-day business. (To the President)—I have to convey to you the thanks of this Congress for your kind assistance in the transaction of our business.

The PRESIDENT—I regret having to leave before the conclusion of business. I thank you sincerely for the kindness you have shown me. Whatever rules you law down for the constitution of the Alliance, you have mode good wishes that they will lead to the future benefit of the glorious cause of co-operation.

Mr E. OWEN GREENING—We have decided to post pone the discussion on Resolution 1, and I think an how will be sufficient time for discussion to-morrow morning I will move that Mr J. C. Gray take the chair, a motion which will not require a seconder. (Applause.)

Mr J. C. GRAY then took the chair vacated by M. Hardern, and said—I thank you for the compliment you have done me, and I can assure you that I will do my best to secure the carrying through of the remaining portion of the business as expeditiously as possible. Mr Aneurin William will read the resolutions, and we will take the discussion and vote on each as it is read.

Mr ANEURIN WILLIAMS—The second resolution is a follows:—"The Alliance does not interfere with politics on religion."

This having been read in French,

Mr M'LEOD moved, and Mr DIX seconded, it's adoption which was carried without dissent.

Mr ANEURIN WILLIAMS—The terms of the than resolution are:—"The objects of the Alliance are defined to be—(1) To make known the co-operators of each country and their work to the co-operators of all other countries, be congresses, the publication of literature, and other suitable means; (2) to elucidate, by international discussion an correspondence, the nature of true co-operative principles

(3) to establish commercial relations between the cooperators of different countries for their mutual advantage."

Mr J. OLIVER moved, and Mr M'LEOD seconded, its adoption, which was carried.

Mr ANEURIN WILLIAMS—The fourth resolution is:—
"The Alliance will be careful to act as much as possible through the organisations existing in the various countries."

Mr M'LEOD moved, and Mr ANEURIN WILLIAMS seconded, its adoption, which was carried.

Mr ANEURIN WILLIAMS—I will now read Resolution No. 5:—"The Provisional Central Committee created by the resolution of 19th August is continued in office with the title of Central Committee until the end of the next Congress. The following are the members thereof:—Earl Grey, Messieurs E. de Boyve (France), Enea Cavalieri (Italy), Crüger (Germany), E. O. Greening (England), J. C. Gray (England), Luigi Luzzatti (Italy), Micha (Belgium), N. O. Nelson (United States of America), Charles Robert (France), Aneurin Williams (England), and H. W. Wolff (England). The Committee shall have power until the next Congress to add to its numbers new members chosen from among persons who are members of the organisations adhering to the Alliance, or who adhere individually."

Miss WEBB—I should like to know why Miss Tournier's name is not on that list.

Mr ANEURIN WILLIAMS—Miss Tournier was appointed one of the Committee to consult with this Central Committee. She was not put on the Central Committee itself; but if it is the wish, we will add Miss Tournier's name at once.

A DELEGATE—Before that is done, Mr Chairman, I think it right to point out that Miss Tournier is not present. Has Miss Webb obtained her permission to put forward her name?

Miss WEBB—I can answer for it that Miss Tournier will serve.

Mr E. OWEN GREENING moved that Miss Tournier's name be added to the Committee. This was seconded, and carried without dissent.

Mr WRIGHT moved, and Mr BLANDFORD seconded, the adoption of the resolution, which was carried.

Mr ANEURIN WILLIAMS—The sixth resolution is as follows:—"The Central Committee shall elect from its own members an Executive Bureau, composed of Chairman, Deputy-Chairman (who shall also be Treasurer, and a Secretary. This Bureau shall sit in London."

Mr E. OWEN GREENING—I will, with your permission, suggest the words "may act as Treasurer," instead of the words who "shall also be Treasurer."

The CHAIRMAN — I take it that the Congress will accept that amendment.

The resolution was put as amended, and carried, there being no opposition.

Mr ANEURIN WILLIAMS—Resolution No. 7:- "The Central Committee shall prepare for and present to the next International Congress a complete constitution for the Alliance, embodying the objects and principles of the Alliance as defined by these resolutions, and upon the following lines—(a.) The Alliance shall have a Central Committee, which shall be elected at the next International Congress, and thereafter shall retire, and be renewed by halves at each Congress. The order of retiring shall be determined at first by lot, and afterwards by seniority. Retiring members are re-eligible. (b.) In each country there shall be a section, or several sections, of the Alliance, and each section shall have a Sectional Council. co-operative bodies, and co-operators who shall have adhered to the Alliance as individuals within any section, shall be represented on the Sectional Council. (c.) The constitution shall determine the respective functions of the Central Committee and Sectional Councils, the amount of subscriptions, and the right and scale of voting."

The resolution was carried without dissent.

Mr ANEURIN WILLIAMS — Resolution No. 8 is as follows:—" Until the next Congress the Central Committee shall appoint one or more correspondents in each country, and may determine their functions.

Mr BLANDFORD moved the adoption of the resolution; and there being no opposition, the President declared it carried.

Mr ANEURIN WILLIAMS—Resolution 9 is: - "There

shall be Congresses of the Alliance at intervals of not more than three years, as the Central Committee may determine. These Congresses shall be held (as far as practicable) in each of the allied countries, upon invitation from that country accepted by the Central Committee."

Mr LUDLOW—I should think it would be better that a Congress should be held next year, considering we have to determine the constitution of the Alliance. I think three years is too long before we hold another meeting of delegates. We must do all we can to prevent the movement from dying out.

Mr HODGSON PRATT—I share the same opinion, for I do not think we should have to wait three years before we decide upon fixing the constitution.

Mr E. OWEN GREENING—It is for the Congress to decide what time they should fix for the next meeting. Our arrangements are that we should go to Paris, and then to other countries. Perhaps it would be better to have another Congress next year, and then start on the three years. That being the case, we should require larger subscriptions; but no doubt we should be able to get a special fund, for our friends abroad will do all they can to give us a pleasant welcome.

Mr Aneurin Williams—We have the Exhibition in Paris in 1900, and if we have a Congress next year, I should think it would be better not to have another until the Exhibition year. That will mean four years, and this will entail the altering of the resolution.

Mr E. OWEN GREENING—I do not see that, for the Congress next year can decide as to when they will hold the next Congress.

Mr HODGSON PRATT—I will move the next Congress be held next year in Paris.

M. CHARLES ROBERT—I second Mr Hodgson Pratt's motion, for I consider it very necessary and urgent that the Congress should meet next year in Paris; and I extend, on behalf of the French co-operators, a hearty welcome to other co-operators. (Applause.) I would point out that the National Congress of French Co-operators will be held about the same time, and this will enable the delegates to form part of the International Congress. (Applause.)

Mr ANEURIN WILLIAMS—If we meet next year and in 1900, we must also meet once between 1896 and 1900, since the interval between the Congresses must not be more than three years. That will be four Congresses in five years. I do not think we should have so many Congresses before 1900.

Mr N. O. NELSON—I think that three years should be the maximum.

Mr Aneurin Williams-I think that if we pass the resolution it will be binding upon us.

Mr E. OWEN GREENING-Not at all. The Congress next year can fix what time it likes. We cannot lay down rules for the next Congress; in fact, this is only like a recommendation. I think it is generally approved that the Congress should meet at periods of not more than three years.

The resolution was then put by the President, and declared carried.

Mr ANEURIN WILLIAMS—Resolution 10 is as follows: -"Co-operative organisations and individual members of co-operative organisations, desiring to adhere to the Alliance, and declaring their acceptance of its principles, may be admitted to membership—(a.) by the Central Committee till next Congress; (b.) and hereafter as the constitution may determine."

M. CHARLES ROBERT said—I think that this resolution involves the whole of the question discussed in No. 1, and as it has by special vote of this Congress been adjourned until to-morrow morning. I think that this resolution should also be left till then. At the same time, I wish to make itclear that I am in favour of profit-sharing. I move-"That the discussion on No. 10 be deferred till to-morrow."

Mr E. W. GREENING—I second that motion.

Signor GIUSEPPE CROCE (Italy)—I think that there should be an equitable representation at the Congress. would not be right for one individual representative to have as much power as a representative of many thousand of co-operators. If individual co-operators attend the Congresses, they should be allowed to speak but not vote.

Mr E. OWEN GREENING-I fully understand what

Signor Croce says. Of course, when we get our Alliance fully established, we shall have to draft rules affecting the question which he has raised.

Mr HODGSON PRATT—I think that we should make no distinction. Individuals should be allowed to take part in the discussion, but not vote.

, Mr LUDLOW—I think we have already come to the conclusion that this article should be referred back to the Committee, with a view to a discussion to-morrow.

The CHAIRMAN — I have not yet put M. Charles Robert's proposition. I will do so.

M. Charles Robert's proposition was carried.

Mr ANEURIN WILLIAMS—The eleventh resolution is:
—"Subscriptions to the Alliance, until its next Congress, shall be at least 2s. for an individual, and at least £1 for an organisation."

Mr E. OWEN GREENING—With your permission, I will move this resolution, and will suggest that the words "per annum" be added to the resolution.

Mr HODGSON PRATT-I will second that.

The PRESIDENT put the resolution, and declared it carried.

Mr Hodgson Pratt—In deference to your wishes, I deferred my resolution that the Congress should be held next year. I will now move that we meet next year, and that during the interval the Committee we have appointed do their utmost to form a suitable constitution.

Mr M'LEOD-I will second that.

Mr ANEURIN WILLIAMS—I do not think we ought to hold another Congress after that until 1900.

Mr E. OWEN GREENING—No doubt the Committee will consider what is best; and Mr Williams may rest contented that the Committee will take the point he raises into consideration.

The Congress then rose.

FIFTH DAY-FRIDAY-MORNING SITTING.

The Congress assembled at ten o'clock.

Mr E. OWEN GREENING opened the proceedings, and said—As is well known to you, we have to go to the Exhibition at the Crystal Palace this afternoon, and it would be well if we keep this morning's discussion as short as possible. Our position is this. Last night you decided to adjourn the discussion on Articles 1 and 10 of the proposed resolutions of the Congress, preliminary to the preparation of the constitution of the International Cooperative Alliance, until this morning. The Committee have reconsidered the resolution in which a declaration of principle in favour of profit-sharing to be incorporated in the constitution of the International Alliance was made. We have proposed, and I think you will agree to it, to close the discussion by eleven o'clock. Lord Reay had kindly promised to take the chair at to-day's proceedings, but unfortunately he has had to leave England. He desires me to say that in his absence his friend Professor Sidgwick, of Cambridge, will take his place, who, I think, will be a most efficient substitute. (Applause.) In order not to interrupt the proceedings of last night, I think it will be well if Mr J. C. Gray resumes the chair until eleven o'clock; and when the business of the resolution is finished, Professor Sidgwick will deliver his address to the Congress. after which the Hon. Horace Plunkett will open the discussion by an address on Co-operative Farming.

Mr J. C. GRAY then took the chair, and said—The first resolution was referred back with Article 10. At a Committee meeting held last night, the members discussed them over again, and came to certain conclusions, which I shall ask the Secretary, Mr Aneurin Williams, to read over to you.

Mr ANEURIN WILLIAMS—As reporter on the subject of the constitution, I beg to present to you the suggestion of the Provisional Committee for an amicable settlement of

the questions raised yesterday as to profit-sharing and the membership of individuals, the Committee suggests---

Article 1.—An International Co-operative Alliance is created between the associations and persons now or hereafter adhering to the work commenced by the late Vansittart Neale and his friends to promote co-operation and profit-sharing in all their forms. The resolutions of the first International Co-operative Congress (London, 19th to 23rd August 1895) shall serve as guides for the preparation of statutes for the Alliance and for its operations.

Article 10.—Co-operative organisations and individuals desiring to adhere to the Alliance may be admitted to membership—(a) by the Central Committee until the next Congress; and (b) thereafter as the constitution may determine. The Alliance includes two classes of members—(1) Organisations whose delegates have the right to speak and vote at the Congress; (2) Persons who adhere individually without being delegated by a society. These have the right to be present and to speak at the Congress. Any ten of them may also appoint one of themselves to vote at any Congress. Nevertheless the President, Vice-President, Honorary Presidents, and members of the Executive Council of the Congress of 1895, although only adhering as individuals, shall have the right to vote at the Congresses.

A DELEGATE—What are the proposed additions to the resolutions?

The CHAIRMAN—Take the first article. It is proposed to substitute for the words, "taking for basis the principles of property, liberty, and participation in profits," the words, "co-operation and profit-sharing in all their forms." Now, as regards Article 10, it is proposed to strike out the words, "and declaring their acceptance of its principles," and to add a new clause, which will be read by Mr Williams.

Mr ANEURIN WILLIAMS then re-read Article 10, as above.

The CHAIRMAN then put the resolution to the vote, and declared it carried.

Mr G. J. HOLYOAKE-I have a few words I wish to say respecting Resolution 10, which has been rushed through by the chair before we were able to express an opinion on it. We have decided on the promotion of profit-sharing, and it has been accepted as a principle. I have for over twenty years in various Congresses advocated profit-sharing, and I am considerably surprised that M. Charles Robert and Mr Ludlow, both strong adherents to the cause of profit-sharing, should have so far deserted the position they have taken up. I do not think it would be right to allow the resolutions accepting the principle to remain in abeyance. I have always believed in keeping aloft the flag of profit-sharing, but the flag you have set up this morning has a double device upon it. M. Charles Robert and Mr Ludlow have in their wisdom acquiesced in the course that has been taken. They may be right; I hope they are right. For my own part, I am not convinced, for I do not believe in the subservience of the profit-sharing principle. I hope we shall not take a retrograde step.

Mr HODGSON PRATT—If you move an amendment to that effect, I will second it.

Mr E. OWEN GREENING—Mr Holyoake's words I confess touch my heart, because for thirty or thirty-five years I have stood side by side with him, claiming the right of the worker to participate in the management of the concern where he spends the greater part of his life. If I thought for one moment we were allowing that flag to be deserted, we should not have come to this agreement. I ask Mr Holyoake and Mr Pratt and others to consider for one moment where we stand. At Huddersfield, through the efforts of Mr Gray and Mr Hardern, it was agreed that there should be a meeting to bring about some solution of the differences between us on the subject of profit-sharing, and bring into line all the forces and friends of co-operation in the United Kingdom. We have always explained that we will never desert the principle that I have fought for for thirty years, and Mr Ludlow for fifty years. That principle has never been abandoned nor compromised. The views several friends have ex-

pressed have led us to believe that the Wholesale Society are waiting to come to us. We hope so, for we desire to bring the Wholesale Society and the profit-sharing societies to a common understanding. Mr Hardern has told us that he is not opposed to the principle of profit-sharing, only they want such a measure as would enable them to bring the Wholesale Society within their doors. That is our position. As I have said before, we have not compromised it in any way. All we hope is that we shall be able to enrol all who have the principles of co-operation at heart into the Alliance. That is the explanation that I have to give, and I hope you will agree to go with us.

Mr Ludlow—My friend, Mr Holyoake, has in a manner charged me with the desertion of the principle of profit-sharing. I have always been in favour of profit-sharing, and in accepting these proposals I cannot see that there is any breach of faith. We are as strong as ever on the system of profit-sharing, and I can assure Mr Holyoake that it never had warmer supporters than myself and my friends. Having that confidence that the cause of profit-sharing is in no way affected, I support the resolution.

The CHAIRMAN said—I must point out that the speech of Mr Holyoake and those which followed are out of order, as the resolution has been already passed by the Congress. I allowed Mr Holyoake to make his protest as he appeared to think that the matter had been rushed through Congress. The Congress cannot very well go back on a resolution which has been duly passed. Therefore we must now proceed with the next business.

Mr ANEURIN WILLIAMS proposed the addition to the Committee of M. d'Andrimont, President of the People's Banks, Belgium; and M. Kergall, of the Agricultural Syndicates in France.

This addition was declared carried by the Chairman, there being no opposition.

Mr E. OWEN GREENING—Before Professor Sidgwick undertakes the Presidency for to-day, I am sure we cannot allow Mr Gray to relinquish his task without expressing our gratitude to him for the way in which he has conducted the business last evening, and for a short time this morning.

I will therefore propose that our best thanks be accorded Mr Gray for so kindly undertaking the duties of Chairman, in the enforced absence of Mr Hardern.

Mr WRIGHT-I heartily second the proposition, and endorse all that you have said.

Mr E. OWEN GREENING-I put the motion to you as I have suggested. All in favour say "Aye."

The motion was carried.

Mr GRAY—Gentlemen, I thank you for the recognition of my services. I sincerely hope that I have carried the business out to your satisfaction.

EARL GREY-We are exceedingly disappointed in not having Lord Reay in the chair. We have received a communication expressing his regret that a previous engagement prevents him from attending. If we are unfortunate in not having Lord Reay to preside over us, we are singularly fortunate in having an able substitute to take his place. No one can read that great work of Professor Sidgwick, the "Elements of Politics," without coming to the conclusion that we have a warm supporter of copartnership in him, and it is with the greatest possible pleasure I ask him to take the chair, and to preside over this business, on this the last day of the Congress.

The PRESIDENT—The time at our disposal is not more than adequate for the interesting discussion that is to occupy us this morning, but before I give way to more important speakers I ought in a very few words to apologise for my presence in this chair. On Tuesday last I learnt that Lord Reay would be obliged to leave England before the date of this meeting. I hesitated to comply with your secretaries' request that I should fill his place. Conscious of my want of special knowledge, I consented to do so, relying on your indulgence under the circumstances, and feeling that I could at any rate express by my presence here the interest and sympathy with which, as an academic economist, concerned with general theory rather than its particular application, I have for more than a generation regarded all forms of the great co-operative movement. say "all forms," as I think those who approach the subject as I do from the side of general theory are naturally disinclined

to take a partisan and exclusive attitude on the burning question on which the discussion has just happily concluded. I do not mean that we are disposed to be simply neutral or indifferent on so important a point. Certainly my own sympathies are entirely with those who aim at giving the widest application that is practicable to the principle of industrial partnership. But we do not think that profitsharing offers a panacea for all economic shortcomings and social ills, and we recognise that it is only one form in which the voluntary association of individual workers for their common good may realise both economic and social gains of an important character. And I am therefore glad that the scheme of discussion at this Congress has given a prominent place to forms of association in which the economic gain of profit-sharing can only be a subordinate factor. Look, for instance, at the Agricultural Syndicates, which have so remarkably promoted co-operation in France during the last ten years. I heard two years ago that there which have so remarkably promoted co-operation in France during the last ten years. I heard two years ago that there were 1,300 of these associations, with 600,000 members; but I hope we shall hear the latest figures to-day. What these syndicates have largely done, among other things, is to enable the small cultivator, in vine growing, beet growing, market gardening, and other industries that have long been recognised as suitable to peasant proprietors, to share to a remarkable extent in the advantage of large scale production; by co-operation for irrigation, for protection against insects and frost, and for the use of expensive implements, and by the democratisation, as it has been happily called, of the use of costly manure and feeding stuff. Similar in kind, I believe, is the combination in dairy farming in Ireland, of which Mr Plunkett will give dairy farming in Ireland, of which Mr Plunkett will give us an account, and which exemplifies a most important form of co-operation. Indeed, if the principle of co-operaform of co-operation. Indeed, if the principle of co-opera-tion had to be taken in a narrow sense, it would have perhaps required some boldness to make agriculture a prominent subject in a co-operative congress of the present date, as the record in England of agricultural co-operative production since the critical year '79 is not at first encourag-ing. More than one of the comparatively small number of ventures in co-operative farming in England, begun with

high hopes and lofty purposes, has succumbed to time and trial. At the same time, there is really nothing in this that need shake the faith of co-operators in their fundamental principles. No reasonable person ever expected co-operation to work miracles. It is no discredit to it that co-operative farms have foundered in the breakers that have engulfed so much private capital managed with skill, energy, and foresight, adequate for success in ordinary times. And I need not say—it is specially superfluous to say in a Congress under the presidency of Earl Grey—that we have noteworthy successes to set against our failures. One lesson may perhaps be drawn, one limitation which economic theory would suggest may be taken as confirmed by experience. The idea—current among advanced cooperators ten years ago—of giving the management of farming industry to the agricultural labourers employed on the farm should be, I do not say abandoned, but at least postponed to happier times. For English agriculture—at least that portion in which arable cultivation is a main element—is, and will be, in a condition which the advantages of management by individual experts are at their maximum; in a condition in which great adaptability, promptness, and foresight in seizing opportunities, great openness in planning new combinations, are needed to weather the storm. But though this is an argument against attempting in agriculture the primary form of co-operative production, it is no argument against profit-sharing. Indeed, if the principle of profit-sharing is sound, it ought to be especially effective in times of trial, if applied with due care. I should add that the difficulties I have mentioned exist far less in special kinds of agricultural industry, where, for instance, the conditions admit of the main aim of the farmer being concentrated on the simple end of production of milk. In dairy farming also, the dividing of profits with customers, through the co-operative goodwill it produces and the steady market it secures, is a very important support for the co-operative farm, as the work of the Scotch Farming Association among others will show. Gentlemen, I ask your pardon again in offering these crude generalities to those of so much experience both in agriculture and co-operation as those I see around me.

The Hon. HORACE PLUNKETT, M.P., said—Delegates to this Congress, who are in a position to tell Englishmen what co-operation has done for agriculture in foreign countries, can hardly exaggerate the importance and opportuneness of their visit. They have come to a country where co-operation has entered into the home and bright-ened the lives of millions, where the movement is directed by the most powerful co-operative propagandist organisa-tion in the world. And yet they will find that, in this country, agriculture, which, in spite of the terrible depression, is still our greatest industry, has been practically left out-side the co-operative pale. Now the reason of this strange anomaly is simply this. Our co-operative prophets do not understand farming, and farmers do not understand cooperation. The teachers and the taught do not meet on common ground. Country life does not lend itself naturally to industrial combination which belongs to municipal life. When combined action becomes necessary to the economy of the farmer, the task of inculcating its discipline and its principles—the task, that is to say, of organisation—is extremely difficult. But the task must be faced, unless the English are to see ruin and desolation pervading that noble, simple, rural life which has ever been her glory and her pride. If you who approach this burning problem afresh can by your influence bring home to the leaders of rural opinion in England the great truth about agricultural co-operation, upon which your combined experience qualifies you to speak with the highest authority, you will have done a service impossible to over-estimate to the social, economic, and political condition of the country you have honoured by your presence. You may think the word political was carelessly thrown in, but I am convinced that it is for lack of this great resource of self-help which co-operation holds out that the farmer, individualist to the backbone, nevertheless relies upon the State to remedy his grievance. Now, as you know, Governments can do much for the farmer, but until the farmer has combined to do all that he ought to do for himself, he is not in the position to formulate a reasonable demand upon the State, or to render it effectual. Merely poli-

tical organisation—that is, the marshalling of uninformed voters—is of no avail to support the agricultural against the anti-agricultural interests, which are highly organised for commercial and industrial purposes. The result is that, in the National Parliament, the agricultural members, not having the organisation at their backs that other interests have, do not quite know their own minds. They ask too much, and get too little. Thus the failure of the farmers to help themselves results in failure to get help from the State. If I be accused of insular selfishness in thus directing your attention to the un-co-operative condition of British agriculture, I fear your condemnation will be the more severe when I tell you that I am going to be more insular still in the rest of my paper. I am now going to confine my remarks to my own country—Ireland. That country has a double claim on your consideration. Firstly, it is a purely agricultural country. Secondly, Ireland has actually inaugurated a co-operative movement of her own. A general interest, too, will attach to a country which apparently offers an extremely unfavourable field for experiments in co-operation. Any measure of success there attained will be of the brightest augury for agricultural co-operative effort elsewhere, for the political history of Ireland is enough to account for the largest degree of industrial demoralisation. Her land system, which has been practically revolutionised by being rapidly swept away, has exercised a most baneful influence upon agricultural effort. Commercial legislation abolished her leading manufacture—the woollen industry: made her hopeless of establishing any other industries, and reduced her to the status of a purely agricultural country. Then came free trade, which, whatever its merits, favours all other industries at the expense of the farmer. Finally, our chief, and what we thought our permanent advantage, nearest to the greatest market of the world, has been minimised by rapid transit and improved methods of refrigeration. Of these causes some are no longer active, as they belong to an age of economic and political fallacies; but they are nevertheless not without effect upon the habits and character of the people. Others are admittedly a natural development. Taken together, they have tended

rather to induce dependence upon Government aid than to encourage the spirit of self-help. It is not therefore surprising that, until the last six years, there has been no co-operation in Ireland which had in it the elements of growth, or suggested the possibility of any sustained activity which could be dignified with the name of a movement. True, the earliest years of the co-operative movement recall the formation of what one might call a little cooperative Utopia at Ralahine, in county Clare. But it did not live. A few distributive stores here and there, on more or less co-operative lines, only survived, because they imposed no too rigid discipline upon their members. It seemed a forlorn hope for a few students of agricultural progress in foreign countries to try and persuade the Irish farmer that, instead of for ever crying to the Government to develop the resources of the country, they should themselves turn to the greatest of all the undeveloped resources of Ireland, the capacity of her people for industrial combination. However, convinced that co-operation was the remedy, compared with which all others were of insignificant importance, we entered upon a crusade which we deter-termined to pursue until our ideal was realised. That ideal you may think somewhat visionary, when I tell you that we determined to submit for the acceptance of our country-men every form of agricultural co-operation which had succeeded elsewhere, and to show them how to adapt these forms to the peculiar circumstances of their own country. We do not mean to rest until the Irish farmers have embraced the most complete system of co-operative organisation known to the civilised world. A brief narrative of our progress in this venture up to the present time will give an opportunity of gauging the reasonableness of our sanguine anticipations. The pioneers of this movement were practical men. They saw the necessity for a sound commercial basis for the introduction of co-operative methods. They found the opportunity they sought in the dairying industry, which was, when they commenced their crusade in 1889, passing through one of those crises which call for some new departure to cope with a new set of circumstances.

Ireland, by virtue of its unrivalled soil and climate. was once the greatest butter producing country in the In the last twenty years she has fallen behind in the race, even to the extent of being beaten out of her home markets. New machinery, costly but highly efficient, has enabled the factory product, notably that of Denmark and Sweden, to beat the home article both in quality and cost of production. After a while capital was naturally attracted by the material advantages which the abundant supply of Irish milk afforded, and the green pastures of "Golden Vale" were studded with snow-white creameries which announced the transfer of this great Irish industry from the tiller of the soil to the man of commerce. capitalist proprietor at first gave the farmers so good a price for their milk that they discharged their dairy maids, dissipated their plant, and went out of the business. Then the price was lowered by the proprietor to the point at which the farmer would be induced to revert to his old home methods—a point which was not reached until the price paid for milk yielded a smaller profit than it formerly realised through the sale of butter manufactured at home. We were then able to point out to the farmer that under the new conditions, while he retained the breeding and feeding of stock and the cultivation of the soil, which had become less and less profitable, he was denied all participation in the extra profits which modern invention had vested in the actual manufacture of butter. Here was at any rate a definite substantial object for which to combine. The farmers had only to put together what money they could contribute and what credit they could command, to associate themselves into societies, and then, by means of co-operative organisation, to conduct their own business for their own profit. The difficulty was to induce them to do this, to induce them to adopt an organisation so efficient, so just to all concerned, that it would secure ideal co-operation, and thus combine the advantages of democratic association with those of one-man management. The economic considerations were simple enough, and were quite patent to the farmers themselves. The social problem was the real difficulty. To all suggestions of co-operative

action they opposed at first a hopeless non possumus. They never had combined for any business purpose. They were indisposed to trust the committee they were asked to elect from amongst themselves to expend their money and conduct their business. It was all very well, they said, for the proprietor, with his ample capital, business experience, and free hand, to work with complicated machinery, and to consign his butter out of the reach of the local butter buyer, and save the waste and delay of the local butter market, but they knew nothing of the business, and would only make fools of themselves. By persistent and assiduous propaganda alone were these difficulties to be overcome. My own diary records attendance at fifty meetings before a single society had resulted therefrom. I have dwelt upon our propagandist methods and upon our early difficulties, because whatever may have been the experience abroad, it is certain that there is no royal road to the popularisation of co-operative principles among rural communities in the United Kingdom. If, as I hope, the English and Scotch farmers are to follow the lead of these Irish co-operators, I am convinced that the same process of organisation which I am describing in this paper will have to be adopted.

I shall not occupy your time with any description of the success of the pioneer co-operative dairy societies which we eventually succeeded in getting the farmers to establish. That they have succeeded is proved by their survival. The records of the London Dairy Shows testify to the technical excellence of their manufacture. By the spring of 1894 there were 33 co-operative dairies at work, with a membership of 1,650. During these years of infancy they received for butter sold to the value of £150,000. The constitution of these societies was drafted by the Co-operative Union, and of course embraced the usual features of democratic control and division of profits, with due regard to the source from which the profits came. Thus was the ice broken. It will be quite unnecessary for me to do more than give the roughest sketch of the further progress of the movement. The details I have given you show how the principle of combination was introduced into

Irish agriculture. These dairy societies had shown what the individual farmers could achieve by uniting together into societies for the production of butter. The next step was a federation of the societies into a new society, called "The Irish Co-operative Agency Society," in order to realise the advantages of its co-operative distribution. This was a bold venture for newly organised bodies of agriculturists, and their first appearance in the world of commerce was not encouraging. Bad debts, law-suits with employees and agents, and trade opposition, staggered, but did not weaken their faith, or divert them from their purpose. This federation is now fairly established, and is extending its usefulness to the sale of the eggs and poultry of its members, and the purchase of their farming requirements. In many other ways it acts as a bond between the societies. But for these details we have no time now. Suffice it to say that in the spring of 1894 the movement had reached a stage at which it was safe to say that its future was secured. It only remained to see in how many directions and how rapidly it could be extended. Up to this point the work of organisation had been undertaken by a few individuals who bore the greater part of the expense, the remainder being met by a subsidy from the Co-operative Union, with which all the societies were affiliated. It now became necessary, if the work was to assume, as we trust it will, national proportions, to obtain some fresh support. In Stock Exchange parlance, "we went to the public" with our scheme, and formed the Irish Agricultural Organisation Society. Shares of the nominal value of £1 were issued, payable in ten equal half-yearly instalments, but they bear no interest. The scheme which was submitted to the public was that which I have already outlined. Impressed no doubt by the work which had been accomplished, the public, considering the nature of the venture, subscribed with extraordinary liberality. Seven thousand shares were taken, which gives us an income of £1,400 a year. On the share list may be found all that is best in Irish life. The committee of this propagandist society consists of leading men who are not usually found working together in Irish affairs. A staff

of organisers has been engaged, and societies are rapidly being formed for all the well-known purposes of agricultural co-operation. In non-dairying districts we have societies formed for other suitable purposes. These have already effected an enormous saving through joint purchase of their members' farming requirements, to say nothing of an immense improvement in the quality of the goods supplied. The sale of everything the farmer produces alive and dead; the storage of crops; the co-operative purchase and use of costly machinery and breeding stock; collection and sale of eggs, and the abolition of unnecessary middlemen in the sale of barley and of pigs, and possibly also the establishment of co-operative bacon factories—although at this stage the Organisation Society does not encourage this venture are all matters of daily discussion at meetings of societies actually at work, or in process of organisation. Nor has the question of agricultural finance escaped the attention of our farmer friends. We have one agricultural bank actually at work, and four others are being formed. The operations of the pioneer bank have been upon the humble scale, which is invariable in these ventures. It is in a typical Irish rural district, and its members belong mainly to the class to whom the ordinary facilities are unknown. The way in which every rule has been strictly enforced and willingly submitted to, the shrewdness with which security has been scrutinised, the frankness and openness which have met the inquisition of the Committee in matters which before were jealously concealed, the mutual good feeling, confidence, and respect which has been engendered, the service on the management and control rendered voluntarily by the better off to their poorer neighboursall these features, so well known among rural communities abroad, have turned out in Ireland to be another and an unexpected proof of the soundness of the co-operative theory.

I have said enough to indicate the scope of the movement in Ireland. Its progress will depend upon the intelligence with which its principles are grasped by those for whose benefit it has been promoted. Recently, in order to confirm the progress already made, and to instil into the

minds of the co-operating farmers the larger aspects and ultimate ends of the movement, conferences of the societies have been arranged at convenient centres. Nothing could have been more encouraging than the discussions which these conferences elicited. Those of us who for the last six years have watched the growth of the co-operative principle in the farmers' minds, have been astounded at the rapidity of the innovation. The next step is the holding a central conference in Dublin, at which delegates from all the societies will attend, and exchange information and suggestion. We have now in Ireland forty-nine co-operative dairy societies actually at work, and twenty-seven being formed. There are eleven agricultural banks being organised, in addition to the one to whose practical work I have referred. The output of the dairy societies will probably approach a quarter of a million sterling in value, and the agricultural societies are expected to do a trade of from twenty to thirty thousand pounds. When the harvest is over we expect an immense accession to our forces, from those who are already converted more by example than by precept. The rough map I have hung up here shows you the distribution of the societies about Ireland.

I have spoken of the larger aspects and ultimate ends of this movement. I mentioned that the funds of the Organisation Society were to be provided in ten half-yearly instalments. It is expected that at the end of five years from 1st April 1894, if not sooner, the movement will be self-supporting. It is part of the scheme that the co-operative societies, when they are sufficiently numerous, are to be federated in one central organisation, which, upon the principles which I laid down at the outset, will be truly representative of Irish agriculture as a whole, and capable of looking after its interests. So far as general trade action is concerned, it is probable that the Agency Society will develop into the central federation for those purposes. It will concern itself with such matters as railway and steamship rates, the promoting of useful legislation, and the representation of the farmers' grievances to the administrative authorities. It is hoped that we are soon

to have the much and long talked of Board of Agriculture in Ireland, and already the conferences which I have referred to have discussed the best constitution and scope for such a body. It is remarkable how clearly farmers who have dealt with this subject at these conferences have come to understand the dividing line between what by combination they can do for themselves and what the State ought to do for them. Lastly, this Central Committee, or whatever it will be called, will take up the work which is now being done by the Organisation Society, namely, the formation of new societies, and the giving of counsel and advice to those already existing. Such is our movement in Ireland. Whether it is a mere "flash in the pan," or whether its future progress is now assured, is a question which you can, out of a wider experience, answer perhaps better than those whose attention is concentrated upon its local details. You will, I am sure, recognise some well-known elements of soundness and permanence in the edifice we are building up. We began at the very bottom. There was no bonusing of any kind whatsoever. We have never undertaken to do anything for the farmers. We have simply pointed out to them what by combination they can do for themselves. Remember. too, whatever success we have attained has been in the face of a continually falling market. We have been confronted with that well-known commonplace of superior pessimism, that schemes for more equitable distribution of profits may well wait until there are profits to divide. The combination I have described has been limited to the somewhat depressing task of "making the best of a bad job." Over and over again we have had honestly to invite our hearers, who were taking grave financial risk, to contemplate the possibility of failure. I have had occasion to use more than once the inspiring lines of the late Lord Houghton:-

[&]quot;If what seemed afar so grand Turn to nothing in your hand, On again. The virtue lies In the struggle, not the prize."

But the struggle has been so bracing that failure need not now be feared. What part success in this movement might play in the social, commercial, industrial, and political, to say nothing of the moral and educational, development of Ireland, I leave to your imagination. My immediate object is to invoke your sympathy and your influential support in favour of a project which this Congress can recommend with unequalled authority to the suffering agriculturists of the United Kingdom. (Applause.)

Count DE ROCQUIGNY said—I warmly congratulate Mr Plunkett on the striking success which his efforts have gained in the organisation of the Irish co-operative creameries. As a rule, co-operative production succeeds admirably in the dairy industry—that is to say, in the manufacture of butter and cheese. In France, in a department tried, as Ireland is, by an intense agricultural crisis— I mean in Charente-Inférieure, whose celebrated vines had for the time been ravaged by phylloxera—the creation of numerous co-operative creameries—effected by means of loans guaranteed by all the members—has largely improved the position of the cultivators. By the collective manufacture of butter, following Danish methods, they obtain a considerable profit over the price they formerly got for their milk. At present, in the three neighbouring departments of Charente-Inférieure, Deux-Sevres, and Vendée, there exists a group of about seventy co-operative creameries, federated together for the most part by means of a central association, and producing butter of an excellent quality, which finds a ready sale upon the Paris market. The ancient cheese-making associations known under the name of Fruitières (store-houses), which to the number of over 2,000 make the Gruyère cheese in the east of France, the co-operative distilleries, the co-operative societies for thrashing the crops, &c, are also undeniable applications of cooperative production to agriculture. Passing to the agricultural syndicates, this new type of rural trade associations, which have spread from France to Italy, Belgium, Servia, &c., I may remind you that they are based upon the principle of individual property, having for their object to make its employment more profitable by means of col-

lective action, an action operating especially to the profit of the small cultivators. They aim therefore at the extension and consolidation of the system of small landowning, already so widespread in France. Essentially the agricultural syndicates do the work of co-operative production in the purchase and distribution of raw materials, and of all things necessary to produce crops—manures, seeds, implements, &c.; in the efforts put forth to organise the direct sale of products to the consumers or groups of consumers; in all the methods which they take to facilitate for their members the carrying on of agricultural operations; to protect the crops against various destructive agents; to improve the breeds of stock; and to work up certain products into a manufactured state, in order to sell them more advantageously. After having briefly summarised (following the special report which he had presented to the Congress) the present organisation of the agricultural syndicates, and of the union of these, and after stating the development numerically, the extent of their business, the different economic institutions springing from them, &c., Count de Rocquigny continued—In conclusion, the Agricultural Trade Syndicate as conceived in France appears cultural Trade Syndicate, as conceived in France, appears to be an institution sufficiently elastic, sufficiently wide, and whose usefulness is sufficiently incontestable, to be easily adapted to the special needs of the agriculturists of different nations. It would bring marked relief to the pro-longed agricultural crisis from which all Europe is to-day suffering, and whose manifestations in this country the Parliament of Great Britain has quite recently listened to. (Loud applause.)

LORD GREY then proposed the following resolution—
"That this Congress recognises the extreme gravity of the agricultural crisis throughout Europe, and sympathising with the trials of all classes which depend on the land for their incomes, commends to their attention the adoption of co-operative methods as a practical means for mitigating the evils of the present, and for paving the way to a better and more prosperous future. That we would especially commend the efforts now being successfully made to establish associations for agricultural supply and sale of farm

produce, co-operative creameries, agricultural banks, profit-sharing farms, labourers' and peasants' stores."

He said—In submitting this resolution in as brief a manner as possible, I think I shall be expressing the wishes of all members of the Congress assembled by tendering M. de Rocquigny our grateful thanks for the admirable paper he has read. (Cheers.) When the report of these proceedings is published throughout the country, the matter will be taken up with greater interest. That is all I have to say on the resolution. I do not like to sit down without having said a few words of thanks to Mr Greening for the part he has taken in the proceedings of this Congress. Had it not been for his exertions we should not have been able to meet here to-day. The published records of this Congress will prove an excellent manual, and an arsenal of facts in support of the co-operative movement in England and elsewhere, and as I say we owe this in a great measure to Mr Greening—(hear, hear)—in bringing about this Congress. It would not be right for me to sit down without expressing my gratitude to him for the great services he has rendered to co-operation.

Mr F. A. CHANNING, M.P.—I should like to make a recommendation that the words, "Allotment associations," be added to the resolution.

Mr KERRIDGE (Ipswich)—I may say, in briefly seconding the resolution, that at our co-operative farm, which has been started about eight years, and which is only a small one, about fifty acres, we have been very successful. We have been able to give our labourers four shillings a week more than the current price in the district, and make the farm pay. (Applause.)

Mr F. A. CHANNING, M.P.—I would, Mr President, again suggest the words, "Allotment associations," be added to the resolution.

EARL GREY-Quite so.

Mr E. OWEN GREENING-We will agree to add the words.

The President—We have present with us to-day a co-operator who has come all the way from Servia, which indicates that our business here to-day is of a very

strikingly international character. Before I call upon Mr Michael Avramovitch, Mr Greening wishes to make an announcement.

Mr E. OWEN GREENING—I only wish to say that we have several friends present from different countries who are in the position of being able to give us valuable information as to the development and the applicability of co-operation to agriculture, but as time will not permit all to speak, we shall be in the unfortunate position of not being able to hear all the good things about co-operation. This afternoon we have the great Flower Show at the Crystal Palace, which Mr Horace Plunkett will open. I may mention that we have received a letter from the Executive Council of the Amalgamated Society of Engineers, in which they compliment the delegates on the splendid work they have done for the cause of progress.

Mr MICHAEL AVRAMOVITCH (Servia), speaking in French, said—I have to express my keen regret at having been prevented from taking part in the previous sittings of the Congress, especially in that at which the different forms of credit were discussed, including people's banks and rural loan and deposit societies on the Raiffeisen system. However, that which I have lost by being absent, I hope to be able to repair at the next Congress, for which I pray God to maintain my life. Now, as to-day's sitting is chiefly concerned with the different forms of rural co-operation, I am sure I could have held the attention of this Congress upon institutions of that sort in Servia. Servia is very rich and fruitful in them. For example, we have the "community-families," known by the name of "zadrougas"; we have the "moba," or reciprocal assistance of several neighbouring families in the heavier field work; we have the "pozainitsa" (loan), or labour lent to be returned; we have the "spreg," a particular case of mutual assistance. which takes place at ploughing times by the reciprocal loan of draught animals; and we have the "batchianïe" or cattle-raising communities. Then there is the Servian agricultural law on the inseizability for debt of small rural properties of less than three hectares,* which has been in

^{*} A hectare = 2½ acres.

force since 1874, and plays a great part in the social and economic organisation of Servia. Lastly, there are our people's banks on the Schulze-Delitzsch system, and our rural loan and deposit societies on the Raiffeisen system, and our agricultural syndicates of the same type as the syndicate of the department of Indre in France. But, as Mr Greening told us a few moments since, that very little time remains of this sitting, I beg you, brother co-operators, to be good enough to give your attention to my report on co-operation in Servia, which I will deposit with the President, and which will, I hope, be printed with the others.

The PRESIDENT then put the resolution as amended, and there being no opposition, declared it duly carried.

M. CHARLES ROBERT then proposed a resolution to nominate as President of the Alliance, Earl Grey; as Treasurer, Mr H. W. Wolff; as Joint Honorary Secretaries, Mr J. C. Gray and Mr E. Owen Greening; and as Assistant Honorary Secretary, Mr Aneurin Williams.

This was seconded by Mr Michael Avramovitch, and carried unanimously.

Mr E. OWEN GREENING—I beg to make an acknow-ledgment of that vote. Several of the speakers have given me too much credit for the work that has been done. I am sure this Congress owes many thanks for the able manner in which Mr Wolff undertook the major portion of the work connected with this Congress. He travelled across the Continent to almost every corner of it, and spared neither time, trouble, nor expense in order to secure information whereby the cause of co-operation would be benefited. (Loud applause.) I do not think it is just to accept your thanks without making this explanation.

The PRESIDENT—We have now to consider the report from the Committee appointed to consult with the general Provisional Committee as to the best means of opening up trade relations between the co-operators of various nations for the exchange of co-operative productions.

Mr E. OWEN GREENING—I will now read the report, copies of which have been handed round to you. It is as follows:—

THE INTERNATIONAL CO-OPERATIVE ALLIANCE, LONDON, August 1895.

By a resolution passed by the Congress, 19th August, the following were appointed a committee, to consult with the General Provisional Committee as to the best means of opening up trade relations between the co-operators of the various countries for the exchange of co-operative productions:—Miss Tournier, Women's Co-operative Guild of England; Messrs Kergall, de Larnage, Soria, and Count de Rocquigny, France; Signor Croce, Italy; Herr Abt, Switzerland; Dr Faber, Denmark; Ponti, Italy; De Quéker, Belgium; Peereboom Voller, Holland; Messrs J. Walter Savage Landor, Ballard, Blandford, Bignall, Greenwood, Powell, and Wright, England.

The Committee met on the evening of Tuesday, 20th August, in consultation with the General Provisional Committee, when Mr Greenwood was appointed chairman, and Mr Blandford acted as secretary. Present—Mr J. Greenwood, chairman; Miss Tournier, Messrs Blandford, Landor, Wright, and Signor Croce.

It was agreed that before any practical work can be done, it will be necessary to obtain from existing co-operative productive and distriutive societies in each country a list of the foreign goods they use or sell, so that it may be ascertained which of these goods can be obtained through or from co-operative societies, and that we do not for the present recommend the establishment of separate organisations for establishing trade relations, but that already existing agencies should be approached, and their help secured.

To obtain this information for the Alliance, we recommend that this committee, subject of course to changes in its personnel which the Congress may direct, be continued, and act as now in consultation with the general committee of the Alliance for the year.

As soon as the information referred to has been obtained, it should be circulated amongst co-operators in the various countries in their various languages, and their assistance requested.

We have endeavoured to get for your use information from the delegates attending the Congress, as to the goods in the Crystal Palace Exhibition suitable for sale in other countries and in England, but this endeavour to get information has not been found practicable in the short time at our disposal.

We notify the willingness of Miss Tournier and Mr Landor to act as translators and correspondents with Mr Blandford, who is willing to continue as honorary secretary, and we recommend that their services so kindly offered be accepted by the Alliance.

For the Committee,

JOSEPH GREENWOOD, Chairman.

Mr E. OWEN GREENING—I will move the adoption of the report,

Mr WRIGHT—I will second that; but at the same time the Committee suggest as an amendment that there should be three Secretaries, all having equal positions.

Mr ANEURIN WILLIAMS asked when the Committee had agreed to that, and it appeared that some members of the Committee had met informally that morning and agreed to make the suggestion.

Mr E. OWEN GREENING—Miss Tournier will correspond in French, and Mr Landor in Italian; and I think that if the suggestions are accepted, we shall have no reason to regret the arrangements the Committee have made.

The PRESIDENT—I will now put it to the Congress that the report be adopted. Are there any against its adoption?

There being no opposition, the President declared the motion for the adoption of the report without amendment carried.

Mr E. OWEN GREENING—With reference to the letter which we have received from the Amalgamated Society of Engineers, I will move that it be accepted.

Mr N. O. NELSON-I will second that.

The motion was carried.

Mr PEEREBOOM VOLLER proposed the following resolution:—"That this Congress, considering the necessity of reducing the possibility of misunderstanding as much as possible to a minimum; considering that it is necessary to facilitate the intercourse between co-operators in all parts of the world; considering that 'Where there's a will there's a way,' invites the Committee of Congress to draw up the necessary plans, and formulate the necessary proposals, in order to arrive at a mutual unity of language."

Dr SLOTEMAKER, in seconding the resolution, said—Among the many good things which the English have given to the world, last but not least are certain proverbs which have been adopted by the different nations, and which have even taken root in their everyday language, as we Dutch people gratefully acknowledge. One of these is the saying that "Where there's a will there's a way." I have come here with the firm intention of making myself understood by you, and to tell you what is in my heart in

such a manner as if I spoke in my mother tongue. I said to myself, "Where there's a will there's a way," and I have tried to find the way. Fortune favoured me. "Something turned up," as Micawber says. Mrs Grandinet had the great kindness, which I will ever remember with gratitude, to propose to me to put into English what I wish to say to you, and I gladly accepted the proposal. There exists, unfortunately, so much misunderstanding in the world, even among children of the same nation, who have from their early youth spoken the same language—how easily we might expect misunderstandings between those who have arrived from different parts of the globe, each speaking his own language! It is true that we Netherlanders have, as a rule, been able to find our way through the nearly Babylonian confusion of language, but others were not so fortunate. When English was spoken, it was almost unintelligible to many speaking the Romance languages; and, vice versa, when French was spoken, many of the English and German delegates could not follow the discussions. One of the most serious questions, therefore, which it is important for the Committee of the Interna-tional Co-operative Alliance to consider, is a general agreement which language shall be spoken and written by all those adhering to the Co-operative Alliance. Shall the language be English, French, or German, or a manufactured language, like the Volapuk? I myself dare not express an opinion in the matter. But the question seems to me of too great importance to be decided without mature consideration. These considerations have induced us Netherlanders to put before you the motion proposed by Mr Peereboom Voller.

At the conclusion of Dr Slotemaker's speech,

The PRESIDENT, addressing him, said—The proposition brought before the Congress is one which could be brought before every Congress of an international character. The movement which is suggested in your speech could not be confined to the co-operative societies alone, and there is hardly time for us to give the proposal adequate discussion. You may rest assured that co-operators, who are ever assisting in the cause of progress, will give every

assistance to the movement you have suggested. The matter which you have brought before the Congress will, I understand, be considered by the Committee. I thank you sincerely, and I think that if we can carry out the terms of the resolution, we shall secure international peace and the brotherhood of nations. (Applause.)

Mr G. J. HOLYOAKE said—It is with the greatest pleasure that I move that the thanks of the Congress be accorded the Council of the Society of Arts for allowing us to hold meetings in their rooms; and to the Council of Education for having placed at our disposal South Kensington Museum on Monday night.

Mr E. OWEN GREENING—I second the motion.

The motion was declared carried by the President.

Mr J. POTTER (Leicester)—It is with considerable pleasure that I rise to propose the remaining resolution to this meeting. It is to express to Professor Sidgwick our most sincere and hearty thanks for his able paper this morning, and his kindness in presiding over the business of the Congress.

Mr E. OWEN GREENING—It is with equal pleasure that I second the resolution. I am sure that we profited to a considerable extent by the address which Professor Sidgwick gave us. Truly he was an able substitute for Lord Reay.

The PRESIDENT—I am glad to have been able to render you a little service. I am always pleased to do what I can for the cause; and let this be our last word—Co-operation. (Loud applause.)

FRIDAY AFTERNOON, 23rd August.

OPENING OF THE NATIONAL CO-OPERATIVE FLOWER SHOW.

Under the Auspices of the Agricultural and Horticultural Association Limited.

AT the tea given on Friday afternoon to celebrate the opening of the National Co-operative Flower Show, Mr E.

OWEN GREENING, who occupied the chair, said—I am sure we are very much indebted to Mr Plunkett for coming this afternoon. It needs no words of mine to inform you that Mr Plunkett is an ardent worker in the co-operative movement, and no one could have listened to his able address this morning at the Congress without coming to the conclusion that the co-operative movement in Ireland has in Mr Plunkett a most able leader. So deep is his interest in the movement that he has arranged at some trouble to get away from the House of Commons in order to formally open our flower show. (Cheers.)

THE HON. HORACE PLUNKETT, M.P., whose rising was received with loud and continued cheering, said—I am very glad that I have been introduced to you not as a member of Parliament but as a worker in connection with the co-operators of our poor country, who have sent me to attend your Congress. I say that I do not think there is any better way to improve the state of things in Ireland, and no better way to serve the country to which I belong, than to be a teacher of co-operative doctrine there. (Cheers.) When the discussion was general as to what were the best methods of improving the state of Ireland, I came to the conclusion that if we could extend the principles of co-operation there, we should to a great extent have settled a large part of the Irish question. With some others I determined to make an attempt to introduce your great movement into that country. I received from the Co-operative Union every encouragement and support, support not only moral but also financial, and as I informed the International Congress to-day, the money and support which the Union gave us has resulted at last in a gratifying success. We have not yet been able to come quite into line with the English movement in all respects, but we have been able to show in this Exhibition that we can make a good show of vegetables. (Applause.) I have been prowling around the Exhibition, and I have determined next year to have a complete and excellent display of our produce. I am sure we shall be able to secure success, at all events in the potato classes.

Now with regard to the show of this year that I have

the honour of now opening, there is one circumstance that makes it peculiarly interesting. I think this is the first time that you have had visitors from all parts of the world who have specially come over to try and join all hands in one great international movement, and I am sure that every one here is most gratified with the success which has so far attended their efforts. Now in this Exhibition we see the brighter side of our movement. Mr Greening has compiled a number of interesting statistics with regard to this National Co-operative Flower Show. The movement began ten years ago in a humble way upon two small tables at South Kensington. Then the idea grew, with the result that we were compelled to come out here to the Crystal Palace, for we were unable to obtain elbow room in the Metropolis. (Laughter.) When the show was held last year I thought we had gone as far as possible, but it appears this time we have 4,107 entries, 375 in excess of any previous number. There are 1,823 entries of vegetables, 1,207 of cut flowers, 397 of pot plants, and 444 of fruit, 88 ladies' and children's entries, 16 table decorations, and 126 special class entries. I am sure we can heartily congratulate Mr Greening on having borne the brunt of the great exertion that was required to bring this show up from a humble beginning to such a splendid position. I think we should not lose sight of the debt of gratitude we owe to the promoter of these Exhibitions, and I just want to make a reference to the splendid service which Mr E. Owen Greening has rendered to the cause of co-operation. (Hear, hear.) Although Mr Greening's efforts are directed to other branches of the co-operative movement, he has found time to give his valuable attention to one of the most elevating of our pleasures. In spite of the difficulties he has to contend with, there is no man in the whole cooperative movement more perpetually, more earnestly engaged in solving the most baffling problems of modern co-operation. I can-only pay one more tribute to Mr Greening. It is my misfortune to listen to a large number of speeches in the course of a year, some good, some middling, others very bad. (Laughter.) But I do not know any speaker who in point of lucidity—for I consider that is the most important feature of eloquence—can compare with Mr Greening. In our co-operative parliament we get sometimes into a difficulty like many other Congresses, and I have sometimes failed personally to see my way out of it. At such times it is not until Mr Greening has said what he has got to say, that we can always clearly understand the real cause for all the discussion.

There is one more topic on which I shall touch, and that is the ever pressing one of profit-sharing, which has been before the International Congress to-day. I do not know how many of those present were at the Congress, but I do wish to record my extreme gratification at the result of the discussion on that thorny subject—a discussion more animated than any we have had in the Congress to which we have welcomed all who have the cause of co-operation at heart, for it is our duty to hear the opinions of all as to the best methods by which we can extend our propaganda. As I have said, there was an animated discussion to-day, and the decision we came to was largely due to Mr Greening's most eloquent speech in terminating the debate. As a very new co-operator myself, it certainly does seem to me, that if the International Alliance, which I hope to see before long a practical body, can retain the services of such eminent co-operators as Mr Greening, Mr Wolff, Mr Holyoake, and the foreign representatives, I have not the slightest reason to fear that the future of this co-operative movement will be attended with great success. I understand that in the discussion to-day some points were left over through my own fault in reading an inordinately long paper. (No, no.) That will not be my fault to-night. sincerely thank you for listening to me, and I believe the only remaining duty for me to carry out is to formally declare the Exhibition open, and to congratulate you on the result of it. (Cheers.)

Mr E. OWEN GREENING—I have to offer my sincere

Mr E. OWEN GREENING—I have to offer my sincere thanks for the graceful tribute Mr Plunkett has made to me, and I may say that I could not accept the compliment without remarking that it is through the assistance I have received from other devoted workers, that I have been abic,

with their help, to bring this Exhibition to such success; and I would especially mention Mr Head, of the Crystal Palace, Mr Waugh, the Director of the Show, and Mr Bell, my Assistant Secretary.

I will now call upon Mr Holyoake who, with a pleasing aptitude for ecclesiastical functions, first christened our festival "The Festival of Labour and Flowers." I will now ask him to say a few words to you.

Mr G. J. HOLYOAKE-I little thought, when our Exhibition was inaugurated at South Kensington a few years ago, that it would have gained such vast proportions as to necessitate the holding of it out of London. sanguine man-probably the most sanguine man out of Utopia, which is no doubt my proper place—(laughter) but I do not think it is easy to realise what great effect this new branch of the co-operative movement has upon its participators. These exhibitions not only tend to greatly enhance our work, but they bring it before the notice of the people whom we desire to reach. I think this present exhibition is one of very high order, and that it greatly conduces to the reputation of co-operation. It also proves what self-help can accomplish. Although we may not yet have reached the promised land, we have done much to make the lives brighter and better of hundreds of families who but for these exhibitions would never have become acquainted with our movement. (Cheers.)

SATURDAY, 24th August.

LUNCHEON TO THE FOREIGN DELEGATES.

GIVEN AT THE CRYSTAL PALACE,

By the British Section, International Co-operative Alliance.

AT the luncheon given on Saturday morning to the foreign delegates and the press, Mr E. OWEN GREENING, who presided, said—We are loyal to the Crown, and to all that is good in our existing institutions, but there is only one toast for which we have time, and that could not be left out, because it embodies the reason for which we are assembled here to-day. The toast I have to give you is, "The brotherhood of the peoples promoted by our grand Co-operative movement." We have various movements for bringing the people of all nations together, but I do not think there is one which has the possibility of a more far-reaching effect to achieve this object than the co-operative movement. There is the scientific movement, the peace movement in politics, the artistic movement, and many others, of which we recognise the value, not only because they are good in themselves, but also as a means to draw the people together. Our movement is not behind any of them. If we are to have peace, and ensure it, there must be a basis of unity among those to whom labour is necessary for existence. By international co-operation alone can the masses of workers be brought into actual relations with each other. I give you the toast of the brotherhood of man as promoted by our grand co-operative movement, and I couple with it the name of our distinguished guest, M. Charles Robert, of France. (Applause.) I will venture to assure him and all his colleagues that although they may in future Congresses visit peoples who can receive them under brighter skies and sunshine, in no country will they be welcomed with warmer hearts than those with which they are greeted by us. (Cheers.)

M. CHARLES ROBERT (translated by Mr Adolphe Smith)

said, in responding to the toast-I have to thank you, on behalf of the foreign delegates at the Congress, for the extremely ample and hearty manner in which you have received them. They will be able to carry back to their countries an account of your kindness to them during their brief stay in this country. With regard to the toast which Mr Greening has proposed so eloquently, I feel, as a Frenchman, the greatest regard and patriotism for my own country, but as one who claims to have universal sympathies, I try to do all I can to secure the advancement and prosperity of all nations. (Applause.) I think when the principles of co-operation are widely extended, that we shall not be a long way off the attainment of universal peace. It is by the extension of these principles, and the consequent peaceful securing of a greater share of social and industrial power to the working classes, that we shall be able to better the material condition of the people. conclusion, I express the hope that before long the nations will recognise that universal peace is the great object to which they should direct their attention; and I thank Mr Greening again for having spoken in such kind terms of the foreign delegates. (Cheers.)

SATURDAY AFTERNOON, 24th August.

DEMONSTRATION AT THE CRYSTAL PALACE,

Under the Auspices of the National Co-operative Festival Society.

MR E. OWEN GREENING, who presided over the demonstration on Saturday afternoon, when speeches were delivered from the Terrace, said - These National Co-operative Festivals of ours have a double value. They demonstrate to the outside world how much more our movement means than storekeeping, and they renew in our own minds the remembrance of our high ideal. What is this high co-opera-It is the hope of reconstructing society by purely peaceful means and purely just methods. We feel in our hearts as deeply as any the dreadful contrast of

unbounded luxury and unfathomed misery which mars the beauty of our civilisation, and we mean to do our part in redeeming our people and our time. But we disclaim alike the dynamite of the anarchist and the coercive projects of the State socialist; we even repudiate in part the alms-giving of so-called charity. We rely upon the development of character in men, when they are placed in relations towards each other which reconcile the good of all with the interest of each. When we have brought our people into such relations—into societies based on concord instead of discord—we shall be content to wait for the outcome by the process of natural evolution. I know we are told that process of natural evolution. I know we are told that revolutions cannot be made with rose-water. Well, we reply that rose-water cannot be distilled out of revolutions. If you want rose-water, you must grow roses; and roses grow by growth, not by revolutions. This storekeeping, this means of accumulating material wealth, has, in my mind, always been but the means to an end—or rather, not to an end, for progress is infinite and has no end, but to further steps in the emancipation and improvement of the social condition of our people. By promoting a taste for horticulture, the love of good music, the desire for rational athletic evercises and a wish for pleasant meetings amidst athletic exercises, and a wish for pleasant meetings amidst beautiful surroundings, these Festivals are teaching a lesson to the people of the good they may obtain by social inter-course and friendly working with their fellows. The aim of co-operation is not merely to make a man fat who is physically lean—though, to be sure, Shakespeare hinted, through the mouth of Julius Cæsar, that there may be relation between the lack of good condition and the absence of good disposition:—"Yond' Cassius has a lean and hungry look. Such men are dangerous. Would he were fatter. He loves no plays. He hears no music. . . . Such men as he be never at heart's ease whilst they behold a greater than themselves. And therefore are they very dangerous"

When I look round the great Flower Show organised by our Agricultural and Horticultural Association, what do I see? Not merely the wonderful results of man's skill, man's patience, man's perseverance, man's energy. I see the man himself, and the still more wonderful results which have

been wrought in him. One of the prize-winners, in return for my congratulations, related to me last night the way in which he had attained his success. He said, "Last year I arrived at the Palace proud of myself, proud of my exhibit, confident it was sure of the first place. I was wrong. I was beaten; I only got a second. I tried again. I adopted a new and a better method. This year I win." Some one, a lady, remarked to me as we turned away, "There is an example of how a carrot may make a man."

The Co-operative Festival, as held here, is in a place where the restrictions are few and the liberty great. Do our co-operators abuse this freedom? No. The common report of the officials of the Palace is that good humour and good behaviour prevail among the thousands of our people who attend these functions. It is because our cooperators have been self-trained in thousands of selfgoverned societies to require neither penalty nor police to guide them aright. If at this moment all the co-operative institutions were destroyed, which we have built up at such cost, I am bold to say that the 40,000 members assembled here to-day would recommence with confidence to recreate our movement. I am rejoiced to find that the Festival movement is spreading; that our good friends in Scotland have organised one on their own account, which I hope to be able to attend in September; and I am more than delighted to hear that our former distinguished visitor, M. Bernardot, of the Familistère of Guise, who was with us at our Festival two years ago, and whose magnificent oratory was such a feature on that occasion, is fired with the resolve to follow our example, and set on foot an organisation for one in his own country. I am rejoiced, for I feel convinced that wherever these Festivals, with their delightful attributes of flowers, music, and light-hearted enjoyment, are founded, there will be found an increased impetus in our forward march; that not only the few, but the many, will, by their means, obtain a glimpse of the aims for which we are working, and will become infected with some of that enthusiasm which animated the great and unselfish workers who have gone before us, and which is a living force in our minds to-day. (Cheers.)

The Rev. Dr LORIMER (United States of America) said—It is with very great pleasure that I rise to say a few words to you respecting the co-operative movement, in support of which this meeting is held. I must express my personal hope that at no distant date a Congress will be convened in America, and in my own city, the old city of Boston, hospitable to every good thing, and deeply so when an endeavour is being made to account the said. Boston, hospitable to every good thing, and deeply so when an endeavour is being made to acquaint men and women of the better age of the world's industry. (Cheers.) Not long since I was standing by a picture with which I was very much impressed. It was an Arctic scene. The picture represented a party of explorers. It could be seen that the men were rigidly cold, and almost in an unfit state to go on; but there stood the captain, with his finger pointed, saying, "No retreat; onward!" The idea of the picture should, I think, be applied to the co-operative movement. We must go onward, if we want to gather all people into this bond of union. Many of you have seen Niagara; many have seen that stupendous rush of water with Niagara; many have seen that stupendous rush of water, with its mighty volume, rushing over a cliff, surging a perpetual anthem, ceaseless with its noise. But at the bottom it breaks up into myriads of little rivulets. Disperse the awful flood, and you rob it of its majestic force; combine it, and you can propel all the machinery which is now working in the United States. So it is with the co-operative movement. Let each man use his own individual efforts, and he will not acquire the amount of satisfaction and happiness that he would obtain through combination with his brothers. Time was when industry was enslaved, when men and women stood in the market-places in England, holding some implement of trade in their hands, to be employed by whosoever came along, without having any position of dignity before the community; time was when men were not allowed to hold such meetings as this; time was, and not so very long ago, when there existed a serfdom which would never have been countenanced by Roman citizens in the empire, when men and women worked with iron collars on their necks. That, or nearly all of it, is changed; the emancipation has been accomplished; guilds and trade unions and labour unions are held nearly everywhere, with

a few exceptions. If all this has been accomplished, to whose efforts shall we attribute these results? We can attribute it to the men who stood up for liberty and freedom, not caring for the dungeon, not caring for the ostracism which has been always imposed on them, but standing alone they were imbued with the desire to benefit their fellow-creatures. (Cheers.) I ask you to think for a moment of that Sacred Personality that appeared in Palestine two thousand years ago, and I would say to you, do not divorce co-operation from Christianity. I must ask you to be extremely careful also that you do not divorce co-operation from common sense. I should like to change almost everything in this world; but in changing we must be careful not to let our feelings run away with our brains, so that instead of remedying evil we aggravate it. To you all I say, go forward with the work. I may—I probably shall not see you again; but remember the words I have said to you—"No retreat; onward!" (Loud cheering.)

Mr E. OWEN GREENING-I am sure you are all inspired by Dr Lorimer's eloquent words to go onward. Dr Lorimer, in his speeches to the Congress, has constantly referred to the position women should take in our movement, and I do not think we can pay a better compliment to him than to now ask Miss Tournier, of the Women's Co-operative Guild, to follow him in addressing you.

Miss Tournier, who was received with considerable applause, said—I do not intend to occupy your time for more than a few moments. This is hardly a time for speeches; this is a time for festivities. But I would like to take this opportunity of impressing upon the women present that it is in their power to secure the future success of the co-operative movement. Women have unique and splendid opportunities of ensuring the success of a system which will bring joy and happiness to their families. In order that the people may be instructed in the ideas of co-operation, we have taken steps to ensure a circulation of the best co-operative literature; and I would suggest to all the women present that in their perambulations they should visit the literature stall, where they will find sufficient information to graft into them a full and complete know-

ledge of the co-operative movement. While on this subject, I should like to say a word or two as to the system of child employment. We have only to listen to the horrible cries of our little brothers and sisters to find out what is imposed on the rising generation by the half-time system; and in recommending you to read the literature sold under our auspices, I will ask you to buy a little pamphlet on that question. It is written by a woman—an ordinary working woman—of Derby. This pamphlet I want you to purchase in preference to all others, for it deals with the question in which all mothers should be interested. conclusion, I ask you to follow Dr Lorimer's advice-do what you can to extend the principles of a glorious cause, whereby you will confer boundless benefits on generations yet unborn. (Applause.)

Mr GEORGE HAWKINS, Chairman of the London Branch, Co-operative Wholesale Society-I have only been able to take a little part in the International Co-operative Congress that has been sitting during the week, but you all know that my interest in the movement has not lessened. I am still a strong supporter of the cause we espouse. I still believe that in the co-operative movement lies the regeneration of the working classes. The resolution I have to propose is as follows:—"That we heartily welcome to the National Co-operative Festival the foreign delegates who have come to join in our rejoicing from all parts of the world." We rejoice above all that the Congress should have resulted in the formation of an International Co-operative Alliance, which will lead us in time to universal peace, and what is more, universal happiness. Perhaps the Co-operative Wholesale Society has not been so much identified in the past with the Co-operative Festival as is desirable. I hope we may be able to alter that, and I shall do my best to bring about a cordial understanding. (Cheers.)

Mr Aneurin Williams seconded the resolution, which

was then carried unanimously and with loud cheering.

Dr SLOTEMAKER (Holland) said—I am rejoiced that I may speak to you, men and women of Old England, a few words in the name of the European delegates, to pay you

our thanks for the good things we have heard here and seen here during the week of the Congress. You have given an example to the world which should be followed, and I can assure you that the experience about co-operation we have got here this week will be carried with all of us over the waves in many directions, into every part of the civilised world. Therefore it is that I am glad of the opportunity of acknowledging this resolution of welcome. I offer my best wishes for co-operation among the English people. We will walk in the footsteps you have set before us, then we know that we shall go on in the right direction.

M. d'Andrimont, in acknowledging the vote of thanks, said—I wish to be allowed to express my gratification at the hearty reception extended to us. I may say that the past week has been one of the happiest of my life. I extremely regret that I am not able to speak in English, but I desire to convey the affectionate sympathy which Belgian co-operators feel for the British people. This work I consider to be the greatest in the history of the co-operative movement, and that it has fixed a seal to the brotherhood of nations. (Cheers.)

A vote of thanks to the Chairman was moved by Mr ADAM DEANS, of the Co-operative Union (Southern Section), seconded by Mr ADAMS, of Plymouth, representing the United Central Board, and carried unanimously.

In acknowledging it, Mr GREENING said, he would venture to say, on behalf of the Festival Council, that any approaches to a cordial understanding and to unity of action which the Co-operative Wholesale Society might make—as suggested by Mr Hawkins—would be heartily met and reciprocated. (Cheers.)

GREAT BRITAIN AND IRELAND.

REMEMBERING that the publication containing this report is to be circulated amongst others besides co-operators, I have in some instances given more details than would perhaps have been necessary if it had been addressed only to those whose everyday work gives them experience of the matters I am dealing with.

Although there were co-operative societies in this country before 1844, yet it is right to take that year as inaugurating the movement as we know it to-day. The labours of Robert Owen had studded the country with hundreds of societies in the earlier half of the century, but very few of them lived long. Before his time Shute Barrington and others, men with larger ideas than their fellows, had laboured in the cause, and left marks of their work behind them. In Govan a society is said to have been started in 1777, one at Hull in 1795, and one at Mongewell, founded by Shute Barrington, in 1794. But the Owenite societies, though numerous enough at one time to constitute a movement of national importance, did not live, and it was only after the success of the Rochdale Pioneers that co-operation became a permanent force.

Every one remembers how they began. The twenty-eight poor men, mostly weavers, had by dint of much care accumulated a capital of £28. After long and careful discussions they had settled on the plan which industrial co-operative distribution has since followed and built success upon—the plan of dividing profits in proportion to purchases, and limiting the dividend on capital to a fixed sum. Their capital was raised in shares of £1, and, as it

became sufficient, was to be used to establish a store for mutual supply, build and purchase houses for members organise trades and cultivate land, to employ members suffering from low wages or lack of employment, and so arrange for all the interests of life as to establish a self-supporting colony of united interests, and assist others societies to establish such colonies.

The programme they set out was no small thing—they believed they were starting a movement that would lift the working classes out of poverty into independence. They were not only earnest reformers, but cautious men as well and they set about working out their programme one thing at a time. They began with storekeeping, and their methods were so simple that every one could understand them. The shares were £1 each, but no one need pay in full to begin with; after paying a small sum on entering, a member could pay up the rest of his share by instalments and with the share of profit that came to him as a pur chaser. After paying fixed charges, and allowing for depre ciation and interest on capital, profits were divided among the members in proportion to the amounts of their pur chases. Members had equal voting power. The always open membership list, and the automatic turning of cus tomers into members by allotting to them a share of profit and the government of the society by a committee elected by the members and responsible to them, maintained the popular character of the society. The abolition of credit and the practice of prompt cash payments, freed the people from debt, which had held them in a hard bondage.

From these small beginnings, co-operation has never ceased to grow towards the ideal of its founders. They believed that co-operators could take all industry to be their province. We recognise that the reform of industry in an enormous undertaking, and we take it up as a serious task, and try to lay the foundations wide and strong.

Our movement does not move by sudden leaps, but develops steadily along the lines that have proved righ when tried by experiment. Our success is not to be measured simply by the statistics of our businesses, though of these we are naturally proud. We have another measur—the character and capacity of the men we train to carry

out in everyday work the co-operators' belief that the implements of production should be used for common good, and not be left to minister to individual aggrandisement. And we can point to the way in which our success has modified the public view of things, and made men think of industry as an associated work in which each performs his duty, and not as a field for fighting out the reckless rivalry of warring interests.

In Rochdale itself co-operation has so grown with the people that there are now three societies in the town, with, in 1894, a total membership of 18,785, possessing a capital of £463,871, with a trade of £391,080, resulting in a profit of £53,303; while the following figures, prepared by Mr J. C. Gray, Secretary to the Co-operative Union, will show the growth of the movement as a whole. The "Sections" are the divisions into which, for co-operative purposes, the country is divided by the Co-operative Union.

A SUMMARY FOR ALL THE SECTIONS.

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DETAILED SUMMARY OF THE SOCIETIES.

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A BIRD'S-EYE VIEW OF CO-OPERATION IN ENGLAND, IRELAND, SCOTLAND, AND WALES.

	Societies making Returns.	Members.	Share Capital.	Loan Capital.	Trade.	Profit.
	,		£	L	£	L
1861		48,184	333,290		1,512,117	
1871	746	262,188	2,305,951	215,553	9,437,471	670,721
1881	1,230	642,783	6,937,284	1,483,583	24,926,005	1,979,576
1891	1,509	1,126,516	12,064,693	3,054,262	46,915,965	4,548,417
1892	1,682	1,222,821	14,105,181	3,357,121	49,599,800	4,674,893
1893	1,718	1,265,980	14,518,738	3,522,313	49,051,036	4,500,806

RS RELATING TO NUMBER OF BRANCHES, PERSONS EMPLOYED, MEMBERS, &C.,	
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3 4 .1001.		Rc.	employed, &c.	Males.	Females.	Total.	Houses, the property of the Society.	build Houses for themselves.	Educational Purposes.
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Irish	•	:	133	1,412	245	2,055	:	:	:
Midland -	•	220	3,595	48,624	13,023	100,147	81,486	106,037	1,975
Northern	,	167	4,759	69,361	6,884	152,940	86,239	84,271	2,508
North-Western .	•	1,087	18,484	155,417	49,527	\$06,153	728,849	627,377	21,360
Scottish - · ·	•	413	9,454	71,364	13,182	168,089	112,560	23,134	3.354
Southern -		125	4,384	39,328	11,437	153,650	25,789	76,987	2,232
Western -	,	79	1,234	22,917	12,870	51,946	3,212	38,928	1,234
Totals -	•	2,091	42,043	408,423	107.168	1,134,980	1,038.135	956.734	32,063

NOTE.—A large number of Societies have not supplied particulars as to the proportion of Male and Female Members, hence the information contained in the above Summary is incomplete.

These figures show conclusively the growth and stability of co-operation; but no mere tables of figures could describe the societies as they live and work, ranging as they do from the small store in the front room of a cottage in a rural district up to the great store at Leeds, the largest workingman's co-operative industrial society in the world, which in 1894 had 32,273 members; a total share, loan, and reserve capital of £450,163; a trade of £834,569; and a profit of £107,917.

The success of co-operation has brought most of the economic benefits its founders expected. It has helped to lift off the members of societies the load of debt that hangs round the neck of the poor; it has provided an easy and safe means of saving, and has taught people to save; it has provided funds that working people can use to promote the improvement of their class; and it enabled them to provide themselves with pure goods of right weight or measure when, in the early days of the movement, the law had not done so much to protect the consumer as it has since. It was working men's distributive societies that first provided them with stores where they could get whatever they wanted under one roof, and as these stores were their own they could determine the class of goods that were kept there. In towns, too numerous to count, they have reared large handsome buildings to house their trade. Lately the architecture of the business parts of our towns is becoming more pretentious; but notwithstanding, in many places the central store of the local distributive society is the largest and best-looking retail business place in the town. most of these buildings they have made room for a hall, often the largest in the locality, where they meet not only to discuss the strictly business part of their affairs, but also at all other times to consider, without let or hindrance, any of the subjects of the day in which they are interested or wish to rouse interest.

Before passing from distribution to some of the developments that have grown out of it, it may be well to mention some not uninteresting facts of the location of co-operation in this country. Manufacturing and mining districts are the favourite homes of co-operation. In the year 1893, Yorkshire, with its great mining and manufacturing centres

of population, had 217 societies, with a trade of £7,000,000 annually; and its next-door neighbour, Lancashire, where similar conditions prevail, had 218 societies, with an annual trade of (including the Co-operative Wholesale Society £17,000,000; while Middlesex, which contains most of London, had 80 societies, with a trade of £1,875,192 Compare this with Hereford, a purely agricultural county where there is only one society, with a yearly trade of £5,297. Of course Hereford is thinly populated compared with Middlesex and some parts of Yorkshire and Lancashire, but the population is not so disparate as the state of co-operation.

In co-operation.

In co-operative production our organisations have proceeded, upon several methods. As the stores grew in strength, they began to follow the example of the Rochdale. Pioneers in undertaking manufactures to supply their members. In some cases they have gone beyond the circle of their own members and supplied other societies. The Pioneers' Society, for instance, carries on a busy trade in the manufacture of tobacco, which it sells to other societies. the manufacture of tobacco, which it sells to other societies. At Leicester, the distributive society works a corn-mill which it took over from a formerly existing federation of local societies. Of course the Leicester society cannot itself dispose of all the output from this well-appointed mill, and it sells largely to societies in the neighbourhood. Several other examples might be given, but relatively to the number who make goods for their members only there are only a few stores who carry on an outside business. The making of goods for members is carried on by some distributive societies on a very large scale. Many societies have their societies on a very large scale. Many societies have their societies on a very large scale. Many societies have their own flour-mill, and carry on such trades as farming, baking tailoring, dressmaking and millinery, boot and shoemaking butchering, building, furniture making, brushmaking, &c.&c The number of workers and the amount of capital, and the annual output in the manufacturing departments of stores is large, but cannot be given in exact terms because separate returns are normade up. A few years ago the output was calculated at £3,000,000 annually; lately it has been estimated at £5,000,000. Neither of these estimates must be taken as authoritative, but undoubtedly the sum is large. Another form is the system of local federations that carry

on corn-milling. These are federation stores, usually those in the neighbourhood of the place where the mill is situate, and nearly all divide profits with customers only. The following are the figures for 1893:—

No. of Societies. Members. Capital. Trade. Profits. Loss.

8 7,148 £462,672 £1,100,183 £42,952 £5,207

The two Co-operative Wholesale Societies, the English and Scottish, carry on trade with the capital supplied by, and rely chiefly on the custom of, the societies who are their members, though of course they are willing to supply other societies as well; and the Scottish Wholesale Society has lately begun to tender for outside work, and has secured some contracts to supply goods to public bodies.

The English Co-operative Wholesale Society was formed by the societies to buy wholesale for them in the open market. When the success of the Rochdale Pioneers had led to the growth of stores all round them, the committees of all found some difficulty in dealing with wholesale traders, who did not understand the methods of these new sort of shopkeepers, and were afraid of offending their private customers. The Pioneers opened a wholesale department themselves to meet this difficulty, but that was not found satisfactory, and in 1863 the English Co-operative Wholesale Society was enrolled, and started business in 1864. At the end of October in that year the society's capital was £2,445, and trade had been done amounting to £51,857. Like all our societies, it is based on limited liability. Its shares are £5 each, and each society that joins has to take up at least three shares for each twenty members it has. The management of both the Wholesale Societies is of course vested in the hands of the committees elected by the members. Quarterly business meetings are held by each society. It is a federation of societies, chiefly distributive; no individual is allowed to become a member. Net profits are divided amongst customers in proportion to their purchases, the purchasing societies who are not members receiving half dividends. Labour does not share in the division of profit. It is contended that the profits belong to the consumers, since it is their trade that enables profit to be made; and, besides, that the workers will get their share of profit as members of stores that purchase

from the Wholesale Society. The society's central establishment is at Manchester, but there are large branches at Newcastle-on-Tyne and London, and depóts in several other towns; and representatives in Ireland, on the Continent, in the Colonies, and in America, to collect the produce which the society sells in enormous quantities. The society has a banking department; it has at Leicester a boot and shoe factory, believed to be the largest in the world; a boot factory and currying yard at Heckmondwike; a soapworks at Durham, and a new one building at Irlam; a tea and coffee and cocoa packing department in London; a cloth mill at Batley; a cabinet factory at Manchester; a clothing factory at Leeds; a flour-mill at Dunston; and a fleet of six ships carrying goods to and from the Continent. The retail departments are very numerous. The society endeavours to supply everything its thousand societies require; the grocery department is of course the largest. The total number of employees in all departments in August 1894 was 5,535.

The Scottish Co-operative Wholesale Society was established in 1868, on a basis of limited liability. Its sales the first year were £81,000. Formerly only societies were eligible for membership, but now the employees in the various distributive and productive departments can become members, and be represented at the society's business meetings. The employees have one delegate, and one for each 150 employee members. No society trafficking in intoxicating liquors is eligible for membership. The capital is raised in shares of £1 each; and each society on joining has to apply for as many shares as it has members on its books, and has to increase its holding as its members increase. An employee must apply for at least five shares, and cannot take up more than fifty. Profits are shared between customers and workers, at an equal rate in the £1 on purchases and wages. Half of the workers' share of profit is carried to a Bonus Loan Fund, bearing interest at the rate of 4 per cent. per annum, and this cannot be withdrawn by an employee until he leaves the society. workers are beginning to take up membership; at the end of June 1894 there were 175 employee shareholders, with £2,751 shares. It is believed that an indissoluble alliance is

being built up that will make custom, capital, and labour into one force. The society has worked out a remarkable experiment at Shieldhall, near Glasgow. There a large piece of land was bought, and in the one place boot and shoe factories, clothing factories, cabinetmaking workshops, printing workshops, preserve and confectionery and pickle and coffee-essence works, and a tobacco factory, are carried on. The buildings win praise from all who see them, not only for their suitability for the trades carried on, but also for the care taken in promoting the comfort of the workers. The society has lately opened a large flour-mill at Leith, and has distributive branches at Leith, Kilmarnock, and Dundee, and is represented in many places by agents who purchase produce. The total number of employees in September 1894 was 2,874.

(For statistics of the present position of the two Wholesale Societies, see the table headed "Statistical Summary of the Societies.")

Co-operative production is also carried on by a large number of societies, specially registered to engage in definite trades on the basis of copartnership of the workers. As we have seen, when the Rochdale Pioneers started they thought it possible to form self-supporting communities that would produce everything they required. The trend of things was against them. Each trade was coming to be carried on in a large way, requiring the whole country for a market. So these workshops have gradually risen, which look upon all co-operators as one community, which they would supply with their goods. Many of them confine themselves to the co-operative market; others get all or part of their trade in the open market. They vary in the details of their rules, but have one underlying principle on which they agree—the copartnership of labour—which has been described as follows:-

- "(1.) The workers receive a share of the profit, not the whole;
 - "(2.) They enjoy a share of the control, not the whole;
- "(3.) The societies have not been started for workmen by outsiders desiring to do good, but by workmen for

themselves, with or without outside help; in a few highly honourable instances by employers desiring the higher position of co-worker rather than of master; or lastly, by co-operative societies previously conducted on other lines."

So that the system of industry they seek to establish is that where the worker has a direct share in the profits of his work and in the management of it. As he cannot, in most cases, supply all the capital to conduct his industry on the large modern method, he takes others into partnership, and they share in results and control. It is believed that this system solves the labour question, in so far as it consists of the struggle between capital and labour for a share in the results of their joint enterprise. The worker has to find part of the capital that employs him, and is trained to bear a larger responsibility than the mere wage-servant knows. Reforms required by progress can be introduced by arrangement, after discussion has brought the parties to an understanding. What distinguishes copartnership from profit-sharing only, is that the worker is allowed, and in the new societies required, to invest in the shares of the workshop where he is employed. Thus he shares in control as well as in profits. The societies based on this principle were for some time few in number, and grew slowly. Their reputation has suffered, because their movement has been saddled with a long list of failures, the larger proportion of which were societies or companies which did not include copartnership in their constitution. As the copartnership movement has become more successful, it has also obtained public confidence, and capital comes more freely, both from individuals and from distributive societies with a surplus to invest. The proportions vary, but some little time ago when the amounts were analysed, it was found that in, for instance, the Burnley Self-Help Cotton Manufacturing Society, the workers held more than two-thirds of the capital; in the Leicester Boot Society they held about onefourth; and in Hebden Bridge Fustian Society more than a fifth. Other details will be found in the appendix to Mr Brassey's paper included in this volume. The following may be taken as typical of the method of dealing with profit, laid down by the rules of the later formed copartnership societies, though of course the proportions vary:—

To Workers	•	40 p	er cent	. of the	net profit.
"Customers	•	20	. 1)	>9	,,,
" Officers and Committee		12	,,	"	,,
" Provident Fund -		10	,,	"	"
" Share Capital, in addit					
to its interest at 5 per c	ent.	10	"	"	. 19
"Educational Fund -	-	5	3)	"	33 ,
" Special Service Fund	-	3	>>	"	"

It is usual to carry the profit accruing to workers, customers, and committee to the share account of the persons interested until they hold the number of shares the rules require. In most of them the workers are eligible for the committee of management. societies the committee consists almost entirely of working members. In concluding this notice of a rapidly growing part of the co-operative movement in Great Britain, the following figures will summarise the position of affairs. and it should be pointed out that the societies are engaged in many different trades, and situated in widely separated parts of the country. They have formed the Co-operative Productive Federation Limited, to act as joint canvasser and agent. The Federation is being joined by most of the It has established a loan fund for well-known societies. co-operative production, which is being well supported, and is already of great service to the productive societies:—

				1883.	1893.	1894.
Number of So	cie	ties	•	15	109	120
Sales for the Y	'ea	r -	•	£160,751	£1,292,550	£1,371,424
Capital—Share	e,	Rese	rve,	•		
Loan	•	-	•	103,436	639,884	799,460
Profits -	-	-	-	9,031	67,663	. 68,987
Losses -	-	-	-	114	2,984	3,135
Net Profit	-	-	-	8,917	64,679	65,852
Profit to Labor	11	•	•	•••	8,283	8,751

In Ireland co-operative production has established the co-operative method in a country where, in the distributive form, it got but little hold of the people, and it has also introduced co-operation into the rural districts. Agriculture is Ireland's chief industry, and butter-making was one of the chief parts of it. Owing to a variety of causes the butter trade had declined, and seemed likely to leave the country altogether. The introduction of co-operation, the rise of co-operative creameries, has changed the face of affairs.

The creamery societies consist mostly of the farmers who supply the milk, other members being such friends as are willing to help them by investing capital. In most of the societies a portion of profit is set aside for the workers, and carried to a loan fund for them. As in all our societies. control is in the hands of a committee, who appoint the manager. The milk is brought in by the members, measured, and tested, and paid for in proportion to the butter it will yield. The committee fix the price to be paid for milk. The milk is then made up altogether by the most improved methods, and, instead of the widely differing samples we get when each little farm makes its own bit of butter, a product uniform in colour, taste, and texture is made. The change in the market is very great. The butter from the co-operative creameries is now sold in all the great centres of population in England, where formerly Irish butter, made on the old method, could not find a sale. On 1st April 1895 there were at work fifty-six co-operative dairies, with eight branches; fifteen others were in course of formation. The societies have set up the "Irish Co-operative Agency Society" to represent them in the English and other markets, instead of each society having a costly separate representation. The Agency's trading last year was £64,858. An active propaganda is being carried on, the result of which is that the co-operative dairying is extending rapidly, societies for purchase and supply of agricultural requirements are being established, the first agricultural bank has been set up, and distributive societies are getting more favour.

COMPARATIVE STATEMENT SHOWING WORKING OF CO-OPERATIVE DAIRY SOCIETIES IN IRELAND

FOR SIX YEARS ENDED 31ST DECEMBER 1894.

	Net Profit.	7	223	:	048 1,480	775	1,242	1.992
10]	Amount allowed !	7	: .	:	849	1,465	2,173 1,242	2,271
	Working Expenses.	7	392	:	4,612	9,267	13,293	15,398
	Average Price per Lb.	Pence.	:	:	:	11.55	11.51	10.22
Виттви Рворисер.	Amount realised by Sales,	y	4,363	8,500	50,382	696'86	140,780	151,852
TER PR	Average Produce per Gallon.	O.	:	:	:	6.26	6.19	6.33
Bu	Quantity.	Lbs.	:	:	:	2,039,449	2,935,211	3,567,835
	Average Price per Gallon.	Pence.	4.25	3.75	:	4.047	3.920	3.53
MILK RECRIVED.	Amount Paid.	7	3,748	:	. 43,946	87,904 4.047	123,780	132,555 3.53
Миск	Quantity.	Gallons.	:	:	:	5,212,134	7,575,038	25.266 9,014,046
and tion.	Value of Buildings Plant after Deprecia	7	868	973	13,910	20,323	24,871	25.266
	Loan Capital.	7	:	8	3,295	5,804	7,746	190'9
da	Share Capital paid	¥	374	374	5,782	10,313	13,895	15,468
75	Number of Cow		1,450	3,000	:	:	:	20,714
ers.	Number of Memb		\$	20	850	1,084	1,250	1,641
esin:	Mumber of Creame at Work.		-	*	17	25	တ္တ	တ္တ
	YEAR.		1889	1890	1891	1892	1893	1894

Building Houses for Members.—The housing of the people is naturally a matter of the greatest interest to all those who seek to improve the present state of affairs. Perhaps our co-operative societies have not had all the credit they deserve for the important part they have played in changing the character of the dwellings in the industrial quarters of our towns. The amounts, about £2,000,000, included in the tabulated statement printed with this, do not represent all the work done in this way. In some towns the concerted action by the society or subsidiary organisations of its members has led to whole districts being filled with comfortable houses, belonging either to the members individually or to their societies But besides this, the constant accumulation of savings at the store has provided funds on which the members have drawn freely on buying a house, or land to build one on through other agencies. The following figures, furnished from the accounts of an important distributive society in the Midlands, will show some cases where members have drawn out for this and similar purposes very much larger sums than they have paid in. It is of course the profits on their purchases that enabled them to do this.

PARTICULARS OF MEMBERS' SHARE ACCOUNTS.

				iod of bership		mou:		Wit	hdra	wn.		rese lain	
					L	5.	d.	L	S.	d.	L	5.	d.
No.	. I	-	16	years	46	0	0	110	7	2	50	0	0
99	2	•	16	3 3	47	12	0	106	11	3	42	10	0
22	3	•	15	"	I	0	0	19	1	0	50	0	0
22	4	-	14	"	4	8	3	54	10	5	10	0	0
"	5	-	13	. ,,	11	2	4	18	0	7	50	0	0
17	6	•	12	"	89	9	8	150	16	6	30	0	0
37	7	•	12	>>	9	5	2	42	14	0	. 40	0	0
"	8	-	11	73	ı	o	0	31	13	5	12	6	0
"	9	-	9))		•••		51	17	5	2	0	0
"	10	-	8	23	2	, 0	0		•••		42	8	10
Ave	rage	e—	121)	ears	£,211	17		£,585	11	9	f.329	1	10

These remarkable results will in themselves be enough to show the real material benefits that come to loyal members of similarly well-managed societies. Up and down the country, wherever the people have reared be successful society, it helps them thus with funds out of

which they not only supply themselves with a house, but furnish it as well, and help themselves in innumerable ways.

Co-operative Farming.—With the exception of the remarkable growth of co-operative creameries in Ireland, we have not yet done much to introduce co-operation into rural industry. There are three societies registered to carry on farming,—two, Assington and North Seaton, in England; and one, the Scottish Farming Association, in Scotland. The latter is the larger and more successful of the three. Besides this 39 distributive societies have farms, which, during the past year, they have worked with the following results:—

Section.	Societies.	Acreage.	Capital.	. Rent.	Profit.	Loss
Midland Northern - North-Western Scottish Southern - Western	5 12 13 2 5	139 1,344 514 780 334 193	£4,682 28,354 11,150 13,535 16,088 1,500	£339 1,404 803 1,590 319 475	£160 1,082 89 367 260 18	£14 15 605 574 108
Total -	39	3,305	75,309	4,930	1,976	1,316

Propaganda and Education.—The Co-operative Union is the central propagandist and educational body of the It is now a registered society, with shares of movement. limited liability, and has 1,012 societies as members. These are divided into seven Sections, in which the whole country is mapped out for work. Each Section has a Board, the members of which are elected by the societies subscribing to the Union, and all the Sectional Boards meet twice a year as the Central Board, while during the year members elected from each Sectional Board form the United Board which controls the business of the Union. There are of course special committees to carry on the work of various kinds. The chief executive officer is the general secretary, Mr I. C. Gray. The Union calls and conducts the annual Co-operative Congress, it deals with legislation affecting our movement; by means of its various central, sectional, and district committees it keeps records of the progress of the societies, gives legal advice to them when they need it;

and besides starting new societies by its propaganda, it helps them with rules when they are starting, and with advice when they are started. The propaganda is carried on both by speech and print. All the members of the Board hold themselves at the call of the organiser when a speaker is wanted. Finally, the Union publishes a great number of leaflets, pamphlets, and reports on most phases of co-operation. Its income is between five and six thousand pounds a year. The central office is at Long Millgate, Manchester.

The Women's Co-operative Guild was formed to organise women as co-operators for the study and practice of—

- (a.) Co-operation, and other methods of social reform; and
- (b.) Improved conditions of domestic life.

The Guild was formed twelve years since, and since then it has grown in usefulness and strength, until it (Annual Report for 1895) now has 182 branches with 5,004 members. Seeing that women constitute about a third of the membership of our distributive societies, and are most influential as customers, many of them thought they should have an organisation of their own to express their views So far women have been but rarely elected as members of business committees in co-operative societies. They have much more frequently been included in the committee that deal with the funds set aside for educational work The Guild has undoubtedly done a large work in training women not only to be interested in public questions affect ing co-operation and social economics generally, but also in giving them an opportunity to get a hearing for their views on matters where they naturally may not hold quite the same opinion as is held by members of the other sex whom a long experience of routine may have accustomed to think in set grooves. Women speakers are now fre quently invited to address the numerous meetings whick do so much to maintain co-operative propaganda. The Women's Guild has several speakers who can advocate our cause in a manner that shows how much more good work we may expect from their ranks when time has trained more of them. It is a work that makes for good, and no

one who moves about the country visiting the societies in various districts can help being struck by how the Women's Guild speakers and writers have roused women to take an interest in co-operation beyond the economics of shopping. The secretary's office is at Kirkby Lonsdale.

The Labour Association for Promoting Co-operative Production based on the Co-partnership of the Workers, was formed during the Co-operative Congress at Derby in 1884. It is a voluntary propagandist body, and does not engage in any trade for profit, but seeks by its propaganda to extend and consolidate that form of co-operative production in which the workers engaged find part of the capital and take part in the management, and share as workers in the profits of the business, and as members in its risks and responsibilities. It has a large number of individuals and forty productive societies as members. Its members believe that theirs is the true co-operative method, and that ultimately their principles will be adopted in every branch of industry. They address themselves not only to those technically called co-operators, but to the general public as well. In this way they are building up not only a movement that appeals to men in particular industries to organise themselves on a co-partnership basis, but a movement which, as its workshops grow, finds its market partially prepared by the ceaseless propaganda the Association maintains. Its publications are numerous, including Labour Co-partnership, and the members are in great request as speakers at co-operative and other gatherings. Amongst its other work it organises an Exhibition annually at the Crystal Palace, at the time of the National Co-operative Festival, and it has prepared a set of model rules for the use of productive societies. The central office is at 15 Southampton Row, Holborn, London, W.C.

The Co-operative News, price one penny, is the newspaper established for the movement. It is published weekly, and has now a circulation of 41,000. It deals with all matters interesting to co-operators, and, besides the portion devoted to general news of the movement, has special pages for "Woman's Corner," "Junior Co-operators," and "Employees." It is published at Long Millgate, Manchester.

Labour Co-partnership, price one penny, is the organ, of the movement whose name it bears. It is a monthly publication, and deals with the theory and practice of the societies based on the co-partnership of the worker. A special feature is the "Educational Supplement," where books relating to all branches of social and industrial economics are reviewed.

The Irish Homestead is a weekly penny paper, founded six months since, to advocate co-operation in Ireland and disseminate news of the movement there. It is the property of a society specially constituted for the purpose. Naturally its directors deal very fully with the progress of agricultural co-operation, and with a scattered constituency, such as rural one always is, the paper is very valuable in keeping the societies in touch and making the movement organic.

rural one always is, the paper is very valuable in keeping the societies in touch and making the movement organic.

The Scottish Co-operator is a monthly penny journal established more than two years ago by some friends exco-operation, and now published by the "Scottish Co-operator Newspaper Society Limited." It is making way amongst co-operators in Scotland, and is an excellent method of helping the co-operative propaganda in Scotland where, by the energy of Mr Deans, Secretary of the Scottish Section of the Co-operative Union, a large educational work has been undertaken. The journal is full of new sabout the movement in Scotland, and has articles of matters of general interest to co-operators in other countries as well.

The Irish Agricultural Organisation Limited has been formed to conduct the propaganda of co-operation among the rural population in Ireland. The vigour with which its operations are carried on has resulted in the very large growth in co-operation since the Organisation Society was started a year ago. During that time twenty-three dairying societies, ten agricultural co-operative societies (for purchase and supply), and the first agricultural bank have been formed. A very large number of meeting have been addressed, and leaflets and pamphlets are freely distributed. The movement has been presented to the Irish people in the rural districts more thoroughly than has ever been done before, and they are taking hold of co-operation and adapting themselves to its methods in a very

gratifying manner. The central office is at 2 St Stephen's Green, N., Dublin.

Besides these four papers, which appeal to the whole movement, a number of societies publish monthly records of co-operative work in their district.

In conclusion, it should be pointed out that, as regards our educational work, the sum of £32,000 set down in the returns as having been devoted to it is only a portion of the money actually spent in that way. The work of the Union, and other bodies, and the journals and the local monthly publications, have already been referred to. Besides these activities, societies vote special sums and do work, the cost of which is not included in the returns. the past our funds have been heavily taxed to make up for the shortcomings in our national system of elementary and technical education. Those defects have lately, to a considerable extent, been remedied, and the growth of public free libraries has also in some cases removed the need our societies were under to provide their members with good literature. Although it will probably always be necessary to devote part of our educational funds to these purposes, the proportion will be smaller in the future, and we are left more free to take up the great work of the education of our people in the principles of co-operation. The practical training comes, of course, in the everyday direction and development of the societies. But we all feel that that work itself will be better done, when we have all made ourselves acquainted with the history and principles of our movement. A good deal has already been done in that way, and when we have passed out of the present transition stage, and lightened ourselves of the load that has now been laid on the State-provided institutions, there is no doubt that our own special educational work will be very greatly developed. Our societies have in the past done a work in educating the people that has not always received the notice it deserved from those who energise in the educational world. When there were no free libraries, we provided them; when there were no well-equipped classes for instruction in elementary and advanced subjects, we maintained them. Others as well as our own members shared these advantages. In a hundred ways the work of educaout of the profits of trade. It augurs well for the future that this has been done in the past; and it is a guaranteed that as our societies increase in numbers, wealth, and power, they will also grow into a larger notion of the responsibilities as citizens, and especially as organisers industry on a co-operative basis. Let us hope that the first meeting of the International Congress of Co-operators will open a new era in the propagation of co-operatives principles, and that each country will exchange knowledge and counsel with the others.

THOMAS BLANDFORD.



A. MICHA.

BELGIUM.

CO-OPERATION existed in fact in Belgium, as in many other countries, long before it was legally recognised and organised. The law did not recognise co-operative associations as commercial societies until 1873, and it could scarcely be said that they constituted civil societies. The legality of their existence therefore was certainly open to dispute.

In such a position, alike ill-defined and precarious, our first co-operative societies, more notably the Mutual Credit Associations, were maintained, not so much by the legal sanction given to their action as by the moral force of the institutions themselves. And as M. Robin-Jacquemyns justly observed at the first congress of Belgian People's Banks held at Liége in 1869: "That which must astonish us is, that amidst such a state of things the co-operative movement has found in itself sufficient energy to implant, uphold, and develop itself among us."

The oldest Belgian co-operative societies are the following Mutual Credit Associations:—

The People's Bank of Liége, founded 1st June 1864, which now numbers 2,500 members, and does over 15 million francs of business annually.

The People's Bank of Huy, founded 9th April 1865, which has from the first enjoyed a most prosperous position.

The People's Bank of Verviers, founded 1st May 1865, which now, with more than 2,700 members, does a business of over 30 million francs.

The example of the Rochdale Equitable Pioneers induced a few workmen of Grivegnée, an important parish adjoining Liége, to found, in 1866, on the 1st of November of that year, our first distributive co-operative society, the "Société de Grivegnée pour l'Achat des Objets de Consommation." Two years later some associations of

the same kind were founded:—"La Sincérité" of Ensival and "La Bonne Foi" of Pépinster; and, lastly, our first popular restaurant, "La Société d'Alimentation Economique" of Liége.

Co-operative production was first introduced in Belgium by the Imprimerie Bruxelloise,* which was founded 1st July 1870 on the conclusion of a strike provoked by the refusal of a few master printers of Brussels to grant an increase of wages to their workpeople.

When in 1873 the legislature consented, after repeated appeals from the Belgian Federation of People's Banks, to recognise the existence of co-operative societies, there were already nine people's banks or associations for mutual credit, ten distributive societies, and one productive co-operative association in existence, that is, in all twenty co-operative societies.

The passing of the law of 18th May 1873 very naturally stimulated the co-operative movement in Belgium, because it recognised the legal status of a co-operative society. As a proof of this we find that on the 31st December 1875 there were thirty-four co-operative societies in Belgium, namely, twenty people's banks, eleven distributive societies, and three productive societies.†

These results, so favourable to the development of the co-operative movement, and destined to be much more accentuated in later development, falsified the expectations of the very authors of this law on co-operative societies. These men in truth had little hope for the future of co-operation in Belgium. M. L. Bertrand reminds us in his journal, Les Coopérateurs Belges, of 1st January 1895, that when in 1870 M. Bara, the Minister of Justice, defended the proposed law on co-operative societies, he expressed himself in these terms in the Chamber of Representatives: "We do not cherish any delusions with regard to the proposed law: we dare not hope that it will materially develop the co-operative movement in Belgium. If societies of this type have not multiplied more than they have, it is because the customs of the country are adverse." And later, when

^{*} See Léon D'Andrimont, "La Coopération Ouvrière en Belgique," Librairie Polytechnique, 1876.

[†] L. D'Andrimont, ibid.

the project came to be discussed in the Senate, the then Minister of Justice, M. De Lantsheere, stated in his turn that Minister of Justice, M. De Lantsheere, stated in his turn that he had no misgivings as to the results of the law, for in it he saw only a mark of solicitude for the working classes, or, as one might say, "a democratic toy," "a wooden toy-sword." In spite of such adverse prophecies, however, co-operation has, during the last ten years, made considerable headway in Belgium. The number of societies founded has been on an average forty-three per annum.

In 1893 the figure rose to fifty-eight, and in 1894 to seventy-two. The seventy-two new co-operative societies founded in 1894 may, in respect of the object which they pursue, be classed as follows:—Twenty distributive co-operative societies, founded principally by working-men in our industrial centres; fifteen agricultural societies, comprising eleven co-operative dairies and four syndicates for the purchase and sale of manures, seeds, &c.; eleven credit societies, most of them of the Raiffeisen type, established more particularly in Flemish country districts; ten productive societies, viz., printing works, quarries, breweries, and weaving mills, &c.; two labour societies, founded by watermen and lightermen; and, lastly, fourteen co-operative societies of various descriptions, including societies for the purchase of raw material, insurance societies, &c.

"By the side of these new co-operative societies," so says

"By the side of these new co-operative societies," so says M. Bertrand, who has supplied us with the material for this classification, "it would be interesting to know in what proportion the number of members of old societies has progressed. Unfortunately the material for ascertaining this fact is wanting. Nevertheless, we know that in our large co-operative bakeries at Brussels, Antwerp, Ghent, Jolimont, and Liége, the increase of members varies from ten to fifteen per cent. a year, allowing for those who die or resign."

Those large bakeries of which M. Bertrand speaks are immense co-operative societies of workers in every kind of calling, which are generally well managed, and are maintained in our principal industrial centres by the Belgian Socialist party. Co-operation is considered by our Socialists rather as a means than an end: a means of organisation of the working classes for the political and economic education

and even the emancipation of the people. Accordingly a considerable portion of the profits realised by co-operative societies is devoted to propaganda, and it is perfectly understood that it is thanks to them that the party possess a press, buildings for societies, means to carry elections, and to organise the workers into trade unions charged with the defence of their professional interests.

Let us note as results—concomitant symptoms of the first self-assertion of our enlarged electoral body—the election, in October last year, of Socialist co-operators so

Let us note as results—concomitant symptoms of the first self-assertion of our enlarged electoral body—the election, in October last year, of Socialist co-operators so well to the front as M. Anseele, the founder of the "Vooruit" of Ghent; M. Bertrand, of the "Maison du Peuple" of Brussels; MM. Leonard and Mansacet of "La Coopérative de Jolimont"; and M. Marville, the manager of "La Coopérative Ouvrière de Frameries," as deputies.

A few figures borrowed from the last balance-sheet of one of these Socialist co-operative societies will make

A few figures borrowed from the last balance-sheet of one of these Socialist co-operative societies will make clear their general importance. It is the balance-sheet of the co-operative society "La Maison du Peuple," of Brussels. It is for six months, from 1st September 1894 to 28th February 1895. The total on the credit side is 488,935.06f. The realised profits amount to 120,038.22f., and are made up as follows:—Various goods sold, 341.20f.; butter, 529.24f.; butchery, 589.37f.; tavern establishment of the Maison du Peuple, 1,009.14f.; piece goods, 5,599.97f.; coals, 7,156.49f.; bakery, 104,812.84f. The number of loaves made during that half-year amounted to 2,676,191; it now reaches 115,000 per week.

The liabilities of the Society at the end of last year figured at 183,000f., but the goods in stock amounted to over 100,000f., and the fixtures and plant, free from any encumbrance or mortgage, were estimated at 300,000f.

Apart from the manufacture of bread, we cannot say that co-operative production has, up to this time, very marked results to show. Productive societies have been

Apart from the manufacture of bread, we cannot say that co-operative production has, up to this time, very marked results to show. Productive societies have been formed, but they have generally experienced difficulty in maintaining themselves, their capital being insufficient. Some fell away rapidly and soon disappeared, others did not even attain any growth, either because the management was in unskilful hands, or else because their authority was not recognised by the members.

For the last two or three years a few new attempts have been made to found productive co-operative societies, but the associations resulting are of too recent an origin to justify any judgment as to their future.

Co-operative credit banks, which in this country gave birth to the co-operative movement, have, on the other hand, prospered, developed, and multiplied. The Belgian People's Banks were all, until lately, instituted upon the model of those founded in Germany by Schulze-Delitzsch. It is only within the last three or four years that we have seen agricultural banks of the Raiffeisen type growing up in our country districts, under the initiative of M. l'Abbé Mellaerts, of Louvain.

These banks are about twenty in number, but they publish neither balance-sheet nor statistics. It would, under such circumstances, be rash to say exactly what service they have rendered to our agriculturists.

Everything leads us, however, to believe that their transactions are still small. These new banks have the serious drawback of possessing a denominational character.

Our older People's Banks, established principally in towns, but serving occasionally the office of rural banks, are twenty-four in number. Since 1889 they have formed a Federation, which has already held seventeen congresses for the purpose of examining and discussing in common questions of general interest for the affiliated banks.

These congresses are held in turn in different towns, the seats of People's Banks. A permanent committee composed of a president, two assessors, and a general secretary, elected at each congress, are always ready to be consulted. It is this committee also which organises the congresses, and carries out propagandist work for the benefit of the People's Associations of Credit.

On the 30th June 1894, the twenty-four banks spoken of had collectively 12,034 members, and the total business done by the twenty among them who had sent in their annual reports, had risen for the year to 156,165,228.58f.; their shareholders, who number 11,666, had paid in 2,309,574.62f., and those banks had been trusted with deposits to the value of 5,734,168.38f.

In 1878 the Belgian Federation of People's Banks tried

to transform itself into a general federation of Belgian co-operators, making an appeal for the purpose to all co-operative associations whose object was the emancipation of the labouring classes, no matter whether distributive, productive, co-operative, or otherwise. The attempt failed, owing to the indifference shown by all co-operative societies, with the exception of credit societies.

Two years back the idea of constituting a large Belgian Co-operative Federation was taken up once more, and strongly supported by MM. Bertrand and De Quéker, the latter of whom is manager of the Brussels People's Bank. Delegates from numerous important co-operative societies met at Brussels in August last year. The Rules of the new Federation were discussed, and finally adopted, but although formally constituted, the Federation of Belgian Co-operators has not yet started work, its promoters, so far, not having succeeded in overcoming that same indifference which caused the failure of the trial of 1878.

Of five hundred co-operative societies which can be counted in Belgium, only twenty-eight are affiliated to the Federation, and even among those which have done most to give it birth the attachment shown is thus far little more than platonic. Nevertheless, the organisation of this Federation is conceived in a way which ought to satisfy that common interest of every co-operative society which should move them to join, to unite and federate, in order thereby to increase their moral power, and add to the sum of services which they are called upon to render to their members. The services rendered are twofold. For the Federation consists of, firstly, a consultative chamber, charged with the propagation of information on the rational principles of co-operation, as well as with the defence of its interests; and, secondly, a commercial chamber, a kind of "Wholesale," whose mission it is, to buy every class of goods wholesale straight from the producers, and to distribute them afterwards among affiliated societies according to their needs.

It is well that the advantages of such a Federation are better understood and more justly appreciated elsewhere. Let Belgian co-operators study more carefully English co-operators and their admirable institutions, and we are convinced that they will resolutely enter upon the road to union, on which, for the present, it seems so hard to lead them.

Could it be otherwise, seeing that brotherly union is the very essence of co-operation?

ALFRED MICHA.

Liège, June 1895.

GERMANY.*

I.—Co-operative Associations adopting the Rules of Schulze-Delitzsch.

THE first "Societies of artisans and workmen based upon the self-help of those taking part in them" were called into being by Judge Hermann Schulze-Delitzsch—who was born 29th August 1808 and died 29th April 1883—in his native town of Delitzsch.

Those associations were intended to divert the working classes from the path of those aiming at State support, guilds with compulsory membership, and at centralisation from above. The movement has developed, on the initiative of the people, with slow and steady progress. It has followed almost entirely the programme sketched out by Schulze-Delitzsch, the "father" of German co-operation, in the year 1858, in the following words:—"At the outset the association will have to be carried on with a certain reticence, because the destruction of the old trade associations is not yet sufficiently complete, the building ground is not yet so far cleared of the debris of the old system as to enable us to proceed with complete freedom with the work of construction. Besides, we have to fight with the tendency to separatism peculiar to the German people, to whom the sacrifice of isolation appears to present itself as a sacrifice of independence, whereas, in truth, independence is only to be secured by the hearty co-operation of the once isolated

^{*} See Crüger, "Die Erwerbs- und Wirthschafts genossenschaften in den einzelnen Ländern" (Fischer, Jena); also articles by the same author in "Handwörterbuch der Staatswissenschaften," edited by Professor Conrad and others. Those articles quote a complete bibliography. See also "Les Sociétés Coopératives d'Allemagne" in La Revue d'Economie Politique for 1892, pp. 967, &c.; moreover "Die Erwerbs- und Wirthschafts genossenschaften in Deutschland" in "Wochenschrift des Niederösterreichischen Gewerbevereins" for 1893, Nos. 1, 4, and 5.



DR HANS CRÜGER.

units. Therefore it seems best to begin with purely economic associations and trade associations of a very limited character, which assure to members the conditions of a desirable activity of trade without as yet associating them for the carrying on of the trade itself, which will on the contrary be carried on by each individual, as formerly, for his own exclusive advantage. Only when the extraordinary power of the principle of association has been thus brought before their eyes, and has made them sensible to and ripe for the higher steps in its application, only then should one gradually go on to build up, with their help, great co-operative undertakings, still guarding against overhasty and inconsiderate attempts, which have generally failed. Failure brings in its train the evil result that it spoils the ground for a long time for seed of the same kind." In this programme the character of the German societies is reflected.

Schulze-Delitzsch's own peculiar talent for organisation was first shown in the time of scarcity in 1846 and 1847. In 1848 he was elected a member of the National Assembly; there he was appointed chairman of the Trade and Labour Commission, and in this capacity he learned to appreciate the true needs of labour.

In the autumn of 1849 Schulze founded in his native town the first "Association for procuring Raw Material," a society formed by thirteen master joiners on the same principles on which he had already called into being a friendly society, providing a fund for sickness and death. The purchasers were to be members of the society, and it was to be under their own control. At the end of the same year the shoemakers united in a similar society. The result obtained led to the formation of a Shoemakers and Tailors' Society at Eilenburg in 1850. There, no less, the result was favourable, and Schulze took care that such good results should become more widely known. In a short time there sprang up in Saxony and Bavaria a large number of "Associations for procuring Raw Material," especially in the shoemaking trade.

In the numerous associations of this kind then in existence the discovery had been made that the unlimited liability undertaken by the members for the credit of the

society had procured them very good credit. In Eilenburg, Dr Bernhardi and one Bürmann, a master tailor, accordingly applied the same principle to the credit association of the place, on the theory that "the union of several small businesses makes one big one, and men should combine with others to effect what they cannot carry through alone."

"All for one and one for all," that was the simple principle which was to produce such brilliant results in practice, and on which Schulze-Delitzsch has democratised credit. Owing to the unlimited liability of the members, the credit association in Eilenburg was enabled to take up an independent position, and to do away with every outside assistance.

In other countries people had some difficulty in understanding how Schulze succeeded in upholding so long the principle of unlimited liability as the only permissible one. In 1858 he took the opportunity of uttering a polemic on this point. "Unlimited liability is a matter of fact, not a mere theory, not a doctrinaire scheme: without it nothing can be done, and no money can be obtained. . . . To these principles (unlimited liability and self-help) we hold firmly, considering them to be the only principles justifiable in economy, and rejoice to detect in them not merely what is justifiable by argument, but, moreover, what is particularly suitable to the character and manners of our people. Moreover, it should be remembered that the "Credit Associations" soon took the foremost place among cooperative societies, and that they require credit in a much larger degree than any other kind of society. They were building up a new form of enterprise, which had first to gain the confidence of the business world. Finally, to explain the ready acceptance of unlimited liability, at the outset the circumstance was decisive that in Prussia, where the societies originated, this was the only system recognised by the law, and that the law, no less than the custom of the country, demanded unlimited liability.

For the rest, in the sixties, opposition to this collective liability was raised by some societies not dependent on such far-extending credit—by associations of consumers; but it soon came to an end, and never spread far. The admission of limited liability by the side of

unlimited has in later time resulted only from the economic development of the societies. Schulze himself desired it when the time would be ripe for the change. This happened when a part of the credit associations had acquired sufficient business importance to enable them to offer adequate security, while discarding unlimited liability, and disposed them to convert themselves into what may be termed capitalist associations. Such contingency Schulze wished to avoid, since an association of capitalists can never afford to artisans in need of credit the same service as a cooperative society, and is far from having the same effect upon their character. In order, then, to keep these societies truly co-operative, Schulze recommended that limited liability should be tolerated. This point of view was reinforced by the fact that in the course of time those societies had very much increased in strength which needed either very little or no credit at all, as, for example, the "Unions of Consumers," and for such the limitation of the liability for their members could be only helpful.

The German Governments were, especially in the earlier years, by no means favourable to the societies. In Hanover, for example, the attempt was made to hinder them from being set up, on the pretence that they were assurance associations, by compelling them to apply for a license. which was only granted under conditions which made free economic development impossible. In Prussia, likewise, the societies were at first declared by the different provincial Governments to require a special license, but then the license was refused in individual cases on the plea that there was no local need for such a society. It was only in 1856 that a ministerial order was issued declaring that no license was required. The holding of a Co-operative Congress, summoned in 1857 by Schulze to Dresden, was forbidden by the Saxon Government. Thus Schulze had to contend with opposition in many forms. Moreover, the organisation of the movement was especially hard, because there was no adequate legislation. But here, too, Schulze's talent for organisation revealed itself. The regulations with which he from time to time furnished the societies have mostly remained unaltered to the present day.

When Schulze was able to record the first practical

results of his system, he endeavoured to interest political economists in the movement. V. A. Huber had already laid before the Congres International de Bienfaisance (International Philanthropic Congress) at Brussels, in 1850 forty theses on Industrial Co-operation, in which he pointed out the importance of the co-operative principle. These were approved by the Congress. In 105/ Lette, the central of the Board of Agriculture, and president of the Central Working Classes were approved by the Congress. In 1857 Lette, the chairman Prussian Union for the Welfare of the Working Classes invited Schulze-Delitzsch to be present at the Philanthropic Congress, and to explain to it his aims. Schulze found opportunity for this in the full meeting of the congress, and therefore called a separate meeting of leading political economists, which resolved, in accordance with his address "that the principle and progressive development of economic association, based on judicious self-help and self-reliage especially as applied in the 'Credit Associations' and sociol ties of artisaus for the 'Common Purchase of Raw Materials as well as in the 'General Supply Associations' among work men and artisans, which have been made a subject for config sideration at the present Congress, should be put down among the subjects for discussion at the next."

At the congress itself, the majority present were Belgian and French, who were not inclined to sympathise with endeavours on the principle of self-help, however much might be in keeping with the character of the congress itself, but clamoured for State help and State support Schulze now declared co-operation to be a national subject and endeavoured to bring about the formation of a German congress of political economists. The first congress of this kind met at Gotha in 1853.

We have already mentioned that the attitude of the various Governments to the movement was at first by me means favourable, and that many difficulties were thrown its way. Schulze had therefore recognised the fact that was necessary to unite the societies under more central and clear-sighted leadership, if the movement was not to be turned astray but was to strengthen its position. The societies must be enabled through the interchange of the experience gained to learn from one another, but this object could only be attained if they combined in a union, which would then

moreover, offer the advantage of carrying out the wishes of the societies energetically, and repulsing attacks on their position.

Therefore in 1859, Schulze summoned a congress of the credit associations to meet at Whitsuntide, first at Dresden, and, when the Saxon Government forbade the meeting, at Weimar. Here were assembled the representatives of thirty credit associations, who decided to appoint a Central Board, of which Schulze was of course to be the head, with the aim of building up a Union, and carrying on correspondence with its members. In two years' time this Union came to embrace associations of every description; and the third congress, held at Halle in 1861, was attended by representatives of "Credit Associations," "Associations for procuring Raw Material," and "Productive" Societies. From the Central Board was developed the "General Union of German Trade and Economic Societies," to which about fifteen hundred societies of all kinds now belong.

The aims of this Union are-

- (a.) The furtherance of co-operation in general.
- (b.) The development of the constitution, and the institution of allied societies.
- (c.) The protection of common interests by united efforts and resources.
- (d.) The formation of mutual business relations between societies.

The Union is a means for the interchange of the experience gained, for counsel and help in any case of attack or difficulty which may embarrass individual societies, for the powerful union of their strength, for the prosecution and maintenance of common interests, for defence and unity in the face of threatening situations and dangers, for the formation, finally, of business relations among its members. The Union defends the interests of associations publicly, by word and in writing, to an extent which makes even associations not affiliated to benefit by its action. The business of the Union is directed by the "Anwalt" (at present Dr F. Schenck), who is elected by the associations at their annual congress.

No mention shall here be made of the attacks against the movement in the sixties, by the Conservatives and Clericals.* Though Schulze-Delitzsch had expressly excluded all politics from his societies, "Conservative" and "Clerical" credit associations were then set up, only to go to pieces after a very short time.

Yet one agitation with regard to the co-operative movement must be referred to, and that is the one got up by Ferdinand Lassalle. He reproached the artisans with their "former wage system," and laid it down that the individual was incapable of improving his economic position, throwing the workman on the help of the State. "Do you not know," said Lassalle to the workmen and artisans, "that hundreds of the bourgeois would have already a hundred times over had to shut up shop if they had not received similar accommodation through the State banks?"

Lassalle demanded the founding of productive societies by State help, without troubling himself to explain the method which he advocated. He intended, with the help of the State, to turn the existing societies into a Union for Credit, which should embrace an Assurance Association compensating workmen for losses which might occur, so as to make them unnoticeable. Schulze rightly opposed this, on the ground that such a union would "dislocate credit in the most foolish way, while it would lay upon worthy and respectable men of business the burden which others have incurred through want of insight, frivolity, and errors of all kinds."

Lassalle paid no attention to the failure of such State support already experienced in France. He did not consider that the State, through the granting of funds for new establishments, would create institutions which would compete with the undertakings which already received assistance, yet he hoped in this way to be able to obviate competition and risk. Competition, however, will only be got rid of through entire monopoly of industry. Lassalle did not get more than half-way in pressing his demands. With regard to the avoidance of risk, Lassalle proceeded on the mistaken supposition that it was only caused by unregulated production, while, in reality, misfortune, want of knowledge, unfortunate speculations, bad harvests, &c., have

^{*} See Crüger, "Die Erwerbs- und Wirthschafts genossenschaften in den einzelnen Ländern" (1892, Fischer in Jena), i., pp. 6-8.

the most decisive influence on the prosperity of trade. Against the necessary and unavoidable risk involved in this there is no State protection.

By Bismarck's permission, a Productive Association was founded on lines corresponding to Lassalle's way of thinking, but it could not maintain itself. The Chamber of Deputies likewise had busied itself with Lassalle's proposals, and Schulze expressed himself most strongly against any propping up of them from above. "Only a minority," he maintained, "a small but perhaps powerful part, can enjoy, at the cost of the general community, certain privileges, certain immunities, and other rights; but this system cannot be inverted. . . . Thus it is a mere chimera to suppose that 90 or 95 per cent. of the population can be sustained and provided with capital at the cost of the remaining 5 or 10 per cent."

Lassalle's plans remained mere theories, while Schulze's societies have risen to a place of economic importance.

In 1865 the Prussian Government set up a Commission

In 1865 the Prussian Government set up a Commission of Employers and Employed to consider how the co-operative movement might be furthered. At the motion of Parrisius, the meeting unanimously passed a resolution to the effect, that "all attempts of the State to assist by direct interference the trade and economic societies depending on the principle of self-help, whether in general or in the individual trades, must be opposed as injurious to them."

The large majority of the Commission decided on this principle, after the Minister of Trade himself had recognised the beneficial working of the societies, and had acknowledged that the most important part of social help, "the moral improvement and development of the artisan," can only be effected indirectly, except in the case of the instruction of the young. There can be no laws which will force men to be thrifty, temperate, God-fearing, . . . and one must limit oneself to removing hindrances which interfere with this force (the energy of individuals).

In opposition to these economic principles, to which the Schulze-Delitzsch societies have remained faithful, since the year 1890, under the leadership of an officer of State of high position, Baron von Broich, in conjunction with some supporters of high name and title, a "Social Reformation

Association" has been set up, which demands that "State help should supplement self-help." This must in essence consist in the support of "Social Reformation" societies through the Imperial Bank.

At first these social reformers stood in very close relation to the Agrarian party, then they combined with the Guilds who supported them to some extent in their demands for authorisation and State support, now they have lost all ground.

The dangerous side of this movement lay in the fact that through it false economic principles gained ground which interfered injuriously with the spread of co-operation. This has been repeatedly shown, for societies have been founded on unsound principles, looking to the fulfilment of misleading promises,—societies which could not maintain themselves, and through their failures discouraged workingmen, and drove them to distrust all forms of co-operation. The number of these "Social Reformation" societies is very small, their hurtful consequences, however, extend to a large circle, and make themselves distinctly felt.

The realisation of the thought of combination of self-help and State help, for the furtherance of co-operation, may possibly lead the whole German movement into error, and destroy its steady and gradual development. For the Prussian Government has again taken up the idea, as it did thirty years ago. The Government, though statistics have proved that such State furtherance is not needed, and though it is an empirical law of fundamental economic experience that all such furtherance can only lead to the setting up of societies on insufficient foundations, which may bring the whole movement into discredit, yet aim at setting up a Central Bank, endowed by the State, in order to support the societies by its means. Such attempt can only do harm, as has been proved in all cases of the sort.

When Schulze-Delitzsch set up the first societies, all

When Schulze-Delitzsch set up the first societies, all customary foundations were wanting, therefore he was obliged to create first an organisation for the carrying on of business within the societies, and for business relations between creditors and debtors. Only after nearly twenty years, and overcoming many difficulties, did Schulze-Delitzsch succeed in obtaining the recognition of law for the societies

in Prussia. In 1867 the first co-operative law was passed in Prussia, soon the remaining German States passed Acts which were almost word for word taken from that passed by Prussia, till, in 1868, after the foundation of the "North German Federation," the passing of Co-operative Acts was brought under its province, and on 4th July 1868, the Co-operative Societies Act for the North German Federation was carried, which, soon after the foundation of the German Empire, was extended to the newly joining States. This law remained in force till 1889; but on 1st May 1889 a new Act was passed, which, in a large measure, filled up the gaps in the former law. Shortly afterwards, two alterations in it were found necessary.

It has already been explained that unlimited liability was the foundation of the societies, and that the law recognised this as the only permissible system; also that Schulze, after the development of the societies, was willing to accept limited by the side of unlimited liability. The new Bill has been favourable to this demand, and in the regulations imposed on limited liability has kept to the demands which Schulze had declared to be necessary conditions for the legal acceptance of this system. The legal difference between the two systems, according to the Bill, consists in this:—In the one, the members are made personally responsible for the engagements of the society, as well as to their own creditors, to the extent of their whole means; in the other system, this personal liability of the members is legally limited, the degree of liability being under strict statutory provisions.

In both cases, however, the personal responsibility of the members for the engagements of the society can only hold good between the society and its creditors, if it is understood that the creditors must not expect to be paid from the general fund of the society. The chief consequence is that it leads to competition for the funds of the society.

In addition to these, the Bill deals with a third form, which, however, differs from "Societies with unlimited liability," chiefly through the way in which personal liability is made good through the creditors of the society.

The further important change in the Bill of 1st May

1889, chiefly consists in the fact that each society is obliged at least every two years, to submit the management of the society and its business accounts in every department to the scrutiny of an independent and expert auditor.

In the sub-unions of the "Union of German Trade and Economic Societies," this audit had already existed for some time, and the legislators had been favourable to the management of these sub-unions, and indeed to such an extent that unions subsisting for the purpose of providing a common audit were given the choice of the auditor while the auditor for other societies which did not belong to such unions was chosen by the Supreme Court. This legal requirement at first led to the foundation of a great number of unions. Among these two, in addition to the above-mentioned, may be specially mentioned here—

- (1.) "The Union of German Agricultural Societies (President: Kreisrath Haas, at Offenbach a, M.). This Union was founded in 1882, with the assistance of Schulze-Delitzsch, on the model of the Union of German Trade and Economic Societies.
- (2.) "The General Union of Rural Societies in Germany" (President: Th. Cremer, at Neuwied). This is the chief Union of Agricultural Societies on the Raiffelson system.

There are two different systems of credit associations that of Schulze and that of Raiffeisen. As this is not the place for entering fully into their points of difference, we must limit curselves to showing some of the chief points.

While Schulze's credit associations admit members of all callings, and in this way seek to extend credit on equal terms to all, and further extend their business without prejudice to the management, so far that the societies are able to maintain themselves by their own business, the Raiffeisen Banks, on the contrary, only admit cultivators as members and limit their range to a small, or at most, a moderate district. The Raiffeisen Banks grant, without consideration of the solvency of the borrower, loans for ten years or more though, at the same time, under the condition that repay, ment may be required at any time at a shorter notice? Schulze's credit associations only lend money for the space of time assigned by the creditors, since the form of the society is not suitable for the satisfaction of the demands.

The Raiffeisen Banks neglect the accumulation of capital in the form of shares in the business, the Schulze associations lay great weight on such accumulation, because they recognise in it an economic need, and a power of truly educational value.

How untrue is the assertion often made on behalf of other banks that Schulze's credit associations are unable to do anything for agricultural credit, is best proved by the fact that, in 1893, among the 1,038 Schulze credit associations, with 502,184 members, 26.3 per cent. were artisans, while 31.3 were peasants.

In consequence of the support of the authorities, hundreds of these banks yearly spring up; only a few carry on a thriving trade, many exist without making any profit. The methods on which they are conducted are not of the kind to induce outsiders to invest the necessary funds for carrying on the business; their principle of paying no attention to the accumulation of capital in any one society, prevents the possibility of entering into business relations with the larger banks, as they are not in a position to offer any security.

The other advantages which are claimed by the representatives of the Raiffeisen Banks, viz.—that the shareholders consider their managers as honorary, without pecuniary compensation; that no, or purely nominal, dividends are given; that a capital which is the property of the company, and incapable of division, is accumulated,these so-called "advantages" are contrary to all sound commercial and economic principles. Further, the representatives of the Raiffeisen Banks are in the habit of asserting that no shareholder in a bank conducted on this system has ever yet suffered loss. This is incorrect, as the balance-sheets testify, even though the majority of Raiffeisen Banks are on a firm footing. In this fact no reproach is involved, since it is impossible to conceive of extensive business undertakings which do not imply losses of some These statements are employed to weaken the Schulze-Delitzsch societies while forwarding the cause of the Raiffeisen Banks, and to make the former responsible for every individual catastrophe which has occurred, whereas in every such case it has been observed that the catastrophe

has been brought about precisely because the Schulze-Delitzsch principles and teaching have been neglected.

Let us contrast the tendencies of the two systems as they have been exemplified in the last decade. We find that the Schulze-Delitzsch societies tend to self-help, selfsupport, increase of a sense of responsibility, and organisation on sound economic principles.

On the other hand the Raiffeisen societies exhibit on a larger scale a device for State support, and in close connection with that, the placing of themselves under State control.

Again, on the one hand we see the work of establishment proceeding slowly and with prudence, steady quiet advance, and the development of powerful associations. On the other, we observe foundations constantly in process of reconstruction (demanding support from above, so to speak), in many cases without regard for economic principles, without any prospect of attaining independence or successful work on economic lines.

As corroboration of the above we may bring forward the fact that at an annual meeting of the Neuwied Association, which has lately been held, it was considered necessary to emphasise the independence of the Raiffeisen Banks. What conclusions are to be drawn from this, whether in the future withdrawal of all State and magisterial support will follow, we must leave it for the future to disclose. Should this be the result, the whole cause of co-operation in Germany will greatly benefit.

Let us next turn to the question of the spread of co-operative societies, and at the same time we will show by comparison the various kinds of liability.

	•					-	Constitution.	ion.	•		
Societies,		Exit	Existing 1st May	Unlimited	Unlimited Liability, 31st May	Limited Liability, 31st May	Limited Jability, 1st May	Unlimited ur certain Contingenci	Liability Unlimited under certain Contingencies, 31st May	Unregistered	stered May
		1893.	1804.	1893.	1894.	1893.	1894.	1893.	1894.	1893.	ž
Credit Associations	•	4791	5489	4406	5051	241	293	22	23	122	122
Co-operative Supply Associations -		1283	1339	485	468	629	256	9	9	113.	60
Industrial Raw Produce Societies .		64	89	45	38	∞	0	:	:	-	=
Agricultural Raw Produce Societies .	,	1008	1071	908	834	104	139	-	И	46	8
Industrial Storing Societies · ·		48	54	28	33	=	12	-	_	∞	∞
Agricultural Storing Societies ·	ı	7	ব		e	. :	:	:	:	-	-
Industrial Productive Societies -	ì	128	120	65	54	55	59	61	n	9	~
Agricultural Productive Societies	·	9611	1341*	936	80	176	215	39	48	45	28
Industrial Work Societies -		1.	1.7	2	13	-	8	-	-	:	:
Agricultural Work Societies		208	7.7	46	44	17	20	:	:	145	150
Building Societies		77	101	<u>ş</u>		9	85	:	:	-	-

126, of these are co-operative dairies.

We pass on now to consider the various kinds of societies in detail, and begin with the Joint-stock Banks on the Schulze-Delitzch system, the expansion and development of which during more than three decades is shown in the following table:—

Year.	Number of Societies	Societies Reporting.	Number of Members.	Paid-up Share Capital.	Reserve Fund.	Fortowed Money.	Credit to Membern.	Votes made for Educa- tional Purposes.
1860	300	133	31,603	£69,302	£10,027	£358,849	£358,849 £1,271,773	~
1865	839	498	169,595	666,432	61,452	2,648,516	10,135,485	~-
1870	1272	740	314,656	2,017,373	182,126	6,899,874	31,142,743	۸.
1875	1726	815	418,251	4,177,100	421,399	16,508,245	74,782,422	۸.
1880	1895	906	460,656	5,101,468	819,903	18,220,997	72,376,316	£1,994
1885	2118	896	458,080	5,392,056	1,079,080	20,000,070	76,692,046	1,734
1893	2800	1038	502,184	5,805,534	1,602,973	21,788,231	75,945,683	3,428
: : :	_	_				THE COLUMN TWO IS NOT		

The statistics given in the annual report for 1893 of the industrial and economic societies founded on the principle of self-help, relate to 1,038 societies with 502,184 members,

£5,805,534 paid-up share capital, £1,602,973 reserve, £21,788,226 borrowed money; £75,940,682 was given in credit to members by these societies.

The annual report includes a supplementary table giving a classification of the shareholders according to their callings or occupations in the case of 955 societies with 465,103 members; of these 31.3 per cent. are agriculturists, 26.3 are mechanics, 8.6 tradesmen, 7.2 private individuals, &c. The class of working men is interested to the extent of 5.5 per cent. The loans are divided among the following branches of the business: £28,374,200 are devoted to bills drawn against advances, £4,803,733 to notes of hand, £15,972,266 to discount, £525,082 to mortgages, £26,265,400 to customers' current accounts.

The value of a share in these joint-stock banks varies from 10s. to £300, and is naturally higher, on the average, in societies with limited liability.

The sum of £1,536,965 is given as gross profits; the business capital (£29,196,734) pays 5.26 per cent. interest. On borrowed money 3.53 per cent. interest is, on an average, paid; from year to year the interest has decreased, and in correspondence with this the societies have been able to satisfy the monetary wants of their members at less expense to themselves.

Salaries and expenses and amounts written off come to £313,622, losses (in 386 associations) to £50,689. Adding the balance of profits carried over from 1892, there resulted an overplus of £443,873, and of this £103,825 was handed over to the reserve fund. To education and similar purposes £3,428 was devoted, and £7,454 to the benefit institutions of industrial and economic associations of Germany and pension funds of the same.

The object of establishing a co-operative credit association is the obtaining of the money which the shareholder requires for his trade or business by means of co-operation in carrying on banking business. The purpose is attained to the fullest extent: the credit associations are for the most part true people's banks, which carry on all the ordinary branches of business falling to banks for their own members. The chief branch of the business, the granting of loans, they are obliged under the Act of 1889 to confine

to their own members, but indeed they seldom extend any part of their business to non-members.

As early as the year 1865 the co-operative credit associations established as a central office the Deutsche Genossenschafts Bank of Soergel, Parrisius, & Co., which at the present time holds an important place among the larger banks with a working capital of £1,050,000. The Raiffeisen banks have also combined to form central banks.

One arrangement deserves special mention, an arrangement which the credit associations have made with the help of the German Companies Bank of Soergel, Parrisius, & Co., viz., the Giro Federation, the members of which cash acceptances falling due to one another without commission.

While on the one hand the credit associations meet with universal recognition, the merits of the supply associations are a subject of much dispute.

The supply associations (general supply associations; started by Schulze simultaneously with the credit associations had no success, and the few which were set up and flourished in the fifties have never developed much beyond what they attained then. It was primarily the general associations for the education of the working classes which drew the wage-earners more strongly into the movement of co-operation, and in particular the agitation of Lassalle against co-operative association had great influence in this respect. Thus since 1863 hundreds of distributive societies arose in a few years' time, for the most part conducted on the system of admitting all classes to membership. organisation corresponds throughout to that of the English distributive societies on the Rochdale plan. Attacks from the side of competition against the societies soon appeared, the middlemen feared the competition with themselves arising from the societies. Already in the seventies Schulze-Delitzsch saw himself driven to take up a defensive position against this with his Federation of German Industrial Economic Associations, and since then the agitation has never ceased. The enemy have not only brought up numerous petty disputes with the distributive societies before law courts, but have also succeeded in getting imposts laid on them, and above all in making it illegal for the societies to deal with non-members. No doubt this hostile agitation

has not so far succeeded as to make the disregard of the prohibition a penal offence, but this will be very shortly effected by an extension of the law which deals with associations.

The agitation against the societies is not a little helped by the fact that in the last few years the majority of the Socialist following among the working classes have thrown in their lot with it, thinking to gain thereby a proportionate influence in the management. It would certainly seem, judging from German legislation, that the way was closed to distributive societies playing in Germany the part for the Socialist party that they play in Belgium.

All these agitations have not interfered with, but rather have forwarded, the development and expansion of the distributive societies, as the following table will show:—

	ď.	Average ret Head.	<u>۔۔۔</u>	22	33.	37	29,	۲٦ د ۲	1,
5-1893.	ų	Total.	91 128.83	50,683 22.	165,271 33	177.658 37	162,755 29;	243,035 22	53.598 369.732 27
SOCIETIFS, 1865–1893. 7. Linbilities for Money and Goods.	₹	Liabilities for Goods.	£2,479 £2,842	27,319 23,364	43,792	33.429	23,162	37,767	
E SOCIE	ė	Money raised by Loan.	£2,479	27,319	121,479	144,229	86,787 252,741 42/ 144,593	111,827 326,868 30/ 205,268	310,101 268,422 134,264 402,686 30/ 316,134
VITA	*	Average for independent		21/	34/	44/	42/	30/	30.
CO-OPER	ن	Total.	£415 £3,749 11/	48,501 21/	170,783 34/	51,807 210,873 44/	252,741	326,868	402,686
151KIBUTNE CO-OPI 6, The Societies' own Capital.	٠.;	Reserve Fund.	£415	7,561	25,170	51,807	86,787	111,827	134204
N DISTR	ė	Paid-up Capital of Members.	£3,334	22,552 40,940	62,904 145,613	158,866	151,339 165,954	15,041	268,422
F GERMA 5.			£1,410 £3,334	22,552	62,904	102,126 158,866	151,339	253,904	310,191
1.5 0		For every :	73	2	2	91	4	<u>:</u>	<u></u>
S RESUL. 4.	Sales in the Year.	6. For every Society.	41,360 67	4,057 10	6,342	7,797 16	10,844	10,844	8,980 13
TABLE OF BUSINESS RESULTS OF GERMAN DISTRIBUTIVE CO-OPERATIVE SOCIETIES, 1865-1893. 3. 6. 6. 7. Nembers. Sales in the Year. Net Profit. The Societies' own Capital. Linbilities for Money and Good	u.	Total.	692,963	450,393	1,135,248	1,517,950	1,756,827	2,852,176	3,415,493
LE Ol	٠-ذ	Average for each Society.	195	412	541	483	741	822	700
TABLE 3. No. of Members.		Total.	6,647	45.761	98,056	94,366	120,150	215,420	1893 377 264,185
.e. i)	i səirə də-əsi	No. of Sectoring Balar	34	=	179	195	162	263	377
-	Year.				1875	1880	1885	1890	1893

The above amounts are approximate values only in English money, the original being calculated in marks, hence some of the averages will prove to be roughly estimated.

An Additional Table showing the Occupations and Callings of the Members of 351 Distributive Societies who have sent in Statistics

	Males.	Females
I. Farmers and Owners of Gardens, Forests,		
Fisheries, &c.	8,208	509
II. Persons Employed on Land	8,521	695
III. Manufacturers, Mining Engineers, Build-	1	'
ing Contractors	3,018	128
IV. Independent Artisans	27,526	1,469
V. Factory Hands, Miners, Journeyman		,,,
Artisans	89,433	4,416
VI. Owners of Shops and Independent Trades-	77.133	i "'
men - '	7,329	896
VII. Employés in Shops	3,383	195
VIII. Owners of Vehicles, Ships, Inns, and Tap-		1
houses	4,459	313
IX. Postmen and other Government Employees,		
other Employees	15,954	415
X. Domestic Servants	2,870	680
XI. Professional Men, Artists, and Govern-		
ment Officials	17,353	1,226
XII. Private Individuals	5,037	10,860
	193,091	21,802

As has already been pointed out, the German distributive societies have not, as have, for example, their English counterparts, set themselves the task of social problems; they are simply means to the end of providing household necessaries of good quality on reasonable terms. Co-operative production is but seldom combined with co-operative distribution: they have got but a little way beyond bakehouses. Productive societies founded in connection with distributive stores are conspicuous by their absence. The attempts to organise the distributive societies into a common wholesale market have up to this time been a failure.

We will turn now to the industrial associations, including the raw produce, retail, and engineering associations, the aims of which are—

- (1.) Common purchase of the material necessary for trade, viz., raw produce, tools and utensils, and the retail supply of them to members.
- (2.) The sale of goods delivered by members to the

association on their own account, the sales being conducted in a common depôt erected for the purpose.

(3.) The common use of machinery.

Thus we have a logical sequence of ideas as follows:—

- (1.) From the credit associations the working-man is to obtain the capital necessary for his trade.
- (2.) From the raw produce associations he is to improve his stock by purchase of raw material.
- (3.) The working associations are to throw open to him the use of machinery.
- (4) The sale societies are to offer him opportunity for disposing of his goods after the manner of bazaars and warehouses.

From various causes these associations have not been widely propagated. The following reasons for this fact may be brought forward here:—

The reactionary spirit which has held sway among the artisan classes since the seventies has led them to expect a revival in trade only from skill and proved capacity; confidence in their own strength has disappeared; they hold themselves aloof from all co-operative effort. The agitation against the distributive societies has also affected labour, and has influenced its attitude of mind in a way which is injurious to the associations. The State Socialism which obtains so widely at present is a serious hindrance to the propagation of associations which are based on the principle of self-help. Lastly, a large number of workmen are dependent upon their purveyors (dealers) in such a way that it is easy for the latter to oppose with success any effort on the part of the working-class to make themselves independent by the purchase of raw materials, &c.

We will here introduce the following tables:—

RAW PRODUCE AND RETAIL COMPANIES.

Year.	No. of existing Societies.	No. supplying Information.	No. of Members.	Sales Effected.	Net Profit.	Paid-up Share Capital.	Reserve.	Borrowed Money.
1893	113	18	666	£49,881	£3,164	£15,557	£7,125	£26,251

As a matter of fact, from the same causes things are not much better with the productive societies. It is true that the annual report for 1893 contains 120 productive societies, but only a few of these are real societies; in most cases it is simply that the *form* of such an association has been adopted for the purpose of carrying on business.

Will co-operative production ever play an important part in Germany? The outlook is not favourable. The more extended are the operations entered on in wholesale business, the more difficult does it become for such business to be conducted by an association of workmen. On the other hand, it may well be admitted that in handicraft trades co-operative production has a wider success, and possibly will be the most effectual of Schulze's attempts to stem the decay of the handicrafts.

We subjoin the following taken from the year's report upon productive associations:—

Year.	No. of existing Societies.	No. reporting themselves.	No. of Members.	Sales Effected.	Net Profit.	Paid up Share Capital.	Reserve.	Money Borrowed.
1893	120	12	1553	£49,306	£2,337	£12,385	£4,827	£11,731

The building societies have experienced a substantial increase during the last few years. The yearly report for 1893 represents them as numbering 101, a figure which is due to two reasons. In the first place, the admission of limited liability in the new legislation relating to associations has led to the foundation of a large number of these associations, and, further, these have been greatly promoted by several old age and sickness assurance companies.

The existing building societies unanimously make it their aim to confine themselves to building or acquiring houses. Building societies in the sense of the English and American building societies are non-existent in Germany. Only once was such an experiment tried, and it remained a failure. Some few among them attempt more ambitious work—those which have been reconstituted and confined to a fixed number of members: the results of these have been satisfactory throughout.

We will now turn in conclusion to the agricultural societies, among which we have already mentioned the Raiffeisen Banks. Their establishment dates only from the year 1866. Once introduced they met with a speedy expansion, and at the present time they have at least in part overtaken industrial. In 1894 we find the numbers stand as follows:—(1) Agricultural Credit Banks, 3,850; (2) Societies for the purchase of Raw Produce, 854; (3) Co-operative Dairies, 1,145; (4) Others, 182 (among these are associations for rearing cattle, vine-growing, fruit-growing, &c.).

These associations have to some extent been further, united in economic federation, e.g., the raw produce associations are worked in connection with those which provide a market for goods, the co-operative dairies with the associations which furnish a sale for dairy products. The number of farmers who are members of these societies is estimated at 400,000.

Some statistical data about the agricultural societies may follow here. The Federation of German Agricultural Societies has published statistics for 1894, from which we gather that there are—

I. 463 Agricultural Credit Associations, with

51,551 members,

£4,387,441 passing through bank (receipts and disbursements),

£108,680 paid-up share capital,

£65,141 reserve,

£2,441,903 assets,

£2,424,316 liabilities.

II. 422 Raw Produce Associations, with

32,689 members,

£780,708 worth of goods purchased,

£31,179 business capital,

£16,718 reserve.

III. 288 Co-operative Dairies, with

11,196 members,

£71,564 paid-up share capital,

£31,335 reserve,

£412,647 plant,

32,509,515 gallons of milk delivered,

£,263,930 assets,

£252,972 liabilities,
£74,436 cost of management,
£11,798 net profit, to which, it must be added,
that the milk was supplied at market
price, with a trifling reduction to
members.

The General Agencies Association of the Raiffeisen Agricultural Credit Associations at Neuwied has published statistics for the year 1892 relating to 713 money-lending companies, with

62,027 members, £23,637 paid-up share capital, £12,175 reserve, £1,036,529 outstanding loans at the end of the year, £1,690,720 assets, £1,686,966 liabilities.

We did not undertake to give a history of German co-operation, nor a statement of the various kinds of organisation of particular societies. The task we set ourselves was to illustrate the present position of co-operation in Germany, its expansion, development, and the various forms it has taken. We have only so far touched upon the history of the origin of the movement, as seemed necessary to the understanding of its present position.

DR HANS CRÜGER,

Chief Secretary of the Federal Union of

German Industrial and Economic Societies.

CHARLOTTENBURG,
BERLIN, May 1895.

II.—THE "Union of Rural Associations of GERMANY" (VERBAND LÄNDLICHER GENOSSEN-SCHAFTEN FÜR DEUTSCHLAND).

The "Union of Rural Associations," which adheres strictly to the principles laid down by the late F. W. Raiffeisen, has long since made good its footing all over Germany. First established, in 1849, in the Rhenish Westerwald, this system still obtains proportionally the largest support in Prussian

Rhineland and in the adjoining province of Hesse-Nassau, in which two districts its associations numbered in May last no less than 604. However, it has long since spread into Saxony, Thuringia, Alsace, and even into the remotest corners of Eastern Prussia and Silesia, and, indeed, far beyond the boundaries of Germany. And wherever its principles have been strictly carried into practice, and more particularly the safeguard of rigid and searching auditing and checking of accounts has been insisted upon, it has been found to ensure alike success and safety, making of its adherents better men, while bringing them valuable economic relief. The leaders of the movement are anxious rather to have none but good accounts in the Crimer to have none but good accounts in the Crimer to have none but good accounts in the Crimer to have none but good accounts in the Crimer to have none but good accounts in the Crimer to have none but good accounts in the Crimer to have none but good accounts in the Crimer to have none but good accounts in the Crimer to have none but good accounts in the Crimer to have none but good accounts in the Crimer to the content of the economic relief. The leaders of the movement are anxious rather to have none but good associations in the Union, than to multiply the number of affiliated societies. The figures of societies owning allegiance to Neuwied stood in May last at exactly 1,600, and by far the larger number of these, namely 1,563, were registered as credit societies. In addition there were 22 dairy and 15 vinegrowers' associations. The numbers have increased since. It ought to be pointed out that a considerable majority among the societies referred to, being forbidden by the rules to engage in any trading on their own account, have co-operative supply associations organised by the side of them, consisting of very nearly the same persons. The "Union," therefore, really represents a very much larger volume of co-operative work than is indicated in the figures quoted.

The idea upon which the system, still popularly named after its originator F. W. Raiffeisen, is built up, is that of strict community of interest and of liability between members. As the system was first conceived, there was to

The idea upon which the system, still popularly named after its originator F. W. Raiffeisen, is built up, is that of strict community of interest and of liability between members. As the system was first conceived, there was to be no tax of any kind levied upon incoming members, neither entrance fee nor share or "part sociale"; but the member himself, it was insisted, should be selected with great care. The system was never intended for any but rural districts of very circumscribed area,—an area so small as to ensure that within its limits members must be tolerably well known to one another, and continually under one another's observation. Granted such conditions, it was assumed, and in practice it has been found, that a number of persons, rich and poor, joining together, and pledging themselves one for all and all for one, may raise, by credit only, all such sums

of money as they may stand in need of, to supply the demands of individuals. The power of granting long credit is of the essence of the system, inasmuch as for agricultural purposes long credit is absolutely indispensable, and it is no relief to give to a poor man short credit when long is required. Since the object of every loan is inquired into, and borrowers are held to it; since punctual payment of interest and repayment of principal, by instalments, is rigorously exacted; and since members are all under one another's eye, and moreover the society secures itself by sureties,-loss in lending can be, and as a matter of fact has been, guarded against with very good effect. The societies generally have very good credit, among depositors as well as among capitalists, and, are steadily increasing in strength. very important feature in the system is, that there should be no profits, no salaries (except a small one to the secretary), no pickings of any kind obtainable from the bank. Services must be gratuitous, and all profits realised must go to a reserve (Stiftungsfond), belonging absolutely only to the society as a whole, and never to be shared out, and increasing till it becomes an impregnable rock of solvency to the association.

Rural associations group themselves together in Provincial Unions, each with its own managing committee; and embracing all these there is a General Union, governed by a Central Committee, which has its seat at Neuwied, and at present employs about seventy paid officers. Of that number twenty-four are "inspectors," engaged almost continually in travelling from association to association, auditing and checking accounts, and delivering lectures, in order to make the Raiffeisen principle more widely known. By this means old associations are kept safe, and new ones are being steadily added to the Union.

There are no comprehensive statistics to show the aggregate business done by the Union. From the balance-sheets of 579 local associations collected, however, it appears that the aggregate receipts of that number amount to 25,443,679 marks (or shillings), and their outgoings to 24,209,236 marks. Their aggregate assets in May figured at 27,396,201 marks; their liabilities at 26,334,316 marks, leaving over 862,241 marks accumulated as reserve.

GEKMANY.

These associations, all of them, grant loans and receive deposits. To equalise their transactions, and serve as a general reservoir, receiving surpluses and meeting demands for money, the "Union" has formed a "Central Bank," which has its seat at Neuwied, but which has for the further convenience of its constituents already established several branch banks in suitable centres, and is about to increase the number of such branch establishments to ten. The great utility of such central and branch institutions has been recently pointed out in the German Parliament by the President of the Imperial Bank of Germany, Dr Koch. The Central Bank, which is admitted to the privilege of discount transactions with the Imperial Bank on "most favoured," terms (at present the discount stands at 2 per cent.), is in a position to grant loans to local Associations on very easy terms ($3\frac{9}{10}$ to $4\frac{1}{4}$ per cent., according as the loan exceeds or falls short of 10,000 marks), and to pay them 3½ to 3½ per cent. on deposits, giving the preference to amounts below 10,000 marks. Its turnover in the past twelve months was about 28,000,000 marks. The expenses of management are very small. The profits realised last year are about 81,000 marks. The Central Bank is a jointstock enterprise, for which the necessary capital has been raised by shares, the amount of which absolutely limits the liability of every holder. The capital taken up now stands at 2,556,000 marks, the amount paid up at 1,300,000 marks. A few of the shareholders are individuals, the bulk are local associations. But no association is compelled to take up shares. The Bank does business with associations whether they do so or not. As a matter of fact 1,514 out of the 1,600 associations have become shareholders.

There is another central association connected with the "Union," a trading firm, which negotiates the common purchase of coal, feeding-stuffs, manures, machinery, &c., and which recently has, with very great success, begun to grapple with the difficult problem of common sales of agricultural produce. That trading firm is, like the Central Bank, a joint-stock concern, but with very few shareholders only. Independently of the purchases made directly by local associations, this trading firm has, in the last two years, purchased for and supplied at cheap prices to the "Union,"

453,628 cwts. artificial manures, 94,142 cwts. feeding stuffs, 2,371 cwts. seeds, 5,430 trucks of coals, and about 53,000 marks worth of machinery, representing an aggregate value of 2,910,634 marks. Several local centres have, moreover, put up common warehouses for the storage of agricultural produce, and have succeeded in negotiating common sales.

The mere organisation for distributive purposes, existing as a matter of course in the "Union," has been found to provide facilities for the disposal of produce, e.g., potatoes, dried fruit, vine-poles, hops, honey, to greater advantage in localities in which such articles happen to command a higher price. Moreover the "Union" has assisted sellers as well as buyers by its co-operative purchase of seeds and store-cattle from associations established in districts in which such are raised. But, in addition, local associations and provincial unions have succeeded in arranging for co-operative sales even of corn, securing to the seller better prices, in one instance by 30s. a ton, in another by 100s. the truck. The movement is still in its infancy. However, the results thus far obtained appear decidedly encouraging, and there is little room for doubting that by continuance in the path entered upon the troublesome problem of co-operative selling may be solved.

[Extracted from Generalanwalt Cremer's Annual Report.]

FRANCE.

I.—CO-OPERATION AND PROFIT-SHARING.

GENTLEMEN AND FRIENDS, CO-OPERATORS,

M. de Boyve and I were both present at Rochdale in June 1892, the day on which the International Alliance of the friends of co-operative production was founded, upon the proposition of Mr Vansittart Neale, with the co-operation of Messrs Greening, George Jacob Holyoake, His Honour Judge Thomas Hughes, and the Marquis of Ripon. This initiative was the last act of his life. He was taken away by death a few months later from our affection and our respect. It was a great loss which liberal co-operation of all countries deplores. The place of Vansittart Neale has remained vacant. honour to the memory of this great and good man let us endeavour to continue his work, by showing to co-operators of the whole world that material prosperity, commercial success, and satisfaction of the physical wants of the consumer do not constitute in themselves an ideal worthy of co-operation. Springing from the bowels of the workers, distributive co-operation should realise in favour of persons employed in its workshops and stores the most perfect type possible of the just remuneration of human labour.

With this end in view distributive co-operation should occupy itself diligently with profit-sharing and workmen's productive associations.

I.—OUTLINE OF THE PRINCIPLE OF PROFIT-SHARING.

There are now in France 141 firms and 163 distributive societies practising profit-sharing. Profit-sharing is also established in co-operative, productive, and credit societies.

but in respect of this exact and complete statistics are wanting. On the other side, we can prove the existence of 118 urban co-operative productive societies, and of at least 2,500 rural societies of the same kind, making in round numbers a general total of about 3,000 firms or societies in which reigns, in different grades, and in such very diversified forms as liberty allows, the grand and fruitful principle of the just distribution of the fruits of labour.

We may say that the conscientious research of the conditions in which the labour of man shall be paid is a corollary to the respect of individual ownership, since the first properties belonging to man, the most direct and the most sacred, are his intellect and the strength of his arms. The thought that should govern everything in the matter of profit-sharing and co-operative production is that each one of the agents of production, manual or intellectual labour, management and capital involved, must have its legitimate share of the results of the general work in proportion to the effort contributed or the risks run.

We have often been content to speak of profit-sharing as a simple means of stimulating the energy of workers in the interest of masters. It should henceforth be placed under the shield of a principle of equity. Here, as elsewhere, that which is good and just is often confounded with that which is really useful. The future lies in this: What are the essential conditions that, without any legal restraint and by free agreement, may discharge the contract of labour as regards profit-sharing added to a normal wage?

We may affirm that these conditions are six in number:—

First, The fixing of a certain profit, accepted beforehand by mutual agreement. It would be difficult to lay down a hard and fast line. One must proceed according to circumstances.

Second, Division of the profit to be shared among the parties concerned by regulating clauses.

Third, Recognition of the worker's right of possession, without danger of forfeiture, in the product of the yearly profits acquired by him.

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Fourth, Control of accounts by an expert auditor, whose intervention may be compared to that of public accountants of England.

Fifth, Constitution of a general consultative committee, composed of representatives of the employer, the workmen, and the office staff.

Sixth, Maintenance of the directing authority, indispensable to the success of any work whatever.

In fine, the edifice of profit-sharing is crowned by the assistance which it can give to the evolution of the working world towards co-operative production, properly so called. This fact is evolved when the workpeople become co-partners in the whole industrial establishment, as in the Maison Leclaire, or when the participant workman can or must, as at Mr George Thomson's of Huddersfield, as at Guise in the Ancienne Maison Godin, in the paper factory of Laroche - Joubert at Angoulème, and in the metallurgic factories of N. O. Nelson at St Louis on the Missouri. employ the product of his profit-sharing in shares, coupons. or dividends. This mode of co-partnership constitutes, if the workpeople are morally well prepared, the progressive step towards the full and entire acquisition of the industrial machinery by intellectual or manual workers. Guise furnishes us with an example, the triumph of what may be called integral co-operation.

II.—PROFIT-SHARING IN FRENCH CO-OPERATIVE DISTRIBUTIVE SOCIETIES.

French supply co-operation looks upon the assistants which it employs as workers, whose condition ought to be in principle better than that of simple paid servants of private firms. More than one-third of the societies thus give to their employees and workpeople a certain portion of the bonuses in addition to wages.

On four occasions—in 1890 at Marseilles, in 1891 at Paris, in 1893 at Grenoble, and in 1894 at Lyon—the congresses of French co-operation have adopted resolutions in favour of profit-sharing, which the Co-operative Union of Distributive Societies has raised to the level of a

principle of justice. It behoves co-operation to create in its midst the most perfect type of remuneration of labour, and so preach by example. Profit-sharing and co-operation, as daughters of solidarity, should go through the world hand in hand, and never forget that they are sisters.

III.—GENERAL PRINCIPLES OF CO-OPERATIVE PRODUCTION.

Workmen's co-operative productive associations have the unity of interest for their fundamental basis, but we must in the application of this principle respect the rights of capital, and constitute a management endowed with the necessary authority to act outside and maintain a wise discipline within. Just as in a republic, the sovereign people sacrifice a portion of their liberty in order to possess a regular army; so the sovereign co-operative people has also in its general assembly to give up some part of its independence, in order to organise in the association a strong power, and submit to it willingly.

IV.—Co-operative Agricultural Associations of Production.

The remarkable development of agricultural syndicates in France has resulted in the creation of co-operative productive agricultural associations for the making of butter and cheese, for the thrashing of crops, and for other things. Ancient agricultural societies dating from several centuries back have been transformed into co-operative associations under most modern forms. We owe to the kindness of M. le Comte de Rocquigny figures and statistics which can be read in the annex No. 2 of this report. A whole co-operative world appears on the horizon like a radiant sun promising rich harvests.

V.—A Few Results of Co-operation and of Profit-Sharing.

It would be impossible to introduce in this report minute details of the manifold advantages which profitsharing brings to the workers of private firms, these will be found in M. Albert Trombert's "Guide Pratique." We will only mention the remarkable types of spontaneous co-operation of three firms, Godin, Laroche-Joubert, and Leclaire, in which co-operation was really brought about by profit-sharing.

To make the power of the co-operative principle thoroughly understood when it is put in practice, we shall take one example, chosen from a host of others, The Association of Working House-Painters, "Le Travail," at Paris, directed by M. Buisson. This association, in which profit-sharing is extended to every assistant and apprentice, realised in 1894 a net profit of 58,103fr. The sum total of profits since its creation is considerable:—

"The frail boat which was formerly our society," says the annual report, "has become a first-rate ship. The road is known to us, the landing-point well determined; it is the home of comfort and happiness for us and ours. We shall surely arrive at it, if, after as before the fight, each member of the crew knows how to keep the place assigned to him according to his aptitude and worth. . . . Instead of one rich man, there are thirty-two fellow-members, and more than 800 participants, who have received in excess of their remunerative wage a just share of the 300,000fr. of net profit which we have realised." †

As for the results of profit-sharing, we shall confine ourselves to mentioning a few which it has produced in the three firms in which the transformation of a private business into a co-operative one is now an accomplished fact.

In the celebrated "Société du Familistère de Guise," the work of Godin,—well known to those who read this paper,—on the 30th of June 1894 the workmen were owners of the whole of a capital rising to 11,235,000fr.

In the paper factory of Laroche-Joubert, at Angoulème the workpeople were owners of a third of the social work.

^{*} Librairie Choix, 20 rue Bergère à Paris.

^{† &}quot;Le Travail," Association d'Ouvriers Peintres, Compte-rendu de 1894, page 29.

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Out of a realised capital of 4,570,000, the portion belonging to the workpeople and employés is 1,518,000fr.

Lastly, the Maison Leclaire, the birthplace of profitsharing. According to the last balance-sheet the workmen's and employees' provident and mutual help society is worth 3,018,781fr.

CONCLUSION.

Our conclusion in finishing this report is, that we must prepare for the future, and often look back to the past to find lessons in perseverance. Every progress is slow, but it is of consequence that when we make a start we should know where we are going.

Those who share our sentiments and our ideas should on the one hand endeavour to induce masters and men to accept profit-sharing, showing the former that it is not a danger and the latter that it is not a bait. A share in the profits being received as a matter of absolute right, it will crown in many firms the whole of the patronal institutions, and become blended with them or merged in them.

On the other hand, as soon as it is possible, we should go forward with as much courage as patience on the difficult but glorious road leading to co-operative association for production.

In a recent letter written on the occasion of the inauguration of the Musée Social, founded by M. le Comte de Chambrun, my colleague and friend M. Bernardot, Engineer of the Société du Familistère of Guise, which he represented at your Co-operative Festival of August 1892, reminded us that to conquer chimera we should throw living realities at its head. "This," added he, "is what should be said with examples in support of all workmen's societies pointing to the ends already attained. See what tremendous power workers of all kinds would possess if there were established among them the bond of a distinct and clear idea defining thoroughly the true end in view. If they turned to association, to co-operation, and if need be to profit-sharing,—primary administrative schools in which labour can become acquainted with the risks run by production and industrial and commercial economy,—they would

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find in it the solution of that question of wage, the cause of so many conflicts which strikes accentuate and do not solve."

Allow me to make another quotation. Victor Duruy, the great historian, at that time Minister of Public Instruction, said in 1867: "The history of labour is a drama, of which we know the three first acts: labour with the lash of the ancient slave, forced labour of the bondsmen of the Middle Ages, paid labour of the modern times. Are we to expect a fourth one: labour freely allied to capital, and harmony established between the three great agents of production: intelligence, capital, and salary, at last allied and blended in the thousand forms that association can receive from the free and loyal adhesion of the contracting parties? That is a secret belonging to the future."

It is by the fruitful efforts of Congresses like this that this great secret of the future will be found. I dare to affirm, without presumption, that through our international studies we are jointly paving the way to the fourth period spoken of by Duruy. If we are successful, it will be said later on that the history of labour is a drama that ends well.

From the preceding remarks, I beg to propose to the Congress, in the name of the Société de Participation of Paris, and of the Union des Sociétés Coopératives Françaises de Consommation, to adopt the proposal of a resolution to the following purport:—

PROPOSAL OF RESOLUTION.

The International Co-operative Congress adopts the proposition: — That a share in the profits for the benefit of workmen and employer, with a figure determined beforehand, a regulated assignment without any forfeiture, the control of accounts, a committee of management composed of representatives of the directors and workers, and the maintenance of the directing authority, be introduced without legal compulsion, by free agreement, expressed or tacit, by right as a complement to the contract of labour, in industrial, commercial, and agricultural establishments, and in co-operative societies of all kinds.

APPENDIX No. 1.

PROFIT-SHARING.

FRENCH Establishments, and French Co-operative Productive, Distributive, and other Societies, in which the workpeople and employees have a share in the profits, without sharing in the losses.

A.—Non-Co-operative Establishments.

There are in France 141 such establishments allowing a share in the profits to their employees.

I.—BUILDING ESTABLISHMENTS.

ROOFING, WATER, AND GAS PLUMBING.

Ancienne maison Goffinon devenue Barbas, Tassart et Balas, Paris. Thuillier frères, Paris.

Gaget, Pérignon, et Cie, plomberie et cuivrerie d'art, Paris.

Monduit, Paris.

Compagnie d'éclairage par le gaz des villes du Mans, de Vendôme, et de Vannes.

ELECTRICAL ENGINEERS.

Sautter, Lemonnier, et Cie, Paris. Charles Mildé, fils et Cie, Paris. Société générale des Téléphones, Paris.

MASONS, BRICKLAYERS.

Caillette, Paris. Mozet et Delalonde, Paris.

JOINERS.

Le Cœur et Cir., Paris.

LOOKING-GLASS MAKERS.

Broquart, Bordeaux.

HOUSE PAINTERS.

Ancienne maison Leclaire, devenue Redouly et Cie, Paris. Cette maison a maintenant le caractère d'une Société de co-opérative de production.

Saunier, Paris.

LOCKSMITH WORKS.

Gilon, Paris.

Moutier, Saint-Germain (Seine-et-Oise).

II.—INSURANCE ESTABLISHMENTS AND SAVINGS BANKS, S

Compagnie d'Assurances Générales, Incendie, Paris.

Do. do. Vie, do. Do. Maritimes, do.

Le Phénix, Incendie, Paris.

Do., Vie, do. L'Union, Incendie, do.

Do., Vie, do. La Nationale, Incendie, do.

Do., Vie, do.

La France, Incendie, do.

Do., Vie, do.

L'Aigle, Incendie, do.

Do., Vie, do. Le Soleil, Incendie, do.

Do., Vie, do.

Do., Sécurité générale accidents, Paris.

L'Urbaine, Incendie, Paris.

Do., Vie, do.

Do., Accidents, do.

L'Abeille, Incendie, do.

Do., Vie, do.

Do., Accidents, do. Orêle, do.

La Providence, Incendie, do.

Do., Accidents, do.

La Foncière, Incendie, do.

Do., Vie, do.

Do., Transports, Paris.

Caisse d'Epargne de Reims (Marne).

III.-FOOD STUFFS AND WINES, &c.

Rivoire et Carret, pâtes alimentaires, Lyon.

Société des grands Moulins de Corbeil (Seine-et-Oise).

Rattier, épicier en gros, Saint-Etienne (Loire).

Emile Meynadier, denrées Coloniales, Marseille.

Pernod, distillateur, Pontarlier (Doubs).

Hannapier, negociant en vins, Bordeaux.

Vve. Pommery, fils et Cie., fabrique de vins de Champagn Reims.

Cusenier, distillateur, Paris.

Lombart, fabricant de chocolat, Paris.

Brasserie La Champagne, île Belon, près Epernay (Marne).

Deberc, fabricant de bouchons, Reims (Marne).

IV.—Banks and similar Establishments.

Roland-Gosselin, agent de change, Paris.

Vernes et Cie., banquiers, Paris.

Comptoir d'Escompte de Rouen.

Banque de Depôts et Comptes courants, Paris.

Banque Parisienne, Paris.

Banque Russe et Française, Paris.

Compagnie foncière de France, Paris.

Gaidan, banquier, Nimes.

Ch. Cazalet, négociant, Bordeaux.

V.—PRINTING AND PAPER WORKS.

Laroche-Joubert et Cie, papeterie cooperative d'Angoulème (Charente).

Abadie et Cie, fabricants de papiers, Theil (Orne).

Tonnelier et Gaudineau, fabricants de papiers, La Flèche (Sarthe).

Imprimerie Nationale, Paris.

Paul Dupont, imprimeur, Paris.

Chaix, imprimeur-èditeur, Paris.

Godchaux et Cie., imprimeurs, Paris.

Mame et fils, imprimeurs-èditeurs, Tours.

Buttner-Thierry, imprimeur-lithographe, Paris.

Moullot, imprimeur, Marseille.

Gounouilhou, imprimeur, Bordeaux.

Thomas freres, imprimeurs, Pontarlier (Doubs).

Imprimerie du Progres d'Eure-et-Loir, Chartres (Eure-et-Loir).

Aubert, imprimeur, Versailles.

Cerf et Cie, imprimeurs, Versailles.

Lefranc et Cie, fabricants d'encres d'imprimerie, Paris.

VI.-METAL WORKERS.

Société du Familistère de Guise, Dequenne et Cie, ancienne maison Y. B. A. Godin, fabrique d'appareils de chauffage, devenue Société coopérative de production, Guise (Aisne).

Ancienne maison Deberny et Cie, devenue maison Charles Tuleu, fondeur en caractères, Paris.

Muller et Roger, fonderie de bronze et robinetterie, Paris.

Caillard, constructeur-mecanicien, Le Hâvre.

Burgard, fondeur, Oran (Algérie).

Piat et ses fils, fondeurs mécaniciens, Paris.

Pétillat, constructeur, Vichy (Allier).

Compagnie de Fives-Lille (Nord).

Pignet et Cie, ateliers de constructions mécaniques, Lyon.

Société anonyme des usines de Mazières (Cher).

Roux et Cie., machines à vapeur Tangye, Paris.

Les fils de Peugeot freres, quincaillerie, outils, bicyclettes Valentigney (Doubs).

Leclerc, fabrique de lits en fer, Saint-Dizier (Marne).

Forges de Sedan (Ardennes).

Boulonneries do Bogny-Braux (Ardennes). Société anonyme Le Nickel, Paris.

VII.- MINES.

Y. Chagot et Cie, mines de Blanzy (Saône-et-Loire). Mines de Houille d'Aubigny-la-Ronce (Côte d'Or). Compagnie houillère et metallurgique de Belmez, Paris. Compagnie des mines de Douchy (Nord). Société anonyme des mines de Mouzaïa (Algérie).

VIII.—OPTICIANS AND SCIENTIFIC INSTRUMENT MAKERS. Baille-Lemaire, fabricant de Jumelles, Paris. Maison Breguet, fabrique d'appareils de précision, Paris.

IX.--CHEMICAL WORKS.

Société anonyme des matières colorantes et produits chimiques de Saint-Denis (Seine).

Sachs, engrais chimiques, Aubervilliers (Seine).

X.-THEATRE.

Comédie Française, Paris.

XI.—TEXTILE FABRICS.

Seydoux, Sieber et Cie, peignage, filature et tissage, Le Cateau (Nord).

Comptoir de l'industrie linière, Paris.

Octave Fauquet, filateur, Les Câbles (Eure).

Renard, Villet et Bunand, teinturiers, Lyon.

Gillet et fils, teinturiers en soie, Lyon.

Société anonyme de tissus delaines des Vosges, Le Thillot et à Trougemont (Vosges).

Filature d'Oissel (Seine Inférieure). .

Janvier père et fils, filage et tissage, Le Mans (Sarthe).

Besselièvre, fabricant d'indiennes, Maromme (Seine-Inférieure).

Blanchisserie et teinturerie de Thaon (Vosges).

Société linière du Finistère, Landerneau (Finistère).

Dognin et Cie, fabricants de tulles et dentelles, Lyon.

Maison Félix, couturier pour dames, Paris.

Maison Montaillé, dirigée par M. Aine, confections et nouveautés, Paris.

Ducher, ancienne maison Gerbeaud, tailleur d'habits et uniformes, Paris.

Nayrolles, broderies artistiques, Paris.

Boivin, ganses pour passementerie, Paris.

Bonniot-Pouget, tiges pour chaussures, Vallon (Ardèche).

Magasins du Bon Marché, ancienne maison Boucicaut, devenue Société coopérative, Paris.

Magasins de nouveautés de la Ville de Londres, Paris,

Le Printemps, magasins de nouveautés, Paris.

XII.—RAILWAY AND TELEGRAPH COMPANIES, CARRIERS, &C.

Compagnie du Chemin de ser d'Orléans, Paris.

Société générale des chemins de fer économiques, Paris.

Compagnie du Canal de Suez, Paris.

Société du Tubulaire Berlier, Paris.

Compagnie générale Transatlantique, Paris.

Compagnie nationale de voitures l'Abeille, Paris.

Compagnie Française de télégraphe de Paris à New York, Paris.

XIII .- FARMS, VINEYARDS, DAIRIES.

Domaine de Château Monrose, Médoc (Gironde).

Comte de Lariboisière, exploitation agricole, Monthorin (Ille-et-Vilaine).

Ed. Goffinon, Domaine viticole des Grézy, Lalande (Gironde).

Laiterie Sévigné, Vitré (Ille-et-Vilaine).

Albert Cazeneuve, exploitation agricole et viticole, Esquiré, par Fonsorbes (Haute-Garonne).

Domaine de Got, Chabrié frères, Ile de la Réunion.

B.—Co-operative Supply Associations.

Names of French distributive Co-operative Societies which give, either to all their workers or to a certain number, a share in the profits, computed from the total amount of business or the rough sales.

Note.—These 163 societies belong to the 400 which in 1894 replied to requests for statistics sent to 1,050 French distributive societies by the Central Committee.

From these figures we find that there are in France 41 societies in 100—that is, more than a third—who put in practice for the benefit of their workpeople the principle of profit-sharing.

AIN.

Société coopérative des agents P. L. M. d'Amberieu-en-Bugey. Société coopérative de consommation de Terray.

AISNE.

Boucherie coopérative de La Capelle. Boulangerie coopérative de Chavignon.

ALLIER.

Société coopérative des Mineurs de Beignet.

ARDENNES.

Société coopérative "Les Amis Réunis," Charleville.

Société coopérative "La Fraternelle," Deville.

Société coopérative "L'Avenir Commercial," Eteignères.

Société coopérative d'alimentation des forgerons de Flize.

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Société coopérative de consommation de l'Est, Mohon.

Société coopérative "La Ménagère," Monthermé-Laval-Dieu.

Société coopérative "La Retheloise," Rethel.

Société coopérative "L'Ardennaise," Signy-l'Abbaye.

Société coopérative "L'Humanitaire," Thilay.

AUBE.

Société coopérative "L'Economie," Landreville.

Société coopérative "L'Economie," aux Riceys.

Société coopérative "L'Union," Romilly.

Société coopérative "Les coopérateurs de Sainte-Savine."

Société coopérative de consommation de l'Est, Troyes.

Société coopérative "La Laborieuse," Troyes.

AUDE.

Société coopérative de boulangerie, Trèbes. Société coopérative de boulangerie, Esperaza.

Bouches du Rhône.

Société coopérative "La Ruche Sociale," Marseille.

CHARENTE.

Boulangerie coopérative des Familles, Guinys.

CHARENTE-INFÉRIEURE

Boulangerie par actions, Matha.

Société de panification, Meussac.

Société coopérative de production et de consommation de Charente-Inférieure, La Rochelle.

CHER.

Société coopérative de Foëcy.

Société coopérative "La Ruche Vierzonnaise," Vierzon.

CORRÈZE.

Boucherie coopérative de Turenne.

CÔTE D'OR.

Société coopérative de consommation des agents P. L. M., Di Société coopérative de consommation d'Is-sur-Tille.

Doubs.

L'Union d'Audincourt.

La Fraternelle, à Badevel, par Fesches-le-Chatel.

Société coopérative d'alimentation, aux Chaprais-Besançon.

Société de consommation du Rondelot, par Fesches-le-Chatel.

Société coopérative des employés P. L. M., Pontarlier.

Boulangerie coopérative "la Prevoyante," Pontarlier.

Société coopérative de Pont-de-Roide.

La Fraternelle de Valentigney.

DRÔME.

La Persévérance de Romans, Bourg-de-Péage.

Le Semaphore, gare de Valence.

EURE-ET-LOIR.

Société philanthropique coopérative de Montigny-sur-Avre. Société philanthropique coopérative de Saint-Remy-sur-Avre

FINISTÈRE.

La Ménagère de Morlaix.

GARD.

La Prévoyance des agents P. L. M. Abeille nîmoise, Renaissance et Solidarité, Nîmes. Boucherie coopérative et commerciale, Nîmes. La J aborieuse, Saint-Jean-de-Valériscle.

HAUTE GARONNE.

La Maison du Peuple, Toulouse. L'Economat des Familles, Toulouse.

GIRONDE.

Union économique des fonctionnaires civils et militaires, Bordeaux.

HÉRAULT.

Syndicat agricole de Montpellier et du Languedoc.

INDRE.

Boulangerie coopérative d'Issoudun.

INDRE-ET-LOIRE.

Boulangerie coopérative de Tours.

ISERE.

L'Economie, Grenoble. La Ménagère, Grenoble. La Fédération, Vienne.

LOIRE.

La Solidarité, Chambon-Feugerolles. L'Union des Travailleurs de Lorette. L'Alliance des Travailleurs de Régny. Société coopérative des employés P. L. M., Roanne. La Coopérative Stéphannoise, Saint-Etienne. L'Union des Travailleurs. Saint-Etienne.

Loire Inférieure.

La Ruche Nazairienne, Saint-Nazaire.

LOIRET.

Société coopérative de consommation des agents P. L. M., Montargis.

LOT-ET-GARONNE

Société coopérative de production et de consommation de Villeneuve-sur-Lot.

MAINE-ET-LOIRE.

Société coopérative de consommation de Montjean.

MANCHE.

L'Alliance Octevillaise, Octeville.

MARNE

Société de consommation de l'Est, Epernay. Etablissements économiques, Reims.

MEURTHE ET MOSELLE.

La Lorraine, société coopérative de consommation des ouvriers et employés de MM. Solvay et Cie, Dombasle-sur-Meurthe. Société coopérative anonyme de consommation, Zarville. Société coopérative de consommation, Lunéville. Union des Syndicats, Nancy.

NORD

L'Union, estaminet du Grand Conseil, Armentières. La Prévoyante, Avesnes-les-Aubert. Boulangerie coopérative économique, Gouzeaucourt. Société coopérative de Gonnelieu. Société coopérative de Somain. L'Espérance, Wasquehal.

Pyrénéfs (Hautes).

Union ouvrière, Tarbes.

RHÔNE

Union des Equitables coopérateurs, Lyon. Société alimentaire de l'Arbresle.

L'Abeille, Cours.

Société alimentaire, Lyon.

L'Avenir économique, Lyon.

Boulangerie ménagère, Lyon.

Association commerciale de chauffage du IVe Arrondissement, Lyon.

La Coopérative, Lyon.

L'Union ouvrière, Lyon.

Société alimentaire de Bissardon, Lyon.

Boulangerie ménagère de l'Etoile, Tassin-la-demi-Lune.

La Laborieuse, Thizy.

La Tribu Lyonnaise, Lyon.

SAÔNE-ET-LOIRE

L'Union ouvrière, Chalon-sur-Saône.

L'Union syndicale, Coublanc.

La Croix-Menée, Le Creusot.

Boucherie et Epicerie coopérative Saint-Charles, Le Creusot.

L'Economie de Saint-Charles, Le Creusot.

L'Ouvrière de Saint-Charles, Le Creusot.

Boulangerie coopérative d'Etang.

L'Abondance, Mâcon.

Boulangerie coopérative du Champ-du-Moulin, Montceau-les-Mines.

Boulangerie coopérative du Guide, Le Creusot.

L'Union des Travailleurs de Montceau-les-Mines.

Boulangerie coopérative de Saint-Vallier.

Société de consommation des Vernizeaux, Le Creusot.

SARTHE.

Boulangerie coopérative de Saint-Calais.

SEINE.

L'Union du Bourget, Paris.

Société coopérative de Charenton-Saint-Maurice.

La Populaire, Champigny.

La Confiance, Courbevoie.

L'Alliance des Travailleurs, Levallois-Perret.

L'Economie de Maisons, Alfort.

La Ruche, Nanterre.

La Solidarité de Pantin, Paris.

Le Marais, Paris.

L'Ouvrière, Paris.

Société coopérative du XVIIIe Arrondissement, Paris.

Les Solidaires de Montmartre, Paris.

L'Union du XIXe Arrondissement, Paris.

La Vincennoise, Vincennes.

L'Avenir de Plaisance, Paris.

La Bercy, Paris.

Association amicale coopérative des officiers de terre et de mer, Paris.

Association coopérative de consommation des employés civils de l'Etat, du département de la Seine et de la Ville de Paris, Paris.

L'Abeille Suresnoise, Suresnes.

L'Union Batignollaise, Paris.

L'Union Economique du Bel-Air, Paris.

La Famille de la Plaine Saint-Denis, Paris.

La Revendication de Puteaux, Puteaux.

L'Union des Familles, Saint-Denis.

L'Economie de Saint-Maur, Saint-Maur.

Société cooperative d'alimentation et d'épargne de la maison Alp. Huilard et Cie., Suresnes.

Seine-Inférieure.

L'Elbeuvienne, Elbeuf.

L'Avenir, Saint-Pierre-les-Elbeuf.

SEINE-ET-MARNE.

Société coopérative de consommation, Coulommiers.

Boulangerie coopérative de Zouarre.

L'Avenir de Nanteuil-les-Meaux (Usine Gaston Verdière).

Société coopérative de Tournan.

SEINE-ET-OISE

Société coopérative de Villeneuve-Saint-Georges.

SOMME

Société coopérative agricole de la région du Nord, Montières Amiens.

Association coopérative d'Epehy.

VAR.

So Mé coopérative de consommation du Var, Saint-Raphaël.

VIENNE

La Ruche Ligugéenne, Ligugé.

VIENNE (HAUTE).

L'Espérance, Limoges.

VOSGES.

Société spinalienne de consommation, Epinal.
Société coopérative du Rabodeau, Moyénmoutiers.
Société coopérative d'alimentation et de consommation, Pouxel La Fraternelle du Char d'Argent, Saint-Laurent.
Société ouvrière de Vecoux, Remiremont.

YONNE

L'Apprentissage, Bleneau.
Boulangerie coopérative de Brienon.
La Sociale, Brienon.
Société coopérative de Chablis.
Boulangerie coopérative de Germigny.
Société des employés P. L. M., La Cité-Migennes.
Boulangerie coopérative, Migennes.
Boucherie coopérative, Sens.
L'Econome de Sens.
Loulangerie coopérative, Saint-Florentin.
Boulangerie coopérative, Saint-Sauveur-en-Puisaye.

C.—Co-operative Productive Societies.

Nearly half the Productive Societies give a portion of the profits to workmen and employees non-members, conforming thus to the fundamental principle of co-operation.

There are at present 115 co-operative productive societies. Out of this number 49 are composed of members shareholders who work themselves. The societies who employ paid helpers number thus 66. Among them 66 societies 34 give no profits to their paid assistance. Those which give a share of the profits to their helpenumber 28. There is some uncertainty in this respect about four societies for want of information,—making

total of 66 societies. Thus for the 62 societies of which the practice is known, a proportion of 45.10 per cent. practise profit-sharing.

The principle of helpers sharing in the profits is now thoroughly adopted by the Chambre Consultative of Cooperative Productive Societies. It is inscribed in article 33 of their statutes (see the journal L'Association ouvrière, 80 Rue de Bondy, November 1893). As a fact, profit-sharing for workers, shareholders, or non-shareholders, is insisted upon in the rules of every association formed since 1894. The proportion varies from 30 to 35 per cent.

Names of twenty-eight co-operative productive societies allowing a share in the profits to their workmen, employees, and helpers.

FINISTÈRE.

Union des ouvriers tonneliers, Morlaix.

TSÈRE.

Association d'ouvriers tailleurs, Grenoble.

GIRONDE.

Société l'Epargne, Paveurs et Cimentiers, Bordeaux. Association des ouvriers tonneliers réunis, Bordeaux.

LOIRE.

Société coopérative des ouvriers platriers-peintres, Saint Etienne.

RHÔNE.

Tanneurs-Corroyeurs, Association ouvrière, Lyon.

SEINE (PARIS).

Société des ouvriers casseurs de pierres du département de la Seine.

Société des ouvriers casseurs de pierres de Paris.

Société des ouvriers charpentiers de Paris, rue Labrouste.

Association des ouvriers doreurs sur bois.

Association des ouvriers granitiers du département de la Seine.

Association ouvrière des maçons de Paris.

Association des ouvriers menuisiers de Paris.

Association coopérative la Menuiserie moderne.

Association des ouvriers menuisiers en eadres.

Association coopérative ouvrière la Papeterie moderne.

Association des ouvriers paveurs de Paris.

Association d'ouvriers paveurs "le Pavage."

Association d'ouvriers peintres "le Travail."

Association d'ouvriers peintres "la Solidarité."

Union française des photographes.
Association des ouvriers piqueurs de grès réunis.
Association des ouvriers plombiers, couvreurs, zingueurs.
Union des sculpteurs mouleurs.
Association des ouvriers selliers "l'Avenir."
Association coopérative d'ouvriers tailleurs de glaces.
Association corporative des ouvriers tapissiers.
Association d'ouvriers en vitraux "Le Vitrail."

D.—Co-operative Societies of Credit.

Co-operative Bank of workmen's productive associations, 80, rue de Bondy, Paris.

Co-operative Bank of workmen's productive Societies (Section du Sud-Est), Lyon.

Other credit societies give their people a share in the profits, but for want of precise statistics we cannot here give their names.

The reports from People's Banks, published in the Bulletin of the Society for the Propagation of People's Banks, 19, Boulevard St Martin, all speak of the existence of profit-sharing for the staff. We may mention as an example The Bank of Menton (Alpes-Maritimes). The principle is received unreservedly by co-operative credit, and at the Nîmes Congress held in May 1895 it was expressly sanctioned and proclaimed (see No. 5 of the Bulletin above named).

Profit-sharing has been introduced in almost every Italian People's Bank by the successful initiative of the Venerable Commendatore Luzzatti.

APPENDIX No. 2.

CO-OPERATION.

French productive, industrial, and agricultural co-operative societies, in which urban and rural workers, owners of the social capital, share among themselves as the stockholders the profit or the loss.

PART FIRST.

INDUSTRIAL CO-OPERATIVE SOCIETIES.

French co-operative productive societies known to us, whose names will be found stated, are 115 in number. They are classified according to their vocation (trade).

GROUPS AND FEDERATIONS OF PRODUCTIVE SOCIETIES.

We give the names of two groups not included, of societies of very different professions, established not to transact work, but for the study and the protection of cooperative interests common to all.

The productive societies have two co-operative Banks, namely, Banque co-opérative des associations ouvrieres de production de France, 80, rue de Bondy, Paris; Banque co-opérative des associations ouvrières de production (Section du Sud-Est), 3, rue Ste Catherine, Lyon.

Chambre consultative des Associations ouvrières de production de France, 80, rue de Bondy, Paris.

Fédération régionale du Sud-Est, 5 et 7, passage Coste, Lyon.

I.—BUILDINGS.

CARPENTRY.

- Charpentiers (Société coopérative des ouvriers), 175, rue d'Ornano, Bordeaux.
- Charpentiers (Association coopérative des ouvriers), 148, rue Boileau, Lyon.
- Charpentiers de la Villette (Sociéte des ouvriers), 49, rue Saint-Blaise, Paris.
- Charpentiers de Paris (Société des ouvriers), 24 et 26, rue Labrouste, Paris.

ROOFING, WATER AND GAS PLUMBING.

- Plombiers, Couvreurs, Zingueurs (association des ouvriers), 152, rue Saint-Maur, Paris.
- Couvreurs, Plombiers, Zingueurs (Union des ouvriers), 13, rue Buci, Paris.
- Couvreurs (Union des ouvriers), 7, rue Grande-Venelle, Morlaix. Eclairage moderne (Association ouvrière l'), 99, Faubourg-du-Temple, Paris.

CHIMNEY BUILDERS.

Fumistes-Briqueteurs (Société des ouvriers), 38, rue Richard, Lenoir, Paris.

WINDOW AND LOOKING-GLASS MAKERS.

- Tailleurs de glaces (Association coopérative d'ouvriers), 119, rue Saint-Maur, Paris.
- Vitraux (Association d'ouvriers en), le Vitrail, 37, rue Doudeauville, Paris.

MASONS, BRICKLAYERS.

- Maçons (Société coopérative des ouvriers), 15, place d'Aquitaine, Bordeaux.
- Maçons et aides (Association des ouvriers), rue du Général Motte. Grenoble.
- Maçons, aides et Terrassiers (Société coopérative et Syndicale des), 4, rue de la Halle, Grenoble.
- Maçons (Association coopérative des ouvriers), à Rive-de-Gier.
- Maçons (Association lyonnaise des), 16, rue Clos-Suiphon, Lyon.
- Maçons (Société coopérative des ouvriers), 54, rue Saint-Michel, Lyon.
- Maçons de Paris (Association ouvrière des), 13, passage Alexandrine, 88 et 90, rue des Boulets, Paris.
- Maçons de la Seine (Association ouvrière des), place Thorigny, Paris.
- Cimentiers (Société coopérative des ouvriers), 216, avenue de Saxe, Lyon.

MARBLE CUTTERS AND POLISHERS, TILE AND BLOCK PAVIORS.

- Carreleurs Marbriers (Société d'ouvriers), 66, rue du Faubourg Saint-Denis, Paris.
- Marbriers (Association des ouvriers), à Lens.

JOINERS.

- Menuisiers de Paris (Association des ouvriers), 35, rue du Poteau, Paris.
- Menuisiers, l'Espérance du Bâtiment (Association des ouvriers), 81-83, rue des Pyrénées, Paris.
- Menuiserie Moderne (Association coopérative la), 161, rue Marcadet, Paris.
- Menuisiers (Association coopérative des ouvriers), 18^{ter.} rue Cornede-Bouc, Poitiers.
- Menuisiers (Association l'Union des ouvriers), 18, rue Paillot-de-Montabert, Troyes.

HOUSE PAINTERS.

- Plâtriers-peintres (Société coopérative des ouvriers), 38, rue de la République, Saint-Etienne.
- Peintres (Société coopérative d'ouvriers), 12, rue Madame La Fayette, Le Hâvre.
- Peintres (Association d'ouvriers), la Provençale, 7, grand chemin d'Aix, Marseille.
- Peintres (Association d'ouvriers) le Travail, 6, rue de Madrid, Paris.

Peintres (Association d'ouvriers) la Solidarité, 259, rue du Faubourg Saint-Martin, Paris.

INLAID WORK, FLOOR LAYING.

Parqueteurs (Société coopérative des ouvriers), 10, rue de la Rosiére, Paris.

SCULPTORS, PATTERN MAKERS.

Sculpteurs-Mouleurs (Union des), 60, rue Caulaincourt, Paris.

Moulure et Découpage (Association ouvriére l'Avenir de la),

21th, rue Saint-Bernard, Paris.

Locksmiths.

Serruriers (Union des ouvriers), 7, rue Froissart, Paris.

STONE CUTTERS.

Tailleurs de pierres (Société coopérative des ouvriers), prolongement de la rue Désirée, 2, Marseille.

TERRACE MAKERS, PAVIORS.

Terrassiers (La Fraternelle, association d'ouvriers), 15, rue Duniont Lyon, Croix Rousse.

Terrassiers (Association des ouvriers), 86, rue Bugeaud, Lyon.

Casseurs de pierres du département de la Seine (Société des ouvriers), 34, Avenue de Clichy, Paris.

Casseurs de pierres de Paris (Société des ouvriers), 53, quai Valmy, Paris.

Paveurs de Paris (Association des ouvriers), 131, boulevard Bessières, Paris.

Paveurs (association d'ouvriers) le Pavage, 63, boulevard Brune, Paris.

Paveurs et Cimentiers (Société des) l'Epargne, 24, rue Deyries, Bordeaux.

Piqueurs de grès du département de la Seine (Société des ouvriers), 38, rue du Moulinet, Paris.

I iqueurs de grès réunis (Association des ouvriers), 18, rue Ducange, Paris.

Granitiers et poseurs de granit (Société co-opérative des), 4, Avenue d'Ivry, Paris.

Industrielle (Société co-opérative) des ouvriers du bâtiment, 15, avenue Serraire, Toulon.

11.-FOOD STUFFS, WINES, COOPERAGE.

Boulangerie, le Gerbe parisienne (Société coopérative de), 13, r.:e de Lagny, Paris.

Boulangers, la Gerbe provençale (Association d'ouvriers), 14, rue du Bouillon, Brest-Recouvrance.

Boulangers, la Gerbe ripageriénne (Associations d'ouvriers), 17, rue Baldeyrou, Rive-de-Gier.

Boulangers, la Gerbe stéphanoise (Association d'ouvriers), 1, ruc du Grand-Gonnet, Saint Etienne,

- Bouchons et vins (société coopérative), au Boulou (Pyrénée orientales) et 19, Boulevard Bonne-Nouvelle, Paris.
- Tonnellerie de la Gironde (Société de la), 50, rue Prunier, Bedeaux.
- Tonneliers réunis (Association des ouvriers), 57, rue Borl Bordeaux.
- Tonneliers (Union des ouvriers), rue de la Gare Saint-Martiaux-Champs, Morlaix.

III.—CABINET MAKERS, FURNITURE WORKS.

- Tapissiers (Association coopérative des ouvriers), 5, rue Meissonic Paris.
- Doreurs sur bois (Association des ouvriers), 93, rue Caulaincou: Paris.
- L'Ameublement (Société coopérative d'ouvriers ebénistes tapissiers), 32 rue de Brest, Morlaix.
- Ebénisterie parisienne (Association Générale de l'), 32, ci Bertrand, 89, Avenue de la République, Paris.
- Ebénistes et Menuisiers (Association générale des) le Labeur, 16 rue de Charonne, Paris.
- Menuisiers en cadres (Association des ouvriers), 17 ha cité Be: rand, 89, Avenue de la République, Paris.

IV.—FORESTERS.

- Forestiers de la forêt de Montmorency (Association des ouvriers 36, rue de la Mairie, Domont (Seine-et-Oise).
- V.--CLOTHING ESTABLISHMENTS, HATTERS, SHOEMAKERS, SUNDRIES MANUFACTURERS, &C.
- Tailleurs (Association d'ouvriers) la Progressive, 15, rue R chechouart, Paris.
- Tailleurs (Association d'ouvriers), 4, quai de la Pêcherie, Lyon.
- Tailleurs (Association d'ouvriers), rue Docteur Mazet. Grenoble. Fournitures d'équipements et chaussures militaires (Socié coopérative de), 6, Boulevard Gambetta, Bourges.
- Chapeliers (Société de), 291, rue Duguesclin, Lyon.
- Chaussures (Societe generale d'ouvriers en cuirs, peaux et), re Saint-Luc, Amiens.
- Chaussures (Société coopérative des ouvriers et ouvrières en), 2 Boulevard de l'Hôpital, Paris.
- Cordonniers (Société coopérative des ouvriers) la Solidarité, 1 rue Neuve de Paris, Limoges.
- Sabotiers (Association des ouvriers) la Conciliation, 1, Faubou Montmailler, Limoges.
- Galochiers de la Seine (Société coopérative des ouvriers), 29, ru Sibuet, Paris.
- Formiers (Association des ouvriers), 48, rue Saint-Sauveur, Pari Brossiers (Société coopérative d'ouvriers) l'Industrie brossière, 2 rue de la Republique, Rive de Gier,

Balaitiers (Société coopérative des ouvriers), 106, rue des Fourneaux, Paris.

Vanniers (Association des ouvriers), à Villaines (Indre-et-Loire).

Verrerie Stéphanoise (Société des ouvriers de la), 9, rue Tréfilerie, Saint-Etienne.

VI.—PRINTING WORKS, PAPER MILLS.

Imprimerie Nouvelle (Association ouvrière), 11, rue Cadet, Paris. Imprimerie Nouvelle Lyonnaise (Association ouvrière), 3, rue Sainte-Catherine, Lyon.

Imprimeurs-Typographes (Société des), 12, rue de la Barre, Lyon. Lithographes (Association d'ouvriers), 27^{bis,} rue Corbeau, Paris.

Sacs en papier (Société co-opérative des ouvriers et ouvrieres), 23, rue de Gergovie, Paris.

Cartonnage en tous genres (Association générale du), 10 Cité d'Angoulême, 66, rue d'Angoulême, Paris.

Papeterie Moderne (Association coopérative ouvrière la), 7, rue Mayran, Paris.

Papiers de couleurs et fantaisie (Association des ouvriers en), 3^{bis,} rue Ménilmontant, Paris.

VII.-MUSICAL INSTRUMENT MAKERS.

Instruments de musique, bois et cuivre (Association générale des ouvriers en), 81, rue Saint Maur, Paris.

Pianos (Société des sacteurs de), 54, rue des Poissonneirs, Paris.

VIII.-METAL WORKS.

Ferblantiers réunis (Association générale des ouvriers), 15, rue des Trois-Bornes, Paris.

Lanterniers (Association générale des ouvriers), 67, Boulevard de Courcelles, Paris.

Fonderie de Cuivre (Société coopérative des ouvriers de la), 125, rue Ober Kampf, 5, Cité Griset, Paris.

Foundeurs Réunis (Société coopérative des ouvriers), rue de la Verrerie, Chalon-sur-Saone.

Limes (Association des ouvriers en), 48, rue des Gravilliers, Paris.

IX.-MINES.

Mine aux Mineurs (Société de la), à Monthieux, près Saint Etienne.

Mineurs du Gier (Société des), 25, Faubourg d'Egarande, Rive de Gier.

Mineurs de Rancié (Société des), à Rancié (Ariège).

X.-OPTICAL INSTRUMENT MAKERS, SILVERSMITHS.

Instruments d'optique (Société d'ouvriers en), 9, rue Pierre Levée, Paris.

Lunetiers (Société des ouvriers), a rue Pastourelle, Paris.

- Bijoutiers (Union coopérative d'ouvriers), 12, Cité Dupetit-Thouars, Paris.
- Diamantaires (Société des ouvriers), 117, Boulevard de la Villette, Paris.
- Diamantaires (Societe cooperative des ouvriers) au Martinet, usine de la Serre, près Sainte-Claude (Jura).
- Horlogers (Societe cooperative des ouvriers), 43, rue Saintonge, Paris.

XI.—PHOTOGRAPHERS.

Photographes (Union Française des), 60, rue du Château-d'Eau, Paris.

XII.—TANNERIES.

Tanneurs-Corroyeurs (Association ouvrière des), 7, passage Coste, à Lyon.

XIII.—TEXTILE FABRICS.

Imprimeurs sur etoffes (Societe Lyonnaise d'ouvriers), 9, Impasse Lassalle, Lyon-Brotteaux.

Imprimeurs reunis sur etoffes (Association des ouvriers), 242, rue Paul Bert, Lyon.

Industrie cotonnière (Societe cooperative de), à Lagresle (Loire). Industrie cotonnière (Societe cooperative ce), à Thizy (Rhône).

Industrie drapière (Societe cooperative de), 3, rue des Clercs, Vienne (Isère).

XIV.—TRANSPORT AND INDUSTRIES DEPENDING FROM EACH OTHER.

Voitures (Association cooperative des ouvriers en), 69 et 71, rue Pouchet, Paris.

Malletiers, articles de voyage et d'equipement (Association cooperative des ouvriers), 26, rue des Bons-Enfants, Paris.

Selliers (Association des ouvriers) l'Avenir, 49, rue de Rivoli, Paris.

Colliers anglais (Societe des ouvriers en), 95, Faubourg Saint-Martin, Paris.

Charbonniers du port (Societe cooperative des ouvriers), Cours de la Republique, 25, Le Hâvre.

PART SECOND.

CO-OPERATIVE AGRICULTURAL SOCIETIES.

The statistics of co-operative agricultural productive societies are not yet complete, but at the time we may estimate their minimum number at about 2,500.

I.—FRUIT GROWING AND CHEESE MAKING.

There are in France about 2,000 fruitières, or societies

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Giving a total of . . . 2,1. Or, in round numbers, 2,200 for the whole of France.

There are also co-operative cheese dairies. The most important is the joint-stock company of makers of the Rochefort cheese established in 1881.

There are in the Vosges co-operative societies formed for the sale of cheese only, and not for its manufacture.

II.—Co-operative Milk and Butter Dairies.

As regards butter-making, or co-operative dairies, we have at present at least sixty in the group of the Charentes and of the Poitou, founded since 1888.

There are a few in the departments of the Nord and of the Aisne, some in Brittany, and others scattered in various districts.

M. Rigaux, professor of agriculture, estimates that out of 600 butter manufacturing dairies there are about 100 which are co-operative.

III.—Co-operative Agricultural Distilling Associations.

M. le Comte de Rocquigny found that there were at the end of 1894 seven co-operative alcohol distilleries for beetroot in the Charente-Inférieure. That department also owns a co-operative establishment for the manufacture of starch.

IV.—Co-operative Associations for the Threshing of Crops.

M. le Comte de Rocquigny knows twenty or twenty-five co-operative associations for the threshing of crops, formed for the collective purchase and use of a steam threshir machine, which is worth usually from 6,000 francs 10,000 francs.

V.—VARIOUS ASSOCIATIONS.

"To productive agricultural production belong the syndicated nurseries created and kept by the vine syndicate, to supply their adherents at cost price with the necessaries sets for replanting vineyards, and the caper-producing syndicates in Provence. Of these last ones, four syndicate of the Bouches du-Rhône gather all the caper crops their members, prepare their industrially by soaking in vinegar, and then sell them wholesale, and divide the net price at the rate of the quantities supplied by each one."

Let us also mention the syndicated association of vide dressers of Chanteloup (Seine-et-Oise) for the protection vines from frost by means of artificial clouds.†

CHARLES ROBERT

^{*} M. de Rocquigny.

[†] Le Petit Journal of 19th May 1895

II.—AGRICULTURAL SYNDICATES.

THE agricultural syndicates were created in France by the application of the law of 21st March 1884 on professional syndicates, which empowers persons working at the same trade or calling to associate freely for the study and the protection of their economic, industrial, commercial, and professional interests. Such organisation has been carried out on large and liberal lines, in order that large and small proprietors, owners of farms, tenant farmers, and even the small cultivators, might be grouped together. The lastnamed class are very numerous in France, and often confounded with the agricultural labourers because their services are hired, but whilst working in this way they still find time to cultivate their own plots of land. Among all rural proprietors, large and small, the cultivation of the soil establishes a bond of union. It produces identical wants and interests, which professional association seeks to satisfy. The advantages procured by it, common to every member, must especially benefit those whose resources are small, and whose means of action are limited.

Thus understood, and endowed with this truly democratic character, the agricultural syndicate comes like a medium of economic emancipation to small cultivators, whose forces it helps to increase by adding organisation similar to that in an institution for technical and practical progress, as an element of harmony and concord among the different categories of the rural world. In addition to this, it presents to the observer a distinguishing feature, which will especially interest this International Co-operative Congress, because it has introduced into the operations of agricultural cultivation the principal of co-operative production.

There were on 1st July 1885 only 39 agricultural syndicates; now, after ten years, their number is about 1,500; but these are very unequally distributed in the French departments. Some embrace a whole department, and have organised numerous local sections in order to cover that vast territory; others limit their action to a

single district, or even to a single parish. It is very difficult to state the exact number of members enrolled in agricultural syndicates. The Syndicate of Agriculturists of the Vienne, at Poitiers, and the Agricultural Syndicate of the Charente-Inférieure, at Saintes, have each from 8,000 to 10,000 adherents; the Agricultural Syndicate of Anjou, at Angers, has 8,000, grouped in 70 sections; the Syndicate of Loiret Agriculturists at Orleans follows closely; then comes the large Syndicate of the Sarthe, the Loire-Inférieure, the Ardennes, the Basses-Pyrénées, the Loiret-Cher, the Orhe, the Manche, the Indre, the Deux-Sèvres, &c. It is estimated that 200 agricultural syndicates can show over 1,000 members each, and that the actual total of syndicated agriculturists cannot be short of 600,000.

The professional organisation of French agriculturists has been completed by the creation of unions or federations of syndicates, which are designed to bind together local groups, to facilitate their functions, and to concentrate their scattered forces, so as to lay before the public authorities a spontaneous and weighty expression of the wishes of the rural population. A Central Union, formed in Paris, under the auspices of the great Society of Agriculturists of France, now includes 548 agricultural syndicates, its president being M. Le Trésor de la Rocque, one of the vice-presidents of this Congress. The utility of providing for less general interests has brought about the creation of other and more circumscribed unions, which make interesting attempts at decentralisation for the benefit of particular districts. Some among these have associated themselves for study and collective action with the agricultural syndicates existing in some of the ancient provinces of France: Normandy, Brittany, Guyenne, Gascony, Provence, Burgundy, and Franche-Comté, &c. The most active and most important of these district unions is the Union du Sud-Est, situated at Lyons, and under the presidency of M. Emile Dupont, which includes 92 agricultural syndicates, with at least 70,000 adherents.

The chief object of agricultural syndicates is the study and protection of economic agricultural interests, which means not only the general welfare of agriculture, but also the special interests common to the members of each

association. Their success is distinctly due to their having made a practical use of the new law, by giving the rural population the benefit of the privileges and material services which extend, so to speak, to every phase of agricultural cultivation. The individual efforts of isolated husbandmen, especially if they be small cultivators, are powerless to put down the coalition of adverse interests, and to ensure themselves a just remuneration for their labour. They have been strengthened by the collective action of the agricultural syndicates, and in this manner they have taught their members the inexhaustible resources of co-operation.

According to M. Waldeck-Rousseau, the prime author of the law relating to Trade Syndicates, "Association by syndicate is a contract by which several persons agree to unite the use of their talents, their knowledge, or their labour for a settled purpose." This definition is almost synonymous with that of co-operative production.

The "settled purpose" to which agricultural syndicates

The "settled purpose" to which agricultural syndicates have applied the *mise en commun* of faculties, knowledge, and activity of their members, is the amelioration of the conditions under which the land is worked, and the increase of the benefits of cultivation.

The co-operative work of agricultural syndicates is very apparent in the buying, in the producing, and lastly in the selling of the produce.

I.—COLLECTIVE BUYING.

Agricultural syndicates have occasionally been not quite properly described as distributive co-operative societies, formed among agriculturists for the collective purchase of the goods which they require severally, in order to distribute them among their members. From the nature of the goods, however, such a description is incorrect, for there is no question, except in some very rare cases, of provisions or the necessaries of life; but, on the contrary, of material for agricultural work, implements, or other necessities for agricultural production. These purchases are intended to increase production, to make it more perfect, and cheaper; they therefore constitute an act of co-operative production. The distinction goes down to the root of the thing: culti-

vators who unite to buy in common, on better term manures, seeds, agricultural implements, feeding stuffs for cattle, various products used in the culture of the vine of in wine-making, &c. &c., thereby practise co-operative production in their industry, that of the cultivation of the land. They apply collective activity to the manufacture of agricultural produce,—they are true co-operators.

The buying of artificial manures was the first business accomplished with perfect success by agricultural syndicates and it remains the most important. Nitrogenous, phosphatic and potash manures were very little known or used in France before the creation of agricultural syndicates, except by some large agriculturists. The monopoly of those manures was in the hands of traders and agents, not always overscrupulous, who took advantage of the ignorance of the peasants to make them pay very dearly for manures which were wanting in fertilising power. Agricultural syndicates have undertaken the defence of small cultivators, and put an end to these shameful frauds, which, to the prejudice of progress in cultivation, hindered the extended use of chemical manures. Negotiating, either by public contract or private bargain, with picked contractors, they had no trouble in stimulating competition among the traders desirous of keeping this important connection, and they have secured the wholesale instead of the fancy prices formerly paid by growers; moreover, they have introduced a strict examination into the quality and the proportions by means of taking samples for analysis, which is an invaluable guarantee for their members.

Confidence being restored among the agriculturists by reason of the protection which they find in their syndicates, there has followed a considerable and rapid development of the use of chemical manures, which has become as it were of common use, and the commerce, purified by the intervention of agricultural syndicates, has found in the extension of business a compensation for the limitation of profits.

In 1885, when agricultural syndicates commenced work, the yearly consumption of manures produced in France, or imported, did not exceed 60 million francs. By the most competent judges—M M. Joulie, Deherain, and others—it is now valued at 120 million francs; and if the value has

doubled, the quantity used has probably trebled owing to the fall in prices. The action of the syndicates has had nothing to do with the fall in price of imported manures, such as nitrate of soda and salts of potash, but it has had a considerable effect in lowering the market prices of manures produced or manufactured in France, of which some, such as the phosphatic manures, for instance, have fallen from 40 to 50 per cent.

It has been observed that the influence of agricultural syndicates has been steadily exercised to regulate the market of manures, as well as of every class of goods which farmers buy in large quantities. Traders being anxious not to lose so good a connection, were obliged to reduce their prices, not only for the members of syndicates, but also for the whole of their customers. Collective buying of manures dealt with by syndicates is proportional to the number of their members, the needs of the soil, and the degree in which local cultivation has progressed. The syndicate of the Vienne and the Charente-Inférieure buy annually about one million francs worth, that of Loire-Inférieure 900,000 fr., those of Anjou and the Sarthe 600,000 fr., the syndicate of Provins 580,000 fr., the syndicate of the Indre 560,000 fr., of the Ardennes from 500,000 to 600,000 fr., that of Chartres 500,000 fr., and those of the Cher, the Loiret, the Mayenne, and of Vaucluse about 400,000 fr. each, &c.

Feeding-stuffs, straw, oats, bran, cakes, and other materials suitable for feeding cattle provide equal scope for large collective purchases, especially in years of scarcity of plants fit for fodder, or for the syndicates of vine-growers, who produce scarcely any wheat or fodder. The Agricultural Syndicate of Montpellier bought, from 1892 to 1894, 1,000,000fr. worth of straw and fodder, and 426,000fr. worth of grain; the Agricultural Syndicate of Narbonne purchased 560,000fr. worth of fodder, straw, bran, and grain; and the Syndicate of the Comice of La Réole 175,000fr. worth of oats, maize, bran, &c.

Similar transactions are customary for seeds of every description, vine plants, chemicals necessary for the treatment of the vine in various diseases, agricultural implements, &c. The intervention of agricultural syndicates has

greatly contributed to the reduction of prices for agriculture machines by at least from 20 to 30 per cent.

The agriculture and vine culture of France has

The agriculture and vine culture of France has experienced a powerful impulse from the development of these collective purchases, negotiated under such favourable conditions, and which are destined to become much large in volume, thanks to the help of the numerous mutual co-operative credit societies founded by the agriculture syndicates, or side by side with them.

If we wish to estimate the importance of the collective purchases made annually by the agriculture syndicates, leaving aside any transaction in which they only participate indirectly, after the manner of a from agency for information, we think we may put it at about 100,000,000fr., and this total they realise (so to speak) without guaranteed capital, and upon their good reputation only. To satisfy the same needs, if syndicate members had had to negotiate singly, and with more trouble, in the absence of such associations, they would have had to spend more money and not been so well served. Co-operation then, has been successfully applied to the buying of working material for agricultural production.

II.—Co-operative Production.

Agricultural syndicates have not confined themselves the initiation of cultivators in the practice of co-operation production by collective buying only, they have also sought to lead them on to co-operative production in a fuller sense by teaching them to adapt their methods to special need and local circumstances. We will quote a few examples:

and local circumstances. We will quote a few examples:

Agricultural Work.—Many syndicates have acquire
agricultural implements of the most perfect types, which
they hire out or lend to their members in order to enable
small cultivators to profit by the use of good instruments.

Others have organised local co-operative associations for
the purchase and common employment of machines, which
remain the collective property of the members. The most
usual type of such associations are the co-operative societies
formed for the acquisition and utilisation of steam threshing
machines, which usually cost from 5,000 to 10,000
each. Agricultural syndicates have formed about ten such

associations, at Breil, Valençay, Bélignieux, Jallanges, Livron, Cazaubon, &c. These societies form a curious object-lesson for the practical application of co-operation. This kind of association, which effectually overcomes some drawbacks generally associated with small properties, is susceptible of extension to very deep digging, to the harvesting of cereals, to distillation, &c., by the purchase of subsoil ploughs, reaping and binding machines, stills, &c. &c.

To avoid the purchase of costly machinery, some syndicates have adopted the practice of giving out contracts for certain agricultural work to be done for their members, such as threshing, crushing wheat, bruising vine-shoots, digging or ploughing, suffocating cocoons, &c. These works are executed by contractors under conditions very favourable to the members of syndicates.

Finally, productive co-operation is as manifest as can be in syndicated nurseries established for the replanting of vineyards ravaged by the phylloxera, in irrigation syndicates, &c. The same may be said of the common action initiated for the preservation of crops, which is practised by some syndicates; in the destruction of cockchafers, white worms, and grubs; in the protection of vines from spring frosts by the production of artificial clouds of smoke; in the antiphylloxera syndicates for the treatment of vines suffering from the insect plague; in the syndicates for the protection of crops from marauders and the depredations of game, &c. Breeding.—Agricultural syndicates which seek to im-

Breeding.—Agricultural syndicates which seek to improve the breed of animals are also very common; and by the selection of sires and bulls, by the keeping of stud and herd books, and by the judicious preservation of beasts, &c., and by applying co-operation to the raising of cattle, they manage to secure both a better price and better markets for the produce. In respect to cattle, besides cattle shows and prizes instituted to encourage local breeding, the action most frequently taken is that of buying bulls and heifers of pure breed, which the syndicates resell to their members, by auction or private sale, at a lower price than dealers, under conditions which serve to regulate the use for breeding purposes. Under this head special mention is due to the syndicate of the Limousin

breed, founded at Limoges, for the preservation, improvement, and propagation of the excellent breed of Limousin cattle. As regards horse breeding, the Agricultural syndicate of the Boulonnais, at Boulogne-sur-Mer, has brought out a stud-book of the Boulonnais breed; it buys horses for those who require them, and it has even sent some to Turkey. The Society of the Agriculturists of France has just formed a general syndicate of breeders of horses, embracing every variety of breed, under the presidency of the Comte de Guigne.

Agricultural syndicates organise with success amongst their adherents mutual insurance against mortality among beasts, in the same way as they have organised mutual assistance for the execution of field labour.

Industrial Preparation of Products.—Agricultural syndicates try to improve, by co-operative means, the preparation of produce for the market, which ensures to such produce a higher value and facilitates its sale.

Co-operation is already widely practised in France in dairies outside the syndicates. The syndicates favour the organisation of butter-making and cheese-making co-operative societies, and seek to perfect their working and to improve their markets.

The co-operative pressing of wine, according to the Rhenish and Italian systems, is under study, but has not yet been practised by viticultural syndicates; but the syndicates have improved the process of wine-making, and they supply their members on very favourable conditions with the materials for the preparation of wine, and the articles required to improve the quality.

The agricultural syndicates of Poligny (Jura) and Verchain (Nord) have founded flour mills, and several syndicates have organised co-operative bakeries. Others have attempted to introduce the cultivation of beetroot in their districts, and to erect distilleries, or, as in Brittany, to promote the distillation of cider.

Mills for the manufacture of olive oil have been hired or bought by the syndicates of the Var. The preparation of fruits and vegetables for preserving is an industry very easily to be organised by syndicates on co-operative lines. Four agricultural syndicates, at Cuges and at Roquevaire (Bouches-du-Rhône), prepare and sell wholesale the Provence capers and apricot jam. The agricultural syndicate of Anjou has established a factory at Chollet for manufacturing preserved meat for army use, and also of preserved vegetables.

Thanks to the agricultural syndicates, French agriculturists begin to understand that the best remedy for agricultural depression lies in a better utilisation of the produce of their fields, stables, orchards, &c., to be assured with the aid of the resources of co-operation. This movement appears destined to be developed rather extensively.

III.—COLLECTIVE SALES.

The problem of the sale of agricultural produce, rendered so difficult by universal competition, by the abuses practised by agents, by adulteration, and sometimes by over-production, is patent to the whole world. Agricultural syndicates have within their sphere of action tried to solve it. Many of them have attempted, sometimes with success, to form a connection among consumers, or groups of consumers, for the direct sale of the various kinds of produce collected from their members: wine, olive oil, cider, apples for cider, butter, cheese, seeds, wheat, fodder, cattle, potatoes, fruit, vegetables, flowers, and bulbs, &c. Some of these products, such as seeds, fresh grapes, cider apples, animals of wellknown breeds, &c., give rise to rather considerable transactions among syndicates belonging to districts of which the production differs. Thus the syndicates of the Calvados and of the Manche sell Cotentin cattle for export; a few syndicates of Brittany, that of Paimpol (Côtes-du-Nord), for example, send the first potatoes of the season to London; others, at Romorantin, Blois, &c., collect peas, asparagus, French beans, &c., grown by their members, and send them to be sold collectively either in the Paris markets, or else they supply traders regularly so as to avoid the uncertainty of public sale. Many syndicates have found an opening of some importance for the sale of wine and olive oil. As regards butter and cheese, syndicates of Brittany and Normandy often practise the custom of sending direct by parcel post to the consumers.

Attempts have repeatedly been made to facilitate the sale of the produce of the land by the aid of co-operative societies created by the syndicates, and intended to be joined to them. These associations, termed "Co-operative Productive and Distributive Societies," possess a two-fold character, which enables them to negotiate all sorts of purchases, even those of articles for family consumption, as well as the sale of agricultural produce. This type was founded at La Rochelle, in 1888, by M. Arthur Rostand, for the agricultural syndicate of the Charente-Inférieure.

This new form of co-operation, well adapted to the needs of agriculturists, has been adopted by numerous syndicates or unions of syndicates, and is found in full work at Clermont-Ferrand, St Raphael (Var), Tonnerre, Agen, Villeneuve-sur-Lot, Dijon, Lyon, Avignon, and Amiens. Most of these societies at first occupied themselves only with buying, the easiest part of their work.

Those of Clermont-Ferrand, Agen, and Villeneuve-sur-Lot have already been successful in selling wines, vegetables, first fruits of the season, and other produce, either by public sales in large towns, or by the aid of agents and brokers, or else by arrangements with retail dealers, distributive societies, military bodies, &c. The Co-operative Society of Agriculturists of Lot-et-Garonne at Agen sends boxes of anions to Liverpool. onions to Liverpool. In 1893 it sold 30,000fr. of onions to a London and Cardiff house, and it also attempted the sale of tomatoes at Covent Garden Market. The agricultural syndicates of L'Union du Centre have organised at Orléans a special society for the collecting, grouping, and sale of produce furnished by their members.

The agricultural syndicate of the Var at Toulon, not-withstanding its name (the nature of things tending to create a confusion between the name of agricultural syndicate and that of co-operative society), is a true productive and distributive co-operative society. It sells wines, fresh and dried fruit, olive oils, &c., and also through its agents, or by direct relations with florists, it does in France and abroad a large trade in cut flowers and in bulbs, of which the littoral mediterranean region produces large quantities. A few syndicates or unions, without attaching them-

selves to co-operative societies, having capital and manage-

ment of their own, have established depôts for selling, or else have attached to themselves appointed brokers who render similar services.

At present the prevailing tendency of syndicates is rather favourable to the creation of co-operative societies aiming specially at the sale of some particular produce, since it has been found that great societies of the Rochelle type are too large to realise all the results looked for. For this reason co-operative associations or syndicates have been created at Tours, Blois, Nantes, Auxerre, Cadillac (Gironde), Béziers, Saintes, Eauze (Gers), &c., having for their sole object the organisation of an easier sale of wines or brandies collected from their members. syndicates had at first attempted to open wine markets, so as to bring the producers' goods into direct communication with public commerce or with consumers, but the markets failed through the indifference of the public and the hostility of interested traders who prefer to negotiate directly with the owners of vineyards. The depót established at Fleurie (Rhône) by M. le Comte de Saint-Pol for the direct sale of the Beaujolais wine is a syndicated institution which deserves to be mentioned. For wines, the same as for other produce, collective exhibitions organised by agricultural syndicates in the various agricultural shows, and in the great national or international exhibitions in France or abroad, constitute a very useful means for entering into business relations and to form a connection. Several syndicates at Orléans, Nantes, Angers, &c., hold at their offices periodical exhibitions of seeds, which facilitate transactions with their members or outsiders. A special co-operative society, established for the sale of the fodder seeds so renowned in Provence, has been founded at Avignon by the agricultural syndicate of Vaucluse.

The syndicate of gardeners of Nantes has created among its members a sale society, which sends out large quantities of fruit and vegetables to England and to the Colonies. In 1893 it sold 1,400,000 pears and 91,000 dozens of bunches of radishes to the London, Liverpool, and Manchester markets. The syndicate of Chasselas at Montauban sells yearly about 100,000 lbs. of fresh Chasselas grapes to the Paris markets. Several butcheries, meant to be supplied by breeders of

cattle without the intervention of the usual middlemen, have been organised under the patronage of the syndicates at Lyon, Clermont-Ferrand, Dijon, &c.

A very interesting innovation is that of the syndicate of agriculturists of the Loiret at Orleans, which provides its members with the means of themselves selling the flesh of their animals to consumers of the town, when the market price for prime cattle does not yield a sufficient return.

Syndicates of beetroot growers, formed among the cultivators of sugar-beet in the North of France, bring such men together for the better sale of their crops, and the protection of their collective interests in their transactions with sugar manufacturers.

The sale of cereals to millers, auction sales of wool, advances on crops, are also being progressively practised by syndicates. Also special agricultural cultivation, such as the Bourgogne hops at Dijon, the strawberries at Carpentras, medicinal plants at Milly (Seine-et-Oise), water-melons at Trets (Bouches-du-Rhône), bulbs at Ollioules (Var), &c., have given occasion for organising syndicates of agricultural producers, which have been able to form a connection for the direct disposal of their produce.

Agricultural syndicates, being groups of producers, aim chiefly, as is but natural, at establishing direct relations with groups of consumers, distributive societies, public institutions, military and naval depots, &c. It is not unlikely they will by degrees get rid of the middleman, notwithstanding the resistance offered, and that they will succeed in securing good openings for the direct sale of the produce of agriculture. It is a revolution in economics which they are labouring for, and their efforts deserve the sympathy of international co-operation.

Such is a brief outline of the practical work of agricultural syndicates. By their own working, and by the co-operative institutions proceeding from them, they evidently belong to productive co-operation, and feel it an honour to be associated with the labours of this congress.

The programme of the Co-operative International Alliance, conformably to the proposal of resolutions passed at the Sunderland Congress, allows the establishment of direct business relations between co-operative producers of

one country with co-operative distributors of another country, by the application of solidarity, which binds every cooperator. The flourishing Wholesale Co-operative Societies of Great Britain buy cheese from the co-operative factories of the United States and Canada; butter from the cooperative dairies of Denmark and Schleswig-Holstein, &c. France has more than two thousand co-operative cheese factories and a hundred butter dairies, among which are sixty in the Charente and the Poitou, justly renowned for their butters. For these, and much other varied produce of French soil, French co-operation is at the service of British co-operation. In the name of our agricultural syndicates, I beg to express a hope that these business relations, which promise to cement the union of co-operators of every nation, may be established, to their mutual advantage, between the wholesale societies and agricultural syndicates beyond the seas, or their co-operative sale societies.

LE COMTE DE ROCQUIGNY.

AUSTRIA-HUNGARY.

THE first Austrian co-operative society was the Credit Association of Klagenfurt, founded in 1851. From that time to the year 1873 there were 1,068 societies established on the basis of the Associations Act of 1852, among them 845 credit associations, 173 supply associations, and 50 other kinds. On 1st July 1873 the Act of the 9th April of that year came into force. By that Act the societies were legally incorporated, and thus obtained a recognised legal status.

From that time forward the co-operative movement in Austria has steadily advanced, and if it had not, up to the year 1880, suffered a great deal from excessive pressure by taxation, it would have attained to a position of still greater prosperity.

More than three-fourths of the 1,068 societies in existence at the beginning of 1873 became registered societies in the course of that year, on the basis of the abovementioned Act. By the end of 1893 the number of Austrian societies had trebled.

According to the report of the Imperial and Royal Statistical Central Commission in Vienna there were, at the end of the year 1893, 2,825 societies, of which as many as 2,118 were credit associations. Of these latter 2,029 were registered (924 with limited, 1,105 with unlimited liability), and 89 unregistered. 358 were supply associations, 309 being registered (235 with limited, 74 with unlimited liability), and 49 unregistered. There were, furthermore, 349 societies of a miscellaneous description (stores, dairy, building, agricultural, and manufacturing productive societies, &c.), and of these 335 registered (275 with limited, 60 with unlimited liability), and 14 unregistered.

Among these societies are some which make their economic aims a mere pretext, while they have in reality



GYORGY ENDRE.



DR CARL WRABETZ.

been established for political and national objects, as, for example, societies in Bohemia for the promotion of Czech literature and drama, and so on.

It is a matter of some difficulty to report on the economic situation of the Austrian societies, since the statistical department of the Government is not able to digest and publish quickly enough the abundance of material presented to it, whereas the several unions of societies neither possess full materials nor the necessary financial means for such investigation. The last publication from the office of the Statistical Central Commission in Vienna estimates the business position of the registered societies in 1891* as follows †:—

^{*} See Statistisches Jahrbuch for 1893.

† See Statistical Report, 1893.

CREDIT ACCOUNT, 1891.*

		Outstanding Assets.	rie.						
Provinces.	Bills of Ex- change and Notes of hand	Secured by Pledges.	Secured by Mortgages.	Assets at other Banks.	Effects.	Real Property.	Cash in hand.	Sundries.	Total.
Lower Austria	62536	82	95	332	316	252	861	114	10,928
	9,490	243	6,775	879	2,612	341	625	384	21,140
Upper Austria	1,135	7.	5,984	403	1,657	226	741	951	0.807
Salzburg	69	a	46	9	n	į	. "	-	120
Styria	6,826	19	187	578	84	141	239	98	8.160
Carinthia	1,037	65	326	39	248	1	4	14	80.
Carniola	1,175	8	232	\$	14	Ξ		17	1,595
The Coast Provinces	871	a	25	79	100	**	. 2	110	1.218
The Tyrol and Vorarlberg .	2,758	276	458	1,638	437	. &	951	101	6.023
Bohemia	65,287	2,529	67,312	14,018	11,487	4,887	3,950	2,700	172,179
Moravia	44,137	189	27,673	5,059	2,684	2,417	1,626	1,263	85,540
Silesia · · · ·	5,350	æ	1,088	454	203	149	171	46	7,499
Galizia · · · ·	21,558	131	1,602	1,042	459	245	4S1	492	26,010
Bukowina	2,523	13	111	199	32	9	102	3	3,046
Dalmatia · · ·	184	١	1	ı	7	ì	4	13	208
Total, 1891	171,929	4,182	111,944	24,795	20,348	8,877	7,855	5,566	355,496

* Reckoned in thousands of florins.

DEBIT ACCOUNT, 1891.*

				AU	21	K12	7- 1	10	NU.	ЛК	Ι.					,
Total.	10,928	21,349	6,807	129	8,160	1,885	1,595	1,218	6,023	172,179	85,540	7,499	26,010	8,046	20S	355,496
Sundries.	382	169	22	i	211	∞	14	17	42	1,640	119	222	\$26	51	8	3,949
Undivided Net Profit.	352	161	38	••	16	12	17	92	34	1,128	498	86	469	8	01	3,075
Loans.	1,898	961	37	က	179	15	18	20	614	2,339	1,629	414	3,571	218	32	11,783
Deposits and Savings.	2,445	18,186	000'6	105	2,602	1,570	1,354	265	4,847	969,811	75,425	5,100	15,110	1,332	Ì	289,037
Reserve Fund.	898	1,099	991	-	353	95	89	63	135	7,848	3,359	350	1,224	136	7	15,472
Shares.	5,283	1,508	462	19	1,724	105	124	727	351	10,528	4,018	1,315	5,110	749	157	32,180
Credit Granted.	12,107	17,567	2,206	65	6,202	1,978	1,216	1,158	4,277	107,234	62,631	15,107	\$0,608	8,484	28	290,898
Members.	24,183	31,246	4,474	369	24,738	1,071	3,610	620'6	9,228	202,619	136,559	14,720	158,939	7,763	648	635,206
Societies.	99	159	52	4	19	34	15	81	75	439	347	4	248	34	H	1,599
Provinces.		Tower Austria	Upper Austria · · ·	Salzburg	Styria	Carinthia · · · ·	Carniola	The Coast Provinces	The Tyrol and Vorarlberg -	Bohemin	Moravia	Silesin	Galizia	Bukowina	Dalmatia · · ·	Total, 1891

* Reckoned in thousands of florins.

More than three-quarters of these Banks are of the Schulze-Delitzsch system, the rest (scarcely 300 in number of the Raisseisen system. The Banks of the latter system are mostly very small, and their business is limited. general account of their business returns only exists with regard to some provinces.

In Lower Austria, in 1891, the number of members of the Raiffeisen Banks amounted to a sixth of the whole number of members of credit associations; the loans of such banks represented one thirty-second part of the whole sum lent. In most Austrian provinces the Raiffeisen Banks were helped and befriended, and even assisted with subventions from the provincial exchequers, and especially favoured with regard to dues and taxes, while the Schulze Delitzsch Banks did not enjoy an equal share of favour The reason for this difference in treatment lies in the fact that the Schulze-Delitzsch Banks are built up on a more business-like and less purely benevolent basis. Yet, carather perhaps for that very reason, they have developed more largely, and deal with larger capitals. To the last named circumstance they owe the demands made on them by the Exchequer, which is only wont to spare small and unimportant associations.

While these credit associations have been set up, and are developing among all the Austrian people, unions consumers have remained confined almost entirely to the German population; some years ago general statistics at to the position of the Austrian supply associations have not been attempted. Latterly the organised Social-Democratic Labour Party have furthered the foundation display associations; yet in their rules the two modimportant points for a store, namely, the dealing for read money exclusively, and keeping back the dividend with view to the accumulation of capital for each member, we very little regarded, and thus the favourable development of these societies has been much impeded. Then, again there have been various isolated endeavours made introduce political influences into these societies, and make them serviceable for the Social-Democratic propagands. If this tendency were to become general, it would involve the ruin of those associations.

Of other co-operative societies in existence in Austria, the manufacturing productive societies are the most important, as well on the score of the number of members as on that of business. These are for the most part in Vienna. Only a few of them have obtained a considerable business position, and such are exclusively the older societies, which have been in existence for twenty years and more, and the number of whose members is so restricted that they now rather resemble capitalist associations than co-operative societies. They have been almost exclusively set up by journeymen; the small masters have hitherto very rarely shown themselves willing to give up their independence, which is often precarious, in order to unite in a productive society, which would give them the opportunity of producing better and more cheaply, and of improving their financial position.

The greater part of the existing productive societies are deficient in proper technical direction; in addition there is a want of ready-money, often even of capital, and thus many are doomed to ruin from the very start. To make matters worse, too little is generally thought about the creation of a reserve fund, and almost the whole of the net gain is divided amongst the members. Sometimes also want of discipline among the members interferes with the peaceable development of the business.

At the end of the year 1892 there were in Austria 73 industrial productive societies (70 registered and 3 non-registered). Of registered societies 53 had limited, and 17 unlimited liability. Arranged according to nationalities we find 35 using the German language in their business communications, 22 the Polish, 10 the Czech, and 3 the Italian.

According to the statement published by Herr Emil Franzos, in the year 1892, the following returns were made by these societies:—

Of 70 societies 38 only furnished accounts. From these the number of members appeared to be 1,229 among 15 societies, the rest did not state their numbers.

The thirty-eight societies put their shares at 574,971 florins, their reserve fund at 44,299 florins, other debts 422,977 florins. On the credit side they put their goods in

stock at 613,138 florins; outstanding debts from customers 599,763 florins; real property and effects, 427,028 florins other debts owing, 422,315 florins. Twenty-seven of these societies closed the year 1892 with a net gain of 130,698 florins, the remaining eleven with a loss of 19,888 florins.

The taxation of these societies owing to the employment of an Assessment Act (Trade Tax) of 1812, not based upon a published statement of accounts, and one of 1849 (Income Tax), is very heavy, and the somewhat higher wages given to labour helps to increase this burden, as it results in a smaller net gain still more reduced by taxes.

Some of the Austrian societies are federated; there is a German, a Polish, a Czech, and a Slav Co-operative Union. The first two include all kinds of societies, the last two only credit associations.

The German Union, under the leadership of Dr Carl Wrabetz, a member of the Council of the Empire as "Anwalt," of the Union, comprises now (at the end of June 1895) 270 societies, of which 120 are credit associations, 125 stores, 17 manufacturing, and 2 agricultural productive associations. The Union possesses a weekly organ called Co-operation (Die Genossenschaft), which has appeared since the foundation of the Union in 1872.

A statistical account of the business position of the Union is published yearly. The returns of 116 credit associations for 1893 are to be found in this. These societies possess 45,674 members, with 4,332,968 florins in shares, 2,637,775 florins in reserve funds, 39,113,038 florins deposits and loans. They granted in 1893 loans to the amount of 54,183,077 florins, and thus made a net gain of 456,491 florins. The Report on 100 stores showed at the end of the same year 40,575 members, with 564,388 florins in shares, 244,026 florins reserve funds, and 620,224 florins savings deposits. The debts for goods amounted to 200,281 florins, the goods in stock were estimated at 864,676 florins.

The turnover amounted to 6,250,286 florins, the outstanding debts for goods to 192,844 florins, the latter therefore only amounted to 3.15 per cent. of the whole turnover.

The fourteen manufacturing productive societies reporting have their headquarters in Vienna. Their members are 364 in number; their means amount to 135,276 florins,

taking shares and reserve funds together. Their debts in loan capital and goods amount to 183,416 florins. Consequently the whole capital at their command amounts to 318,692 florins. Yet for this large sum they can only show a turnover of 416,766 florins, with a net gain of 18,833 florins. The causes of this small return have been explained above.

HUNGARY.

Government statistics on trade and economic societies in the kingdom of Hungary offer but slight materials. There is no privately published report, and none made by any union.

According to the Year-book of the Statistical Bureau of the Kingdom of Hungary, published in 1894, the number of credit associations in existence at the end of 1892 was 658, and of these 610 were in Hungary proper, 48 in Croatia and Slavonia. The Year-book gave no more information as to the numbers of members of these societies than as to the number of existing stores and productive or other associations.

Interesting news as to productive societies has appeared occasionally of late years in the *Pester Lloyd* and elsewhere. We gather that in the Transylvanian towns of Bistritz, Hermannstadt, Kronstadt, where the people are mostly German, a number of well-managed and prosperous productive societies are in existence. In the first-named town it appears that the separate establishments of the masters of handicrafts have all been united into two manufacturing branches; the masters in both the harness-making and hat-making trades have joined to form a productive society.

Unfortunately there are no figures as to the returns of these two associations.

Of the 645 credit associations existing at the end of 1891, all but one have sent reports, which are set down below; while their position in 1882 is also given for comparison. The figures are given in thousands of florins.

CREDIT ACCOUNT.

lteins.				1891.	Percentage of whole.	1532. ;	Perce of w
Acceptances on Bank	s	. •	•	23,731	31.5	11,960	3-
Private Bills -	•	•	•	1,174	1.6	252	,
Advances on Effects,	P	edges	•	928	1.2	1,010	
Mortgages -	-	•	٠	9,827	13.1	4,190	1.
Notes of Hand -		-	•	29,990	39.0	14,120	40
Current Account			-	913	1.2	392	1
Effects as quoted in t	be	Market	t -	2,134	2.8	763	÷
Real Property -		•	•	1,153	1.5	344	1
Other Assets -		-		3.350	4-5	1,012	ន្
Balance in Bank	•	•		2,130	2.0	1,009	2
Total -	-			75,330	100.0	35,052	100

DEBIT ACCOUNT.

I tems.	1891.	Percentage of whole.	1882.	Percei of wi
Shares · · · ·	34,223	45-4	16,604	47
General and Special Reserve }	2,163	2.9	725	2
Extra Reserve to secure Credits	185	0.3	20	0
Deposits	32,611	43-3	14,507	41
Acceptances in Circulation -	1,230	1.6	95	0
Current Account	392	0.4	469	t
Loans	316	0.5	654	i
Other Liabilities	1,886	2.5	681	2
Profit	2,334	3. 1	1,297	3
Total	75,330	100.0	35,052	100

Unfortunately the Year-book gives no account of the system of these credit associations. The first were founded more than forty years ago on the Schulze-Delitzsch system, from which, however, they allowed themselves many and important deviations.

In the last few years the Government has paid more attention to the movement, and is endeavouring more especially to advance capital to the societies. However, those endeavours have not yet got beyond the stage of discussion.

In the present year the Hungarian Government has brought forward the outline of a Co-operative Bill, which contains in essentials the provisions of the Austrian, and in part those of the German Co-operative Societies Act.

CARL WRABETZ.

VIENNA, 12th July 1895.

HUNGARY.

WE have in Hungary two central bodies for the cooperative movement. There is first a Central Committee of co-operators. This Committee is formed of members elected by the annual Congresses of all co-operative societies adhering to the Central Committee. All cooperative societies are asked to be members of these annual Congresses, and those in financial relations with the Central Bank are obliged to be so. The Central Committee being a new organisation, founded in 1894, the results are not yet visible.

The other central body is the Central Bank. The shareholders of this bank are intended eventually to be the agricultural or village banks. They are obliged to take at least one share per £10. At present we have about 500 shares so placed. The rest of the whole capital (fixed at £50,000) is in the hands of private founders and of a credit institute. All are bound to be paid out in time by the village banks, which are formed on the Raiffeisen system, with some modifications required by special circumstances. The dividend of this Central Bank is fixed

at 4 per cent, per maximum, the remainder of the profit going to the reserve fund, ultimately the absolute property of the village banks.

There is a close relation between the two bodies mentioned above. Three of the directors of the Central Bank are ex officio members of the Central Committee, and the chairman of both is at present Count Alexander Karolyi, one of the most influential members of the Hungarian aristocracy, who has done very much during the last ten years in the co-operative movement, and is the champion of the whole movement.

We have also some other co-operative societies. There is a large Dairy Co-operative Society, which has succeeded in providing the capital, Budapest, whose population is more than half a million, with dairy produce. It is an absolute success. There is a large Assurance Society on co-operative principles, and there are co-operative stores for the Civil Service and for railway servants. There are several co-operative productive societies (chiefly among the small tradesmen), some of them prospering; but still the centre of the whole movement in Hungary lies in the co-operative credit system.

The reason of this fact is very obvious. The position of the agricultural labourer is very hard indeed. We learn from different reports of various countries that everywhere there is a hard crisis in agriculture. Small proprietors and farmers are at the very bottom of the misfortune. The reports from Germany give us one of the principal reasons there—the exorbitance of loan interest; and exactly the same evil weighs down our small proprietors.

I do not know if the case is or is not the same in England (Mr Fawcett's book gives a very striking illustration), but on the Continent very nearly the same circumstances are dominant everywhere. Now, if the poor man has no money at all, and what he wants is first of all credit, and a low rate of interest, it is only natural that the first co-operative movement should manifest itself in co-operative banking. And the great land credit institutes both in Hungary and Prussia, being founded on co-operative principles, it was but very natural to look for relief for the small proprietors on the same basis.

The results are really very satisfactory. We had at the end of last year, 1894, not less than 170 villages supplied with our banks. There were 31,727 members. The shares of these banks—generally paid in in weekly pennies—amounted to no less than £97,537; the deposits of the members were £98,632; the reserve, £5,989; and the whole credit given to members, £446,693. All those village banks are associated with the Central Bank, this Central Bank being an absolute necessity in the beginning to enable them to give credit, and now in order to retain the village banks on co-operative lines, because the share-holders wish in some cases to alter the well-known Raiffeisen principles, and transform the co-operative banks into simple banking institutes.

The movement is going on very quickly. At this moment we have already village banks in more than 300 villages; and outside our organisation there are at least seventy to eighty village banks in the country founded on the Raiffeisen system. The moral results are even more favourable than the economical ones. We have occasion sometimes to regard those moral results with the utmost satisfaction. The moral standard of our people rises rapidly, the members of our societies being the true aristocracy of the villages, more sober, more self-reliant, and better generally.

Nor does the village bank remain merely a creditgiving agency. When our people become better off, and gain their economical freedom, at that moment commences co-operative selling and buying. Within the working limits of a village bank we have associations formed for selling fruit, wines, and agricultural produce generally, as well as for buying petroleum, cloth, agricultural machinery, cotton goods, &c. We cannot give any positive report on these undertakings, because they have no buildings, producing lands, or co-operative stores, all their transactions being very simple and primitive.

For my own part, I was really very sorry to hear from the delegates from Belgium and Italy that there are political misunderstandings in their countries on the cooperative question, and I am glad to be able to state that no such thing could be possible in Hungary. I am sure

that public opinion in our country would not tolerate such nonsense. It would be really a very great misfortune for the co-operative movement if it were to be abused for political party purposes, but it would certainly be no credit to political parties if they became so poor in ideas to have to take our movement also for political parties weapons.

As an illustration how different political elements take leading parts in our Hungarian movement, may I mention the fact that our chairman is an aristocrat in society. Conservative in politics, and a Roman Catholic in religion whilst I, one of his most ardent followers, am democrate in society, a Liberal in politics, and a Protestant in religion. Yet we are quite united in promoting the co-operative movement, to help the poor to help themselves. There is no distinction between us in this work, and it is a pitcher should ever be any anywhere. Such is our conviction, and this conviction will guile us in the future.

GYORGY ENDRE, Budapest.

DENMARK.

PROPERLY to understand the work which is now being done by the Danish peasantry, a hundred years after their emancipation from serfdom, it will be necessary to recall to mind the more recent stages of the social development of that class, and the causes which have led it, after awakening a peculiar energy and quickening its intelligence, to one of the most successful applications of co-operation in agriculture which the world has ever seen.

The direct consequence of the great historic defeat of 1864, was the arousing of a strong national movement among the whole Danish people. A number of capable and well-intentioned men turned this movement to account to promote the formation of a Danish People's High School, which was to be a distinctively national institution, inspired with a national sentiment, and which has turned out a remarkably useful establishment. The founders met with ready support among all classes and ages, the older men supplying the means, and the younger crowding into the new school to benefit by its teaching. Foremost among the furtherers of this good work were Superintendent L. Schröder, Askov, Dr J. Növregard, Jestrup, and the late Ernst Trier, of Vollekilde.

The movement which brought forth the People's High School has left traces in all strata of Danish society. It has grown and spread out so as to benefit in their turn all the principal branches of industry, and all callings, but more particularly the agricultural, planting, like offshoots from the mother-plant, technical schools in various places. Among such schools are that of Lyngby, directed by Superintendent J. C. La Cour, and that of Thune, headed by Superintendent A. Svéndsen. To such schools it is that the Danish people are beholden for the regeneration of their agriculture. They have become the spring of a new national life, the strengtheners of national character, and

the sources of sound technical knowledge. It is the good qualities called forth by these schools which have borne up the rural population of Denmark, and enabled it to resist a foreign competition growing stronger from year to year, and to weather a universal crisis. Sound technical education is at the bottom of it all. Thanks to its spread, men of the peasantry itself have become the ministers of the educating power, popularising knowledge, and turning scientific truths with excellent results to practical use. Of such one of the chief was the late N. J. Fjord, who managed to raise the good cause above all party feeling, at a time when party feeling ran high, and divisions were sharp. To him Denmark is in a large measure indebted for the steady progress of the work at a time when, in many portions of national life, things had come to a deadlock, and there was no progress otherwise.

No one has exercised so great influence on the development of Danish dairy work as Docent Fjord, and this is one reason why his name and work will always stand out brightly in the memory of people of the Danish countryclass.

DANISH CO-OPERATIVE DAIRIES.

By means of the co-operative system, the Danish dairy work has assumed the nature of an industrial calling, for the further development of which we may confidently look to the future. For the present it will be sufficient to state the following:—

The co-operative dairies are productive societies, in which all shareholders have equal rights, no matter whether they own one or a hundred cows. The profit is proportionate to the quantity and quality of milk delivered, and all expenses are equally divided according to the same measure.

The first co-operative dairy, for Jutland, began work in 1882 in Hjedding, West Jutland. From that place the movement rapidly spread over the whole country, and ten years later we find about a thousand co-operative dairies established, besides a number of joint-stock dairies, and some others.

The dairy at Hjedding was proportioned for a supply

of milk from 400 cows. The dairies which we have in West Jutland are all comparatively small. The dairies in East Jutland, and on the islands, on the other hand, often have the capacity for working up the milk of 1,000 to 1,400, even to 2,000 cows, and the quantity of milk from each cow amounts to yearly as much as 5,000 kroners, though more frequently less.

The co-operative dairies have hitherto been worked in the main with a view to increasing the quantity of butter, rather than improving the quality, since unfortunate mercantile conditions have tended to render better quality a matter of little moment.

The change in the manner of quoting butter at Copenhagen (in force since 1st November 1894), though it was carried through in rather an unfortunate manner, has, in spite of some losses which it has caused, had a good effect upon Danish dairy work, inasmuch as it has tended to quicken the interest in producing better butter, even the best possible, and to strengthen dairy organisations.

The fact that co-operative dairies form a useful basis for organisation has been commonly acknowledged from the first, and turned to account in a variety of ways. Thus in the Aarhus district, where, as a consequence, societies for the common purchase of fodder have been formed; on the islands Fyn and Bornholm, where societies generally for the advancement of common interests have been established; and on Sjælland, where co-operation has found a peculiar application in exporting societies for the sale of agricultural products. A movement has for some years been in progress for establishing an association of co-operative dairies for the southern part of Jutland, in the district of Kolding, but that did not lead to any result until 1891, mainly owing to a coopers' strike.

This last-named association, when at length formed, was named the Syd-jysk Dairy Association, and has gradually carried through a regular work for improving economy in dairy management, and also for improving the quality of butter. This society has served as a pattern for many others, and since November 1894 dairy societies have kept spreading all over the country.

Nine large societies in Jutland, comprising between

them more than 300 dairies, are united in a common association—the Co-operative Jyske Dairy Association. This association publishes a paper for the advancement of society work, which at once, after only a month's existence acquired a large circulation.

coming export societies. No information can be given to the activity of these, since, like the export societies delated and they keep their transactions carefully secret.

Denmark has thus far produced mainly salted butter but a year or two ago attempts were made, by some of the best dairies in the country, to effect a sale of unsalted butter. The result has been entirely satisfactory, so that now, as matter of fact, the quality of Danish fresh butter is on par with that of fresh butter from any of the countries which at present supply the English markets. These dairies have combined to form a society—the Danish Co-operative Butter Packeries—which has at its command the best modern appliances, and is admirably managed. It is accordingly in a position to offer to English buyers fresh butter of the very best quality, which will without doubt secure for itself a good place in the market.

CO-OPERATIVE SLAUGHTER-HOUSES.

The co-operative slaughter-houses of Denmark are organised on the same principle as the co-operative dairies. In earlier days the greater number of Danish hogs were sent to Hamburg, there to be killed and cured. A chance occurrence (a dispute about the weighing of hogs at the station) caused the founding of the first co-operative slaughter-house, at Horsens, which began work in the summer of 1887. Upon that, in the autumn of 1887, the German Government issued a prohibition against the in portation of hogs from Denmark into Germany. The price of pork at once fell considerably, and the new established slaughter-house accordingly made good profit. The movement received a fresh impetus. It was decided to establish a slaughter-house in Kolding, and larger are smaller establishments of the same sort were quickly smaller establishments of the same sort were quickly smaller.

up in various parts of the country. There are now in Denmark twenty co-operative slaughter-houses, which kill more than one-half of the country's produce in hogs.

The co-operative slaughter-houses have several times unsuccessfully tried to combine. Their business is based upon the weekly quotations for the Jyske Co-operative Slaughter-houses. The slaughter-houses had at first very satisfactory results to show. In later years their work has not been equally successful. Over-production of hogs has led to low prices. Under these circumstances, whenever there is a small rise in the price, the breeders at once flood the markets, so as to gain the greatest possible profit. The irregularity in the supply furnished to the slaughter-houses has produced at present even more inconvenience than over-production.

CATTLE-RAISING SOCIETIES.

These are co-operative undertakings, which are of considerable service to the Danish dairy business as an auxiliary force. Societies formed of farmers buy superior bulls, and carefully select good breeding cows to couple them with, thus the stock is materially improved, and the production of milk is increased. Side by side with this work there is another deserving mention, which is vigorously supported in many places, and which opens a prospect of greater profit from cattle-raising: that is, a regular plan of investigation to select for breeders the cows which give the richest milk.

Both the cattle-raising societies and several co-operative dairies have all their stock kept under the supervision of a veterinary surgeon, so as to assure the use of the strongest animals for breeding, and to prevent the milk of diseased animals from being delivered to the dairies.

The breeds of hogs have also been recently improved. It is the establishment of co-operative slaughter-houses which led to this. An excellent breed of hogs, satisfying all demands of the market, has been produced by crossing Danish sows with English boars.

The late Magnus Kjær, of Holstebro, has done much good work in this respect, by importing superior English breeding animals.

In the more recent years the progress has been somewhat retarded, and hog disease has rendered the importation of boars from England difficult.

We cannot conclude this statement of Danish agricultural co-operative work without an allusion to the attempts made by the State to improve the profitable cultivation of agricultural plants, led by Consulent P. Nielsen, of Lystofte. This work is of great importance, not least because the man to whom the leadership is entrusted possesses the same happy facility for gaining confidence and spreading information which made Docent N. J. Fjord so useful a teacher of his countrymen. The work done has proved of very great value, since the cultivation of plants is a prerequisite condition to the keeping of those domestic animals which in their turn supply the produce for the co-operative enterprises and industries, the work of which I have briefly explained in the preceding lines.

R. RASMUSSEN.

Hojrupgard, Kolding, *July* 1895.

CO-OPERATIVE SOCIETIES (BRUGS-FORENINGER).

THE first co-operative society in Denmark was established in the market-town Thisted, on the peninsula of Jutland, in 1866, by Rev. Mr Sonne, on the Rochdale system. In the same year four more such societies were formed. Six more were added in 1867, and in 1868 thirteen further ones, and since that time the number of such institutions in Denmark has risen to 600.

At a meeting held by representatives of Danish co-operative societies in Copenhagen on 7th and 8th July 1871, the Common Association of Danish Co-operative Societies* was formed. At the head of the association were placed three of the country's most notable co-operators, namely, Rev. H. Christian Sonne, founder of the first Danish co-operative society; D. S. V. Faber, at that time book-keeper, now director, of the Savings Bank; and C. de Fine Skibsted, a barrister.

^{*} Fælles-foreningen for Danske Brugs-foreninger.

At the meeting referred to a proposal for an attempt at joint-purchasing was submitted, and a gentleman with business knowledge was engaged, to whom the societies were asked to send their orders, and to whom also the tradesmen were invited to make their offers. The association did not keep any goods in stock. However, this method of purchasing in common did not prove of practical value, so after a couple of years it was abandoned, and shortly after the association discontinued its action, after having done a good work in the way of preparing the ground for a healthy growth of the co-operative system.

In 1884 a new union was established, the Common Association of Danish Co-operative Societies,* with H. Donnergard and J. Hansen (Olstykke), both members of the Rigsdag,† at the head; and in 1887 this association established an office for common purchase in Copenhagen. This method of joint-purchase immediately commanded a considerably greater popularity than the former attempt, which was no doubt in part owing to the fact that a supply of articles in demand was kept steadily in stock. This association now consists of about 150 co-operative societies on the islands of Zealand, Fünen, Falster, Lolland, and others, where such societies are generally considerably larger than is the case in Jutland; and that peninsula has, in 1894, done business to the extent of 753,000kr., without counting commission sales amounting to 100,000kr.

A number of the co-operative societies of Jutland joined the association, but when a motion, made by representatives from these societies at the general meeting of the association on 7th May 1887, aiming at a new regulation of the activity of the association and the establishment of a branch office in Jutland, was rejected, it was decided some time after, at a meeting of representatives of the co-operative societies in Jutland, at Silkeborg, to establish a common association for co-operative societies in Jutland on the basis of an arrangement suggested to the association in Copenhagen by the two Jyski; members of the direction, one of whom was Proprietor Hans Kr. Nielsen, of Rodding,

^{*} Fælles-foreningen for Danmark Brugs-foreninger.

[†] Answers to the English Parliament.

I Jyske, from Jylland, Jutland.

near Skive, at present second manager of the Jyske Association, and the other the author of this report, who was then elected Manager of the association.

It was, however, decided, on the founding of this association, to aim at an amalgamation of the two associations, as soon as an arrangement, like the one adopted as basis for the operations of the Jyske Association, shall take place at the common office in Copenhagen. On the part of the Jyske Association this aim has persistently been worked for for some time, in hopes of its attainment in a not distant future.

The Jyske Association began work on 1st July 1888, with an office and stock of wares in Kolding, and with thirty societies for members. In the past six years that number has increased to 174 co-operative societies, and the association had in 1894 a trade of 2½ million kroners. On 27th May 1889 the Jyske Association opened a branch office and warehouse in Aarhus; on 1st January 1892, another branch in Randers; and a third, on 1st December 1893, in Vejle.

Until 1st June 1892 the establishment was known as the firm of "Severin Jorgensen," but it was then converted into a joint-stock company. Every co-operative society holds a share of one hundred kroners for every twenty members which it possesses, and the liability of the societies is limited to the amount of their share capital. The greater part of the subscribed capital, 77,000kr., is paid up,—that is, it has been deducted from the share of the surplus due the co-operative society.

The Jyske Association, and, to some extent, that of Zealand, are arranged exactly like ordinary wholesale establishments, and make their purchases, as far as is possible, at first-hand at home and in foreign countries. The common purchases include wares of all kinds: groceries, dry goods, hardware, seeds, artificial manures, feeding stuffs, &c.

In proportion to the area of the country, the number of co-operative societies existing in Denmark must be pronounced considerable, but most of these societies are individually small. The average amount of money transactions is only about 25,000kr, for each. With few ex-

ceptions the co-operative societies are found outside towns, and their members are chiefly agriculturists. Here in Jutland there are co-operative societies only in two market-towns, namely in Thisted and in Randers.

In addition to the two associations already mentioned, which both originated on the Rochdale principle, there is also in Jutland a third union for common purchase, the Ringkobing Amts Vare Purchasing Association, which has its principal store at Holstebro, and maintains twenty-six branches distributed over the land. This combination, which in 1894 did a business of about 600,000kr., has adopted a method coming very near to that of the English Civil Service Society. Its goods are ordered in advance, and delivered to the members at purchase price with a percentage of charges added.

In 1893 a joint-stock company was formed under the mask of a share association, after the pattern of the English capitalist societies, bearing the name "Northern Household Stores." But as the society assumed a philanthropic appearance, which contrasted sharply with its rules and organisation, both favouring capital to a superlative degree, and as the company's director, Mr Fr. Vett, also aimed a violent attack at the Danish co-operative societies, that business met with so unsympathetic a reception on the part of the public that it soon had to close its doors and proceed to a dissolution, more particularly since it was hard pressed on the other side by opposing tradesmen.

The capitalists concerned in the enterprise, and their leader, Mr Fr. Vett, did not however give up the attempt, but have now re-started the concern under a new name, that of Frejr, changing the organisation only very little in form. There is scarcely any probability of the life of this company being prolonged.

In 1873 a class newspaper for working men was started under the name of Arbeideren (The Worker). It was published by a society called "Association," which agitated strongly for the establishment of co-operative unions, and gave information concerning the activity of such societies at home and in foreign countries. This excellently edited paper has in a very material degree contributed to the great evident success and progress of co-operative unions in this

country. This paper ceased to appear in the latter part of 1876. In 1884, the Common Association for Denmark's Co-operative Societies began publishing a small monthly sheet, which however later confined itself to giving information on market prices. Since the establishment of the Jyske Association the undersigned has published a "Monthly Paper for Jyske Co-operative Societies." Furthermore, I am at present working at a handbook for co-operative societies.

A revision of the law relating to co-operative societies is at present under consideration in the Rigsdag, and a strong pressure is being put on the Government and Rigsdag, on the part of the market-towns, to effect a provision in the new law, which would put a stop to the operations of co-operative societies. There is no reason to apprehend, however, that the Folkething will assent to any such provision.

DANISH CO-OPERATIVE EXPORT OF EGGS.

(DANSH ANDELE AG-EXPORT.)

There has long been great discontent felt among Danish agriculturists on the score of the manner in which the sales of our most important exports, butter and eggs, have been managed, or rather mismanaged, by commission agents, and which has had the result of arousing mistrust on the part of the consumers as to the quality of the articles, so that they were unwilling to pay as high prices for our products as they paid for products from places from which they had received faultless goods. The Danish agriculturists have not only recognised the fact that this condition has done harm to our agriculture, but also that it has spoilt our markets. It has thus awakened great and just indignation among Danish egg-producers, for it was felt that our frequent and rapid intercourse with England ought to enable us to deliver our products there in absolutely fresh condition. Nevertheless too often they were brought to the English markets in a condition anything but fresh.

It was with the object of creating a sounder state of affairs on this ground, that a number of men, among them the undersigned, formed the Danish Co-operative Export Society, the object of which is to ensure a thorough re-

organisation of our export of eggs, so that the eggs shall be shipped only in a perfectly fresh condition.

The Danish Co-operative Egg Export was established 27th February of this year in Veile, Jutland, by delegates from different parts of the country, and began its activity at the end of the following April. Instructor Fred. Möller, of Lindet, near Veile, was elected foreman. This enterprise, which has gained much sympathy all over the country, is at its outset limited, but will, as soon as it is shown to answer its purpose, be extended all over the country. The company began operations with twenty-five egg-collecting districts, which number has in the past months been nearly doubled.

It has more especially been the society's aim to deliver eggs to the English co-operative societies, and this wish has been partially fulfilled through the representative in Copenhagen of the Co-operative Wholesale Society. Mr Andrew. However, as the English co-operative societies are unable to take all the company's eggs, we have also sold to English egg merchants; and we have the satisfaction of knowing from experience that these merchants vie with each other in trying to procure our eggs, so that we have received inquiries from some notable traders with whom we had not yet sought connection, and requests for even all that we can supply.

Only egg-producers are admitted as members of the society. The receipts are divided among the producers in proportion to their deliveries, with only a deduction for expenses.

Members are bound under penalties of heavy fines not to deliver eggs more than seven days' old, and egg-collectors must deliver eggs at the place of shipment not later than four days after receipt. As soon as the eggs arrive they are carefully examined, sorted, and thereupon without delay despatched to England, regardless of the chance of obtaining higher prices by waiting some days.

Every egg is stamped alike with the producer's and the collector's number, so that it can at any time be identified in case of complaint. Should examination show that even one egg has marks of being older than is permitted, the producer is fined, the first time 5 kr., the second time 10 kr.



R RASMUSSEN.



S. Jorgensen.

Do face fage

I take the liberty of requesting the English societies to support this enterprise, the success of which would be common gain to both countries.

Among other co-operative societies existing here, there are a great number of building associations, principally in the larger cities, where they have proved of considerable use in providing cheap homes for the poorer labourers.

Furthermore, there are, likewise principally in the large towns, a number of co-operative bakeries; some few of these are also found in the agricultural districts. Some co-operative breweries also exist.

Then, again, there are some agricultural unions which promote many other objects beneficial to the country people, such as joint purchasing of feeding stuffs, artificial manures, &c.

To our regret there are no statistics for the whole of Danish co-operative societies, so there may be more such that we have no knowledge of. But what we lack still more is a common organisation, including each and all of these unions, the utility of which could undoubtedly be increased in a very important degree by concord and joint effort.

This great progress in the evolution of co-operative societies is reserved for the future, just as is the realisation of a plan for an association bank.

SEVERIN JORGENSEN.

V. Nebrl pr. Kolding, /uly 1895.



TH. CIEREMANS.



G. J. D. C. GOEDHAKI.

[To far fase 371.

THE NETHERLANDS.

IN 1873, M. A. Kerdyle, one of the most enthusiastic promoters of co-operation in the Netherlands, and now a member of the Dutch Parliament, wrote as follows:-"A few months ago I attended the Annual Congress of English Co-operative Societies. The meetings were held in Newcastle, and I was called upon to relate my experiences of the co-operative movement in my country. Although, as it happens, I did not have much to state, I acceded to the request, apologising for the scantiness of my information: I could, fortunately, point to some signs of activity. but in general I had to apologise for my countrymen; I explained to my hearers that the reason of the backwardness lay in the fact that, in Holland, co-operation was comparatively new, and that the principles, and the advantages likely to result from the adoption of those principles, had not been demonstrated nor explained sufficiently. On the other hand, in England propagandist work had been carried forward actively for thirty years, and even longer. Lecturers, for the good of the cause, had travelled from place to place preaching their doctrines, and pleading for a trial of them. Though a deaf ear had been turned to them in too many cases, perseverance had, in the main, been rewarded with success, and the indifferent had become warm supporters. In Holland there has not been anything of the kind. A few ardent co-operators have bestirred themselves and, in a small way, the matter has been discussed, but a widespread agitation, which would rouse the country, has never been attempted. This state of things will have to be altered, and then good results will not be wanting. The Dutch distrust innovation, and are always slow to recognise the necessity of a new line of action, but when once undertaken, the work will be carried through, as for perseverance our nation cannot be easily surpassed."

The question before us now is this: Has the prophecy of M. Kerdyle been fulfilled?

Although much has been done, there still remains even more to do, and the foregoing question cannot yet be answered in the affirmative.

Soon after the Newcastle Congress, the Dutch cooperators succeeded in persuading their Government that special legislation was necessary for a movement of this sort. A law was passed in 1875, and under its rule Dutch co-operation has since lived, and the supporters of the movement have not much reason to complain. Success does not always come at once, and the work will develop.

Co-operation in its various phases did not spread easily amongst the people generally. Special means were tried in the Hague. Following the example of the "Oester-reichischer Beamtenverein," a union was formed, and christened the "Eigenhulp," or "Self-help," for the purpose of studying and practising methods by which Government officials, with limited means, might best procure necessaries such as food, clothing, &c., at moderate prices. To attain this end an attempt was made to contract with shopkeepers, so that members of the union might purchase what they required at a preferential rate. A considerable number of depôts on this "self-help" principle were started throughout the country, but it was soon seen that this, although a good way, was not the best, and that co-operation would be better. After some discussion between the advocates of each of the two systems, some members of the Hague District "Self-help" Depôt decided to establish a co-operative grocery store in that city, and this was opened on 31st May 1878. We specially state this fact, not as wishing to pretend that the first distributive store in the country was at the Hague (for before the date mentioned there were several stores established elsewhere), but because the later success of co-operation in the Netherlands is above all things due to the great progress made by the Hague society. In most of the districts of the "Self-help" its methods have been adopted with great benefit, so that distributive co-operation is making daily progress; this progress is considerably helped by the adoption of the idea of buying different articles in common, which has in due

course led to the formation of the Netherlands Co-operative Federation, which consists of a Chamber of Commerce, the duty of which is to regulate the joint action in the markets; and a Council, which directs its operations.

Thus was success obtained, but almost exclusively in distributive co-operation, and as this was to a great extent limited to one branch of retail trade, the tradesmen engaged began to move, not only because they saw their trade threatened, but also because their profits were diminished by the competition with stores which sold pure goods at moderate prices. The hostility, however, of such retail dealers, and of those who supported them, proved beneficial rather than hurtful to the stores. The preposterous arguments advanced, and the patent fact that the opponents cared only for their own interest, opened the eyes of many, and the membership of the stores increased—especially the membership of those which were situated where the struggle was fiercest.

The following figures will show the number of distributive societies which had, up to the end of 1893, joined our Confederation:—

Year,			Number of Members.	Year.				Number of Meathers.
1878 -	-	-	1,601	1887	-	-	-	6,462
1879 -	-	•	1,986	1888	-	-	-	7,385
1880 -	-	-	2,366	1889	-	-	•	7,840
- 1881	-	-	2,887	1895	-	-	-	8,361
1882 -	-	-	3,739	1891	-	-	-	8,860
1883 -	-	•	4,434	1892	•	-	-	9,434
1884 -	-	-	4,793	1893	-	-	•	10,030
1885 -	-	•	5,298	1894	•	-	-	12,733
1886 -	-		5,814					

The following figures show the increase of trade during these years:—

•							
Year.			Trade.	Year.			Trade.
1878	-	-	275,380	1887	•	•	1,490,293
1879	-	-	420,780	1888	•	-	1,746,765
1880	•	-	503,350	1889	•	-	1,894.741
1881	-	-	644,174	1890		-	1,984,338
1882	•	-	819,423	1891	•	-	2,136,264
1883		-	1,002,366	1892	-	-	2,192,929
1884	-	-	1,085,774	1893		-	2,252,654
1885	-	-	1,171,762	1891	-	-	2,400,000
1886	-	•	1,293,464				,, .,

It will be seen that there has been a steady increase of business, notwithstanding that the Dutch co-operators do not sell at lower prices than the shopkeepers, but at almost exactly the same, dividing the profits at the end of the year. With a continual increase of members, we can have no doubt of success, as the principles of co-operation become better known, and each new society acts as a fresh example of their application. In various ways pioneers have overcome prejudice and ignorance. Agricultural co-operation was practised by Mansholt, Baudrin, Westerdgee, and others. Helot, M. P. de Clerq, and others, instructed the working classes with regard to the benefits of co-operative building societies, and savings banks on the Raiffeisen system have been opened and are doing well.

The foregoing figures relate only to the twenty-five societies which have joined the confederation; really a much larger number (183 distributive and 148 productive societies) have not yet joined. The exact number of the members belonging to these we are unable to give, but they may be estimated at 100,000.

Under the head of productive societies we have included fifty-one Building Societies and twenty-five Saving and Credit Banks.

The business of the Building Societies consists almost entirely in the construction of separate houses. The Dutch working-man prefers to invest his savings in a house which is his own. To our regret every effort to make him take to the associated home system has proved a failure. Perhaps a reason for this may be found in the fact that for some years there has been, in our larger towns, a deficiency of workingmen's houses, and speculators, by establishing what they called co-operative societies for the building of houses of this kind, have realised large profits, without risking any capital of their own. All that has been said against this form of pseudoco-operation has not been sufficient to abolish it, and the profits so gained seem to act as an attraction to our workmen, and to deter them from the better forms of co-operative building. Only in Amsterdam the better system has been adopted, and there the building society is in a flourishing condition.

It has been frequently urged that co-operation is a matter of education, of the teaching of its principles to all classes of the community. But this alone is not enough.

We have been preaching twenty years, and during most of that time made slow progress; but now some four hundred societies are spread over the country, a palpable fact which will have more influence with those who have been reluctant to believe in the good results of co-operation than mere words. Among these societies there are ninety-nine dairies, which shows that faith in them is spreading even among our peasant population, — a guarantee for our ultimate success in persuading the entire people that the co-operative is the best form both for production and distribution, and the most conducive to industrial peace.

The Council of the Netherlands Co-operative Confederation,

G. J. D. C. GOEDHART, Chairman. TH. CIEREMANS, Secretary.

THE HAGUE, June 1895.

THE UNITED STATES.

THERE is very little distributive co-operation, such as stores, in the United States, and scarcely any productive co-operation, such as factories, mines, and workshops, but there is a great development of co-operative building and loan associations, and a rapid increase of late in co-operative creameries and insurance organisations among farmers.

Referring those who desire a history of the movement to the book issued through the Johns Hopkins Press in 1888, entitled "Co-operation in the United States," in whos preparation the author of this paper had the honour to participate in connection with several others, I come at once to co-operative stores as they now exist. There is no national or even state association of these enterprises, nor are there any statistical returns from them in the possession of our National or State governments. The secretaries of the stores are usually indifferent to letters of inquiry, and it has not been possible for me to visit many of them in the preparation of this paper. From the best returns obtainable one may safely assert that Massachusetts has about twentyfive co-operative stores. Most of them have a history of from ten to twenty years, and follow the Rochdale plan. The largest of these is the Arlington Co-operative Association of Lawrence, Massachusetts, which has two branches, and at the end of its ninth year in April 1894, had 2,027 members, a capital stock of \$68,700, and total sales that year of \$279,641, which permitted of a dividend on trade of 7 per cent. to members and 3½ per cent. to non-members on their trade, after paying 4 per cent. interest and adding about \$2,000 to the sinking fund, which amounted at the close of that year to \$13,878.

In no State outside of Massachusetts and Texas do we find more than three or four. In Texas there is a whole-sale association at Galveston, known as the Texas Co-operative Association, which has a capital paid in of \$87,000, and did a business in 1894 of \$300,000 with a group of co-operative stores within two or three hundred miles. It

was able to declare a dividend of 10 per cent. on stock and 5 per cent. on trade. The only other large association in the country appears to be the Johnson County Co-operative Association at Olathe, Kansas, with a capital of \$100,000, a surplus fund of \$28,000, at the close of its eighteenth year in 1894 and an annual trade of about \$225,000. This last association, like those in Texas and several of the small stores scattered through the West, are connected with the Patrons of Husbandry, a farmers' organisation sometimes known as the Grange, which has 250,000 members; but most of the co-operative stores that have been started in the past, though aided as they usually have been by such organisations as The Sovereigns of Industry, now extinct, the Knights of Labour, the Farmers' Alliance, and the Patrons of Husbandry, have failed.

There are probably ten failures to one success, and even the successful organisations, with few exceptions, are not growing much. Those that do succeed almost always follow the Rochdale plan, but many of those that have failed have tried to sell their goods at cost. The lack of the co-operative spirit, the stimulus to individualism, the migratory character of our people, and the failure thus far to appreciate the importance of small economies, probably account for the weakness of distributive co-operation in America.

Under these circumstances there is no opportunity, of course, for the development of that type of productive cooperation which Miss Potter has shown to be most successful in England, namely, federative production. As to individualistic productive co-operation, where the ownership of the stock is in the hands of individuals, part of whom are workers in the business, there is little of permanent success to note in America. The successes have led to a transformation into limited joint-stock companies, except in Minneapolis, Minnesota, where the coopers, having an assured market for their barrels in the flour mills at their doors, and requiring comparatively small capital, have continued for some years to enjoy moderate prosperity in about half-a-dozen enterprises. One of these, known as the Co-operative Barrel Manufacturing Company, started in 1874, has 53 employees, who are at the same time stock-

holders. The capital stock is \$37,100 paid in, and the profit on this, above a moderate interest, is divided in proportion to wages among the stockholding employees. Full returns of this company were not attainable last year by the writer, but another of the co-operative barrel companies of the same city, organised in the same way, did a business in 1894 of \$102,000. That year, being a bad one for all business, apparently left no margin for profit-sharing after paying from 5 to 6 per cent. interest on the stock.

As to profit-sharing, the story of the past has been well told by Professor N. P. Gilman in his book on profit-sharing which is sufficiently known. He thinks that the movement is continuing to grow, though slowly, and believes that there are one hundred profit-sharing enterprises in the United States. I myself, however, doubt if there are twenty cases of distinct and clear profit-sharing, such as the French Profit-Sharing Association or Mr Schloss would approve, in enterprises employing over one hundred men. most famous of these is in the N. O. Nelson Manufacturing Company at Leclaire, Illinois, and St Louis, Missouri. continues to grow along the lines described by Mr Gilman.
The Proctor Gamble Company, soap manufacturers at Ivorydale, Ohio, and the Pillsbury Flour Mills of Minneapolis, Minnesota, and the Bourne Cotton Mills of Fall River, Mass., are the other leading examples of successful and continued profit-sharing, aside from the N.O. Nelson Company. The movement is certainly not making as rapid progress as its friends expected, but continues to develop slowly.

Coming now to the truly successful types of co-operation in America, we note first building and loan associations, which are quite fully reported on in the ninth annual report of the United States Commissioner of Labour in 1893. Confining ourselves to so-called local building and loan associations, which are the only ones of a co-operative character in any very full sense, we note that 5,598 of these were discovered by the United States Commissioner, with a membership of 1,359,366, and with total dues and profits of \$413,647,228. About three-fourths of these associations reported that the homes acquired through them amounted to 290,803. If we include those not reporting, the number would be nearly 350,000. The average age of the entire

number of associations was only 6_{10}^{3} years. Only 1,022, or less than one-fifth, were over ten years of age. The associations were widely scattered, being found in almost all parts of the country. Pennsylvania led with 1,076, then came Ohio with 718, and Illinois with 631. Only 760 are terminating associations, the rest provide for continuous existence by either issuing their shares in series or whenever individuals desire to take shares. About half of the associations have the full value of a share \$100, and most of the rest fix it at \$200. and the dues range from twenty-five cents to a dollar a share, payable weekly or monthly. About three-fifths have the payments monthly, about one-half allow only one vote to a shareholder. State law compels this in some States. In some others there is one vote for every share up to forty or thereabouts held by any one stockholder. Expenses of management in Massachusetts in 1892 were only .84 per cent., and in New York 2.89 per cent., of the total receipts. The losses in many States are not one-tenth of 1 per cent. a year of the receipts. In the West and South premiums are often a practical addition of one-half to the interest rate, which is usually 6 per cent. In many associations in large and rapidly growing Western cities premiums are still higher. Two hundred dollar shares, on which the dues are a dollar a month, mature in about eleven years in Massachusetts, and in nine to ten years in States farther west. Although the losses have thus far been very slight, it has been of late found desirable to increase the oversight of the State through rigid inspection of these associations. In a great many of them the co-operative feature has practically disappeared, and the business is entirely managed by a few directors, elected by the stockholders, who vote by proxy.

Turning finally to those forms of co-operation that especially prevail among the farmers, one notices a great development of creameries, which are organised in somewhat this fashion:—The farmers of a neighbourhood, who have as many as 300 cows among them, organise a stock company, build a creamery, pay interest to themselves on their stock of perhaps 6 per cent, and divide the rest of the profits in proportion to the pounds of butter obtainable from the milk of the different members, which may be

determined by milk tests applied to the milk when received at the creamery. In Minnesota there are 150 co-operative and only 72 private creameries, while 50 more co-operative creameries are now under construction, and many of the private creameries are being transformed to co-operative ones. In Iowa, out of 870 creameries, 231 are co-operative. In Massachusetts 30 are co-operative. In the half-a-dozen States of Illinois, Iowa, Wisconsin, Michigan, Minnesota, and Indiana, there are nearly 800 fire insurance companies of a co-operative character; they are usually confined to the farmers of a township or of two or three adjacent townships, and assess their members' only enough to keep on hand what may be sufficient for the probable losses by fire or storm of the next two or three months. Many of these associations have only had to pay a dollar a year for some years for every thousand dollars of risk carried, and the saving has thus been enormous. Farmers have made efforts in the past to buy farm machinery cheaply by concentrating trade in selected factories, but the organisations of farmers have not usually been sufficiently compact and vigorous, even if strong enough in numbers, to overcome the trusts and combinations of the few large manufacturers of farm machinery that now practically control the field.

There has been more success in the purchase of binding twine and fertilisers, and sometimes coal, and of late in shipping of grain. If the farmers' organisations had not gone so largely into politics in the West and South to the exclusion of co-operative effort, more would probably have been accomplished in the latter direction, though the political experience may prove valuable.

On the whole, if we judge the co-operative movement in America from the standpoint of writers like Mill, who

On the whole, if we judge the co-operative movement in America from the standpoint of writers like Mill, who hope to seek in it a solution of the problem of capital and labour, we will find little to encourage us in the United States. Despite the excellent start that fifty or possibly one hundred stores have made, and despite the success of a few large profit-sharing enterprises, there is no paper or important association devoted to the co-operative movement, and no organisation of any consequence among the co-operators, or any annual conventions which they might attend, though Mr Gilman is editor of a small profit-sharing

quarterly of much merit, and there is a small association of those interested in profit-sharing.

If, however, one takes a broad view of social conditions, one cannot fail to be impressed with the great value, success, and prospects of our co-operative building and loan associations, which in the main continue to be true to co-operative principles, and of our co-operative creameries and farmers' insurance organisations.

In the cities and throughout the ranks of organised labour, and among those writers who take a special interest in labour problems, the drift is now so strongly in favour of adopting in America those principles of municipal management of local monopolies which we find inaugurated in Glasgow and Birmingham, and Government ownership of railroads and telegraphs as in Australia and Germany, together with great extensions of factory and labour legislation and changes in our system of money and taxation, as to crowd out of consideration the principles of industrial co-operation. When the wage-workers of our cities do consider co-operation, they often become absorbed of late in experiments, which usually fail after a time, for co-operative colonies or villages, where most of the capital is owned by the community. Every nation probably has its own type of successful co-operative effort. We are wont to suppose that in Germany it takes the form of credit associations, in England of stores, in Italy of organisations of workers taking contracts on the co-operative basis, in France, as of late in England, of profit-sharing. In America, .. for a while at least, the development is likely to lie along the line of the building and loan association and the efforts of the farmer.

No one can realise better than the writer how inadequate has been this representation. I trust, however, it will be borne in mind how vast is the country that the writer was asked to cover, and that I assumed that it was not intended to have this paper go into many technical or statistical details, such as might have been given. A general survey based on several years observation of the movement in America has been all that I have tried to give.

EDWARD W. BEMIS.

SERVIA.

Ī.

CO-OPERATION in Servia is of very recent date. Its birth goes back scarcely more than twenty years, and in that short time it has gone through stages more or less difficult, and this, taken as a whole, has tended to make the public distrustful and reserved concerning the establishment of Co-operative Societies. In my opinion, the most important cause of this attitude of the Servian public towards cooperation is a very grave error which had taken possession of men's minds at that period. Co-operation appeared to them at first as a new system of social organisation—a new political idea serving as a programme for a certain political party, which was then in course of formation—the "Young Servia" party of that time. Co-operation was thus presented at its very beginning as a political idea, which was far from resembling an utopia, for it appeared as realisable as it was rational, and "Young Servia," strongly imbued with the socialistic doctrines of that period, saw in it a kind of collectivism, a positive element of a new social order, which they dreamed of and wished to see established. Moreover, the first Servian co-operative associations were more in the nature of political institutions, and consequently, being no longer on their proper ground—the economic ground—were doomed from the very beginning to deviate from their true path and go to ruin. By the very nature of things they immediately changed their character and their aim. Alas! among all those who could not, or would not, approve the political views of the founders of the first co-operative associations, there were very many capable men who stood aside, and who yet might have rendered considerable service to the development of the institution that occupies our attention.

Let us now pass to the facts, but first a preliminary glimpse at the economic condition of Servia will help towards their comprehension.

11.

Servia is a country essentially agricultural—a country of peasant proprietors. Ninety-nine hundredths of the population are engaged in agriculture and raising cattle; the remainder belong to the various handicrafts, to commerce, to the Civil Service, to public education, &c. Eighty per cent. of the agricultural population are small landowners, possessing not more than from 2 to 10 hectares of land each. Fifteen per cent. form the middle class of landowners, who own from 10 to 20 hectares. Lastly come the large landowners ("gazda"), in all 5 per cent., owning more than 20 hectares each. As regards those who possess more than 50 hectares of cultivable land, they are so rare that they may be counted on the fingers.

The land is worked fairly well, although without knowledge of the use of machines, and of other advanced methods—these the Servian husbandman is entirely without. When a Servian peasant contracts a debt, it is not to get a good machine, which would make his labour less hard and more productive, it is more probably to pay the taxes, to buy cattle, or to keep himself until the next harvest.

Servia disposes of all her produce to Austro-Hungary, including her cattle and cereals. For the present it is her chief and only outlet; and so far Servia and its trade are completely dependent upon the Austro-Hungarian markets.

tailors, shoemakers, locksmiths, carpenters, and masons; but now their prosperity is on the decline, and their existence is threatened. Most of the things that were formerly made in the country, and were sufficient for the nation's consumption, are now imported from abroad, and especially from Austro-Hungary. Fashion on one side, and the competition of foreign industry on the other, have combined to make goods of foreign origin both more attractive and cheaper, so that the production of the home

^{*} A hectare = $2\frac{1}{2}$ acres.

handicrafts diminishes more and more, and with the exception of the masons, carpenters, locksmiths, and a few more, the other branches of the country's industry are vanishing by degrees, or have already entirely disappeared.

The government tried to remedy this by granting certain privileges, but it very soon saw that the small and very rudimentary industry practised in Servia in different trades, without strength and without organisation could not last very long. It is bound to disappear; it is doomed to it beforehand by economic law. The great industry will crush and absorb the small.

In Servia there are not yet any great industries, nor any factories, such as one sees in other countries, with the exception of two or three for stuffs, carpets, Servian textile fabrics, and matches. Through want of capital and capacity, Servia cannot yet have manufactures.

Servian trade is chiefly limited to the importation of things manufactured abroad, and to the exportation of the raw material which the country yields. The few things manufactured in the country scarcely suffice for the people's consumption, so raw materials alone constitute the principal exports. These, transformed by foreign industry, soon return to the country of their origin. Let me state in passing that Servia, although a purely agricultural country, imports many more objects of fashion than agricultural implements.

III.

The first initiators of co-operation in Servia had directed their whole attention to the small handicrafts. Leaving aside the most vigorous branch of national industry, they especially strove to improve the position of different handicrafts, which at that period were already unable to supply the new and ever-increasing wants of the country. But their chief care was to group the workmen, and all the members of different callings, these being the most likely element for their socialist purposes. Thus we had co-operative distributive societies in towns, associations of printers, carpenters, locksmiths, and several others, which have disappeared. Politics devoured all these first co-

operative organisations, like a worm that had gnawed its way through them.

However, the grave errors committed at the commencement of the Servian co-operative societies, so hurtful to their existence, and a fatal omen of their sad ending, had an influence beneficial enough on the future. The true signification of the idea of co-operation was at last understood, and the work afterwards done in this direction deserves mention here. But not having had time enough before the Congress to gather and arrange in order all the materials, I am obliged to pass it over for the present.

IV.

To-day Servia has some good societies, though their number is naturally insignificant, for the different branches of co-operation. I will enumerate them, pausing only upon those I know best.

For production, Servia possesses at this moment the following Co-operative Societies:—Bedding Manufacturers, Tailors, Shoemakers, Saddlers, Bee-keepers, Fruit-growers. Wine-sellers, and Vine-growers.

For distribution there are no societies.

For collective buying, selling, and supplies there are six agricultural syndicates in the department* of the Danube province, with a total of 1,540 members. In Servia these are ideas still too new to have done more than begin to grow. The first syndicate was founded in the village of Vranovo on the 25th of September 1894; the second at Miharlovatz on 13th November of the same year; the third at Rattare on 14th February of this year; the fifth at Welika-Krona on 9th March; and the sixth at Krniévo on 14th April.

The work and influence of these institutions are not yet very considerable, and for this year were confined to the purchase of the food necessary for the peasants and for the cattle, for the last year was an exceedingly bad one in this respect on account of heat and drought. But their future is assured, to judge from the reception given them

^{*} Or county.

by the Servian peasants, and the reputation they already enjoy in other departments. The federation of Servian rural loan societies is doing its utmost to popularise these useful institutions, which in their organisation do not differ in any way from those of the Indre in France.

For credit, Servia has two kinds of co-operative institutions—*People's Banks*, devoted exclusively to the interests of small handicrafts and of small trade, and the *Rural Lean Societies** on the Raiffeisen system.

Besides these, there is also an Agricultural Co-operative Bank in the department of the Danube, founded on 3rd August 1893.

The People's Banks in Servia number 63, with a capital of 10,184,400 francs † fully paid up, a reserve fund of 958,680 francs, and 43,120 shareholding members.

Here is the list:-

In Belgrade	(the cap	ital),				7 b	anks.
At Nich, .	•	•				5	,,
In the department of Valievo,						5	**
,,	**	Vramia,	•		•	3	,,
"	"	Kragonev	ats.			8	"
,,	"	Kroina,	•	•		ı	"
"	"	Kroucheva	ats,			3	"
"	"	Morava,				7	33
"	"	Pirot,				2	"
"	"	Podrinie,		•		3	"
"	"	Danube,				7	"
27	"	Projarevat				6	"
"	,,	Roudrick,				3	"
27	"	Timsk,				i	"
"	n ·	Toplitsa,				1	"
"	"	Oujitsé,	•			2	"
,, ,,	"	Tserna-Re	ka,	•	•	2	"
			-				

I must also mention the National Issue Bank, and three credit banks, intended exclusively for commerce.

So that for two million inhabitants Servia has 63

^{*} Caisse rurale is sometimes translated Rural, or Agricultural, or Village Banks, but is translated "Rural Loan Society" throughout this report, to distinguish them from the People's Banks, which are banks more in the ordinary sense.

[†] Twenty-five francs = $\pounds 1$.

People's Banks, 3 Banks of Commercial Credit, and 1 Issue Bank.

The organisation of the People's Banks is not the same everywhere. One differs from the other, and each one has its basis and its management distinct from the others. Servia has not yet succeeded in forming all its People's Banks into a federation, though that would beyond all doubt have maintained a permanent and strong link between them, and provided a means of giving them all the technical and legal instruction necessary.

Thus, for example, one People's Bank will have but one class of capital, which has to be provided by successive payments, as is the case in the *Vorschussvereine* of Schulze Delitzsch; whilst others have two classes of capital, one paid up by several successive payments, and the second by one single payment of the whole amount upon each share. As regards their operation, some banks do business with their members only, others make no distinction; some undertake every kind of banking operations, whilst others confine themselves to credit transactions with their share-holders.

The administrative organisation of Servian People's Banks is the same as that of similar institutions in other countries: the general meeting of shareholders, the committee of management, the committee of supervision, and the staff.

The shareholders of a bank are not jointly and severally liable for its obligations, as it is the case in the Vorschussvereine of Schulze Delitzsch. Their liability goes no further than the amount of their shares when fully paid up. The commercial code of Servia, which is but a copy of the old Austrian code, does not recognise such a class as societies with joint and several liability; and it provides only so far as is indispensable for the formation of societies based on shares, in which the shareholders are liable only to the amount of their shares.

Having stated this difference between Servian People's Banks and the *Vorschussvereine* of Schulze Delitzsch as regards the liability of shareholders, I must also point out a divergence from Italian People's Banks as to the formation of a society's capital.

In most Italian banks a member can have one share only, which may be paid up in one whole payment or by several instalments. In Servia he can have as many shares or portions as he wishes. The contributions share capital must be completed within five years, by means of a weekly payment of fifty centimes, and the shares may be paid up at the end of one, two, three, or several years, according to the banks. In this respect Servian People's Banks are again more like commercial and financial institutions, just as also their shares are negotiable on the Stock Exchange. The shares are not repayable to the shareholders when they wish to retire, as in the Italian People's Banks; but the shareholders may sell their shares on the Stock Exchange, or dispose of them otherwise, and ipso facto they cease to be members or This last fact in itself is an objection to our calling them true co-operative institutions, for, as is seen, they are wanting in the most necessary characteristics thereof. Nevertheless, in Servia we give them the name of zadrouga (co-operative societies), although we are aware it is incorrect. It may be they were co-operative at their first foundation, but the desire to develop, to do the utmost amount of business, and to pay the largest dividends possible, has made them deviate from their first course.

V.

The first People's Bank in Servia was founded in 1881 at Belgrade. Before that, there were in Servia three commercial banks in all—one at Belgrade, one at Valievo, and one at Smídérévo. It was M. Kosta Tauchanovitch, formerly Professor of Political Economy, afterwards Minister of Agriculture and Commerce, who founded this first bank. Its capital was formed by subscriptions to shares to be paid up in the space of five years, by weekly payments of fifty centimes, up to the total amount of the shares. When making the first payment, one could take up as many shares as one wished, and one paid fifty centimes upon every share as an entrance fee. The subscriber entered thus into all the rights and all the liabilities of the members of the bank.

The bank discounted bills of exchange first for its members only, and afterwards for the public, when it had realised a portion of its funds; it made advances or loans on documents given in pledge (bills and securities for personal property, jewellery); it received deposits, which it entered in savings bank books, or as current accounts; it undertook to act as agent, &c. In a word, it transacted every kind of business belonging to People's Banks, Savings Banks, and Pawnbrokers.

All went well at the commencement. Savings poured in more and more, and the bank, seeing itself in possession of a capital beyond the needs of its members, began to do business also outside the circle of its adherents, with the large traders of Belgrade and the provinces.

When the bank commenced to pay its shareholders a dividend of 10 per cent, the capitalists and wealthy people set about to buy up the shares belonging to the poor people. At present it distributes annually 15 per cent. dividend, and its shares are for the most part in the hands of the wealthy. There are shareholders with from 100 to 1000 shares each; there is no safer investment in Servia.

Its board of committee of management is composed of fifteen members, and its committee of supervision has seven. The discount committee is formed from the members of the committee of management, in such a way that there are always five to fulfil that duty. The shareholders' meeting, which takes place once a year, appoints all the members of the various committees for three years, with partial renewal every year, two or three persons, determined by lot, retiring, but being immediately re-eligible. The powers of the members of the committee of management and the committee of supervision are the same as in other People's Banks. They can in no case become indebted to the bank, either directly or indirectly.

The most important business of the bank is discounting. It accepts bills of exchange bearing two or three signatures. There are bills representing active trading and accommodation bills, made in order to contract a loan. In this respect there exists no difference in Servia. The bill of exchange is created equally for the trader, the

professional man, and the official. Moreover, the Servian People's Banks make no distinction between bills representing actual trading and the bills of non-traders, which have been drawn only to borrow money. Our legislation has not yet established a distinction between commercial and civil acts, so that the bill of exchange affords a general means of borrowing, and consequently one has to proceed in the same manner against traders and non-traders.

On 31st March 1895 the bank had discounted bills to the amount of 2,200,000 francs. The rate of interest is rather high in Servia. In Belgrade, where there are seven credit establishments and one issue bank, seven, eight, or nine per cent is paid. This is also the rate of interest of the Belgrade People's Bank, seven per cent. on large sums, eight or nine per cent. on smaller ones.

After discounting, as we have described it, come advances or loan on pledges. On securities consisting of gold or silver articles, Government securities, or other scrip (the scrip of private undertakings), the bank has lent 1,100,000 francs, at the rate of ten per cent.

At the same date the bank had a fund of 1,205,000 francs of paid-up capital, and a reserve fund of 205,000 francs; and the funds of the savings department amounted to 2,800,000 francs, on which the bank paid four to five per cent. interest.

As regards savings, they range from 1 to 100 or 200 francs (which are the "small savings"), or they amount to 10, 20, or more thousand francs, which are the "large savings," or rather the deposits of wealthy people, who for the moment cannot find a more remunerative investment.

Lately the bank has commenced to re-discount the bills held by the small provincial banks.

VI.

All we have said of the organisation and of the operations of the first People's Bank at Belgrade is largely applicable to the other People's Banks in Servia. In fact, these have been modelled upon it, and if they do not

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resemble it in every point, it is because the imitators who founded them always sought to modify the original organisation, and adapt it to the local circumstances. That is the reason we have now sixty-three People's Banks, each distinguished by some special and peculiar feature. It is to be hoped that when a federation of Servian People's Banks has been organised, they will be brought more into accord one with another, and their course will be determined.

Before concluding this short statement on Servian People's Banks, I must add that in our country there is no restriction created by the law upon the formation of credit establishments. Every town may have one, two, three, or more. It is only lately, since the uselessness of an excessive number of banks, beyond the real needs of commerce and exchange, has been perceived, that the Minister of Commerce (on whom depends the authorisation of a bank, or of a credit establishment of any kind), has put impediments in the way. Consequently the authorisation of a bank now depends upon the number of inhabitants of the place in which it is desired to establish it, the business transactions, the real needs of the trades, the small producers, &c.

VII.

I must now pass on to Agricultural Credit and its institutions. But first I take the liberty of describing to you some social institutions of an economic character existing in our villages, on which depends in a great measure the organisation of agricultural credit, and which will have a considerable influence on co-operation in our country districts.

First comes our zadrouga, or family community, which greatly resembles the sociedade familiar of Portugal, or the compania gallegas of Spain. It is really that ancient type, the rural family founded upon relationship or adoption, and having for its aim a community of life and property. The zadrouga is a big family, whose members (brothers, cousins, or more distant relatives, with their wives and

children) are united by bonds of relationship, marriage and adoption.

The management of the community is confided to the oldest member, who is considered the head of the family and all the others owe him respect and obedience. His authority is extensive, but constitutional and fatherly. He derives his authority from the love springing from blood relationship, from gratitude for his fatherly care, and from the respect due to old age and experience. In exceptional cases, when the oldest member is a spendthrift, idle, and incapable, so that he is ruining the community—a case which is of very rare occurrence—the ancient customs are departed from, and all the members of the zadrouga together choose their head chief from among themselves.

Ail the property of the zadrouga belongs in common to all its members of both sexes, as long as they remain in the community. The head cannot dispose of the patrimony of the community without the consent of its members. This state of things has been preserved also by the Servian civil code, compiled in 1844, which contains an interesting chapter upon zadrougas (v. Articles 507 to 530).

The zadrouga engages in all kinds of work—it is a sort of association for production and for distribution in one. Only those things are brought from outside which the community is unable to produce, such as iron implements, machines, certain utensils, and that is almost all. Everything else is produced by the community—provisions. clothing, boots and shoes, bedding, wooden utensils, outbuildings and dwellings, &c. Each member of the community has to perform the work appointed him. The whole community deliberates on its operations—all assembled together, men, women, and even the paid servants, if there are any.

It is individual capacity, age and sex, which determind the work of each one. The children, or if there are none the women (those who are not strong enough for heavy work), tend the flocks. Work in the fields and vineyard is executed by members of both sexes indifferently, but the men alone, as being the strongest, plough, dig, mow

and cut wood, whilst the women generally look after the house work, the making of clothes, and other indoor work. The men also attend to the sale of produce.

The head of the zadrouga represents the community in its relations with the state or the parish. The distribution of labour depends on the season, the amount of work to be done, and the number of workers. For it to be well arranged, good sense, honesty, and especially justice suffice. In general, the part played by the head of the community is of less importance from an economic point of view than from that of his moral authority.

The zadrouga had its origin in the most remote past of the Slav people. They lived grouped in families, which composed the villages, and collective property belonging to the whole group alone was known. They worked in common the soil which they owned in common.

The common ownership of the zadrouga rests on the same principle as the ownership of parish property. In each family community the soil, and all the movable things, consisting of instruments of labour, such as ploughs, cattle, carts, &c., belong to all in common. No member of the community can encumber the common property, and still less mortgage it or alienate it, or even his own share of If a member leaves the community he loses all his rights of co-proprietorship in it, and in order to re-acquire them he must re-enter the community. This provision is very logical, for a member who leaves a community to establish himself on his own account ceases from that moment to be productive for the community. The consent of all the members is required to encumber or alienate the property of the community, or dispose of it in any way. When a community becomes too numerous, or some other reason arises, it may be divided, subject to several conditions, the principal one being the consent of all those interested who are of full age, and then, but then only, each member becomes owner of the share falling to his due.

All income and individual acquisitions are paid into the common fund, and all the members are co-proprietors equally, and have the same rights of enjoyment. Each

one has his share in the general income, and this share in allotted according to necessities, and not according to individual efforts. When a member marries, it is the community which bears all the wedding expenses.

Should a community be divided, the landed property is shared amongst the men; the women do not share in the division. In the Servian rural family the female sex in subordinate to the male—a fact specially noticeable when a division takes place. When a young woman married she only receives gifts and presents from the movable property. What she brings as a dowry is not considered common property; the idea of common property i opposed to it.

Such is the organisation of the Servian zadrouga, which had, and still has, great influence on the economic developed ment of Servia.

VIII

By the side of the family community there are certain other patriarchal institutions, which in a manner and mutually complementary. These are the *moba*, the mutual assistance of several neighbouring families in heavier field work; the *pesaimitsa*, or labour lent on condition of return; and the stress, a special case of lending for use.

Often when the time for doing the heavier work come in the country, certain family communities are unable to perform their work alone. Then one zadrouga applies to the other for help; that is called meba. It is gratuitous labour, subject to an obligation on the part of the hear of the house to supply the workers with necessary food. This institution is the best proof of the bond of unic among the families in a case of need. All those who go to the moba know perfectly well that when necessary they themselves will be similarly heiped.

The pozaimitsa, derived from the verb pozaimiti, " lend," consists in labour lent to be returned. There is generally an agreement entered into between the particular which determines and fixes the manner of return. Usual the number of workers and the duration of their work are counted, and the same quantity of labour is always.

returned. Often a worker is borrowed for one kind of work, and in repayment a worker of another kind is sent. For example, a rural family being in need of a mower, applies to another family, which it will repay later on by sending a worker of another kind—a digger, for instance. It is especially small families, called *inokosna*, comprising only father, mother, and children, which, being sometimes in want of several workers at the same time, have recourse to this method.

The *spreg* (team of oxen or horses) is the mutual assistance given at ploughing time, by lending one another draught animals. All husbandmen who have not teams sufficient for their ploughs have recourse to the *spreg*. The services rendered are measured as mentioned in the *pozaimitsa*. He who in repaying his obligations supplies a greater number of animals, will have shorter time to work for his neighbour; if he supplies fewer, he will have to work longer.

The moba, the pozaimitsa, and the spreg may be defined as mutual help among the family communities. From an economic point of view these arrangements result in an extension of the community. It is true, the capital of the different communities remains unaffected and separate, but, on the other hand, the work of the whole parish, and sometimes of several parishes, constitute, so to speak, a general fund at the disposal of all the zadrougas.

By the side of these institutions there exist among our peasantry true popular co-operative associations, which in principle and constitution agree very well with modern ideas of association. Thus we have "grazing communities," popularly called batchianić. Their object is the watching in common of flocks put out to grass. As early as possible in the year, several communities, or families, send their flocks to graze under the care of paid herdsmen, whom they combine to hire. On the first day all the families in the association bring their utensils, and draw the milk of all their animals to ascertain the quantity of milk that belongs to each family. Thus each family saves the wages that it would otherwise have to pay to special herdsmen, need not trouble daily about its cattle, and can

obtain in one lot a considerable quantity of milk or of milk products for its own use or for sale. This last is a very great advantage.

I have no intention here to enter into details concerning these associations. My chief purpose is to show how far among the Servian people economic communism, founded in the zadrouga upon blood relationship, extends in numerous cases even beyond the family community, as is seen in institutions such as the *moba*, *pozaimitsa*, *spreg*, and *batchié*, showing that Servia possesses very many characteristics highly important in relation to co-operation.

In addition to these institutions, in which labour appears as a common fund, each Servian parish owns a certain amount of capital which is considered as the property of the whole parish. In particular, this capital comprises the parish land, and especially the pastures and woods. The parish lands belong equally to all the members of the parish, that is to say, every member has an equal right of enjoyment; but no portion of this property can be appropriated, sold, or mortgaged by an individual member. He has only the right of use and not of ownership. The parish can, if it pleases, grant a certain portion of it to one of its members, but it makes use of this power only in the case of its destitute members. In the same manner the whole parish has power to sell or encumber its property. whilst a private individual can never encumber his share in the parish property.

IX.

It remains to tell of a matter relating directly to credit before explaining its organisation in Servia. We have a law, passed in 1874, which prevents the following articles in the patrimony of our peasant being taken for debt:— "One plough, one cart or waggon, two draught horses or oxen, spades, axe, pickaxe, scythe, and a sufficient quantity of food to support him and his family and his cattle until the next harvest. And further, for each taxpayer, five 'days' (about 2½ hectares) of arable land, or of land covered with wood, vines, fruit-trees with the

fruit on them. Similarly, the dwelling-house, with all the outbuildings, and a certain extent of ground." Therefore, if a family community has so many taxpayers in it, that same number of portions of its common property become unseizable. All the possessions we have mentioned above are inalienable, even by the act of the cultivator himself in his dealings with other individuals. The State alone has an unlimited right over the whole property of the agriculturist to obtain payment of its dues.

When an agriculturist wishes to sell a plot of land, the proper authorities always ascertain by the deed of sale declaring the change of ownership whether the preceding provisions of the law have been observed.

The history of this law is full of sad memories for the Servian agriculturist. Perhaps nowhere had usury such a development as in the villages of Servia. The peasant paid 200, 400, 500, and even 1,000 per cent. to usurers, who even then found those rates of interest inadequate. By various devices (such as indefinite postponement of the date of repayment), they reduced the peasant to such a state of poverty that he was no longer able to pay even the sum of 200 or 300 originally borrowed. And then the usurers compelled him to sell everything, down to the most necessary articles. Already an unpropertied class was arising in the villages, and the Servian people—an eminently democratic people—saw themselves threatened with ruin by the shameless exactions of a small number of wealthy usurers.

It was at this moment that a few deputies of the national assembly, moved by this sad condition, sought to find a remedy for the evils. The law before mentioned was thereupon presented to the *Scoupelitina*, a law which renders unseizable a certain portion of the agriculturist's patrimony, and even declares it inalienable by his own deeds. The measures proposed by that law found adversaries especially among the lawyers. They maintained that with its numerous restrictions it violated individual liberty, especially by preventing the free disposal of one's property, and thus shook the very foundation of social and political life,

The law, however, was passed, and up to the present time its influence has been beneficial. It has saved the Servian people. Although it was considered, in a theoretical point of view, as behind the times and unjust, up to the present no creditor has suffered from it, and debts are recovered to the very last farthing. It is perhaps a unique instance in the civilised world, where a law forbids a people from impoverishing itself, and has succeeded in preventing it.

This law has played an important part in the obligations and credit of the peasants. The lenders, who are still very numerous, and exact a very high rate of interest, inquire regularly whether the position of the peasant as regards the extent of his lands and the number of taxpayers in his community renders him solvent.

We, too, when commencing to organise agricultural credit, were obliged to think of this law. With regard to rural loan societies, I shall have occasion to speak of what we attempted, and of the result attained, to ensure as completely as possible the rights of those societies, and the money due to them. Let me mention in passing that Servia has not yet a law upon agricultural credit and its institutions. But no doubt when such a law is created the provisions of the law of 1874 concerning inseizability will be modified, at least as regards the obligations of peasants towards rural loan societies' funds, which are not of a character to inspire fears for the fortune of the peasant, and as to the rate of interest, as was the case with the usurers.

X.

We have seen that Servia possesses sixty-three People's Banks, which on 31st March had discounted bills to a sum of 25,000,000 francs. Two of them only, the Bank of Smédérévo, and the Bank of Tchatchak, grant loans to peasants. All the others exist for the purposes of trade and small handicraftsmen. The peasant, whom the moneylenders never ceased to represent as a bad payer, is in rather bad credit in the towns. Moreover, all our People's Banks are managed by commercial men who mistrust the inexacti-

tude of the peasants. As I have already said, two banks only have made a first attempt to do business with peasants residing in their neighbourhood, and from their annual reports they were not wrong in doing so. During the five or six years that they have been doing business of this kind they have lost nothing. Their form of agricultural credit is far from presenting a perfect organisation. The conditions they require are the following: To be an adhering member of their bank; to own one share at least; to provide two solvent sureties, one of whom must reside in town; and to repay the sum owing in five instalments. Now this service was of considerable importance, considering that previously there were only the usurers to apply to.

On 3rd August 1893 the first Agricultural Co-operative Bank was founded, at Smédérévo, upon the initiative of the General Council of the Department of the Danube. The bank is constituted by shares 10,000 in number and of 100 francs each, making a total capital of 1,000,000 francs. Up to the present time the first issue of 2,500 shares has been subscribed entirely. The largest shareholder is the department, which holds 1,000 shares, then follow the arrondissements* (there are 7 of them), the parishes (118), and lastly the peasants, workmen, and traders (600 in all). The department and the arrondissements, as well as the parishes, have their accumulated funds, resulting from the balances of their local income over their local expenditure. These funds have enabled them to buy the shares of the Agricultural Co-operative Bank.

The creation of that institution was inevitable, for, as I said before, the People's Banks in Servia exist only for traders and handicraftsmen. The statutes provide for six methods of employing its funds. The bank can open current accounts by way of overdraft secured by a mortgage. It can lend on the security of agricultural produce, such as wheat, maize, &c. It can lend on government stock, as well as on other documents representing personal property or assets of private companies. The bank can in the fourth place employ its funds in loans, acknowledged by deeds

^{*}A department (or county) is divided into several arrondissements or "hundreds."

under private seal, or by deeds officially registered and guaranteed by three or more solvent persons. It demands at least three signatures. But no one of these loans can go beyond 500 francs, and they are granted only on condition that they shall be employed productively in the purchase of cattle, seeds, agricultural implements and provisions, or in supplying other agricultural wants.

According to the Servian Commercial Code, traders alone can sign a bill of exchange, whilst the peasants when they wish to borrow can only make an acknowledgment in the shape of a deed under private seal, evidencing the existence of a contract of loan. This written document, this deed, is itself called in Servian obligatia.

The statutes of the bank had foreseen this, and consequently the bank makes loans to the peasants evidenced only by a document under private seal with three signatures. If a family community contracts the loan, sureties are not required: the document acknowledging the loan merely bears the signatures of all the members of the community; but if the community is poor, the bank requires one surety as well.

The sureties must not be resident in the town, a condition expressly laid down by the statutes of the bank, to render impossible a new trade invented and developed by the usurers, which consists in trafficking in signatures.

The bank also grants loans upon honour. Up to the present it has granted four such loans to poor workers in the country and to peasants. When the first instalments of repayment came due two of these loans were repaid to the extent of one-fourth part each: the others are not yet due. No People's Bank in Servia grants such loans.

But of all its operations the most important is that stated in Article 35 of its statutes, which consists of supporting by its credit the work of co-operative institutions for agricultural credit, which may be created in the department of the Danube on a basis of the unlimited liability of their adherents. Conformably to this article, the bank has up to the present time helped with its credit eleven rural loan societies and six agricultural syndicates. It has thus rendered possible the existence of new economic institutions.

which alone can protect the peasant against usury, and help to establish a good organisation of agricultural credit in Servia

The administrative organisation of the bank consists of a general meeting of members, a general committee, a committee of management, a committee of supervision, the delegations of the districts, arrondissements, and the staff. The general meeting appoints all the committees for three years. The committee of management chooses the employees. The general meeting has the same rights as in other co-operative banks. The committee of management is composed of ten members, who must reside in Smédérévo. The committee of supervision has five members, of whom three are from Smédérévo and two from the country. Besides these, the general meeting appoints four delegates for each arrondissement, who are bound to give information to the bank on everything which concerns its members, particularly as to the financial position of individuals when they apply for loans.

The committee of management decides upon every loan after having heard the opinion of the district delegate. The bank does business only with its own adherents, and the maximum credit a member (adherent) can be allowed is five times the amount of his paid up-shares. Adherents may subscribe an indefinite number of shares, but every time they ask for credit the bank takes into account, first, their character; second, their material position. The number of shares merely fixes a limit to credit. The possessors of the smallest number of shares enjoy the smallest credit, always in proportion to their individual positions. over, no one can be received as a member (adherent) unless he be recommended by another member. The committee of management decides upon admissions, and those refused admission may appeal to the committee of supervision, or to the general meeting.

The general committee is composed of the committee of management and of the district delegations. It decides on the establishment of branches in the country districts, and other measures to be taken in the interest of the bank and its operations,

The committee of supervision examines all the operations of the bank, as in other credit institutions.

Further, the bank receives as deposits the smallest sums. It has likewise organised school savings banks. All the schools in the town of Smédérévo, and those of some villages of the department, have a school savings bank. are carried on by means of small sheets of paper to which teachers affix their signatures when the scholars deposit Each sheet is divided into twenty blank their savings. spaces, and when all these are filled by halfpenny payments, the scholar takes it to the bank and receives in return, and without charge, a savings bank book. Twice a month, on the 1st and the 15th, the bank sends one of its clerks to collect the school children's deposits from the schoolmaster. This collection is made sheet by sheet. The clerk destroys each sheet as the teacher gives the children's savings, which amount of course to as many franc pieces as there are sheets filled up.

The bank pays five or six per cent, per annum interest on deposits, according to the period for which they are made. The greatest attention is paid to deposits made by the poorer classes, who, moreover, receive the higher rate of interest, that is, six per cent. On 30th June of the present year the total amount of deposits was—

Of general savings			111,322	francs.
Of school children's	savin	gs	2,340	**
To			113,662	,,

Since the creation of the bank no loan has been made on the security of agricultural produce. The Servian peasant would consider himself humiliated by pledging his produce, for fear the neighbours should know it, a matter which is of some importance to him. Although this operation of agricultural credit appears on the statutes, it is scarcely likely to be ever practised.

Agricultural credit in Servia is essentially personal credit. Its foundation is the personal confidence inspired in the bank by its adherents. It must draw its strength from the personal character of those who have recourse to it. Therein

is the sufficient guarantee for its existence, present and future.

Thanks to the wide extent of its dealings with the peasants, the bank has helped much to popularise the idea of co-operation. It has completely proved the falseness of the assertion that the peasant is a bad payer, and readily runs into debt. But its chief merit is to have aided in the creation and the working of other institutions much more calculated than itself to better the condition of the nation's agriculture, and of agricultural credit.

XI.

Rural loan societies only began to be founded in Servia last year. In speaking of these institutions, I find myself placed in the very delicate position of having to speak of the part that fell to me personally in this work of organisation. The Committee no doubt had this in view when they invited me to come and take part in this Congress, thinking I should be best able to give a description of these institutions, created, organised, and directed by myself. Notwithstanding my extreme sympathy with these institutions, and notwithstanding that I have devoted all my efforts to their prosperity, I profess to stand here a mere impartial observer and a strict judge.

But first of all, I beg permission to pay a dutiful homage to the memory of the father of this class of institutions in the Rhine provinces, and to express at the same time my warmest gratitude to my master and friend, the eminent Signor Léon Wollemborg, who, with his profound knowledge, his well-known kindness, was the first to initiate me into the grand edifice of co-operation, which I afterwards set myself to raise in my own country.

The first Servian rural loan society on the Raiffeisen system was founded on 29th March 1894, in the village of Vranovo, about nine kilometres* from Smédérévo. The village has 1,560 inhabitants, divided into large landowners, small, and medium. The whole village does not count more than 3 large landowners, one of whom owns about 30 hec-

^{*} About 5½ miles.

tares, the other about 25, and the third 20. Thirty families represent the medium class, and 220 the small landowners. The village counts 252 families in all. When first the idea of founding a rural loan society was started, there were in all 41 adherents inscribed; and much trouble and much explanation were necessary to get them. I had a conviction that all efforts should be principally directed towards founding one first loan society, and then others would spring up of themselves, as soon as the public knew of the organisation and the working of the first. Out of these 41 heads of families, one was a large landowner, 9 medium ones, and 31 belonged to the small landowning class. Now the same society counts 62 adhering members, and it may be said one-fourth of the village are concerned in it.

And yet the society was created at a most unfavourable moment, because for two consecutive years the village had suffered from hail and drought. The village is naturally rich. Its extent is of more than 4,000 hectares, and reaches to the rich valley of the Morava; but unfortunately it is the second time they have found it necessary to borrow in order to buy provisions. According to these facts, the number of adherents ought to have been still larger, but some of the villagers had already contracted loans for their provisions with the bank of the department, or with the People's Bank at Smédérévo.

The loan society began to lend to its adherents on 15th May of the same year (1894), and up to the end of the year it had effected 30 loans, to the total amount of 8,150 francs:

22 loans for the purchase of provisions, 6,480 francs.

5	11	for the purchase of cattle,			850	
I	,,	for building, .			400	
2	٠,	for building repairs,			420	,,
30					8,150	**

The money was advanced to the loan society by the Co-operative Agricultural Bank, which opened a credit of 8,000 francs in favour of the society. Up to the same date, as above-mentioned, the loan society had 345 francs, the proceeds of savings paid in. Its rate of interest was nine

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per cent, as it had itself to pay the bank seven per cent, interest on the sum advanced.

The organisation of Servian loan societies is identical in principle with that of the similar institutions in Germany, created by Raiffeisen, with a few divergences of detail clearly arising from local circumstances:—

- 1. The narrowest possible limitation of area. The loan society only embraces a very limited district, generally a parish with a population of from 1,000 to 2,000 inhabitants at most.
- II. The adherents must live in the parish in which the society is situated. But to be admitted, it is not enough to live in the parish—a man must also be in full possession of his civil rights, be the head of a family, especially of a zadrouga, and be of legal capacity to bind himself and all his property. When admitting into the loan society the head of a zadrouga, the written consent of the other members of the community is required. And when he borrows from the society on behalf of his community, all the members sign and bind themselves. The very principles upon which the family community rests render this necessary; the civil law which has regulated these principles requires it equally.
- III. From the moment a person applying to the loan society fulfils all its conditions, though he be the very poorest, he is entitled to enter the association on the same footing as the wealthiest.
- IV. Adherents have not to pay any cintritsgeld (entrance fee) nor geschäftsantheil (contribution of capital), such as the German law imposes upon German rural loan societies. No special law exists in Servia on agricultural institutions and credit. The Commercial Code only recognises societies constituted by shares with limited liability, which have to pay a heavy registration fee (200 francs) on their formation. Servian rural loan societies are formed by contract, and are founded upon the common right of contracting. All adhering members make among themselves a contract, having for object the constitution of the association (the caisse or loan society), the rules of the society being inserted in the

contract in extense. In that manner the heavy formation expenses are avoided, as the registration (or certification) of such a contract only costs two francs in revenue stamps. Thus a blank in the law has been filled up, and at the same time all possible lawsuits prevented.

As there are no payments to share accounts, Servian rural loan societies pay no dividends.

V. The officers comprise committee of management, a committee of supervision, and a secretary or accountant, all elected by the general meeting, with the exception of the secretary, whose appointment rests with the committee of management. All these functions are essentially gratuitous, except that of the secretary, who receives not more than forty francs monthly. But he cannot belong to either of the committees, neither can he share in any way in their rights. He is an employee and nothing more.

VI. As in foreign rural loan societies, so in Servia, the adherents attend the general meeting, have all an equal vote therein, and are jointly and severally liable for the obligations of the bank, the extent of which obligations is, of course, determined beforehand by the general meeting. The applicant for a loan is obliged to set out in his written application the exact purpose for which the loan is required, the date of repayment, the person who is to serve as security, &c. When granting the loan the committee refer to the application, and judge from their side of the question whether they ought, considering the needs of the applicant, to grant the loan or no. As everywhere else, the character, industry, and needs of the applicant are considered first; his solvency and the tangible securities only come second. The loan society must not lose anything, but neither must it foster the habit of borrowing. Its loans must be devoted exclusively to agriculture. This is expressly laid down in the statutes, and has been strictly adhered to.

VII. In the Servian rural loan societies all security is reduced to personal security, that is to say, the confidence the parties to a loan inspire in the committee. Except the personal obligation to repay the loan, and that wholly

moral factor which serves as its sanction, there exists no other guarantees, nor any tangible security, as, for example the pledging of movable or immovable personal property. Herein the Servian rural loan societies differ essentially from those of Germany or Italy. Pledging and mortgaging constitute in Servia a scarcely practicable security, and a very dear one, because the provisions of the law relating to this matter are not the same as in Germany or in Italy. Moreover, the Servian peasant has a horror of publicly giving anything as a pledge.

In the matter of the period for which they are made, the loans are of two kinds—short periods loans, for not more than twelve months; and long period loans, for two years. The instalments are paid every six months, and it is on these occasions that prolongation of the period of repayment may take place. At each postponement the debtor must pay an instalment of one-quarter or one-half the loan, and all interest accrued on the sum remaining due. Further, the periods are determined according to the nature of the work for which the loan was contracted, and the interval between the date of the loan and the next harvest. If the harvest is only two or three months off, the falling due of the loan will not be fixed for a later date than that.

Further, all the Servian rural loan societies have organised a special kind of savings bank, in which every adherent can at will deposit his savings, but he can only draw out the money when his obligations fall due, and then he can only use it to pay his instalments, or to repay the whole debt. The peasants have quickly got used to this institution, and almost all proceed in this manner to repay their debt to the loan society. They have also organised school savings banks by means of savings cards, and general savings banks. These two institutions are progressing slowly but surely.

For instance, the Rural Loan Society of Azagna, established in the month of April 1894, which has 226 adherents, showed on 30th May of this year—

That of Vranovo, with 62 adherents, had at the same date—

48 adherents	•	•	515 francs.		
24 scholars .			43 "		

The societies have not yet federated, as they have in Germany. The Union of Servian Rural Loan Societies, which is in existence, helps them with advice and information, but it has not yet been formally organised.

The position of societies towards the Agricultural Co-operative Bank is the same as towards any other bank, that is to say, the position of a debtor towards his creditor. At present there are no other relations between them. It was the Co-operative Bank which first and alone agreed to give credit to the rural loan societies, and to support their formation, and they are grateful to it for having done so; but it is not their centre. They are going to create their centre in such form as will best suit their needs.

XII.

In their moral effects the rural loan societies are very beneficial and very praiseworthy. It would require a whole essay to describe the many very interesting examples which show the salutary influence of these associations on social and political life.

Peasants who formerly were wont to spend their days at the public house playing cards and drinking have lost that habit. In the village of Rattarée before the formation of the rural loan society, the local innkeeper paid 480 francs rent for his café, and always did a good business. This year he was scarcely willing to pay the parish, which is owner of his house, 210 francs, and even at that he is a loser. Once whilst making the round of the rural loan societies I found myself in this village, and entered the inn, when the innkeeper told me of the poverty into which he had fallen, since no one came any longer to drink or to play cards. And, indeed, whilst formerly there was beer, wine, absinthe, &c., in the house, now there is none. In the village of Mihaīlovotz there were two inns, one of which has been closed ever since New Year's day. On one

occasion a member of a loan society was seen to play cards, and to lose four francs. He was informed against, and forthwith excluded from the society. Others suspected of the same fault gave up frequenting the café.

In Servia, in the country districts, elections for the local governing bodies are always accompanied by fights and quarrels. Since there have been rural loan societies these elections have gone off in peace and in perfect concord. "Our association," says the committee of management of the Rural Loan Society of Azagna, in its annual report, "has reconciled us all and brought us together, as should be among good and honest people. It has taught us to respect one another, and help one another to live better and work better. In a short time it has taught us so many useful things, which our schools have failed to teach us."

The teachers and the priests (popes), who were formerly political agitators, are now agitating on behalf of co-operation. In a year and a half Servia has seen fifteen rural loan societies spring up in three departments. There would be more if credit establishments would only open credit in favour of the rural loan societies, a thing they have, however, promised to propose to their general meetings, in order to introduce it into their statutes. No doubt the parishes too will take steps to employ their immense capital, now spread about in various documentary securities, more usefully, in improving the national agriculture, by means of rural loan societies.

Servia, then, is merely entering the grand edifice of international co-operation. She possesses a fair number of favourable conditions for the development of this great idea, and I hope she will before long be able to come more boldly before the civilised world, which, nevertheless, gentlemen, in your persons does not refuse her hospitality even now, when she is still young and insignificant.

MICHAEL AVRAMOVITCH.

Manager of the Agricultural Co-operative Bank of the Department of the Danube, and Organiser of the Servian Rural Loan Societies.

SMEDEREVO, SERVIA.

It is not easy to give a very exact account of the present position of co-operation in Spain. There is no central office which collects information; and our co-operative societies accordingly stand isolated, each engrossed with its own work, without any means of common action. historians of Spanish co-operation whom we possess, such as the indefatigable Senor Don Fernando Garrido, author of a pamphlet of ardent propaganda, entitled "La Co-operación"; the ex-Minister Don Manuel Pedregal y Cañedo, author of the book "Co-operative Societies"; and the Professor of the Central University, Don José Piernas Hurtado, who has collected and published, with interesting additions, the records of three Conferences, held in El Fomento de las Artes, upon the co-operative movementall these men have striven in vain to overcome the obstacle indicated. We have not even special rules or definite regulations, such as might assist the spread of co-operation. Fortunately, our laws are altogether favourable. There is, indeed, no description of society, having a lawful object, which is not permitted by our laws. Co-operative societies in general are regarded simply as associations coming under the law of 30th June 1887, which enacts that their external relations shall be regulated in accordance with public law, failing which the civil authority may intervene. To put themselves in order under the existing law, associations are required to have themselves formally registered at the Government Office of the province, giving the exact number and names of their members, as well as their addresses. The registers so compiled have been utilised, so far as has been possible, in the following account. Ruiz y Capdepont, late Minister of State, has been kind enough to write to all the Government Offices of the provinces asking for the reports of the co-operative societies entered in the said registers. The greater part of such



DON DIAZ DE RABAGO.

offices have complied with his request. This does not, however, unfortunately, bring the present statement up to date. I have not been equally successful in applying to the present Government for more recent information. Even within the limits of the information received, it is not possible accurately to distinguish between bond fide cooperative associations and other bodies, most of which are of the nature of friendly societies, since in the registers no difference is made between association and association.

It may be interesting to state that friendly societies, although they have not in Spain increased as much as in other countries, have still grown tolerably numerous. In the province of Barcelona alone there are 1,153. Again, there are some co-operative societies, which, by reason of their commercial character, have been entered, not in the Register of Associations, but in the Mercantile Register; and very probably there are a number more which have failed to have themselves registered at all.

There are specifically three epochs that stand out markedly in the history of our co-operative movement. They are these:—The period preceding the Revolution of 1868; the revolutionary era, which ended with the restoration of the monarchy; and the period commencing at the close of 1875. In the narrative given by Fernando Garrido — upon whose responsibility the statement is reprinted here, with some scepticism, since the evidence appears a little biassed—it is affirmed that during the period when the Moderados were in power, working-men who wished to unite for the purpose of practising co-operative supply, as a means of alleviating their misery, were obliged to combine in secret like criminals. As an example, the case is cited of an association which existed secretly in Barcelona from the year 1849 forward, and at one time included a hundred families; who, making their purchases in common, effected a saving of 4 cuartos in each peseta (about 12 per cent.). The same author speaks of another co-operative association, a productive society, which afterwards acquired considerable importance, La Obrera Mataronensa, for which, he says, in all Mataro no notary could be found willing to draw up the articles of association.

In consequence, since the civil governor of the province refused to approve the rules, no fewer than 167 members out of 247 retired under apprehension, leaving only eighty in the society, whose number dwindled so rapidly that at the beginning of the Revolution of September no more than seven remained.

The opposition of the authorities to the development of working-men's associations was, I may state, provoked by some small outbreaks of socialism—for instance, that of Loga in 1866, which made the Government suspicious.

There are very few co-operative societies constituted at that time which have come under my notice. Besides those already named, there are the following:—The Papermakers of Bruñol, founded in 1858 by means of contributions of 25 centimes a member; La Proletaria, a productive society in the silk industry, established in Valencia in 1856, which in 1884 numbered ten members, and worked seventeen looms; La Comercial Amistosa, founded in 1865; and some few distributive societies, likewise established at Valencia, where, according to the memorial of Senor Perez Pugol, entitled "La Cuestion Social en Valencia," there was from 1856 to 1860 a certain movement in progress in this branch of co-operation, which proceeded silently, to disappear in course of time, scarcely leaving a trace behind it. Moreover, there were some societies in Andalusia. The want of liberty, and the fact that co-operators were obliged to form in groups of not more than twenty persons, in order not to come under the rigours of the penal code as illegal associations, tended to limit and stifle their development.

The Revolution of September 1868 secured to Spaniards the full right of association, which was formally confirmed by the decree of 20th November of the same year. The new law of the 11th to 19th October 1869 extended that right, and gave liberty to associations to form banks and all other kinds of collective establishments, mercantile or civil. This new legislation imparted a great stimulus to the formation of associations. Fernando Garrido will have it that in the first five years—say, up to the year 1873—more than 600 co-operative societies were started. In the town

of Jérez de la Frontera alone, in the same period, more than fifty productive and distributive societies were established.

But the working classes were wanting in the requisite training, and confided too much in the inherent virtue of an institution, which, for want of checking, often proved delusive. They were, moreover, imbued with the revolutionary spirit of that stormy period, and above all they were favoured by "The International," which grew powerful in Spain, as in no other country, and which, since the Congress of Lausanne, has shown itself hostile to all free co-operative societies.

On the one hand, therefore, co-operators were victims to the hatred evinced by the "Societies of Resistance," the directors of which, according to Garrido, even went the length of exacting from owners of factories that they should give them no work; on the other, they found themselves eyed with suspicion by the Government, which, in proportion as the social danger increased, withdrew its countenance. It is not surprising, accordingly, that the large number of co-operative societies founded under such abnormal conditions should have declined with the same rapidity with which they had originated, and that those only should have survived which answered the true economic conditions of existence.

From that period date the following, of which some still survive, while others have died out. They are principally to be found in Catalonia, in which district the co-operative movement possessed the greatest strength and vitality.

I. La Obrera Mataronensa, before mentioned, which revived under the invigorating breath of the Revolution of September, and soon attained such strength that its members exceeded a hundred. In 1870, when visited by Garrido, it occupied and owned a superficial area of 20,534 square metres, on which was installed its manufactory of cotton fabrics, illuminated with the electric light, containing 132 looms, worked by steam-power; also supplementary buildings adjoining, including a locksmith's workshop, a store for articles of supply for the use of members, a club and library, and a school for children, with an annexe for infants;

also gardens, an open-air gymnasium, museum, houses in course of construction for the members, &c. At a recent date this society passed through a severe crisis, owing to embezzlements by an employee.

- 2. La Co-operativa de Ebanistos (Cabinetmakers), founded in Barcelona in 1872; and
- 3. That of the Stone-cutters of the same town, which, by reason of abuses in the management, was after a short time dissolved.
- 4. La Villanovesa, of Villanueva and Geltree, a distributive society, was established in 1871 by 194 members, which number increased in 1879 to 350. The society had to struggle against the ill-will of its members' wives, who, induced by presents and credit given, preferred supplying their household wants at ordinary shops. This society, with its auxiliary stores, prevented the shipwreck of another productive society, formed by the barrel-makers of Villanueva and Geltree, when the bankruptcy of one of their customers caused a loss of 4,000 pesetas.*
- 5. El Porvenir, of Coruella, was founded in the same year (1871) by forty-four members—a number which increased in 1878 to 213, causing Garrido to entertain the hope that this village, composed only of some 300 households, might ultimately become entirely co-operative. This society has established a school, a café, and a large assembly hall for fêtes and dances.
- 6. La Bienhechora, of Badalona, is composed for the most part of fishermen. It was founded in 1873 by the federation of four smaller societies (which date from 1869), numbering at that time 600 members. Within five years it came to possess a bakery, five establishments for retailing meat, fuel, &c.; a workshop for the production of hemp-sandals, another for making ropes for the fisheries, and a school.
- 7. Three other co-operative distributive societies of minor importance established themselves in Badalona. Under the influence of all these societies the mode of living in Badalona improved to such an extent as to

^{* 1} peseta = about 8d.

redeem the inhabitants from the evil fame which had previously caused the name "badalones" to serve as a synonym for thriftless, lazy people.

8. La Union Obrera, of Sans, also of 1873, was founded by 1,200 members with a capital of 3,000 pesetas, collected in monthly contributions of 12 centimes* (4 cuartos). In a short time it acquired a bakery, established day and evening schools for children and adults, and started a branch co-operative productive society for making bricks.

While treating of the period of the Revolution, I should mention—

9. Escardino y Compania, in Valencia, a co-operative productive society of combmakers, working with steampower; and an experimental co-operative distributive society, started on a large scale in 1869 in the same town, under the auspices of the Economic Society of "Friends of the Country," by the middle classes; but that experiment of patronage of the interests of the workingmen did not prove a success. The capital was lost, and the society was dissolved.

A little while afterwards there were working in Valencia two co-operative distributive societies, numbering between them 263 members:—(10) El Movimiento, and (11) El Campañerismo, formed by the employees of the Almansa railway.

Since the Restoration, the co-operative movement in our country has entered upon a phase more tranquil but scarcely more active. The merits of co-operation have been extolled on all sides, but its deeds have scarcely made good the praise bestowed, and Spain remains on this point behind countries which in other respects are of much less importance. Of the different branches of co-operation, that of distribution alone has any development to show, in spite of the hatred and antagonism of the commercial classes. At the present time, the Chambers of Commerce preach a crusade against those active co-operative societies which prosper in the various towns, preferring complaints against them to the public authorities, not in order that possible

^{*} I centime = $\frac{1}{100}$ th of a peseta.

abuses may be rectified, but in order that the societies may be subjected to a supervision which would entirely deprive them of liberty of action, and produce their utter disorganisation.

I will rapidly review the different co-operative societies which have come under my notice, but it may be necessary to mention beforehand that here as everywhere the co-operative societies often practise various descriptions of co-operation at the same time, by production and distribution, or else by co-operative and provident action.

DISTRIBUTIVE SOCIETIES.

In Madrid there are actively at work the following societies, being at the same time distributive, co-operative, and provident.

La Sociedad de los Obreros de los talleres generales de los ferro-carreles de Madrid a Zaragoza y a Alicante (The Society of the employees in the general workshops of the Madrid, Zaragoza, and Alicante Railways), founded in the first half of the year 1890, with the object of supplying articles of common use to members with the greatest economy; to form a capital which may serve as a fund, in case of need, for granting assistance, repayable or not repayable; to assist individual members to save money, by means of monthly subscriptions, which must not be smaller than two pesetas, and out of the accruing profits of the society. The members are permitted to obtain goods on credit to the amount of two-thirds of the capital which they may hold in the society. There has been no lack of obstacles to the success of this society, which has been obliged to go to law against an ex-treasurer. On the 31st December last the number of its members was 196, its available capital 25,491 pesetas, and the profits for the same year were 6,442 pesetas. From the annual reports, it does not appear that the society maintains any shops of its own. It contracts with various dealers in provisions, meat, fuel, linendrapery, furniture; also tailors, bootmakers, hatters clockmakers, barbers, &c.

La Sociedad filantropica y economica militar, founded in August 1892. Its principal object is to obtain direct

from the producer the goods required by the members, or to contract for them with merchants or tradesmen. Besides this, it grants loans to members, when considered necessary, on the security of their property, such loans bearing interest to the rate of not more than 4 per cent. per annum. It furthermore advances money without charging any interest to widows and orphans of members, to serve as a substitute for pensions until these become due. It also establishes educational centres for the teaching of children of members and others. For all these different objects the members have contributed nothing, with the exception of the original donation for the formation of the social fund, which has been increased by 2 per cent. out of the profits and by the interest which has in the course of time accrued from loans. I will show how this has worked.

At the present time the only property which the society actually possesses is a warehouse for fuel, but it proposes to establish shortly a store for provisions of all kinds. In the meantime the goods are contracted for with different tradesmen and commercial establishments of every description—bakers, foreign store dealers, fishmongers, poulterers, wine merchants, confectioners, dairymen, oilskin and indiarubber dealers, hat and cap makers, shoemakers, staymakers, dealers in silks, cloth, paper—in short, provision is made for all the principal necessaries of civilised man.

The member, holding a list of the shops contracted with, obtains what he requires at the one which he selects, and, before the price and terms are finally settled, he presents his card of membership to the vendor, who is obliged by the terms of the agreement to hand him a voucher of the society, stamped with the merchant's own seal, and showing the true cost, that is, provided that such amount is 25 centimes or more, 25 centimes being the smallest sum for which vouchers are issued. These vouchers serve as a check on the merchant or dealer.

The society numbers at the present time some 3,000 members, and their monthly purchases, which at the commencement in November 1872 did not exceed 1,888 ptas., securing a profit of 215 ptas. had increased in April this year to 35,410 ptas., with a profit of 2,543 ptas.

La Mutualidad, organised as the result of a conference held in El Fomento de los Artes by Senor Piernas. As defined by its rules, this society has the object of stimulating "saving," and instituting "distribution," as well as improving the moral, intellectual, and economic condition of its members. It hopes, moreover, to further the co-operative movement, and to establish mutual relations with similar societies in Spain and elsewhere, doing part of the work for which the International Co-operative Alliance has been formed. Its business is at present exclusively in articles of primary necessity, which it may purchase either for cash or on credit, but which it is obliged to sell strictly for cash and at current prices. By means of the profits accruing, it is to create a fund destined as an endowment for educational establishments, such as schools, libraries, technical institutions, &c., clubs for culture and recreation, artistic exhibitions, &c.

Don Manuel Piernas also mentions El Obrero Español, a society which was in operation some years ago, having established numerous educational institutions for the assistance and recreation of its 5,000 members, and which had commenced to retail various articles of consumption; and

El Circulo Co-operativo Militar, which was being organised for distributive work in 1890. Neither the one nor the other of these—unless either is identical with the Sociedad filantropica y economica already described—appears to be entered in the Official Register for the province of Madrid.

I may mention that, in the other provinces of Castilla la Nueva, it is very common for distributive societies to evade registration.

I pass by Aragon, which has scarcely any co-operative institutions to speak of. The province next in order, Catalonia, has proved most favourable to them. There are

La Co-operativa de los Teredores a mano de la villa de Gracia (Co-operative Society of Hand Weavers of the town of Gracia), created in 1876, on the withdrawal of the masons, who were previously united with the weavers, in order to form a separate society of their own. The society we are speaking of freely admits workmen of other branches

of industry under the name of extra-members, but these are not allowed either to speak or to vote at meetings, and simply possess the right of purchasing at the society's store, in return for a weekly payment of ten centimes toward the expenses of management. The goods are supplied by the society at a price only sufficient to cover administration expenses, as is the case with the majority of the co-operative societies in Catalonia; there are no dividends paid, and the small profit which remains over serves to recompense such members as voluntarily undertake the management of the business. Originally all the work was to be done gratuitously. There are also societies of this kind in Sabadell, Hospitalet, and various others in Barcelona, such as La Abastecedora, started in 1882, for the purchase and sale of provisions and drugs in a manner not stated, with shares of 50 ptas.; El 15 de Agosto 1889, established in Barcelona, the title marking the date of its origin, which confined its operations exclusively to supplying members; La Fraternidad, also established in Barcelona.

In the Gerona province of Catalonia the following are registered as co-operative distributive societies:—

La Economica Palafrugellense, in Palafrugell.

La Regeneradora, in Llagostera; and

La Equitativa Blandense, of Blanes, the last of recent formation, which proposes, whenever its development may permit, to extend its sphere of action so as to make it include the instruction to members and their families.

The following are registered as co-operative distributive and friendly societies combined:—

La Progresiva, of Calonge;

La Protectora, of Cassia de la Selva;

La Reformadora, of Palafrugell;

La Economica Bagurense, of Bagur;

La Ley, of San Antoni de Calonge; and

La Economia, of Agullana.

In the "kingdom" of Valencia the co-operative movement has been stronger than in any other district. An official volume, recently published upon the condition of the working classes, mentions in the district of Valencia six distributive societies founded before 1887, one in Jabernes

de Valldigna of 1887, another in Tativa, and a third in course of formation in Alboraya, making in all nine societies, with a total of 1,953 members. The compilers of the volume observe that the societies have succeeded during their initial period, while the business was limited, and the members were able to attend to it themselves, but that they have declined as soon as the work had to be handed over to paid employees.

The Register of Associations for the Province of Valencia contained, on 12th February last, the following co-operative distributive societies:—

El Amparo de la Agricultura, in Valencia.

La Favorecedora de la Agricultura, in Valencia.

La Previsora, in Valencia.

La Sociedad Cooperativa de Maestros Carpenteros Contailer. 1 Valencia,

La Protectora de la Agricultura, in Valencia.

La Sociedad Cooperativa del Ejercito y Armada, in Valencia.

La Productora, in Valencia.

La Cooperativa Valenciana, in Valencia.

La Associacion de Obreros en General, in Valencia.

La Sociedad Cooperativa Obrera, in Benisayo de Espioca.

La Cooperativa, in Tabernes de Valldigna.

Sociedad Cooperativa Obrera, in Alcudia de Carles.

Sociedad Cooperativa Obrera, in Alfarp.

Sociedad Cooperativa Obrera, in Picasent.

La Union, in Llosa de Ranes.

La Agricola, in Bellregnart.

La Naranjero, in Carcagente.

Sociedad Cooperativa, in Alborache.

Union Obrera, in Villanueva del Gras.

Sociedad Cooperativa y de Socorros Mutuos, in Envoa y Sans.

La Esperanza, in Pueblo Nuevo del Mar.

La Previsora Cooperativa y Benefica, in Benefairo de Valldigna.

La Amistad, in Benimaclet.

Sociedad Cooperativa, in Picaña.

La Union, in Rafelguaraf.

La Bienhechora, in Silla.

La Fraternidad Gadunse, in Gaudia

La Coeperativa y de Socorro, in Bétera.

La Cooperativa Obrera, in Llombay.

La Union Agricola Obrera, in Burjasot.

La Union Economica, in Simat de Valldigna.

El Compañerismo, in Puebla Larga.

La Sociedad Cooperativa, in Carcer.

Sociedad de Consumo de Carne, in Aldaya.

There are, besides, three other societies — Sociedad Cooperativa de Sastres, of Valencia; Sociedad Cooperativa de Scorros, of Requena; and Sociedad Cooperativa Obrera, of Albal—which, although registered as "co-operative," are understood to be really friendly societies.

La Protectora de la Agricultura, of Tabernes de Valldigna, was formed in 1877, and reorganised in 1884. The majority of its members are labourers. It devotes its attention principally to the requirements of agriculture and the necessities of the domestic economy of agricultural classes. It sells in a shop, which is open to the public, provisions, wood, ironmongery, &c. It lends to members on mortgage, and at 8 per cent. in cases of misfortune; possesses a house of its own; and in 1889, according to the statement given to Senor Piedras, numbered 383 members, had a capital of 200,000 ptas., and had made a profit for the year of 15,769 ptas. The same writer mentions the Society of Cullera, founded in 1878 by seventy members, which in September 1881 showed assets to the amount of 26,720 ptas.

La Sociedad Union Agricola Obrera, of Bétera, created in 1892 by sixty members, with an initial capital of 296 ptas., has for its object the provision of articles of primary necessity for members, and mutual help in case of sickness. Members are made to pass through a probation, probationers as well as members paying a weekly contribution of 40 centimes. The society has met with great local difficulties, arising more particularly from a lack of co-operative spirit in the locality. For this reason its numbers have declined to such an extent that in last May there were not more than forty.

In the province adjacent to Valencia, Alicante, the following are registered as distributive co-operative societies:—El Trabajo and La Union Obrera, in Alcoy; El Porvenir, in Orihuela—all three registered in 1877; La Cooperativa de Obreros (1888) and El Alba (1889), in the capital; and La Sociedad Cooperativa de Obreros (1893), in Albatera.

In the provinces adjoining Andalusia, the co-operative movement has thus far remained feeble. The following

are all the societies of this part of Spain, about which any information is to hand:—

In Seville, La Cooperativa Industrial Cantabro-Andaluza, founded in September 1894, for the purpose of purchasing cattle and supplying the meat to its members. La Sociedad Cooperativa Mercantil Anónima, for the provision of articles of ordinary use for its members, supplies for merchant ships, and the undertaking of army and navy contracts.

In the province of Huelva, La Igualdad, in Tharsis. It has a store for articles of supply, and devotes the profits to a saving fund. La Cooperativa de la Mina los Silos (Callanas) has a store, but the profits are divided among the members.

In the province of Cadiz, La Sociedad Cooperativa dei Ejercito y Armada (Army and Navy), in San Fernando, a supply society created in 1882. Senor Piernas states the number of members in the year 1888 at 466, the capital at 98,239 ptas., and adds that the profits had increased to 28,288 ptas. He considered it to be at that time the most considerable society in Spain.

La Sociedad Cooperativa de la Compania Transatlantica was founded somewhere about the beginning of 1893. This is a society bearing a stamp of patronage, due to the solicitude of the Marquis de Comillas, President of the Council of the Transatlantic Company. From the report and balance-sheet for the year 1894, it appears that at the end of that year there were 268 "founder" members, 307 "consumers," and 517 "workers," all being connected with the Transatlantic Company: the capital subscribed was 34,568 ptas., and the reserve fund 9,496 ptas. The profits during the said year were 11,744 ptas.; and the sales amounted to 427,470 ptas. The worker or employee can obtain the necessaries for living and clothing at a great reduction and a reasonable credit; medical attendance and medicine, legal advice, dentistry, are all provided gratis: there is also a day school for children and an evening school for adults; and in case of death, the society, as a rule, waives its claim for the amount due. It will be easy for the same company to start a similar institution in Barcelona, where it has a naval depôt and numerous employees.

In the province of Granada there formerly existed La Sociedad de Albunol, mentioned by Senor Piernas as having been created in 1881, with 42 members and a capital of 2,250 ptas., and which had increased.

In the province of Malaga there are:—La Union Cordial, of Velez, established for the supply of provisions and other goods to the members; to provide means of amusement; and to enable members to obtain loans in case of sickness or loss of employment. La Lealtad, of the same place, professes much the same objects.

In Almeria, there is La Sociedad Cooperativa del Ejercito y Armada, in Cadiz, similar to that at San Fernando.

In the kingdom of Estramadura there has been in existence since 1891, in Badajos, La Cooperativa Militar de Badajos. Its capital is 49,060 ptas., and its members number 151. The shares are of 25 ptas., of which 10 ptas only are paid up. The profits are annually divided.

In Galicia there is La Sociedad Cooperativa Militar y Civil, established in Corunna, the capital, in 1890. This society is progressing, and is endeavouring to acquire property, in order to procure commodious premises of its own for offices, stores, and a bakery. At the end of 1894 its assets amounted to 101,471 ptas.; the capital was 59,270 ptas.; and the reserve fund 11,606 ptas. The sales for the said year were 583,584 ptas. The number of its members was 186 "founders," 75 "collectives," and 708 "consumers."

La Sociedad Cooperativa Civico-Militar, of Santiago, started with great strength during the present year, and has not yet lived long enough to publish a report.

La Cooperativa del Ejercito y Armada, in Ferrol, was formed in 1884, with 188 members, who contributed 50 ptas. each. As in other "military" co-operative societies, the members are classified as "founders," that is, full members; "collectives," who take shares, but do not contract any legal responsibility beyond; and lastly, "associates," who are simply ticket-holders, and do not contribute anything. The society has already acquired several houses, and started local branches; it has also established a savings

and loan bank. It now proposes to establish a pawnbroking business in connection with the savings bank. system of lending adopted with a view to sparing the susceptibilities of borrowers is rather curious. ness is kept entirely private: the repayments made by the debtor are included in a "debit account," at the head of which are inscribed the amount, the date, and the order number to which the account is opened; the name of the debtor is not mentioned, except in a register, which is kept under lock and key, and is accessible to the vice-president only. Only in the event of the society being obliged to go to law to obtain payment is the name revealed; and it is then, as a further disgrace, made public in a "black list." This society, at the end of the year 1894, had assets to the amount of 449,876 ptas., its capital was 90,855 ptas., and reserve fund 18,171 ptas. In April last the number of its members was—"founders," 188; "collectives," 106; and "associates," 425; and the sales of goods, including the tailoring department, for the quarter ending that month. amounted to 120,000 ptas. The governor of the province has officially mentioned this society as a model.

In the remaining provinces of Galicia the only cooperative societies of which anything positive is known are: one that is working in Pontevedra; and another started in Orease in 1892, which appears to have ceased to exist. In Asturias, co-operative distributive societies exist in

In Asturias, co-operative distributive societies exist in Trubia, in Mieres, and in Gijon. But of none of these are there any recent data extant.

In the kingdom of Leon there was a co-operative distributive society established in Zamora, and another in Ponferrada (Leon). The following are known to be now in existence:—

La Sociedad Cooperativa Militar de Valladolid, which was started on the 1st January 1890. The shares are of 100 ptas. each, payable either in one sum or by instalments, and no member is allowed to hold more than five shares. In addition to the "members," there is a class of "associates," non-commissioned officers and privates, who are required to take up one share each, payable in ten instalments. Members and associates are entitled to obtain

goods on credit to an amount not exceeding one-nineteenth part of their paid up shares.

In the kingdom of Castilla la Vieja there was at one time a co-operative distributive society in Segovia; another (founded in 1892) in Avila; and another in the province of Santander. But with regard to these there are no recent data, any more than there are for Navarra, Biscay, and Guipuzcoa.

In Alava, La Sociedad Obrera de Araya merits attention. It consists principally of the workmen and employees of La Fabrica de Hierro Ferreria y Talleres de Herrage y Clavo de Araya (ironworks), for the mutual protection of the members, and to retail as cheaply as possible necessaries of life. It is composed of shareholders, each holding one or more shares of 10 ptas. each, and of "consumers," who purchase from the society. It was established in the year 1886, with a capital of 10,000 ptas., in shares at that time of 25 ptas. It developed in spite of the opposition of some of the outside workmen, and, even more, of the local shopkeepers. In 1894 the capital was raised to 30,000 ptas., in 3,000 shares of 10 ptas. The profits are distributed in a fixed proportion between shareholders and "consumers." Both classes are entitled to free medical attendance, provided that their monthly purchases reach 35 ptas. The total number of members of all kinds is now 280; and the balance-sheet for the 31st December last shows assets to the amount of 49,418 ptas. as against 25,740 ptas, liabilities. During the present year the sales have amounted to 187,633 ptas.

There is no co-operation of any kind in the Canary Islands.

INDUSTRIAL DISTRIBUTIVE SOCIETIES.

As a link between the co-operative distributive and the co-operative productive societies, we may class those formed for the purchase of raw material" (the Rohstoffvereine of Germany), which often pass by the name of industrial distributive societies.

Of this class there are, in Madrid, La Cooperativa de Maestros Encuaderuadores (Master Bookbinders), the object

of which is to provide the materials of their trade to the members as cheaply as possible. It was founded in 1866. At the end of 1889 it numbered sixty-two members.

In Barcelona there is La Sociedad de Maestros Zapateros de Barcelona (Master Bootmakers), founded likewise in 1886. In its second year its sales amounted to 168,481 ptas., allowing a dividend of 6 per cent. to be paid to shareholders, and 1 per cent. to consumers.

In Zaragoza, the "Masters" of the same trade formed a similar society, which, however, exists no more.

In Valencia there existed at one time societies of the Master Bootmakers and Mattressmakers, but there is nothing to show whether they still exist. Then there is the Society of Charcoal Burners of Valencia, founded in 1883, which a few years ago numbered ninety-five members, and had a capital of 395,000 ptas. It was formed with the idea of emancipating the small men who use charcoal from the yoke of the middleman.

PRODUCTIVE AND BUILDING SOCIETIES.

There is very little indeed to report in respect of productive co-operation. In Madrid, in past years, there were societies of Sculptors, Stonecutters, and Printers.

There is at present La Sociedad Cooperativa de Vehiculos Mécanicos. However there are a few, Building Societies more particularly:

In Madrid, La Construccion, the object of which is to build houses for workmen.

La Construccion Benefica, founded in 1875, with the same object, worked principally as a charity.

Some time ago a society, El Porvenir del Artesano, was in existence, having the same objects, and owning extensive tracts of land. The shares were quoted at a premium. I cannot say whether the society still exists.

More in sport than in earnest, the workers of the breadmaking industry of Madrid, in July last, delegated certain of their number to take the initial steps for the formation of a co-operative bakehouse. The project has, however, been dropped. In Catalonia there are La Obrera Mataronense, a Society of the Barrelmakers of Villanueva y Geltree, and two productive societies, respectively of Cabinetmakers and of Stonecutters in Barcelona, and a few more, about which I am not in a position to state anything.

La Constructora Mataronensa, founded in 1877, is composed mainly of stonemasons, and has a capital of 2,241 ptas., collected by weekly contributions of one peseta. The object of the society is to build either on its own account or for others. This is now a benefit society, with a provident fund independent of the other capital of the Society, and providing for the instruction and recreation of its members.

La Industrial Corchera, of Palafrugell, was founded in 1886, with the object of procuring work for the members in the several departments of the cork-making industry. The members, numbering sixty-six at present, are obliged to contribute 5 ptas. on admission, a weekly payment of not less than 50 centimes in cash, and a monthly contribution of 3 ptas., payable either in coin or in work. To pass from the position of a "provisional" to that of a "definite" member, a man must hold a share of 500 ptas. in the society, and another of, at least, 50 ptas. in La Economica Palafrugellense (a distributive co-operative society previously mentioned), as a covering for loans which might be asked by the member. The profits, after deduction of 10 per cent. for the creation of a reserve fund, are divided among members in proportion to the capital held in the society. The capital of the society at present stands at 25,000 pesetas, with a reserve fund of more than 1,000 ptas. The society works up annually some 3,000 cwt. of cork, producing therefrom some fourteen millions of corks, &c., to the value of about 160,000 ptas.

The "Information regarding the Position of the Working Classes" mentions the following co-operative productive societies in Valencia.

In the silk industry, the specifically local trade of Valencia:—

La Proletaaria, which dates from the earliest period of co-operation (1856), and which has been referred to before.

La Artesana, of 1876, with ten members, working eight looms, and contributing 1 peseta per week.

Rosell y Compania, of 1878, with eight members, and a capital of 5,000 ptas.

La Lealtad, of 1881, with thirteen members, who contribute 1 peseta per week.

Lealtad, Garcia y Compania, of 1882, with eighteen members, and a capital of 9,000 ptas.

Sederia Valenciana, of 1883, with thirteen members.

Obrera Valenciana, of 1884, with eighty-two members.

In other industries:-

Escardino y Compania, of Combmakers, founded in 1870.

Obreros Carpinteros (Working Carpenters), of 1880, with six members, and a capital of 7,360 ptas.

Carpinteros Contaller (Carpenters with Workshops), of 1882, with fifty members, who contribute at least 1 peseta each per week. This is an association of "Masters," however, only on a small scale, formed for the purpose of purchasing trade materials in common. It has subsequently turned its attention to building operations.

La Industrial Obrera, of the same year, with twentyfive members, who make the same contributions as in the society last mentioned, and the object of which is likewise to build.

El Porvenir, founded by the Cabinetmakers and Wood-carvers in 1884.

Constructores de Carros (Coach-makers), of 1885.

Horneros (Bakers), of the bread-making industry, founded in 1881, and that numbered 450 members, the majority being "collectives."

In El Gras, the Coopers' Society, of 1888, with nineteen members. This society is annually renewed, each member contributing 250 ptas. capital.

In Pueblo Nuevo del Mar, the Coopers' Society, founded in the same year with fifteen members, and the same rules as the preceding.

In Aldaya, the Fan-makers' Society, of 1882, with thirteen members, who contribute one peseta per week.

It is questionable whether all the above societies are

still in existence. Seven societies engaged in the silk industry are known to have disappeared by reason of the depression in their trade.

In the province of Alicante there are La Co-operacion de Fabricantes de Panos and La Directiva de Fabricantes de Panos (Cloth Manufacturers), both established in Alcoy, and registered respectively in 1888 and 1890. As indicated by the titles, these are societies of "Masters" and not of "Workmen."

In Andalusia the following are inscribed on the Register of Associations for the province of Cordoba:—

La Sociedad de Participes de las Aguas (Proprietors of the Waters), for the preservation of the ownership of the same, and to work the property.

La Hermandad de Labradores, the object being the promotion and patronage of agriculture.

La Sociedad Obrera de Bujalance, composed almost entirely of stonemasons, who decided to start it in 1894 with the object of increasing the house accommodation in proportion to the population. It purchases building land, verifies the titles, erects houses, and sells them. Each member is required to contribute twenty centimes per day, payable weekly or monthly during the first two years, after which the payments may be reduced to such amounts as the general meeting may decide; but no one is permitted to withdraw his capital and his accumulated profits until the society shall have been in existence eight years, except in case of illness. The number of founder-members is forty.

In the province of Granada there is an Agricultural Co-operative Society, La Agricola of Cijuela, about which not much is known.

In Estramadura there exist, or did exist (since their disappearance may possibly be the reason they are not registered), the following:—

A co-operative society in San Vincente de Alcantara, occupied with the preparation of cork.

La Constructora de Casas, in Badajoz, founded in 1882, with a capital of 125,000 ptas.

In Caceres, according to the "Information regarding the Working Classes," there were several irregular societies,

having certain points in common with co-operative productive societies, viz.:—La Permanente de Hortelanos (Horticulturists), and another, societies of agricultural workers; these were of a temporary character.

There are many other societies of a similar kind to these scattered throughout Spain, which are really outside the scope of this work. That of the Vinegrowers of Cebreros, however, deserves mention. Its main object is to find a market for the wine produced. There is also a society in Morion de la Frontera, which is composed of agricultural labourers, each member contributing ten days' labour per year and one peseta per month for the goods, &c., required for common husbandry. In the first year the society cultivated one farm, the following year two, and later it worked three.

BANKING AND LOAN SOCIETIES.

Spanish co-operators have more than once tried their hand at co-operative banking, but thus far their achievements have not been too satisfactory. By the side of a large number of co-operative credit societies which have sprung up and perished, or survive as only nominally "co-operative" associations, the following deserve mention:—

La Proteccion Mutua, a mutual credit society, started in 1876, principally by and for public servants. The members contribute five pesetas per month to a provident fund, which is used to grant loans, to members only, on the security of their salary, shares in the society, or other property. On the 31st of December 1889, this society had a capital of 68,075 ptas., and a reserve fund of 3,394; and had transacted business to the amount of 179,000 ptas., with a profit of 7,652. Senor Piernas quotes with good reason, as a proof of the excellent administration of the society, that this amount of business was transacted with an expenditure of not more than 20 ptas. during the whole year.

La Sociedad de Papeteros (Papermakers), of Bruñol, already mentioned under another head, is now a mutual credit and friendly society.

La Previsora of Onteniente, started in 1880. Number of members 900, weekly contribution 25 centimes.

In the province of Seville there is registered La Labra-

In the province of Seville there is registered La Labradora, created in 1882, in Alcala del Rio, with the object of forming, by means of monthly contributions of 25 centimes, a capital to be used as a provident fund for the members.

A SPECIALITY.

I have still to mention as an ambitious speciality, La Union Obrera Balear, which appears in the "Information on the Working Classes" as a co-operative and friendly society. Its objects are as numerous as its aims are ambitious. They are set down as follows:—The mutual association of workers; the creation of provident funds; the establishment of co-operative societies of production and distribution; the establishment of schools, both primary and advanced, and of technical schools; the creation of medical clubs and sick funds; establishment of "Montepios" for needy workmen; the creation of credit banks, and the foundation of asylums for orphans, &c.

There are, besides, some co-operative societies whose object is not economic, such as those for instruction—for example, La Co-operativa de Parcent, in Alicante, founded in 1892, and which may, according to its rules, join co-operative trading to its educational programme.

CONCLUSION.

The above is a summary of such information as I have been able to collect concerning co-operation in Spain. As a matter of course, the web of co-operative institutions is closer than appears from this fragmentary sketch; but co-operation of all kinds is in this country in a state which may be termed embryonic, so little is it developed. Our working classes, agricultural as well as industrial, who are the most interested, for whom the idea of co-operative societies was started, and who should contribute the largest number of recruits, are wanting in initiative and tenacity of purpose, as well as deficient in economic education. All these disabilities are answerable for their lack of apprecia-

tion of co-operation as a means of improving the social condition of each one, without injury to other classes, and without danger of social disturbances. For these reasons they do not show themselves as ready and willing as the working-men of other nations to form co-operative associations, and to cultivate those easy economic virtues which conduce to comfort and prosperity. It is a thousand pities that the movement for the concentration and banding together of the working classes, under the guidance of leaders, tends rather to a war against capital than to the peaceful acquisition of that useful commodity—to the restriction of the liberty of the individual than to its safeguarding! Please God, this popular movement will soon take another turn, and address itself to co-operation.

JOAQUIN DIAZ DE RABAGO.