

International Co-operative Alliance.

4, GREAT SMITH STREET,
WESTMINSTER, LONDON, S.W. 1.

REPORT

OF THE

PROCEEDINGS

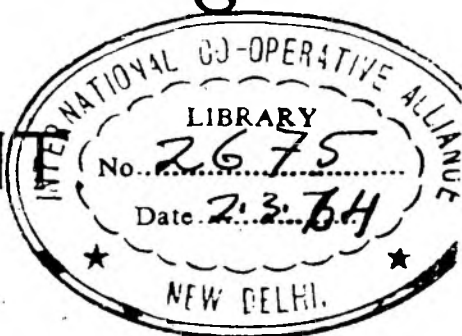
OF THE

Eleventh International

Co-operative Congress

AT
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1st to 4th September, 1924.

LONDON:

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and at Manchester and Newcastle.

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THE
COMMITTEES
OF THE
ALLIANCE.

International Co-operative Alliance.

Founded 1895.

President:

Mr. G. J. D. C. GOEDHART.

Vice-Presidents:

Mr. A. WHITEHEAD. Mr. E. POISSON.

Members of the Executive:

Sir T. W. ALLEN, W. GREGORY, H. KAUFMANN, VICTOR SERWY,
Dr. A. SUTER, ANDERS OERNE, EMIL LUSTIG.
A. A. KISSIN (Consultative Member).

General Secretary:

H. J. MAY.

Members of the Central Committee:

AUSTRIA	Mrs. Emmy Freundlich, Dr. Karl Renner.
BELGIUM.....	Victor Serwy.
BULGARIA	K. T. Bozveliève.
CZECHO-SLOVAKIA...	Emil Lustig, Adalbert Fiser, Anton Dietl.
DENMARK.....	L. Broberg, A. Nielsen, N. Porse.
ESTHONIA	R. Paabo.
FINLAND.....	V. Fagerstrom, H. Vasenius, Vaino Tanner.
FRANCE	Prof. Charles Gide, Albert Thomas, A. J. Cieuet, E. Poisson.
GEORGIA.....	B. Elerdorff.
GERMANY	R. Assmann, H. Kaufmann, H. Lorenz.
GREAT BRITAIN.....	Sir T. W. Allen, W. Gregory, F. Hayward, A. Whitehead, W. R. Rae, R. Stewart, J. J. Worley.

HOLLAND	G. J. D. C. Goedhart.
HUNGARY	E. de Balogh.
ITALY	A. Vergnanini.
LITHUANIA	Petras Salcius.
NORWAY	Andre Juell.
POLAND	R. Mielczarski.
RUSSIA	L. M. Khinchuk, A. A. Kissin, V. Tikomiroff, D. Kutusov.
SWEDEN	Anders Oerne, Albin Johansson.
SWITZERLAND	Dr. A. Suter, B. Jaeggi.
UKRAINE	A. G. Schlichter, A. E. Goettler, V. M. Cellarius, A. O. Polotsky.
UNITED STATES.....	Dr. J. P. Warbasse.
YUGOSLAVIA	Michael Avramovitch.

Committee of Honour :

Louis Bertrand.....	BELGIUM.
Sir William Maxwell.....)	
James Deans	GREAT BRITAIN.
H. W. Wolff)
Luigi Luzzatti	ITALY.
Severin Jørgensen	DENMARK.
Juan Salas Anton	SPAIN.
Dr. O. Schär	} SWITZERLAND.
E. Angst.....	
Edgar Milhaud	FRANCE.
A. György	} HUNGARY.
G. J. Mailath.....	
Quirin Kokrda	AUSTRIA.
Dr. V. Totomianz	} RUSSIA.
* V. Selheim	
Dr. E. Posthuma	HOLLAND.

* Died 2nd October, 1924.

The Congress Committee.

President :

Mr. G. J. D. C. GOEDHART.

Vice-Presidents :

Mr. A. WHITEHEAD. Mr. E. POISSON.

Members :

Mr. VICTOR SERWY. Dr. A. SUTER. Mr. H. KAUFMANN.

Past Congresses.

The International Co-operative Alliance has previously held Congresses at—

London	1895	Budapest	1904
Paris	1896	Cremona.....	1907
Delft	1897	Hamburg	1910
Paris	1900	Glasgow	1913
Manchester.....	1902	Basle	1921

Organising Committee of the Eleventh Congress of the International Co-operative Alliance.

HONORARY PRESIDENTS.

Louis Bertrand, President of the Office Coopératif Belge and the
Fédération des Sociétés Coopératives.

Edouard Anseele, Director of the "Vooruit," Ghent.

VICE-PRESIDENTS.

Victor Serwy, Director of the Office Coopératif Belge.

J. Chèvremont, Director of the Fédération des Sociétés Coopératives

MEMBERS.

A. de Backer, Director of the "Volksdrukkery," Ghent.

A. de Bruyne, Union Coopérative, Antwerp.

E. Jauniaux, Director of the Union des Coopératives du Centre, La
Louvrière.

L. Leclercq, Director "Magasins Généraux," Phillippeville.

H. Leonard, Director of the "Concorde," Roux.

F. Logen, General Secretary of the Union Coopérative, Liège.

A. Octors, Director of the Maison du Peuple, Brussels.

J. Papart, Union des Coopérateurs, Charleroi.

L. Pepin, Union des Coopérateurs Borains, Pâturages.

E. Rousseau, Director of the "Progrès," Jolimont.

H. Vandevelde, the "Fraternelle," Mouscron.

Van Vlaanderen, Director of "Noordstar," Ostende.

H. J. May, International Co-operative Alliance.

SECRETARY.

Willy Serwy, Secretary of the Office Coopératif Belge, Brussels.

STANDING ORDERS

GOVERNING THE

Procedure of the Congress during its Sittings,

As adopted by the Central Committee at Copenhagen, April, 1921.

1. The President of the Alliance is responsible for conducting the business of the International Congress, assisted by the members of the Congress Committee, in so far as they are called upon by the President to do so.

2. Delegates desiring to speak on any subject must hand in their names in writing. As a rule they will be called upon in the order in which their names are received, but in the discussion of definite motions the President may call upon supporters or opponents of the motion to speak alternately.

3. Each delegate who rises to speak must address the President and direct his speech to the motion or the question under discussion or to a question of order.

4. Motions submitted under Article 24 can only be moved by delegates having a vote. They must, on the request of the President, be supported by at least 25 delegates who will signify their approval either by holding up their voting cards or by attaching their signatures to the text of the motion. No motion can be discussed or put to the vote until it has been seconded.

5. The proposer of a motion or an amendment shall be allowed ten minutes for his speech, and each succeeding speaker shall be allowed five minutes. Any speaker may be accorded an additional five minutes on the decision of the meeting, the question being put without discussion.

6. No delegate will be permitted to speak more than once on the same proposition, except the readers of papers, who shall have 15 minutes to reply, and the proposers of motions, who shall have five minutes to reply before the proposition is put to the vote. Such replies must be strictly limited to points raised in the discussion.

7. Whenever an amendment is proposed to any motion no other amendment shall be taken into consideration until the first is decided.

8. The discussion on any question may be closed by a motion, "That the question be now put." Such question can only be proposed by a delegate who has not already spoken on the subject under discussion. If the closure is seconded, the President shall put it to the vote. If the motion is rejected by the meeting the proposer of the closure shall have no further right of debate on that question.

9. Dilatory motions, i.e., "The adjournment of the discussion," or "That the matter be dropped," shall be formally moved and seconded and put to the vote without discussion.

10. All motions shall be decided by a show of hands unless ten delegates demand a count or in cases of doubt. Such demand must, however, be made before the President declares the result of the show of hands. The vote on any question may be taken by ballot on the demand of one-fifth of the delegates present.

11. The President shall have only one vote. In the case of an equality of votes being cast on any question, the President shall declare the proposition "Not carried."

12. Such number of tellers as may be required shall be nominated by the President and appointed by the Congress at its first sitting.

13. The voting shall be certified by the General Secretary under the supervision of the Congress Committee.

14. Personal explanations are only admissible at the end of a debate, or, if motions are submitted, after the voting has taken place.

ELEVENTH INTERNATIONAL CO-OPERATIVE CONGRESS.

List of Representatives and Delegates Present at the Congress.

GOVERNMENT REPRESENTATIVES.

Belgium.....	Mr. Théate. Mr. Dewandre.
Czecho-Slovakia	Mr. Hubert Masirik.
Denmark	Mr. H. de Jonquières.
France	Mr. Pranard.
Great Britain	Sir David Shackleton, K.C.B.
Irish Free State.....	Count Gerald O'Kelly.
Italy	Professor Scalori. Deputy Gaetano Postiglione. Mr. Paolo Terruzzi.
Norway.....	Mr. Andr. Juell.
Poland	Count Alfred Poninski.
Sweden.....	Mr. Zenonde Przybyszski Westrup.

FRATERNAL DELEGATES FROM OTHER INTERNATIONAL ORGANISATIONS.

International Labour Bureau, Geneva	Mr. Albert Thomas.
International Federation of Trade Unions, Amsterdam.	Mr. C. Mertens.
International Committee to Promote Universal Free Trade, London.	Mr. J. F. Shaw.
International Town Planning and Garden Cities Association, London	Senator E. Vinck.
International Institute of Agriculture, Rome	Mr. Oscar Bolle.

MEMBERS OF THE COMMITTEE OF HONOUR.

Mr. Louis Bertrand.....	Belgium.
Mr. E. Angst.....	Switzerland.
Mr. Juan Salas Anton	Spain.
Dr. V. Totomianz	Russia.

CENTRAL COMMITTEE.

Austria	Freundlich, Mrs. Emmy. Renner, Dr. K.
Belgium	Serwy, Victor.
Czecho-Slovakia	Fiser, Adalbert. Lustig, E. Dietl, A.
Denmark	Nielsen, A.
Esthonia	Paabo, R.
France	Clenet, A. J. Poisson, E. Thomas, A.
Germany	Assmann, R. Kaufmann, H. Lorenz, H.
Great Britain	Allen, Sir T. W. Gregory, W. Hayward, F. Rae, W. R. Stewart, R. Whitehead, A. Worley, J. J.
Holland	Goedhart, G. J. D. C.
Italy	Vergnanini, A.
Lithuania	Salcius, P.
Norway	Juell, A.
Poland	Mielczarski, M.
Russia	Khinchuk, L. Kissin, A. Kutusoff, D.
Sweden	Johansson, A. Oerne, A.
Switzerland	Jaeggi, B. Suter, Dr. A.
Ukraine	Cellarius, V. M. Goettler, A. E.
U.S.A.	Warbasse, Dr. J. P.

DELEGATES OF CONSTITUENT MEMBERS OF THE I.C.A.**ARGENTINE.**

Buenos Aires.—"El Hogar Obrero" Co-operativa de Consumo, Crédito y Edificación **Icely, R. H.**

ARMENIA.

Eriyan.—L'Union des Sociétés Coopératives de l'Arménie, "Aykoop" **Ersinkian, A. A.**

DELEGATES OF CONSTITUENT MEMBERS—*continued.*

AUSTRIA.

Vienna. —Verband deutsch-österreichischer Konsumvereine	Grossmann, O. Korp, A. Ransmiz, S. Renner, Dr. Karl
Grosseinkaufsgesellschaft für Konsumvereine	Loria, G.

AZERBAIDJAN.

Baku. —Union of Co-operative Societies of Azerbaidjan "Azsoyus"	Faradjazadey, A. M. O.
--	------------------------

BELGIUM.

Brussels. —Office Coopératif.....	Anseele, E. Bou langer, A. Chevremont, J. Dujardin, Mrs. Lucie. Dupont, L. Hennyonck, —. Leclercq, L. Lemaire, J. Leonard, H.
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BULGARIA.

Sofia. —Centrale Coopérative "Napred"	Ganeff, C. Koltcheff, N. Pastoukkoff, K.
Société Générale Coopérative Ouvrière "Osvo-bojdénie"	Isakoff, Dr. N. Popoff, G.
Société Co-opérative d'Assurance et d'Epargne des Fonctionnaires Bulgares	Ganeff, C. Popoff, Kiril G.

CZECHO-SLOVAKIA.

Prague. —Ustredni svaz ceskoslovenskych druzstev	Beran, K. Bräunner, V. Böhnisch, B. Capek, J. Dostál, J. Drasar, V. Haluska, F. Havránek, J. Jirásek, F. Kaninska, Mrs. Betta. Mencler, R. Moravec, J. Nádvornik, R. Necásková, Mrs. M. Opl, V. Pach, J. Petrák, J. Podrouzek, H. Silhánek, R. Skatula, E. Stivin, J. Sturc, V. Suchánek, F. Svestka, J.
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DELEGATES OF CONSTITUENT MEMBERS—*continued.*

Verband deutscher Wirtschaftsgenossenschaften ..	Fischer, R. Freibisch, W. Hahn, A. Hoffmann, K. Knobloch, F. Kreisky, R. Lorenz, W. Marks, J. Morkes, E. Pankrac, K. Schalek, G. Schubert, J. Svojsic, F.
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DENMARK.

Aarhus.—De Samvirkende danske Andelsselskaber	Drejer, A. Lambæk, M. Larsen, J. P. Nielsen, A. Nielsen, C. S. Petersen, P. S.
Copenhagen.—Det Kooperative Fællesforbund i Danmark.....	Christensen, P. Dalgaard, Fr.

ESTHONIA.

Tallinn.—Eesti Tarvitajateühiste Keskühisus ...	Paabo, R. Rostfeld, B.
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FINLAND.

Helsingfors.—Suomen Osuuskauppojen Kesku- kunta, R. L.	Jotuni, A. Leisio, E. Metsola, M.
Yleinen Osuuskauppojen Liitto	Laitinen, L. Muittari, A. Oksman, T. Wide, A. W.
Kulutusosuoskuntien Kesku-liitto	Hupli, V. Manninen, A. Peitsalo, O. Primus-Nyman, K. E. Raittinen, P. Raubala, K. N. Takki, Mrs. L.
Osuustukkakauppa R. L.	Hupli, V.
Vakuutusosakeyhtio "Kansa"	Hupli, V.
Paloapuyhdistys "Tulenturva",	Hupli, V.

DELEGATES OF CONSTITUENT MEMBERS—*continued.*

FRANCE.

Paris.—Fédération Nationale des Coopératives de
Consommation

Auerbach, B.
Balvay, L.
Becker, C.
Benoist, P.
Berland, L.
Bourdichon, P. A.
Bricout, E.
Brot, M.
Bugnon, E.
Burgard, H.
Buguet, E.
Camin, M.
Catel, A.
Cayol, C.
Chègne, J.
Chiousse, C.
Chollier, A.
Cozette, E.
Cuminal, P.
Daudé-Bancel, A.
David, G.
Delabaère, E.
Dignocourt, L.
Eymas, A. E.
Fauconnet, A.
Fauquet, G.
Ferét, V.
Feuillet, L.
Fizes, C.
Foucault, P.
Gaillard, E.
Garbado, G. F.
Gaumont, J.
Laferrière, E.
Lamothe, J. B.
Lebon, G.
Lepouriel, H.
Lévy, G.
Louis, R.
Lyon, —.
Passebosc, J.
Paul, B.
Peckstadt, A.
Pouard, H.
Poulette, D. A.
Riehl, C.
Sainte-Eloi, H. E.
Svob, —.
Terrien, W. G.
Thiriet, P.
Thomann, J.
Waseige, P.
Wilks, E.
Wurtz, T.
Yung, —.
Zucker, Miss

DELEGATES OF CONSTITUENT MEMBERS—*continued.*

Chambre Consultative des Associations Ouvrières de Production	Briat, Edmund Tardy, C.
Fédération Nationale de la Mutualité et de la Coopération Agricoles.	Peyssonneric, L.

GEORGIA.

Tiflis.—Central Co-operative Union of the Re- public of Georgia "Tsekavshiri"	Ercomaichvili, A. Tsivtsivadzé, E.
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GERMANY.

Hamburg.—Zentralverband deutscher Konsum- vereine	Adam, H. Assmann, R. Bästlein, H. Bauer, H. Feuerstein, F. Friedrich, G. Hyrenbach, J. Kaldauke, E. Kaufmann, H. Kiefer, A. Klepzig, V. Kohn, H. Lorenz, H. Markus, E. Mendel, M. Müller, Dr. H. Oswald, O. Petzold, H. Rupprecht, A. Schils, J. Schmitt, — Schulte, A. Thiele, A. Wittmann, Dr. P.
--	--

HOLLAND.

The Hague.—Centrale Bond van Nederlandsche Verbruikcoöperaties	de Bruin, G. J. van Gilst, A. de Hoer, K. van der Horst, M. Mulder, M. Th. J. Mwylwyk, J. den Oudsten, W. van Sluis, R.
---	--

HUNGARY.

Budapest.—"Hangya" Genossenschafts-Zentrale des Bundes der ungarischen Landwirte.	Bokor, Dr. E.
Zentrale der ungarländischen Genossenschaften...	Malasits, G. Peidl, J.
Altalános Fogyasztási Szövetkezet	Peidl, J. Rudas, A.

DELEGATES OF CONSTITUENT MEMBERS—*continued.*

ITALY.

Milan. —Lega Nazionale delle Cooperative	Baldini, Nullo. Bezzi, Dr. Alessandro. Bauer, — Forti, Giulio. Giumelli, Dr. Tullio. Guindani, Ferruccio. Lonati, Beniamino. Lugli, Ugo. Riguzzi, Biagio. Schiavi, Alessandro.
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JAPAN.

Tokyo. —Sangiokumiai Chiuckai	Baba, Y. Hoynden, Y.
--	-------------------------

LATVIA.

Riga. —Centrale Saveeniba "Konsums"	Silins, W.
--	------------

LITHUANIA.

Kaunas. —Lietuvos Koperacijos Bendroviu Sajunga	Pakalka, J. Salcius, P.
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NORWAY.

Kristiania. —Norges Kooperativa Landsforening...	Aarøe, P. Arnesen, R. Juell, A. Røyter, S. Søyseth, A. Tjønna, G.
---	--

POLAND.

Warsaw. — Związek Polskich Stowarzyszen Spozywcyh	Rapacki, M. Silkovski, W.
Związek Robotniczych Spoldzielni Spozywcow ...	Librach, L. Zaremba, Z.
Lemberg. —Landes-Revisionverband ruthenischer landwirtschaftlicher Kredit-Handels- und Gewerbe Genossenschaften	Pawlikowskyj, J.
Central Genossenschaft "Narodna Torhowla" ...	Pawlikowskyj, J.

ROUMANIA.

Bucharest. —Centrale Cooperativelor Satesti de Productie si Consum	Cercel, C.
Aiud. —Centrala a Cooperativelor "Hangya"	de Ugron, His Excellency Etienne.

DELEGATES OF CONSTITUENT MEMBERS—*continued.*

RUSSIA.

Moscow. —Allrussischer Zentralverband der Konsumgenossenschaften "Centrosojus"	Alekseew, I. A. Barishnik, Mrs. G. M. Baru, N. I. Belenki, Z. M. Figatner, J. P. Giuzburg, L. I. Khinchuk, L. M. Kioginski, K. I. Kissin, A. A. Melnitschanski, G. N. Ostrowskaja, Mrs. N. I. Sereda, S. P. Tschilin, W. I. Wariasch, E. Wulfson, S. D.
Allrussische Genossenschaftsbank "Vsekobank"	Feigin, A. Gavriloff, N. Kuruloff, G. Kutusoff, D.

SPAIN.

Barcelona. —Federacion Regional de Cooperativas de Cataluna y Baleares	Chalmeta, J. C. Roig, J. V.
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SWEDEN.

Stockholm. —Kooperativa Förbundet.....	Andersson, G. E. Cederlund, C. F. Eriksson, K. Hedberg, A. Johansson, A. Johansson, W. Lindh, Dr. E. Malmström, H. Oerne, A. Skog, Hj. Svensson, Axel.
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SWITZERLAND.

Basle. —Verband Schweiz. Konsumvereine	Aebli, J. Angst-Anderwert, E. Flach, J. Frauchiger, Prof. Dr. Gschwind, F. Gutzwiller-Gschwind, B. Jeggli-Stehmann, A. de Meuron, A. Rusca, Fr. Schneeberger, E. Schweizer, G. Störi, Rud. Suter, Ed. Thomet, F. Weckerle, Dr. E.
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DELEGATES OF CONSTITUENT MEMBERS—*continued.*

UKRAINE.

Charkow. —Allukrainischer Genossenschafts Verband "Wukospilka"	Basulin, Basil. Goettler, Adolf. Katkova, Miss E. Levkowitsch, Miss Marie. Meerovitch, M. Narischny, Artemi. Petrenko, Lavrenty. Vetoschkin, Michail K.
Allukrainische Genossenschaftsbank "Ukrainbank"	Bljacher, Matwey. Kudrja, Danylo.
Allukrainischer Verband der Landwirtschaftlichen Genossenschaften "Silsky Gospodar"	Kaleiko, S. Skopoff, F. Cellarius, Victor M.

UNITED STATES OF AMERICA.

New York. —The Co-operative League	Burnham, Miss G. Carpenter, M. Warbasse, Dr. J. P. Warbasse, Mrs. A. D.
---	--

UNITED KINGDOM.

Aberdare	Davies, A.
Accrington and Church	Brownbill, G.
Ashford	Barnett, W. W. T.
Ashington Industrial	Hewett, J. A.
Barrhead	Reid, W.
Batley	Bland, H.
Beswick	McClelland, G.
Bingley	Denby, S.
Birkenhead	Lancaster, Mrs.
Blaina	Owen, W. J.
Blyth	Walker, Mrs. T. H.
Bolton (Great and Little)	Forber, W.
Bradford, City of	Bennet, J. Hirst, W.
Bridgwater	Williams, J. T.
Brighton	Webber, G.
Brightside and Carbrook	Priestley, Mrs. B. A.
Bristol	Carpenter, H. E. Pope, S. O.
Brymbo	Williams, M.
Burntisland	Young, T.
Burslem	Hayward, Mrs. F.
Bute	Buchanan, Mrs.
Cainscross and Ebley	Hudson, B.
Cambridge	Keen, J.
Cambuslang	McLean, Mrs. T.
Carlisle, South End	Fyfe, Mrs. A. D. M.
Carnforth	Allen, Lady
Chatham	Wonnacott, Mrs. A. E.
Chesham Boot and Shoe	Chilton, Mrs. M.
Chorley	Whittaker, J. J.
Cleator Moor	Tozer, Mrs.
Clown	McArd, Mrs.

DELEGATES OF CONSTITUENT MEMBERS—*continued.*

Coalville.....	Daniels, Mrs. H.
Colchester	Salmon, W. J.
Co-operative Productive Federation	Christie, Mrs. E.
Co-operative Union.....	Dawson, E.
	Jones, A. H.
	Welsh, A. M.
Co-operative Wholesale Society	Blair, W. R.
	Golightly, A. W.
	Riddle, G.
Cowdenbeath	Robinson, W. R.
Cramlington	Potter, W. C.
Crawley and Ifield	Hall, Mrs. J.
Crompton Boot	Greenwood, Mrs. F.
Cwmbach Aberaman	Lewis, Mrs. H. B.
Darlington.....	Morgan, G. H.
Derby.....	Redgate, Mrs. A.
Desborough	Marlow, J.
Droylsden	Pogson, D.
Eccles.....	Cox, G.
	Owen, E.
Enfield Highway.....	Jolly, W. P. D.
Excelsior Boot and Shoe	Gregory, Mrs.
Failsworth	Sudren, G.
	Alcock, F.
Fife and Kinross District Association.....	Rowbotham, Mrs.
Fleetwood	Tomlinson, C. E.
Folkestone.....	Church, E. J.
Fylde	Tomlinson, C. E.
Gillingham	Hore, S.
Gloucester	Prosser, Mrs. A. M.
Glasgow Drapery and Furnishing Society.....	McEwan, J.
	Simpson, W.
Glasgow and District Conference Association	Bowie, J.
Glasgow Eastern	Warrington, Mrs.
Glasgow United Co-operative Baking.....	Buchanan, A.
	McLean, T.
Great Grimsby.....	Holmes, J.
Halifax	Dawson, E.
Hawick	Gass, G.
Hindley	Ogden, H.
Hucknall Torkard	Unsworth, Mrs. J. W.
Hyde	Palmer, R. A.
Ilkeston	Tapping, A. J.
Jarrow and Hebburn	Purves, Mrs. M.
Kettering	Bradley, H.
King's Cross Publishing Company	Alcock, G.
Kinning Park	Biggar, J. M.
Lancaster	Lancaster, R. F.
Leicester	Woolley, S.
Leiston	Webber, Mrs. C.
Leith Provident	Macfarlane, J.
Lennoxtown	Flanagan, J. A.
Lincoln	Harris, G.
Liverpool	Billinge, Mrs. A.
	Daniels, J.
	Taylor, J. G.
London	Gasson, Mrs. M. A.
	Adams, A. C.

DELEGATES OF CONSTITUENT MEMBERS—*continued.*

Luton	Emerton, C. S.
Maryport	Tozer, M. T.
National Co-operative Publishing Society	Bayne, J.
	Rowbotham, R.
National Co-operative Managers' Association	Evaus, F. W.
Nelson	Butterfield, E.
Newbottle	Dunn, Mrs. J.
Newcastle-on-Tyne.....	Owen, H. C.
	Owen, Mrs. J.
North Shields	English, J.
Penrith	Walker, T. H.
Pleasley and Pleasley Hill.....	McClelland, Mrs. G.
Plymouth	Wonnacott, —
Pontycymmer	Bowen, A.
Prestwich	Hall, F.
Queensbury	Cook, Mrs. M.
Royal Arsenal	Hall, J.
	Tucker, Mrs. M. A.
Rugby	Pogson, F.
Ryhope and Silksworth.....	Emerson, W.
Scottish Wholesale Society	Pearson, J.
	Sterling, T. B.
Sheffield and Eccleshall.....	Barton, Mrs. E.
Skelmersdale	Pope, S. G.
Southampton	Pidgeon, Mrs. M. J.
South Suburban	Bailey, C.
Stirling	Thompson, J. W.
Stockport	Scott, Mrs. E.
Stockton-on-Tees.....	Brennen, E.
Stowmarket	Baskett, C.
Swalwell	Midgley, F.
Throckley	Hall, Mrs. F.
Tillicoultry	Elliot, R. S.
Torquay	Greenwood, F.
Walkden	Radcliffe, H.
Walsall Locks	Dewsbury, Mrs. M.
Warrington	Palmer, T.
Wigston Hosiers	Howkins, H. H.
Windhill	Hyde, E.
Woking	Newbold, C. W.
Women's Co-operative Guild	Mathews, Mrs.
	Bain, Mrs.
Worksop	Stubbs, Mrs. E.
Wrexham	Blair, Mrs. W. R.
Ynysybwl	Davies, Mrs. M.
York	Watkins, W. P.

PROCEEDINGS

OF THE

ELEVENTH CONGRESS

OF THE

INTERNATIONAL

CO-OPERATIVE ALLIANCE

THE ELEVENTH CONGRESS
of the
International Co-operative Alliance
in the
Palais des Fêtes, Ghent,
1st to 4th September, 1924.

FIRST SESSION.

Monday, 1st September.

THE OPENING PROCEEDINGS.

The Belgian Co-operators excelled themselves in their preparations for the reception of the delegates to the Eleventh Congress of the International Co-operative Alliance in the Grand Hall of the Palais des Fêtes, Ghent. The assembling of the Congress on the threshold of the greatest Co-operative Exhibition ever held was almost ideal, and every advantage had been taken of the spacious hall and balcony to provide accommodation for the delegates and visitors. The platform, decked with palms and flags of different countries, shields and symbols of Co-operation, formed a happy setting in the white architecture of the hall for the debates of Co-operators on neutrality and the host of subjects which were to arise. For the first time the colours of the International Co-operative Alliance were displayed in its assemblies in the form of flags depicting the seven colours of the spectrum and constituting a veritable arc of promise.

The 455 delegates, representing 29 countries, who assembled at the Ghent Congress must without question be regarded as the most concentrated and democratically representative assembly which the I.C.A. has yet convened. The modification of the constitution of the Alliance which took place at Basle in 1921 finally eliminated individual elements, and also based the representation of organisations upon a stricter calculation of their relative numerical force and importance.

Mr. G. J. D. C. Goedhart presided, and was supported by the General Secretary, Mr. H. J. May, and the Congress Bureau,

Messrs. A. Whitehead, E. Poisson, Dr. A. Suter, Victor Serwy, and H. Kaufmann. The Committee of Honour was represented by Mr. Louis Bertrand (Belgium), Dr. V. Totomianz (Russia), Mr. E. Angst (Switzerland), and Mr. Juan Salas Anton (Spain). Fraternal delegates were present in the persons of Mr. Albert Thomas (International Labour Bureau), Mr. C. Mertens (International Federation of Trade Unions, Amsterdam), Senator E. Vinck (International Town Planning and Garden Cities' Association), Mr. J. F. Shaw (International Committee for the Promotion of Free Trade), and Mr. O. Bolle (International Institute of Agriculture).

The following Governments also accepted the invitation of the Alliance to send special representatives to the Congress: Belgium, Messrs. Théate and Dewandre; Great Britain, Sir David Shackleton, K.C.B.; France, Mr. Pranard; Italy, Prof. Scalori, Deputy G. Postiglione, and Signor P. Terruzzi; Sweden, Mr. Zenon de Przybyszski Westrup; Ireland, Count Gerald O'Kelly; Norway, Mr. Andr. Juell; Denmark, Mr. Henrik de Jonquires; Czecho Slovakia, Mr. H. Masirik; Poland, Count A. Poninski.

The President formally opened the proceedings, and at once called upon Mr. Louis Bertrand, M.P., President of the Belgian Co-operative Union and C.W.S., and member of the Committee of Honour, I.C.A., to welcome the delegates to Ghent.

Mr. LOUIS BERTRAND said: "In the name of the Office Coopératif Belge (Belgian Union) and of the Federation of Belgian Socialist Societies or C.W.S., I welcome you all to this city, where Co-operation is popular and has accomplished great things.

The co-operative idea, to-day spread over the whole world and representing an enormous force, has everywhere had very modest beginnings. It was born in the hearts of the populace who, at the beginning of the last century, suffered unspeakable miseries. It marked the moment in history when the hope of a better mode of life haunted the minds of these unhappy people. It was this hope which caused the pioneers of Rochdale to act, and which moved the first apostles of French Co-operation.

Belgian Co-operation also started modestly and was influenced by the English and French Co-operative Movements. It has, however, a character of its own. It, also, was guided by the noble thought of the emancipation of the people. In order to judge of it correctly one must think of Belgium as she was about the middle of the last century. The working people counted for nothing—neither in the State nor in the Commune—nothing in the economic or social life but poor human dust. In the workshop, the factory, the mine, the worker was exploited and miserable. Added to his moral and material misery was a total indifference which recalls the famous saying: 'The slave has lost everything in his chains, even the desire to escape from them.'

There arose among them those who said that the emancipation of the workers must come through the workers themselves, and to this end they must be organised. But how was this inert mass to be organised? How were these slaves to be emancipated and restored to a civil, political, economic, intellectual, and moral freedom? Some of the young and daring ones thought the way was through co-operative association. The Association of Co-operative Consumers ought to be the practical means of reuniting, grouping, and joining the most indifferent of the workers, provided that part of the profits of the Association should be devoted:—

1. To reduce the cost of living by the suppression of useless middlemen.
2. To the more extensive organisation of the workers in co-operation.
3. To the defence of the wage-earners as producers.
4. To political organisation to make our outcasts free citizens—in the city and in the nation.

Such was the idea which guided our first Co-operators whose aim was Socialism. The beginnings of the campaign were modest. For a long time the courage and perseverance of the pioneers were severely tried, but little by little the organisation developed and improved.

The movement towards the workers' emancipation was carried on under many different forms: Consumers' and Productive Co-operative Societies; Trade Unions to defend the workers' interests; political groups for the acquisition of political rights and, through them, of the State itself. In all countries the people organised themselves and struggled on these different grounds, but without cohesion, without that unity which is indispensable. In Belgium all these forms of struggle for emancipation were grouped together. To be considered a good citizen one had to be a member of a Co-operative Society, a Trade Union, a political group united for one ultimate aim.

Let us see the results: Our Co-operative Movement is a powerful one. In Belgium there are 257 Consumers' Co-operative Societies, comprising 386,710 members, representing a total of about 1,624,182. Our Wholesale Society has a turnover of 94 millions. We have People's Houses (Maisons du Peuple) in 280 localities. Our Trade Unions comprise 700,000 paying members, and, in addition, there are 150,000 Christian and neutral Trade Unionists. Our Friendly Society (Mutualiste) Movement comprises 384,086 members.

The Belgian Labour Party is represented in all deliberative assemblies—political and administrative—and soon, we hope, it will form the most powerful Party in the country. But we do not presume to say or to believe that our forms of organisation or methods are the best. We take into account the facts of temperament, and local and national prejudices.

An International Congress, however, is especially an occasion for each to demonstrate what they have achieved ; to proclaim the principles which have guided them and the results obtained. That is what I have tried to do in this brief sketch of our Movement. In concluding, I once again bid you welcome, and at the same time express the conviction that your labours here will be accomplished with happy and fruitful results."

EDOUARD ANSEELE, M.P., President of "Vooruit," former Minister of Public Works, Doyen of Flemish Co-operation, followed :—

"Dear Co-operators, In the name of the 'Vooruit' Co-operative Society I thank you with all my heart for having responded to our invitation to organise, from amongst the co-operative societies of the world, the International Exhibition of Co-operation and Social Welfare. Most heartily in the name also of the Belgian Co-operative Federation (C.W.S.), we thank the Committee of the International Co-operative Alliance for their spontaneous acceptance of the task of aiding us in the realisation of our purpose. We are happy because we are justified in hoping that we have not failed in our purpose, and that the delegates who have assembled here from the four quarters of the earth will not be disillusioned, but rather inspired, by the work which is displayed in all its splendour in our Exhibition.

Here, in this Congress, we have the Parliament of Co-operation, and, on the other hand, we have all the practical work. But while the Exhibition reveals all the administrative and constructive genius of Co-operators, here, in the Parliament of Co-operation, you are going to hammer and to fashion still more the co-operative theories, to render them more complete, more clear, and above all, I hope, to render them supple enough to permit the Co-operation of the world to adapt itself to the new forms of production which the inventors and reformers will impose upon it.

I do not wish to take up your time because your work is very considerable and your moments are valuable. Once more, thank you sincerely for coming to this Congress in such numbers, and for having participated in such large measure to the success of our Exhibition. Henceforth, we are persuaded that this Congress will count amongst the great achievements of World Co-operation, and I earnestly hope that in 1944 Ghent will celebrate the centenary of the foundation of the Co-operative Society at Rochdale by a truly universal Exhibition, astonishing to the whole world and inspiring to our co-operative armies."

Inaugural Address of the President, Mr. G. J. D. C. Goedhart.

Dear Co-operators,—In the name of the Central Committee of the International Co-operative Alliance I have to welcome you to the beautiful city of Ghent, the city of the “Vooruit” and of Anseele.

It was a splendid idea to suggest that the Alliance should hold its Congress at Ghent in the same year that the “Vooruit” was celebrating its 50th anniversary, because this festival is a good omen. The “Vooruit” is a Co-operative Society which is noted for its loyalty and the success which it has attained in all spheres of its activities. I do not know whether a Society such as the “Vooruit” would be possible elsewhere, but I do know that the loyalty of its members is an example to Co-operators throughout the world.

On your behalf I congratulate our friends of the “Vooruit,” and especially our friend Anseele, on this anniversary, and I thank them for having crowned the festival with the International Exhibition, from which it has been and will be possible for everyone to see what Co-operation can do and has already done.

I hope that this Exhibition will be the first of a long series of these demonstrations on an even vaster scale, so that by this excellent means of demonstrating the development of Co-operative principles all may understand the significance of our Movement, and that it will not fail ere long to have good results in our International Co-operative Alliance, which is destined to become the centre of a new world.

When we met at Basle we hoped and were almost convinced that the Co-operative Movement would in a short time be successful in reconstructing the world, and in teaching humanity that our Co-operative method is the best for the well-being of all. Our President on that occasion, Sir William Maxwell, expressed that hope in these terms: “Amidst the mighty changes that have taken place the Co-operative Movement, although its organisation has suffered loss and damage in areas devastated by the war, has nevertheless risen triumphant in every country as a national force, and now holds a higher place than ever among the organisations of the world as a great and hopeful benefactor of mankind.”

As I have said, this hope was also ours when we left Basle, and we resumed our work everywhere with the firm conviction that we should soon succeed in achieving our aim.

Our International Co-operative Alliance set itself the task of carrying out the programme which had been drafted in advance, so that the work could be put in hand immediately after the obstacles which were retarding the development of Co-operation had been removed or, at least, were no longer insurmountable.

Alas, the troublous times which we thought were over, still threw their shadows across our path.

During the war, which divided the nations, so much capital and raw material were destroyed that it was only possible to make use of a part of the resources at our disposal and, consequently, the Alliance had not the necessary means for carrying out its great projects. The Alliance was restricted to a small staff with which to carry out its work, while the tasks which it had to fulfil accumulated day by day.

It has, therefore, been a difficult undertaking for the Central Committee, and especially for its General Secretary, to preserve the balance between the will and the power to act, the will to develop the Co-operative Movement and the lack of means with which to give it effect.

Nevertheless, the number of its adherents has greatly increased since Basle and, at the present moment, the Movement has members in every part of the world.

“Many of us,” said our late President, “are in high hopes of the future work of the League of Nations (I hope we may not be disappointed with the results of that work), but there is another league, if properly guided and carefully organised, I am more interested in, that has all the power to prevent international jealousies and international conflicts; I mean the league of the people of which you are the representatives. Our international misunderstandings and differences would then be settled, not by infernal armaments, but by reason, commonsense, and conciliation.”

Sir William, therefore, foresaw a far greater scope in the work of the Alliance, a far-reaching influence, a greater power for good than it exercises to-day, indeed, I might even say, he saw in the International Co-operative Alliance the true League of Nations, the alliance of unions, societies, and nations, which, in a spirit of unselfishness, would seek the solution to all the difficulties which exist between the nations, putting an end to all strife since, with the disappearance of national selfishness, the will to war would cease.

This, indeed, is a fine hope and a splendid task to keep ever before us, an ideal which we must ever strive to reach; but also a task, which, if it is to be accomplished, demands the hearty

co-operation of all, a co-operation which, up to the present, we have been unable to attain.

To have better social conditions we must have better citizens, and we shall only have better men and women when we realise that all forms of selfishness yield only loss even when they seem to result in gain. We must, therefore, endeavour to educate humanity with a view to creating good co-operators, although this task appears to present ever-increasing difficulties.

Moved by fear, mistrust, and jealousy, high barriers of customs' duties are being set up between the nations, which render the work of Co-operation very difficult from two stand-points.

On the one hand, the Co-operators of different countries find themselves opposed to each other by these barriers, and, on the other, International Co-operation is rendered nearly impossible. Moreover, the situation cannot be improved unless the members within our Alliance are not only in touch with one another, but able to enter into commercial relations without being hampered by customs' duties.

Our Belgian friends have done excellent work in creating this unique opportunity for bringing us together, on the ground of our common interests in commerce, by the organisation of the Exhibition which you see here.

How excellent it would be if this Co-operative Exhibition could be the means of bringing about universal co-operative exchange.

But is this exchange possible as yet? Or is it more than ever a thing of the distant future?

We do not know; but we know quite well that true Co-operators, the members of our Co-operative Societies, who have neither come to us simply for the sake of the advantages which the well managed societies offer to their members, nor for the dividends, but who, in the first place, have associated themselves with the Co-operative Movement because they see in its principles a doctrine which aims at the regeneration of society, note with regret the mentality which is growing everywhere, and is expressed in the principle: Everyone for himself and God for us all; a mentality which will not bring us nearer the ideal: "Each for all, all for each."

But in spite of all these hindrances, we do not lose courage, for we know that the good seed which was sown by the famous Pioneers of Rochdale will ultimately bear fruit and result in better conditions than we have to-day.

I say ultimately, for in the life of nations everything grows gradually, as it does with individuals and in nature.

A tree never springs suddenly from its seed; everything requires its due time.

Co-operators are not born, and the science of Co-operation is not assimilated during sleep. Co-operation must be studied, but it has this peculiarity, that with noble souls the love of others goes hand-in-hand with knowledge, and it is this altruism which makes true Co-operators.

A Congress like ours, and especially when it is organised in conjunction with a Co-operative Exhibition, may do much towards developing the Co-operative doctrine and increasing Co-operative knowledge. There at each moment theory may be compared with practice.

Perhaps you will wonder if a movement which started its activities nearly a century ago, and which nevertheless is not yet rich enough to carry its propaganda everywhere, will ever have a decisive influence?

Those who ask themselves this question have only to look around them.

The Co-operative Movement, which originated in the brains of a few half-starved workmen, who only possessed a few pence between them, has developed so quickly that at the present time it extends over the whole world, and our Alliance has over 35,000,000 members. This extension has been possible in spite of the bitter opposition of the small traders and their friends—the opposition of those who had the power and the money.

We have now arrived at a point when we must determine on what lines we shall continue the struggle. Henceforth it will be necessary to reckon with us as with redoubtable adversaries, and our acts will be open to comparison with those of our opponents. When this comparison has been made I shall not fear the result, for Co-operation cannot be selfish except at the risk of being completely ruined. Co-operation is and must remain altruistic, because that is its soul and the justification of its existence.

That is why those who have succeeded in understanding its principles are completely conquered by it. The aim of this International Co-operative Congress is to make the Co-operative Movement and its principles better known to the whole world, and that is why a new and pressing appeal must emanate from its work in order to rally all nations and races to its standard.

May the world understand this appeal, in order that the future may be better than we hope for to-day.

Greetings from Governments.

Ten Governments had accepted the invitation of the Alliance to send a special economic observer to the Congress, and letters of excuse at their inability to be represented were received from Austria, Germany, and Switzerland.

Most of the Government representatives present preferred not to make any official speech, doubtless moved thereto by reasons of official reticence. Their presence was, however, acclaimed by the Congress, and the following addressed a few words to the assembly :

MR. PRANARD (France) said : I have the honour to represent the French Ministry of Labour. A few weeks ago Mr. Justin Godart (Minister of Labour) expressed to you in sympathetic terms the great interest which he takes in Co-operation ; not simply because he comes from Lyons, a town which contains numerous and old-established Co-operative Societies, but because for the past 30 years he has studied the Co-operative Movement and is a Co-operator in every sense of the word. Mr. Godart has charged me to assure you that he is especially with you in spirit to-day, and sincerely hopes that your deliberations will be fruitful. It may be said that in France the Ministry of Labour is the official home of Co-operation. It is, in fact, at the Ministry of Labour that the Supreme Council of Co-operation is established, with the duty of studying all the questions of interest to Co-operation in its various forms.

It is also upon the Ministry of Labour that the responsibility rests of applying co-operative legislation to the Consumers' and Producers' Co-operative Societies—legislation which determines the rules and which, at the same time, provides for the pecuniary aid of the State. Moreover, the French Ministry of Labour is at present engaged in organising the application of the law of 27th December, 1923, which has introduced into our legislation a new form of Co-operation, that of the small artisans. By an administrative chance, I have been placed in charge of that service. The task is an agreeable one both to my colleagues and myself. We will accomplish it certainly with the desire to do our duty conscientiously, but we are also animated by another spirit. We have all been the pupils of Charles Gide and we have not escaped his influence. We are inspired by the co-operative faith in a measure that we find too circumscribed, but it is with a passion for Co-operation that we bring our aid to the eminent, active, and devoted men who strive for the development of Co-operation in France. We thank the I.C.A. for its kind invitation to take part at this Congress, and offer to you our most sincere wishes for its success.

COUNT GERALD O'KELLY (Ireland) : In the name of the Ministry of Labour of the Irish Free State, I have the honour to bring you the greetings of my country, and to thank you for the cordial reception which you have given to me. My country has long been

interested in the Co-operative Movement, especially in the domain of Agriculture, and I am delegated to accept your invitation to attend your Congress as an observer. I can only add that the rôle of an observer requires one strictly to observe without making too many observations. You will therefore permit me to maintain silence, and to thank you for the honour of being present.

Mr. MASIRIK (Czecho-Slovakia): It is a very pleasant duty to be, in the presence of such a truly international assembly, the interpreter of the Government of the Republic of Czech-Slovakia, which wishes the utmost success to your Congress at Ghent.

I think I may be permitted to say that my Government has demonstrated, during the several years of its existence, its understanding of the economic and social policy, and how much it appreciates the part which the Co-operative Movement plays in the economic life of our country. It does not forget, and will never forget, the part played by Co-operation in our economic history before the war. Thanks to the Co-operative Movement, we realised our economic independence even earlier than our political independence.

We are a nation in which the social differences of class are very small. There are few very rich people, and fewer that are very poor. Even before the war we were indebted for the economic situation to the co-operative organisations, and it is thanks to them that we have achieved economic independence.

In the name of Dr. G. Habrmann, the Minister of Social Welfare (Prévoyance Sociale), who had decided to participate personally in your Congress but was unfortunately prevented at the last moment, I have the honour to offer salutations to the Congress. Permit me also to add my personal wishes, which are those of a man who is profoundly convinced of the power of the Co-operative Movement, and its beneficial effect on the political and economic life in every country.

COUNT A. PONINSKY (Poland): The presence of the numerous Government delegates at this Congress shows the special interest that the responsible officials of the different countries attach to the wonderful manifestation of economic unity and peaceful labour. Poland, since her resurrection, has always been a champion of peace and progress, and she associates herself heartily with your work. Our participation in the Exhibition at Ghent, in spite of the numerous difficulties that we have had to overcome, proves to you that our attachment to Co-operation is an accomplished fact.

I bring you the warmest greetings and good wishes of the Polish Government, which continues to interest itself in your work. Moreover, the President of the Polish Republic (Mr. Wojciechowski) has been one of the most active and indefatigable leaders of Co-operation in Poland. It is, therefore, unnecessary to tell you that he takes a special interest in the work that you are doing here.

Once more I thank you for your kind invitation, and for the opportunity that you have given us of collaborating in a most useful and effective piece of work.

The PRESIDENT: As I previously announced, the Governments have sent their representatives to our Congress, and we are very glad indeed that so many States have thought it worth while to be represented here. It is a proof that the Governments generally begin to realise that Co-operation is doing something, and can do much more for the well-being of the nations.

I now call upon the General Secretary to make some communications:

Mr. H. J. MAY (General Secretary): In addition to the ten Governments represented here this morning, we have received excuses and messages of appreciation of the work of the Congress from the Swiss Government, the German Government, the Austrian Government; and also from the Governor of Flanders, whom we hoped to have had with us to say a few words of welcome. The Burgomaster of Ghent has sent his excuses for not being able to be present; but, as you will have seen, he proposes to receive you all to-morrow night, and the reception will no doubt be even more agreeable than his speech this morning would have been. In addition to the international organisations whose representatives are on the platform, two others have sent excuses. One is from the League of Nations, whose Director explains that on account of the commencing of the Conference of the League at the same time as the Congress of the Alliance it is impossible to send a responsible representative. The other is from the Union of International Associations at Brussels, of which the International Co-operative Alliance is a member.

At Basle Congress, you will remember, it was decided to change the rules and to establish a Committee of Honour. That Committee has suffered losses during the intervening period, and those who have passed away will be recognised in a resolution which is to be submitted to the Congress later. We have present among the members of that Committee: Messrs. Louis Bertrand (Belgium); E. Angst (Switzerland); Juan Salas Anton (Spain); and Dr. Totomianz (Russia). Excuses have been received from Sir William Maxwell, His Excellency Signor Luigi Luzzatti (the Doyen of the Italian Co-operative Movement), Mr. Henry W. Wolff (a former President of the Alliance), Mr. Severin Jørgensen (Denmark), and Mr. James Deans (Great Britain). The Congress will be glad to receive from these veterans of the Alliance their hearty good wishes and desire for the success of the Congress, and their regrets at being unable to be present. Time does not permit me to read the letters, but an endeavour will be made to communicate to the delegates the text of the messages received, especially from Sir William Maxwell, and from Signor Luzzatti, who, in his 84th year, expresses a lively regret at being unable to come and makes

a new proposal to the Alliance. At the close of a long letter he suggests to the Congress that at the end of this year or the beginning of the next, according to the decisions of the International Co-operative Alliance, and of the Associations of Italian People's Banks, the presidents of the central co-operative institutions should be called together in Rome to a confidential meeting in order to lay the foundation of a European People's Bank, with branches in London, Paris, Rome, Berlin, Brussels, Copenhagen, etc. As to-day the great capitalists are preparing universal action, says Signor Luzzatti, there must be formed side by side with the organisation of the millionaires of wealth an organisation of the millionaires of poverty. Sir William Maxwell also expressed in warm terms best wishes for the success of the Congress. It is suggested that I should propose to the Congress, in view of his serious illness, that a telegram should be sent from Ghent to Sir William expressing hearty good wishes for his welfare.

The PRESIDENT: You have heard the proposition of the General Secretary to send to Sir William Maxwell a telegram testifying our sympathy and wishing him a speedy recovery. Is the Congress in accord with that proposal? [Cries of "Agreed."] Then I declare it carried by acclamation.

Greetings from other International Organisations.

Mr. ALBERT THOMAS (International Labour Office, Geneva): Dear Comrades, before rising to participate in your debates, before taking my place amongst my comrades of the French Delegation, the President constrains me to double my rôle, and to address you as the Director of the International Labour Office. I must acquit myself of that duty, and thank the Alliance for having invited the International Labour Office to be represented here. Let me assure you with what pleasure we have responded to your fraternal invitation.

It is true that the relations between the International Labour Office and the International Co-operative Alliance are not yet what we would wish. The report of the Central Committee on page 63 indicates the first attempts that we have made within the limits of our constitution, and expresses the hopes of the Co-operators of the International Co-operative Alliance, hopes that we fully share, for the development of happy and fruitful relations. But it is not simply because we are animated by the same co-operative faith, it is not only because as Co-operators we wish the development of these relations, that I confidently anticipate in the near future the development of fruitful relations between the International Co-operative Alliance and the International Labour Office: that is in the necessity of things.

The Treaty of Peace has established an organisation with a view to doing what is possible to improve the conditions of the workers in all the countries of the world. It has been able to establish a

complete series of wise measures for the realisation of certain reforms for the better relations between employers and employed, but it will only be able to achieve economic justice if the employers and employed are in accord in considering the needs of the consumers.

Social justice will only be possible in the world when the pioneers of economic justice, who are the organised consumers, have realised in each Co-operative Society the possibility of avoiding disputes between employers and employed, but by means which shall not cause the solution of these conflicts to add to the burden of the consumer. It is for this reason that we hope that the representatives of the third party, the representatives of the Governments, who to-day hold authority in our International Labour Organisation, and whose presence here testifies to the goodwill of their attitude towards the consumers' interests, will show at all times their desire to protect the interests of the consumers in the decisions which arise on the subject of the conditions of labour.

And then there is a second reason. To-day, the Fifth Assembly of the League of Nations is being opened at Geneva. To-day, the League of Nations, by the presence of numerous Government Chiefs, has acquired more authority and credit in the world. There is no doubt that the entire Press will speak of the Assembly at Geneva much more fully than it will speak of the Co-operative Assembly at Ghent; but we have the profound conviction that the work of Geneva will only be fully accomplished and that the International Institutions created by the States will only be able to bear their full fruits if they are sustained in their efforts by the goodwill of the Peoples. It is precisely because the International Co-operative Congress, in its most enlightened and self-reliant sphere, represents the will of the Peoples that we hail, in the Assembly at Ghent, one of the most effective supports of the work which is being pursued at Geneva. It is announced in the journals this morning that all the bells of the Catholic and Protestant churches of Geneva will ring out to celebrate the opening of the Assembly of the League of Nations. Would that it were possible, for the reception of the Co-operators, that the grand old bells of the Belfry of Ghent, which have been rung for so many popular movements, should respond to the appeal of the bells of Geneva, and ring, at last, to celebrate the approach of universal peace amongst all the Peoples!

Mr. C. MERTENS (International Federation of Trade Unions, Amsterdam): I have the honour to bring to this Assembly the very sincere fraternal greetings of the International Federation of Trade Unions of Amsterdam. I am happy that our Executive has chosen me for this mission, not only because I represent the Federation which includes 17 million organised workers, but because at the same time I belong to that Co-operative Workers' Movement that you have honoured by the assembling of your Congress in the town of Ghent.

Since the Basle Congress, your International Organisation has established contact with the International Federation of Trade Unions. Since Basle we have been able to note how closely related are the common interests of our two organisations, and if we have not yet been able to arrive at altogether satisfactory results, we have at least been able to observe—by this contact of three years—how much there is in common between the objects that we pursue, each on our own ground. We hope that these relations may draw us closer together in the future in order that our common objects may be attained. We have already seen one happy result of this contact. Outside the common aims pursued by each international movement, we have taken action in a direction which certainly should lead towards our ultimate aims. We see that in your movement you have commenced to give more attention to the organisation and the collaboration of women. While with us a special women's department has been established, in the hope that in the not too distant future we may be able to appoint a woman secretary at Amsterdam, you on your side have created here, a few days ago, your International Women's Guild, which will pursue a campaign against war.

In the fight for peace, your delegates have arrived at the same conclusions as ourselves, and from the resolutions adopted at that conference, some of which are very audacious, it is evident that you follow the same aims as we do, that is to say, the achievement by a close collaboration of the people of every country of the world of a régime of true and lasting peace. We hope that, thanks to this co-operation which has been established between our two movements since Basle, this collaboration may lead us, within the compass of the international movement, towards the realisation of our common aims, which are the organisation of women and the advent of a new society full of justice and goodwill.

Mr. F. J. SHAW (International Committee to Promote Universal Free Trade) : I have great pleasure in visiting this Congress, and in conveying to you the hearty good wishes of a new organisation, which is unfortunately young, but nevertheless has a practical bearing on your great movement. I represent the International Committee to promote Universal Free Trade, and also the Cobden Club, which, as some of you may know, stands for free trade, peace, and goodwill among the nations. I feel sure you are not going to make much progress in any new and extended developments of Co-operation on an international scale, unless you are successful in carrying out the part of your work for the abolition of tariffs.

I had great pleasure in spending some time in your Exhibition yesterday, and it delighted me to see the enormous growth of Co-operation : it was a revelation of your great power. The first thing I saw there was the small shop of the original Rochdale Pioneers. They started in a small way, and I began to think that there is nothing altogether in the same line of progress as the work of the Rochdale Pioneers. It reminded me of what happened

2,000 years ago, when a small group of fishermen started that world-wide organisation of the Christian Church. Your work is of a similar kind. When the Rochdale Pioneers started, people took about as much notice of that small beginning as the Greek philosophers did of the coming of the early Christian Church. Your movement also is rapidly becoming catholic, and, I think, without being irreverent, holy also.

But you cannot carry that out without attending to the economic solidarity of mankind, and working for the free economic exchange of things produced. If you are going to have tariffs shutting out commodities in one part of the world from another part you cannot make progress. It stands right in your way, right in front of you. The chaos of tariffs prevents all sorts of developments in the path of the international movement which you are so well fitted to carry out. I am much interested in the effort to bring England and Russia into contact for the exchange of raw materials and Russian produce for the manufactured articles which we are more fitted and more highly developed to carry out. You say it is possible for this to be done, and that it is so essential. How is it possible to develop this if there is a strong tariff wall on the Russian side and possibly on the English side? The thing cannot be

Among the exhibits of the Exhibition I saw evidence of the germ of co-operation in the United States of America, but how are the Co-operators of the old world and of the new to collaborate in common work if they are divided, not only by the natural barrier of the ocean, but still more by the artificial barriers of Customs duties, which prevent the effective exchange of their products?

Mr. BOLLE (International Institute of Agriculture, Rome): I have been entrusted with the very agreeable task of representing the Institute at your Congress, and I am desirous to express the hope that it may be followed by mutual relations between the I.C.A. and the International Institute of Agriculture, which would facilitate the study of those economic questions which come within our respective spheres.

In virtue of its statutes, the Institute is obliged especially to study co-operation in agriculture in all its aspects. Now to realise that part of its programme, it is to the interest of the Institute to come to an understanding with other organisations having similar aims. In that order of ideas, the Institute, in agreement with the International Labour Office, already follows various lines of study, and notably an inquiry into the sale of agricultural products by the Productive Co-operative Societies to the Consumers' Societies. This is an inquiry in which the co-operation of the International Co-operative Alliance would be very useful.

In the name of the International Institute of Agriculture may I express the hope that we may soon see a cordial intellectual understanding established between these two important international institutions?

SECOND SESSION.

Monday Afternoon.

REPORT on the Work of the International Co-operative Alliance since the Basle Congress (1921—1924).

PREFACE.

The past three years have been the most active period which the International Co-operative Alliance has experienced since its establishment in 1895. Never has its organisation and personnel, whether affiliated members, Central Committee, or Executive, worked with more assiduity to accomplish the aims of the Alliance; never has it dealt with a greater variety of subjects nor attempted the solution of more difficult and complex problems.

The routine work of the Alliance includes the cementing of relations between the Co-operators of every land, the dissemination of co-operative knowledge and the promotion of co-operation in all countries; the safeguarding of the interests of consumers in general and of Co-operators in particular; the encouragement of economic study; the promotion of international economic relations of every kind; and the collaboration with other International Institutions to realise the brotherhood of man. All these and many other daily duties have enormously increased, but the Alliance has, in addition, undertaken the reconciliation of conflicting interests in several countries in cases where one of the interests concerned was distinctly co-operative. It has even intervened in the conflicts which have arisen between the Co-operative Movement and the State, and, as the following pages will show, has contributed something appreciable to their peaceful solution.

On questions of international importance, and with organisations of recognised international standing, such as the Allied Conference at Genoa, the League of Nations, the Washington Conference, and the International Labour Office, the Alliance has made articulate the needs and convictions of International Co-operators.

The aftermath of the great war has left the movement in an unsettled state, and in many instances the National Unions and Federations have passed through one or more crises since the last Congress. It may, however, be claimed for Co-operation that its activities have been less affected by the economic chaos than the majority of private trading enterprises. We have still to record, and even to reinforce, our earlier declaration that Co-operation in the great world struggle between 1914 and 1919 passed through the test as by fire and emerged as solid gold, strengthened in its parts and established in the economy of nearly every State as an essential national force.

Fluctuations in the currencies previously inconceivable, together with the broken lines of economic communication, which, incidentally, provided a great opportunity for co-operative advance, have undoubtedly affected the progress of Co-operation, both national and international. We cannot, therefore, record the great advance to which we had looked forward three years ago. For some of our schemes the foundations have scarcely been laid, but the ground has been cleared, the asperities which inevitably followed four years of armed conflict—to say nothing of the territorial and racial readjustments of the peoples in Europe—have tended steadily to disappear, or at least to become tolerable. The preparations for the reconstruction of civilisation are advancing, and the Alliance has done its best to prepare Co-operation to take its place in the forefront of the new forward march.

The ranks of membership have been augmented and consolidated. The new members include Japan, while Spanish Co-operation is in closer organic relation than hitherto. Between these two points of the compass there are more than a score of new and substantial organisations which have entered into membership. No less than 30 countries are now affiliated and India, China, and Palestine may be expected shortly to come within the fold.

The work of consolidation has proceeded satisfactorily. The number of members of the I.C.A. in Norway has been reduced from five to one, and in Denmark from three to one, by the simple process of consolidation into one Central Association in each country which now adheres to the Alliance in collective membership. A similar process has united the Unions of Belgrade and Agram into one Central Union representing Co-operation in Yugo-Slavia. There are other promising examples of the possibilities of unification which, we hope, may come to fruition in the near future.

A vast variety of work has arisen and even accumulated round the I.C.A., and we think it will be conceded that the organisation

has made a real attempt to grapple with its task; still more that it has achieved some success.

MEMBERSHIP.

The International Co-operative Alliance now includes the Co-operative Movements of 30 countries, 74 separate organisations, 85,000 autonomous societies, which comprise about 40 million individual Co-operators, or, if the ordinary computation of four persons per family is accepted, then the organised Co-operative Movement of the world represents at least 160 million consumers.

Since the Basle Congress, the following have been admitted to membership:—

NEW MEMBERS.

NATIONAL ORGANISATIONS.

- C De Samvirkende danske Andelsselskaber, Copenhagen.
- C Centrale Coopérative "Napred," Sofia.
- I Finlands Svenska Andelsförbund, Helsingfors.
- * Latvijas Strādneeku Kooperatīvu Saveenība, Riga.
- * Związek Gospodarczych Instytucji Robotniczych w Polsce, Warsaw.
- I Fédération de la Mutualité et de la Coopération Agricoles, Paris.
- * Union of Co-operative Societies of the Far East "Dalsoyus," Chita.
- C Allukrainischer Genossenschaftsbund "Wukospilka," Charkow.
- I Sangiokumiai Chiuokai, Tokyo.
- I † Union of Co-operative Societies of Armenia "Aykoop," Erivan.
- I Union of Co-operative Societies of Azerbaidjan "Azsoyus," Baku.
- I Det Kooperative Fællesforbund i Danmark, Copenhagen.
- I Związek Robotniczych Spółdzielni Spożywców, Warsaw.
- I Centrale der "Hangya," Aiud Nagyenyed.
- I Société Générale Cooperative Ouvrière "Osvoboždění," Sofia.
- I Société Coopérative d'Assurance et d'Épargne des Fonctionnaires Bulgares, Sofia.
- C Allukrainische Genossenschaftsbank "Ukrainbank," Charkow.
- C All-Russian Cooperative Bank "Vsekobank," Moscow.
- I "Diligentia" Sparcassen Actiengesellschaft, Budapest.
- I Federación de Cooperativas de Funcionarios, Madrid.
- C Allukrainischer Verband der landwirtschaftlichen Genossenschaften "Silsky Gospodar," Charkow.
- I Grosseinkaufs-und Verwertungs-Aktiengesellschaft, Budapest.

AUXILIARY ORGANISATIONS.

- I Paloapuyhdistys "Tulenturva," Helsingfors.
- I Vakuutusosakeyhtiö "Kansa," Helsingfors.

C "Collective" membership.
I "Individual" membership.

* Membership lapsed.
† Readmitted.

INDIVIDUAL SOCIETIES.

Schweizerische Genossenschaftsbank, St. Gallen.
92 British Co-operative Societies.

AMALGAMATIONS.

The following organisations have become amalgamated:—

Denmark.—Andelsudvalget	}	De Samvirkende danske Andels-selskaber.
Faellesforeningen for Danmarks Brugsforeninger		
Ydsk Andels Foderstoffforetning		
Norway.—Norges Kooperativa Landsforening	}	Norges Kooperativa Landsforening.
Haldens Arbeideras Handelsforening		
Kristiania Samvirkelag		
Hamar Kooperative Selskap		
Fredriksstad Samvirkelag		
Yugo-Slavia.—Union Générale des Sociétés	}	Fédération des Unions Coopératives dans le Royaume des Serbes, Croates et Slovenes.
Coopératives agricoles serbes		
Union des Caisses rurales serbes		

CESSATION OF MEMBERSHIP.

Co-operative Association, Guelph, Ontario.
Société Coopérative Brugniot Cros and Cie, Paris.
Société Coopérative "La Lithographie Parisienne," Paris.
Cooperatieve Stoomzuivelfabriek, Alkmaryp.
Eerste Nederlandsche Beetwortelzuikerfabriek, Sas van Gent.
Unione Cooperativa, Milan.
Unione Militaire, Rome.
Unione Cooperativa di Consumo, Florence.
Societa Anonima Cooperativa Suburbana di Consumo, Milan.
Genossenschaft Grütli Buchdruckerei, Zurich.
Pacific Co-operative League, San Francisco.

RECRUITING.

The question of recruiting new members to the Alliance has received the close consideration of the Executive, and efforts have been made—(a) to secure complete particulars of the different forms of Co-operation in each country; (b) to enlist those which conformed to our rules into membership with the I.C.A.

This, however, is a task which cannot be carried out without the active participation of the national organisations. Progress has been made, but our records and membership are far from complete. The help of all the members of the Alliance is sought to complete the records and also to bring the stragglers into the fold.

PUBLICATIONS.

It must be confessed at once that beyond the necessary issue of reports and memoranda to the members of the Central Committee and the Executive which, during the past three years, have reached very considerable dimensions, the publications of the I.C.A. have been lamentably small. Here is the brief list:—

The "INTERNATIONAL CO-OPERATIVE BULLETIN"—in three editions, English, French, German.

"The Report of the Proceedings of the Tenth International Co-operative Congress at Basle, 1921"—in three editions, English, French, German.

"The report of the I.C.A. Delegation to Russia, 1922"—in two editions, English, and French.

"The I.C.A.: What It Is and How to Join"—a leaflet in three editions, English, French, German.

"The International Co-operative Alliance and International Trading"—in English only.

We regret exceedingly the smallness of our propaganda effort, the simple excuse for which is the smallness of the funds at our disposal and the consequent insufficient staff for the task.

The "BULLETIN" has been maintained and even increased in size. During the war it was our chief effort, and when we remember the fact that its publication was maintained in the three editions throughout the period of hostilities we can feel that the expense was justified. With the return, however, to more normal conditions and the possibility of recommencing the ordinary work of the Alliance, the expense, in relation to the diminished income and the greatly enhanced cost of production, was too great to be borne. By the end of 1921 the publication of the "BULLETIN" was a charge on the general funds of the Alliance of over £600 per annum.

At the first meeting in London after the Basle Congress the Executive decided upon drastic but temporary measures to avoid future losses. It was estimated that a minimum of 2,000 subscribers to each edition would suffice to make the "BULLETIN" self-supporting. It was, therefore, agreed that the groups of nations using the respective editions should be asked to undertake the financial responsibility for their printing and dispatch. This scheme was approved by the organisations concerned, and, in addition, a plan of five-line advertisements of each national organisation was adopted, which became at once a source of revenue and an official directory of national unions and wholesales.

These schemes have worked well under the control of the British Union for the English edition, the French, Belgian, and Swiss Unions for the French edition, and the German Central Union for the German edition

The general funds of the Alliance have benefited greatly under the present system, and what was started as a temporary measure bids fair to become a permanent feature of our work.

The chief need at the moment is for new subscribers to *all* the editions in order to reduce the cost of production, also to enable us to expand the volume and vary the contents of our journal, which makes an increasing appeal to the students of Co-operation in every land.

STATISTICS.

The task of compiling accurate statistics of Co-operation since the war is greatly complicated by the appalling differences in the currency of the respective countries, which render the intelligent expression of values, whether of trade or capital, almost impracticable upon any uniform basis.

Ever since the Armistice we have endeavoured to obtain particulars of the operations and extent of Co-operation in every country, of course limited to the membership of the International Co-operative Alliance, but the absence of a uniform balance sheet and, in some cases, the difference in the terms employed to express the same thing, have rendered our task very difficult.

The figures given in Appendix III. represent the operations of 1922. They are submitted with all reserve and subject to the inevitable corrections of some of our members on examination and comparison with those of other countries. We think, however, that they give an approximate picture of organised Co-operation under several important heads. These aggregations indicate at the same time the strength and weakness of our movement. No attempt is made here to analyse figures which are obviously incomplete, but the constant demand for information, no less than the difficulty of obtaining full replies to our frequent questionnaires, impels us to publish these figures in the hope that each national organisation will take note of the deficiencies in the statement of its own position, and will enable us to complete the table.

It is essential that the Alliance should establish a record of Co-operation of scientific value as an elementary part of its work and propaganda. Beyond this we must call attention to the large amount of co-operative enterprise in each country, which is not included in the membership of the I.C.A. The place of Co-operation in the future of international relations is of increasing power and usefulness. Membership with the I.C.A. is taken to be an evidence of a genuine interest in the future of our movement and its appeal to humanity for economic unity and universal peace. To this end the Alliance must speak definitely

and with authority for the masses in every land. Our appeal is, then, for the aid of every national organisation in giving us a full analysis of the co-operative effort in each land.

FINANCE.

The period under review was opened with a special appeal to all the members of the Alliance to provide the funds necessary to carry on the work. Each member was asked to contribute according to its ability, as it was recognised that no definite scale could be imposed upon the societies in view of the serious depreciation in the currency. It was estimated that the loss to the I.C.A. from this cause alone had amounted to at least £7,000.

The special appeal produced a total sum of £626.

The scale of subscriptions adopted at Basle had for its object the equalisation of the payments as between the different members of the I.C.A., and also was a temporary measure of relief to those countries which were suffering so acutely from the depreciation in the currency. In some cases the position has become much worse, notably in Germany and Austria, where the fall of the mark and the crown has been simply catastrophic. Austria has made some recovery, but is still a long way from the normal. In France, Belgium, Italy, Hungary, and Serbia the depreciation has continued to an extent which seriously prejudices the income of the Alliance. In Finland, Czecho-Slovakia, and Poland the position has considerably improved. Great Britain among the late belligerent countries remains nearest the normal, while only the neutral countries remain practically unaffected.

The new scale of subscriptions effected a slight improvement in our income in 1922 and 1923, but only this year promises to realise fully our estimate of £3,000 from its operation. Additional membership will account in the present year for about £350 of new subscriptions.

Even at the best estimate on the present scale, the funds of the Alliance are all too scanty for its work. It is not too much to say that during the last three years we have lived a "from hand to mouth" existence. The work accumulates rapidly, and the demands and openings for new or extended activities are all around us. The enthusiasm for the international co-operative ideal is immense, but the practical support is still lacking.

When the special appeal was launched by the Basle Congress it was decided that it must be a general appeal to all to aid according to their means. It was recognised that the chaos of the exchanges made it impossible for the different countries to contribute either according to their numbers or their trade. The conditions to-day are nothing bettered in that respect, but rather have grown worse. We, therefore, appeal once again to all the members of the I.C.A. to contribute according to their ability

and in the spirit of true Co-operation and mutual help, in order that the funds may be provided for prosecuting our legitimate tasks.

PROGRAMME OF FUTURE WORK.

It may be well to reproduce here the programme of future work which was adopted by the Basle Congress, and for the effective prosecution of which it was estimated that an income from subscriptions of not less than £15,000 per annum would be required:—

1. The convening of international congresses for the purpose of exchanging ideas and experience on methods of organisation, lines of development, and policy. Also with the object of concerted action to secure objects of national and international importance.
2. The initiation of propaganda meetings in great centres to spread the co-operative faith nationally and internationally.
3. The organisation, where possible, of international exhibitions of co-operative productions to aid items 1 and 2.
4. The publication of journals, books, and pamphlets, such as the "BULLETIN," Year Books, Congress Reports, and smaller publications dealing with the history, principles, and present practice of Co-operation; also economic problems and statistics.
5. The establishment of a regular Press exchange for the double purpose of placing the publications of each national organisation at the disposal of all the others, and of providing a special Press service to supply information for publication in every country.
6. The establishment at the seat of the Alliance of a permanent library of co-operative literature and publications.
7. The promotion of International Co-operative Trading.
8. The promotion of International Co-operative Banking.
9. The establishment of a central bureau of economic statistics and information.
10. The development of a policy of international Co-operation with a view to establishing fiscal relations between nations on the principles of Co-operation.
11. The co-ordination of "co-operative production" in order to secure to the co-operative world the most efficient service at the lowest cost and supplies direct from their sources.
12. The preparation of charts, diagrams, photographs, etc., illustrative of the works of Co-operation.

13. The promotion of relations with other international organisations, such as the International Labour Bureau, the Trade Union International, the Bureau of International Statistics, Housing, etc.

14. The collection and publication, where desirable, of full information on the constitution, methods, experience, results, etc., of the various national co-operative organisations.

15. The promotion of the study of languages by Co-operators.

16. The organisation of holiday travel and study travel, and the general facilitation of personal relations between Co-operators of different countries.

17. The development of the I.C.A. into an effective League of Nations.

THE COMMITTEES OF THE I.C.A.

The Central Committee now numbers 54 members; ten have been added since the last election, in accordance with the authority given by the Basle Congress to the Central Committee to co-opt representatives " (a) from organisations which are eligible but which had failed to nominate, (b) from countries increasing their subscriptions in accordance with the rules, (c) from countries which may become members of the Alliance before the next Congress."

In accordance with the decision of the Central Committee at Prague, the whole of the members will retire in September. A list of candidates duly nominated will be submitted to the Congress for election.

The Executive has been augmented by the co-optation of a representative of Russian Co-operation, with a consultative voice.

This decision followed the recommendation of the I.C.A. delegation to Russia in February, 1922. The position as to the future is to be dealt with by a proposition to amend the rules.

The Committee of Honour now consists of 16 members. Twenty were elected at Basle in 1921. Dr. Totomianz was subsequently added by the Central Committee, and five members have since died. Their names are duly chronicled in the list of deceased members.

REPRESENTATION AT CONGRESSES.

So far as possible the Alliance has been represented at the National Congresses of its members. It is not practicable to visit all, or nearly all, the Congresses each year, but every effort has been made to distribute the visits fairly amongst the organisations, and also with a view to giving the General Secretary an opportunity of seeing the movement, its methods, and the personnel of its administration in each country.

The work of the Alliance and the relations with its members are greatly facilitated by the personal contact thus obtained. A few days spent in the National Congress, and in touch with actualities, do more than reams of correspondence to promote real understanding.

Whenever possible advantage is taken of the presence of members of the Central Committee, visiting this or that Congress on behalf of their own organisation, to convey also the greetings of the I.C.A., and in this way we maintain our sympathetic relation with their work.

In addition to the Congresses of our own members the Alliance has been represented at the following assemblies:—

International Peace Congress, London, July, 1922.

Union of International Associations' Congress, Brussels, August, 1922.

International Town Planning Association's Congress, Paris, October, 1922.

The World Peace Congress, The Hague, December, 1922.

Congress of the Women's International League of Peace and Freedom, Washington, May, 1924.

International Federation of Trade Unions Congress, Vienna, June, 1924.

Opening of the Ghent International Co-operative Exhibition, June, 1924.

Conference of the International Labour Bureau, Geneva, June, 1924.

INTERNATIONAL CO-OPERATIVE POLICY.

The question of establishing a general international policy for Co-operation was raised in a definite form in the Inter-Allied Conferences at Paris, organised by the Fédération Nationale at Paris during the war and after the Armistice, under the Presidency of Professor Charles Gide.

It was raised again in more definite form at the Basle Congress in papers submitted by Albert Thomas (France) and Anders Oerne (Sweden).

After a lengthy discussion on Mr. Albert Thomas' paper, the Congress adopted the following resolution:—

“ The Tenth Congress of the International Co-operative Alliance recognises that commercial policy has up to the present been a policy of war; that this war has assumed a defensive form when countries have adopted the system of Protection in order to defend themselves against what they call enemy invasion, i.e., against imports, by raising customs' barriers; that the system of Free Trade, on the other hand,

has resulted in offensive war when countries which were too strong to be afraid of imports have tried to invade other countries; that other countries have pursued a bold and ingenious policy of Imperialism by a system of dumping and trusts, by which they attempted both to close their home markets to foreigners and to capture foreign markets.

“ Co-operators denounce competition and war in all their forms. They recognise that in many cases the system of Free Trade has helped the consumer by reducing the cost of living. Their own policy, however, cannot be either nationalist, protectionist, or free international competition. The object of the Co-operative Movement is association between all nations.

“ It declares that commercial treaties should be multiplied. It demands, however, that they should no longer be governed by the spirit of bargaining, which has hitherto prevailed. It also desires that these treaties should be renewed for a sufficiently long period to assure the sound development of industry.

“ The Congress further associates itself with the proposals which have already been made to the League of Nations concerning the establishment and regulation of the conditions of a just distribution of raw materials and foodstuffs and the institution of control over international monopolies and trusts.

“ It expresses the hope that the Economic and Finance Committee of the League of Nations may as soon as possible set up an International Statistical Office entrusted with the collection and publication of all necessary information concerning production, supplies, and requirements in various countries.

“ Finally, the Congress is convinced that commercial relations between the co-operative organisations of various countries will not only serve the general good by eliminating middlemen's profits, but will also lay a strong foundation for a world's economic system in which the spirit of strife and competition would have no place. For this purpose it recommends the establishment of direct relations, as between country and country, and within each country, between organised consumers and agricultural producers' organisations, and it counts on the central organisation of the International Co-operative Alliance to unite all the co-operative organisations of the whole world.”

The paper of Mr. Anders Oerne was considered separately, when the author remarked that, so far from treating of the same subject as Mr. Albert Thomas, it appeared that there was hardly anything in common between them. The reason for this was that he had dealt exclusively with the first part of the resolution adopted at

Paris, that is to say, that part which deals with the principles of the International Co-operative Movement, rather than general economic policy. He urged that the time had not come to formulate a definite programme for the Co-operative Movement throughout the world, and on his proposal the Congress decided:—

“ That the whole question be referred to the members of the International Co-operative Alliance with the request that they will give it publicity in their national co-operative journals, and later forward their observations to the Executive with a view to a future discussion on specific proposals.”

Subsequently the representatives of each country on the Central Committee were asked to ascertain the views of their national movements on the whole question and to send in a report.

At Essen in October, 1922, the General Secretary reported that the replies received indicated some divergence of opinion, and it was decided to appoint a special Sub-Committee to prepare co-ordinated proposals from the views expressed by the various countries.

The President prepared a report which was discussed at Ghent, amended, and approved. The conclusion of the report was as follows:—

“ That the Alliance must continue, on its present neutral basis, its work of permeating the Co-operative Movement in every country by the ideals of the Rochdale Pioneers; the preparation for and the promotion of international co-operative trading, banking, and insurance; and, above all, the spread of that spirit of internationalism which alone can inspire the practical work and cement the operations of all the nations.”

At the meeting of the Central Committee held at Prague in March last the Executive presented the full report for consideration. After a long discussion it was deemed advisable to give the question still further examination before issuing a comprehensive statement of policy. Therefore, without differing in principle with the contents of the report, it was decided to refer the whole question back to the Executive, who propose to deal with the matter thoroughly at the earliest opportunity.

OTHER QUESTIONS OF INTERNATIONAL POLICY.

The first of these arose out of the Congress resolution on Prof. Charles Gide's paper on “ The Principles of International Right,” which led the Executive to send the following resolution to the Washington Conference on Disarmament at the end of 1921:—

Disarmament.—“ The Executive Committee of the International Co-operative Alliance—speaking in the name and on behalf of twenty-five million Co-operators throughout the

world, whose representatives at their recent International Congress at Basle declared that the horrible nightmare of war should not be permitted to recur to terrorise mankind—sends cordial greetings to the Conference at Washington, and expresses the earnest hope that its labours will result in the disarmament of all countries at the earliest possible moment.”

This resolution and also a telegram of greeting from the I.C.A. were acknowledged by the Secretary of State, Chairman of the Washington Conference, who expressed “sincere appreciation of the interest and support” manifested by the Alliance.

At the same meeting the Executive also passed resolutions on two other subjects of urgent importance, which were forwarded to the National Organisations of the Alliance with the request that they should be forwarded to their respective Governments.

As both subjects unfortunately remain practical questions of policy it may be well to give the text of the resolutions here:—

The Stabilisation of Exchange.—“The Executive Committee of the Alliance—considering that the inequalities in the exchange are a considerable hindrance to the resumption of international economic relations, involving an economic crisis and a general stoppage of production and exchange, as much for countries with a high, as for those with a low, rate of exchange; and considering that high or low rates of exchange are no longer the result of the balance of commerce, since bank drafts cannot be exchanged for gold, but that the differences in the exchange are due to other causes which are economic, for instance the confidence placed in certain States, and, moreover, that these causes are aggravated by shameful speculation—invites its affiliated National Organisations to approach their respective Governments with a view to demanding the convocation of an International Conference for the purpose of regularising and stabilising the exchange, thereby exercising control over the measures adopted.”

The Abolition of Passport Regulations.—“The Executive Committee of the Alliance, in conformity with the resolution on the international economic policy of Co-operation adopted by the Basle Congress, invites its affiliated organisations to take the necessary steps by approaching the Parliament and Government in their respective countries with a view to obtaining the abolition of passports, for which there is no longer any justification, and which, moreover, are a hindrance to the resumption of international economic relations, capable of contributing in a large measure to the solution of the economic crisis throughout the world.”

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The foregoing resolutions were sent to the League of Nations, and were officially acknowledged and consideration promised.

The Executive at its meeting at Brussels in January, 1922, adopted unanimously the following resolution, submitted by the Fédération Nationale des Sociétés Coopératives de Consommation, Paris:—

national interests | **The Present World Economic Situation.**—"The International Co-operative Alliance, in view of the fact that Co-operation has never distinguished between the interests of its adherents and those of the large masses of consumers, nor separated consumers' interests from the general interests of the nation, particularly those of production;

nature of loss | "that, whatever be the sphere of its immediate and practical activities, Co-operation, in its ideal, is universal and humane;

"that the international division of labour and the universalisation of exchange have unified the essential interests of all nations;

"that, as a result of this unification, the economic and financial chaos experienced by most of the European countries reacts on all the other countries, the crisis of impoverishment and want of the former involving an extreme restriction of their purchasing power, and thus provoking a marketing crisis and apparent over-production of the latter;

"that, for these reasons, at the present time one part of the world can no longer sell, and threatens to succumb to a terrible crisis of unemployment because the other part of the world is no longer able to purchase;

"that such economic and financial chaos results in perpetual differences and fluctuations of the exchange, producing universal instability of production, and often setting up insurmountable barriers to the circulation of produce;

"that the crises in the exchanges has in particular the effect of reducing considerably the price of manual labour in countries having a depreciated currency, thus causing the workers in countries with a high currency to suffer from the consequences which are manifested in the reduction of wages, which, in its turn, affects the purchasing power of the masses; and

"that there is added to these various disturbing economic factors, amongst which it plays a foremost part, the problem of reparations, which, in view of the slow progress of the present attempts at economic restoration, is as formidable a problem as the sudden fluctuations of the exchange brought about by the uncertainties of the situation;

RECOMMENDS—

“(1) that the nations, bearing in mind the intimate solidarity of the interests which binds them the one to the other, shall adopt in common, and in conformity with the programme of the International Co-operative Alliance, a policy of economic mutual aid;

“(2) that this mutual aid should take the form of a grant of credits to those amongst them whose economic vitality and power of production have been affected, directly or indirectly, by the consequence of the war;

“(3) that, particularly with a view to putting an end to the economic and financial instability resulting from the present solution of the problem of reparations, an organisation, representative of all the peoples, intervening between the parties and acting on their behalf both as creditor and debtor, should assure the punctuality and continuity of the payments indispensable for the resumption of the economic activity of the one while fixing the terms of payment of the other in accordance with their capacity to pay;

“(4) that, to assure the execution of such a programme of economic reconstruction in Europe and throughout the world, a universal economic conference be convened as early as possible, and that, amongst the economic factors which would necessarily be represented, a place be accorded to Co-operation, representing internationally the collectivity of consumers.

But, on the other hand, as it would be inadmissible that such an effort of mutual restoration and international solidarity should be followed by a return to the former practices of unregulated competition and universal anarchy, which condemn the world to the periodical recurrence of economic crises, and that, as Co-operation has always had as its aim the adaption of production in general to the pre-determined needs of society as a whole,

IT FURTHER RECOMMENDS—

“(a) that the League of Nations, enlarged and universal, which alone is able to perform the tasks here outlined, should take such measures as are within its power, with a view to preparing the way for the world organisation of production and exchange.

“(b) that to this end the International Co-operative Alliance should obtain, either directly or through the intermediary of its national organisations, representation on the economic and financial organs of the League of Nations—the Alliance deciding to take all the necessary steps in this connection;

“(c) That the inquiries now being undertaken by the International Labour Bureau with respect to production and unemployment should be completed by a universal inquiry into consumption; further, that such an inquiry should, amongst other things, be directed to determining what organs at present in existence are capable of aiding the international organisation of credit exchange and production; the International Co-operative Alliance on its part undertaking to provide all help necessary through its national organisations;

and appeals to consumers in all countries that, by grouping themselves in increasingly large numbers in the ranks of co-operative organisations, they may realise the first condition of international economic organisation.”

The Genoa Economic Conference.—The assembling at Genoa of the first Conference after the World War, which included representatives of all the European nations, belligerent and neutral, to discuss economic reconstruction, was considered of sufficient importance to justify the Alliance in making strong representations to the delegates of the nations. The Central Committee, opportunely meeting at Milan, discussed the whole question at length and, after delegating the task of preparing a suitable text to a special Sub-Committee, adopted with unanimity the following text:—

“The Central Committee of the International Co-operative Alliance, meeting in the Town Hall at Milan on 11th April, 1922, and speaking in the name of 25 millions of Co-operators, heads of families, greets with satisfaction the Conference at Genoa as the first representative assembly of all nations, which includes not only the former belligerents, but also the neutrals—the vanquished as well as the victors.

“The convocation of this Conference demonstrates that, after having tried other methods, in which the political spirit dominated the economic necessities, it is now recognised that the problems of the world crisis can only be solved by special economic measures, international in character and in spirit.

“In order to discover such measures, the nations of the whole world must place above all selfish interests that profound solidarity of interests which binds them to each other, and must adopt in common an economic programme of mutual help. This mutuality must be expressed in the form of credits to those nations whose economic activity and productive power have been most affected or diminished, directly or indirectly, by the consequences of the war. These credits must, of course, be provided without aims of domination, exploitation, or speculation of a usurious kind.

“ With regard to the question of reparations in particular and, in a more general way, to the adjustment of debts between the States, and with a view to putting an end to the economic and financial instability resulting therefrom, it would be necessary to establish a world organisation which, acting on behalf of both debtors and creditors, would assure the punctuality and continuity of contributions indispensable to the economic activity of the former, while fixing the terms of payment of the latter according to their capacity, and which would pave the way for the abolition of barriers set up by the States to the freedom of communication and exchange.

“ International Co-operation, whose efforts tend to the establishment of an organised world economy, is ready to collaborate, in the same way as the Trade Unions, with the work of the Conference. It is, however, so much the better qualified to afford this collaboration because it has always placed the general well-being of the community above private interests.

“ It therefore claims direct representation at the Conference of Genoa in the same way as it asks to be represented in the other existing international organisations.”

This resolution was immediately communicated to the Conference at Genoa, Mr. Albert Thomas acting as intermediary on behalf of the Alliance, in submitting the resolution to the President of the Conference, who cordially acknowledged the views of the Alliance and submitted them to the Economic Section.

The following text was also adopted subsequently:—

“ In view of the very important position which Co-operation has occupied, and continues to occupy, in the economic life of Russia, particularly since the co-operative organisations have obtained full possibility of participating in the economic reconstruction of the country, and considering that Co-operation constitutes one of the most powerful agents of reconstruction as well as one of the surest means of re-establishing economic relations between nations, the Central Committee of the International Co-operative Alliance very earnestly draws the attention of the Genoa Conference to the Russian co-operative organisations, and in particular to the “ Centro-soyus ” of Moscow, as being the organ destined to facilitate commercial relations between Russia and other countries.”

At the following meeting, when the Executive received detailed reports of the proceedings at Genoa, they adopted the following resolution:—

“ That the representations to the various Governments on behalf of Co-operation be continued, and that the members of the Alliance be asked to say to their respective Governments that, wherever they meet for the purpose of discussing

moral or economic lines of international reconstruction and invite economic or business representatives to be present, Co-operation demands a place."

In October, 1922, Europe was again agitated by events in the Near East which threatened war between Turkey and the Balkan States.

In view of all the efforts that the I.C.A. had made to unite the Co-operators of the world against war, it was deemed desirable that a resolution should be adopted and communicated to the League of Nations. The following is the text:—

The Position in the Near East.—"The Executive Committee of the I.C.A., profoundly moved by the events in the Near East, reiterates the unshakeable will for peace which animates the millions of Co-operators throughout the world, and expresses the earnest hope that the whole of the matters in dispute may be submitted to the League of Nations. It confidently relies upon the members of the I.C.A. to persevere in their efforts to influence public opinion and their respective Governments for peace."

The International Committee to Promote Universal Free Trade (representing the Free Trade organisations of the United States, France, Great Britain, Germany, the Netherlands, Italy, Switzerland, and Hungary) appealed to the Alliance to give its support to a manifesto addressed to the League of Nations in support of Universal Free Trade. The manifesto asked the League of Nations to consider and report on the bearing of protective tariffs, embargoes, and preferences on the great problem of international peace and economic reconstruction, with a view to simplifying the solution of other problems than that of international commerce.

The Executive decided to support the manifesto, and to forward it in the name of the Alliance to the League of Nations.

The World Peace Congress at the Hague in December, 1922, called for the participation of the Alliance, and the President and General Secretary were appointed to represent international Co-operation. Several members of the Central Committee were also present as national delegates.

The Congress constituted an excellent demonstration of goodwill towards world peace.

RUSSIAN AND GEORGIAN FAMINE RELIEF.

The Congress at Basle adopted unanimously the following resolution appealing to all the societies in the Alliance to give their aid to the suffering people of Russia and Georgia:—

"The Tenth International Co-operative Congress at Basle, deeply moved by the calamity in Russia, which threatens

35,000,000 of its population with famine and death, tenders to the Russian nation, and particularly to the Russian Co-operators, its cordial sympathy.

“ The Congress hopes that all central organisations attached to the I.C.A. will lend their best possible aid to the general work of relief already commenced to relieve the sufferings of starving Russia, and makes an appeal to co-operative solidarity for that purpose.

“ In view of the extension of the famine to Georgia, whose population, 70 per cent. of whom are Co-operators, is suffering seriously in no less a degree, the Congress desires that Georgia shall have its fair share in any funds collected for the relief of famine through this appeal.

“ The central organisations of all countries which have not yet taken action are requested to immediately take the necessary measures.”

An appeal was therefore issued to all countries urging that contributions should be sent direct or through the I.C.A. It was at first decided that moneys forwarded by the Alliance should be sent through Dr. Nansen's Committee at Geneva, and, as far as possible, devoted to relief of the children. Further, that 75 per cent. of the sums received should be allocated to Russia, and 25 per cent. to Georgia.

At a later stage, that is to say after the visit of the delegation of the Alliance to Russia, it was decided to send all further contributions to the “ Centrosoyus,” Moscow, for Russia, and the Georgian Union at Tiflis for Georgia. A total of about £6,000 was sent to Russia and Georgia by the I.C.A., while nearly a similar amount was forwarded direct by the co-operative organisations of various countries. We were, however, unable to obtain a complete statement of these contributions. This help of Co-operators was greatly appreciated by our Russian and Georgian friends and as stated elsewhere in this report the delegates to Russia returned fully satisfied that the relief organisation of “ Centrosoyus,” Moscow, was second to none.

AMENDMENTS TO THE RULES.

The many and variety of the changes which have taken place in the membership of the Alliance during the past three years, have tested the amended rules and revealed some weak spots which it is proposed to strengthen by further amendment at the Ghent Congress. The first of these affects, at the same time, the representation on the Central Committee and the subscriptions to the I.C.A.

At present, the Article 26 provides for each nation to have one representative on the Central Committee in respect of membership in the Alliance, provided that no representation

shall be accorded to any organisation with less than national dimensions. The second seat is accorded to any nation on the payment of a subscription of not less than £100 per annum. Additional seats are dependent upon the payment of "each further £100 of subscription or *part thereof not being less than £50.*"

The operation of this rule has resulted in several countries obtaining an extra representative on the Central Committee for the minimum sum of £50 in subscription. Not only are the numbers increasing quickly, but the operation of the rule seems to accentuate the already serious discrepancy between the representation of the larger and the smaller countries. Moreover, the financial position of the Alliance demands that the increase of its income should be the first consideration. The Central Committee, therefore, propose to delete the words in italics above.

The same Article 26, in the last clause, provides that one-half of the members of the Central Committee shall retire at each Congress. This provision was left unaltered at Basle by a pure oversight. It is obvious that in a country where there is only one representative, or where there is an odd number of representatives, the rule cannot apply. The Central Committee, therefore, propose to delete the words "*one-half of*" from the last clause of the article.

The third amendment proposed by the Central Committee is to alter Article 30 to provide for the election of "eight" members of the Executive instead of "seven" as at present.

This proposal is to give effect to the virtual undertaking given by the Central Committee at Milan in 1922 to provide a place on the Executive for a representative of Russian Co-operation.

These amendments will be inscribed on the agenda and will be dealt with—together with any others that may be received in accordance with the rules—at the appropriate point of the Congress proceedings.

THE LEAGUE OF NATIONS AND THE I.C.A.

The resolution of the Basle Congress on this subject was forwarded to the office of the League at Geneva and duly acknowledged.

From time to time other resolutions of the Alliance have been forwarded to the League and have received consideration.

About a year ago, however, a resolution adopted by the Executive and setting forth the views of the Alliance with regard to economic reconstruction in Europe was forwarded to the League of Nations. A reply was received from the General Secretary of the League to the effect that the Council had decided

that resolutions from such bodies as the International Co-operative Alliance could not be officially received as the Alliance was not an "official organisation."

It was further intimated that representations could only be received through the Government of the respective countries constituting the League.

These facts are placed on record here for the information of the members and with the hope that effective steps will be taken to secure the recognition of Co-operation by the League.

THE INTERNATIONAL LABOUR BUREAU.

The resolution of the last Congress on this subject followed a period of active endeavour to secure the recognition of the Co-operative Movement, and of the specially co-operative point of view on economic questions, in the Councils of the International Labour Bureau.

In spite of the support given to our appeals by the Director of the Bureau, Mr. Albert Thomas, not much progress had been recorded. The Congress at Basle therefore adopted a declaration "that the development of consumers' co-operative societies affects most closely consumers with small incomes and, in particular, the working classes whose purchasing power they organise and increase, and that such societies are employers of staffs which are constantly increasing as they develop their productive enterprises." Consequently consumers' co-operative societies occupy a unique position in regard to Labour problems and the organisation of production, which is neither that of private employers nor that of workers organised in trades, and that, being free from the private prejudices of a particular group or category, they are eminently qualified to serve the general interests of consumers to the satisfaction of which all factors in production should contribute.

As the result of our appeal to the national organisations to urge the matter upon the Government of their country, only nine replies were received.

During the sessions of the I.L.O. at Geneva in the November following the Congress the question was raised in the Sub-Commissions for the reform of the constitution of the Administrative Council of the Bureau, but proceeded no farther because the Co-operative Movement could only be recognised by a revision of the Treaty constituting the Bureau.

The Director was authorised to propose to the Governments which are members of the I.L.O. that they should allocate to the co-operative organisations of their respective countries one of the places at their disposal for technical advisers. There were, however, present at the Conference a fairly large number of

Co-operators and others with sympathy for our point of view, and a resolution was presented to the Conference recognising the close relations between the problems of Labour and Co-operation.

In 1923 a resolution was submitted by the representative of the Government of Czecho-Slovakia recommending the governing body to invite qualified international co-operative organisations to appoint delegates to take part in an advisory capacity, when questions of especially co-operative importance were under discussion. This recommendation was adopted by the Conference.

Meanwhile, it had been decided to establish a Correspondence Committee of co-operative technicians to act in such a capacity, and we duly invited the members of the I.C.A. to nominate technicians on the questions which specially interest Co-operators, including co-operative legislation and statistics, distribution, production, credit, agriculture, education, and housing. The names sent to Geneva as the result of this appeal form a considerable panel of co-operative experts on aspects of co-operative activity. The list covers various countries and comprises *fifty-two* persons.

The question arose again in a definite form when the agenda for this year's Conference of the I.L.O. was issued. It included two questions of special interest to Co-operators, viz., "Night Work in Bakeries," and "The best methods of facilitating the use of the Workers' Leisure."

The Executive decided that efforts should be made to obtain the views of Co-operators on the question of "Night Work in Bakeries," and also that the General Secretary should go to Geneva during the Conference with the view to co-ordinate the views of Co-operation and to secure some expression of them in the Councils of the I.L.O. Accordingly, a letter was addressed to the Conference of the I.L.O., setting forth the interest of Co-operation in the aforementioned questions and asking for the admission of a representative of the I.C.A. The General Secretary and Mr. E. Poisson, Vice-President, attended at Geneva and during the course of the sittings they were given the opportunity of presenting the co-operative point of view to the respective Commissions dealing with the subjects. They were, of course, admitted only as guests of the Conference in view of the limitations of the present constitution, but in each case they were cordially received by the President and members of the Commission, and equally cordially thanked for their contributions to the discussions. In the case of the Committee on the utilisation of the workers' leisure, the Commission accepted the suggestion of the General Secretary of the I.C.A. that co-operative organisations should be included in their recommendation of the best methods to be followed in each country.

We desire to express here our hearty thanks to Mr. Albert Thomas, as General Secretary of the Conference, and to

Mr. Arthur Fontaine of the French Government and Chairman of the Administrative Council of the I.L.O., and to Dr. G. Fauquet, Chief of the Co-operative Section of the I.L.O., for their personal kindness and the support they gave, within the limits of their powers, to the aspirations of International Co-operation.

The British Co-operative Union sent its Labour Adviser to Geneva to watch the proceedings and to give information on the British co-operative point of view.

The visit to Geneva and the reception of our representatives at the Conference marks a step in advance, and it can confidently be added that the presence of our representatives among the delegates of all nations was a real advantage to the Alliance in manifesting our existence, our aims and our determination that Co-operation shall achieve its goal.

RUSSIA.

The recognition by the Basle Congress of the "Centrosojus," Moscow, as the authentic representative of Russian Co-operation, was followed by a period of readjustment of the relations between the Alliance and Russian Co-operation. Early in 1922, "Centrosojus" officially invited the Executive to send a deputation to Russia for the purpose of satisfying the Alliance about the conditions under which the movement was working.

After full consideration, the Executive decided to accept the invitation, and the following conditions were laid down:—

(a) That a deputation should be sent with the double object of inquiring into (i.) the present position of the co-operative organisations in Russia, (ii.) the possibility of economic relations with Russia through co-operative channels.

(b) That the General Secretary be appointed as the representative of the Alliance.

(c) That each member of the Executive be invited to join the deputation on condition that the organisation which they respectively represent upon the Central Committee of the Alliance should defray the necessary expenses.

(d) That the Committee of National Wholesale Societies be asked to appoint two representatives.

(e) That the services of an independent interpreter be obtained by the General Secretary, the cost to be defrayed jointly by the organisations represented by the members of the deputation.

(f) That the General Secretary make all necessary arrangements for the departure and reception of the delegation by the "Centrosojus."

The organisations which accepted the invitation of the Executive to join the delegation were the Belgian, French, Swiss, and Czech Unions, the English C.W.S., and the International Wholesales' Committee.

The deputation left Berlin on 28th February, 1922, and arrived in Moscow on Sunday, 5th March. From start to finish the visit occupied 30 days.

The actual work of inquiry and visits to the Russian organisations were extremely strenuous. The deputation attended a great National Congress summoned by wireless from the extremities of that great country, four very lengthy conferences with the Administrative Committee of "Centrosojus," two regional co-operative congresses, four meetings of regional councils, and five meetings of large and smaller co-operative societies, to say nothing of many visits to productive factories, wholesale and retail departments, libraries, and educational institutes.

Not least amongst the visits were those to the many institutions in which Russian co-operators made most excellent provision for the care of children from the famine area.

The deputation were given every opportunity of viewing the economic, educational, artistic, and musical sides of Russian life at Moscow, Petrograd, Nishni Novgorod, and Vladimir, while an entirely impromptu visit was paid to a little old-world Russian village about 100 miles from Moscow, but within 20 versts of a station, at which the deputation were delayed.

At the meeting of the Central Committee held at Milan in April, 1922, the deputation submitted the following preliminary report:—

CONCLUSIONS OF THE DEPUTATION TO RUSSIA.

On point 1 of the mandate, "To inquire into the present position of co-operative organisations in Russia," we conclude:—

1. The Co-operative Movement in Russia occupies a unique position in influence, power, and the extent of its operations.

2. The evidences we saw convince us that a complete internal transformation of the movement is being accomplished in the direction of uniformity in principle with the movements of other countries. There is, therefore, no longer any reason for discussing the relations of Russian Co-operation to the I.C.A., in which we believe it is entitled to the fullest rights and privileges of all members, and there is the greatest necessity for Co-operation everywhere to support Russian Co-operation in order that it may be able to fulfil its great rôle in the universal movement and accentuate and continue its evolution.

On point 2, "The possibility of establishing economic relations with Russia," we conclude:—

1. The economic resources of Russia, equally with its needs and those of the rest of Europe, make it imperative and mutually advantageous that economic relations should be established, preferably through an international co-operative wholesale society and an international co-operative bank, but immediately by every direct and indirect means of joint buying and selling between the Russian co-operative organisations and those of other countries.

2. In order to facilitate such economic relations we recommend the Central Committee to forthwith adopt recommendations to the Conference at Genoa, and also to take immediate steps to bring pressure to bear upon the Governments of the respective countries represented to secure—

(a) Co-operative representation at Genoa.

(b) Consideration of our formulated policy.

(c) Justice and equal treatment to all countries in the Alliance.

(d) Safeguarding the interests of Co-operation against capitalism.

We recommend further:—

1. That a further urgent appeal be made in all countries for the relief of the distress from the Russian famine.

2. That all funds collected from co-operative sources should be distributed through "Centrosojus," which is already carrying on a tremendous work of relief, and, in our opinion, is the best system of organised distribution which Russia possesses.

3. That the Central Committee should at once take steps to give Russian Co-operation a representative on the Executive of the I.C.A.

(Signed) HENRY J. MAY.
E. POISSON.
T. W. ALLEN.

These general conclusions the Central Committee accepted unanimously. On the further specific points it was decided:—

(a) That as the regular constitution of the Executive could not be altered till the next Congress "Centrosojus" should be invited to appoint a representative in a consultative capacity until next Congress.

(b) That all further moneys received by the Alliance, and any at present in hand for Russian and Georgian Famine

Relief, shall be forwarded direct to the central co-operative organisations of the respective countries for distribution.

(c) That suitable representations should be made to the Genoa Conference. (See section on International Policy.)

Subsequently the delegation issued an extended report containing a full account of the visits, inquiries, and conferences in Russia in which they took part, also a comprehensive statement on the various activities, productions, and resources of "Centrosojus," which presents a very remarkable picture of Russian Co-operation. The report is on sale at the office of the I.C.A.

In November last the General Secretary revisited Russia, accompanied by Professor Charles Gide, to attend the 25th anniversary of "Centrosojus" at Moscow. They were both greatly impressed by the proceedings and took occasion to visit various co-operative and other institutions. Professor Gide has given full publicity to his views of the movement in Russia, and contributed a special article to the "INTERNATIONAL CO-OPERATIVE BULLETIN" of January last, which constitutes his official report. The General Secretary reported that a great advance had taken place in the economic life of Russia and also in the readjustment of the Co-operative Movement since the visit of the delegation in February, 1922.

Since the Congress in November the Soviet Government has adopted a new Decree completing the independence of the Co-operative Movement as a voluntary association of consumers, a step which was partly taken in 1921.

GEORGIA.

At the meeting of the Central Committee held at Milan in April, 1922, it was agreed to accept the invitation, conveyed through Mr. Gugushvili, that the I.C.A. should send a deputation to Georgia for the double purpose of handing over to the Georgian Union the contributions of the co-operative organisations to the Famine Relief Fund and of studying the actual condition of the Co-operative Movement on the spot.

Mr. Victor Serwy, together with Mr. Gugushvili, constituted the deputation. They spent three weeks in Georgia, and, on their return, Mr. Serwy submitted an exhaustive report of visits, inquiries, etc., into many aspects of Co-operation in Georgia.

The report was accepted by the Executive, who tendered to Mr. Serwy their heartiest thanks for the conscientious industry with which he had pursued his inquiry under extremely difficult circumstances. It was further decided to send a copy of the report to each member of the Central Committee.

On the other hand, the statements and conclusions of Mr. Serwy were strongly controverted by the representatives of

“Centrosojus.” Unfortunately, the interval between the Milan and the Prague meetings of the Central Committee was unduly but unavoidably prolonged. Meanwhile, reports and counter-reports on the question of Georgia accumulated. When eventually the matter was discussed by the Central Committee at Prague in March last the following resolutions were adopted:—

1. “The Central Committee of the I.C.A., in view of its former decisions of the necessity for the continual progress of Co-operation—that it should be able to develop under conditions of liberty and recognition of the essential rights of individuals—expresses the hope that the ‘Centrosojus’ will give to the Central Committee of the I.C.A. its help in the establishment of a voluntary co-operative organisation in Georgia.”

2. “The Central Committee notes the various reports on the Georgian question which have been submitted and recognises that a representative of ‘Tsekavshiri’ at Tiflis can now be acknowledged as the representative of Georgian Co-operation in the International Co-operative Alliance.”

These resolutions have been communicated to the organisations concerned and suitably acknowledged.

THE ITALIAN SITUATION.

The last Congress passed a strong resolution of protest against the “Fascist” outrage in Italy, which, with the complicity of the police, had been the means of brutality, violence and devastation against co-operative institutions and also Co-operators. The resolution was sent to the Italian Government, but no reply was vouchsafed to the I.C.A.

This period of destruction and outrage has continued to the present time with varying degrees of violence. The Executive, during 1922, sought all possible information from the Italian Union with a view to giving whatever help was in their power. They also appointed Dr. A. Suter to visit Italy to make an inquiry on the spot, a task which he generously undertook on the understanding that, together with himself, the President and General Secretary should form a Sub-Committee with full power to take whatever action might be possible to secure help and protection for Italian Co-operators.

Dr. Suter, in the course of his interesting report, said: “It is impossible to form any idea of the systematic destruction of the Italian co-operative societies by the Fascists unless it has been actually witnessed.” “I could have spent many weeks, and even months, in Italy paying daily visits to societies which had either been pillaged or set on fire” “approximately one-third of the societies belonging to the League have been destroyed.” Dr. Suter concluded his

report with the following significant words: " It is only fear of the damage which might be done to certain material interests in Italy which could make an impression on the Fascist Government."

Those who would read Dr. Suter's interesting report will find it in the " BULLETIN," of December, 1922, and January, 1923.

After consideration of the report the Committee resolved:—

1. That the President, Dr. Suter, and the General Secretary should represent the I.C.A. in any steps that may be taken to assist Italian Co-operation.

2. That the General Secretary should invite the leaders of the Italian movement to meet the representatives of the Alliance in conference in order to discuss the best means of assisting their work.

3. That, if desirable and with the approval of the Italian leaders, the delegation should seek an interview with Mr. Mussolini in order to put the case of Co-operation fully and frankly before him.

4. That the question of issuing a financial appeal on behalf of Italian Co-operation should be left to the representatives of the Alliance to consider and decide after their interview with the Italian leaders.

Subsequently a letter was received from Mr. Vergnanini, General Secretary of the Italian League, in which he commented as follows on the proposals of the I.C.A.:—

(a) That it was useless to approach Premier Mussolini as the Alliance had proposed.

(b) That the proposal for a financial appeal was inopportune owing to the extent of the disaster in Italy and also to its possible adverse influence.

(c) That it would be more practical to promote the commencement of co-operative commercial relations between Italy and other countries.

(d) That the co-operation of labour and agriculture should be given more consistency by financial and banking relations.

From this point the negotiations gradually faded away, and it appeared that the Italian Co-operators, who had suffered so much, were endeavouring to live peaceably with their enemies.

In February last we published in the " BULLETIN " an article by Mr. Vergnanini, in the course of which occurs the following paragraph:—

" If the League of (Italian) Co-operative Societies has been able to call forth on the part of the Prime Minister (Mussolini) the declarations with which the Co-operative

Press is acquainted; if it has favoured the constitution of a National Committee in connection with the International Exhibition to be held at Ghent, and if it has thought fit to adopt an attitude of modest expectation, all this is to be attributed to the fact of the exceptional conditions created by the wave of Fascism and to the desire to avoid greater woes. The attitude of our League may seem somewhat ingenuous after the furious campaign of violence directed against hundreds of organisers killed, wounded, or expelled; against thousands of co-operative societies set fire to, devastated, and captured.

“ But what other tactics could have led to better results? ”

THE SITUATION IN THE RUHR.

For the past two years the difficulties of the co-operative societies situated in the “ occupied areas ” of the Ruhr have given considerable anxiety, and the Alliance has from time to time taken whatever steps were possible to present, not only the general situation, but specific cases of hardship to the authorities of the French Government with a view to obtaining relief for the German co-operative societies.

At the meeting held at The Hague in April, 1923, the following resolution was adopted and sent to the Governments of all the countries concerned:—

“ The I.C.A., representative of more than thirty millions of Co-operators, sees with deep concern that the occupation of the Ruhr by French and Belgian troops hampers the economic reconstruction of Europe and the consolidation of the peace.

“ While recognising the economic and moral necessity of the payment of reparations due by Germany for the reconstruction of the devastated areas of France and Belgium, the Alliance regards the invasion of the Ruhr as an act of oppression and force, a method which is neither useful nor efficacious, the true method being based on an understanding between all nations.

“ The Alliance realises that a military occupation must necessarily bring with it deeds of oppression and violence and the danger of reviving the hate between the peoples, and is, therefore, a policy which may lead to new wars in the future.

“ The Alliance, true to the resolution voted by its Central Committee in its meeting of April, 1922, at Milan, and to the resolution adopted by the International Co-operative Congress at Basle in August, 1921, on the question of peace

and the necessity on any due occasion to submit to international arbitration, appeals earnestly through its Executive Committee to the Co-operators of France, Belgium, and Germany to bring their influence to bear upon their respective Governments that they will, in common agreement, submit to the League of Nations, or to an International Court of Arbitration representing all nations, the final settlement of all the financial and economic consequences of the war.

“ Meanwhile, the Alliance asks the French and Belgian Governments to give every facility to the German co-operative societies existing in the occupied territories to exercise their activity and to continue their co-operative work in full liberty and in association with their central organisations.”

According to the authoritative report of the Central Union, Hamburg, the movement has suffered tremendous damage and loss. In 1919 the German distributive societies had at their disposal in full value currency 55 million marks of credit balances, and 50 million marks reserves. Members had deposited 271 million marks in savings, and had taken up bonds to the amount of seven million marks. The most of the money deposited by members was invested in good and remunerative securities. The value, after full depreciation, of their plant and machinery was seven million marks, and that of their property in land was 116 million marks.

At the present time most of these moneys have become worthless as a result of the depreciated currency. Of course, their “ real properties ” are still extant, and only depreciated to the extent of the lack of repairs and improvements.

Hundreds of small societies have had to cease their activities and to close their shops. The future of the German consumers' movement depends on the stability of the new currency, the “ Renten mark,” which is based upon the mortgage of all real values of property.

The Alliance has continued to make representations to the French and Belgian Governments on specific points of difficulty. These efforts met with some success, which was fully acknowledged by the German Central Union.

At one time the Executive were greatly concerned at the prospect of the Congress at Ghent being deprived of the participation of the German delegates as a result of the difficulties in the Ruhr. As this report is in preparation we receive the welcome news that the German Co-operators have decided to take part in the Ghent Congress. We trust that by this decision we may have a united movement at Ghent and that the reign of real peace may have begun, at least within the portals of the I.C.A., only to extend in a short space of time to the whole community of nations.

" OSVOBOJDENIE " AND THE BULGARIAN GOVERNMENT.

At the end of last year information was received at the office of the Alliance and also communicated to the General Secretary, personally, at Moscow, Warsaw and Vienna concerning the persecution of the Workers' Co-operative Organisation " Osvobojdénié " at Sofia. A letter was addressed to Prime Minister Tzankoff asking for his protection for the members of this society and their property, to which a reply was received to the effect that no co-operative societies whatever—including " Osvobojdénié "—were being persecuted, but only such organisations as were acting against the State.

A further letter was addressed to the Bulgarian Prime Minister pointing out the specific nature of the reports which had been received and asking for a fuller explanation.

Later we learned that the Bulgarian Government, acting under the Defence of the Realm Act, had decided to seek the dissolution of " Osvobojdénié." The President of the latter appealed to the Alliance for its immediate intervention on behalf of the society and its 70,000 members, who, together with their stores, had been treated similarly to the movement in Italy. Every effort by way of protest and appeal was made to the Prime Minister, but without avail.

At Prague, in March, the whole question was considered by the Central Committee when the representative of " Napred," the older co-operative organisation of Bulgaria, presented a lengthy statement which he declared to be " an objective view of the situation," but which the representatives of " Osvobojdénié " have since declared to be a defence of the Bulgarian Government and an implied condemnation of the Workers' Society. No representative of " Osvobojdénié " was present at Prague.

The discussion at Prague occupied practically the whole of one morning, and it is quite impossible to give here an adequate statement of the case. The story of destruction which was presented to the Alliance would occupy several pages. The above is only a very brief summary and does not pretend to be more.

Eventually the following resolution was adopted:—

" The Central Committee of the I.C.A., confirming its previous action, but without taking part in the internal discussion of Bulgarian politics and of its different parties and social classes, demands from the Bulgarian Government, whatever be the opinions and actions of Co-operators, the freedom of existence and life of all co-operative institutions, in the same way that it demands this of all countries.

" It expresses the hope that the Bulgarian Government will respect these principles of civilisation and thus give satisfaction to the opinion of Co-operators throughout the world."

There for the moment the matter stands.

THE JAPANESE DISASTER.

Co-operation in Japan has suffered a tremendous blow as the result of the disastrous earthquake on September 1st last. At that time we were considering the application of the Japanese Union for affiliation with the I.C.A. It was subsequently admitted.

The reports received by the I.C.A. show how extensive was the damage to the societies. It is, however, a matter for satisfaction that the Union is still functioning, and though the losses both of life and property are terrible, yet the work of reconstruction is being vigorously pursued.

The following figures give a glimpse of the devastation and loss. In Tokyo, nearly 13,000 houses of co-operative members have been destroyed by fire; 308 Co-operators were killed, and the number of the injured is unknown. Taking the districts of Tokyo, Kanagawa, Chiba, Saitama, and Shizuoka, no less than 39,886 houses of Co-operators have been destroyed, while the number of their dead cannot be computed. Out of 768 societies, 331 have been seriously affected, and in Tokyo alone the damage to co-operative property exceeds five and a half million yen.

The Japanese Government has made arrangements to lend the affected societies the sum of 2,400,000 yen for relief work, and the societies generally are coming eagerly to the help of their afflicted fellow Co-operators. In spite of their losses, the Japanese Co-operators are hoping to take an active part in International Co-operation.

The sincere sympathy of all the members of the Alliance with Japanese Co-operation in her distress was conveyed to the union at Tokyo and suitably acknowledged.

THE INTERNATIONAL CO-OPERATIVE DAY.

The new festival of International Co-operation may be declared without hesitation a great success.

It was decided at Milan, following the discussion on an interesting paper by the President, to present the proposal to all the members of the I.C.A. for approval, together with the suggestion that the first Saturday in July should be the chosen date. General approval was indicated in the replies, and in due course a manifesto was issued. Twenty countries responded with every variety of celebration. Telegrams of greeting passed from land

to land. Artists, decorators, writers, orators, singers, athletes, and, above all, simple Co-operators, joined in forming a chain of festivity and fraternity across the whole continent of Europe, with extensions into Asia and America, which is without precedent in the annals of voluntary associations of the workers. The International Co-operative Day is an accomplished fact—it has come to stay.

This year the festival is being repeated on similar lines, and the advices already to hand show that when the full reports come in we shall be able to record a further advance in the linking up of the parts of the Co-operative Commonwealth.

FLAG, BADGE, AND FILM.

Side by side with the organisation of our "Day" the Committee has endeavoured to attain something like unity of ideas about a flag or colours for the I.C.A.

To discover something which is at once dignified, artistic, and, above all, expressive of the idea of International Co-operation, is no easy task. Appeal after appeal has been made and a number of responses have been received. Opinion amongst co-operative leaders, inside and outside the ranks of the Central Committee, has, however, steadily crystallised on the proposal of Professor Charles Gide that the Alliance should adopt the seven colours of the spectrum, and for preference in the form of the rainbow.

If the task of deciding the colours was difficult, the problem of producing this design in a woven fabric, in fast colours, which, at the same time, gives a fair impression of the rainbow, and can be reproduced at a reasonable price, is almost beyond solution.

Gallant efforts have been made by the Co-operators of Lyons, who are specialists in silk weaving. Victor Serwy has produced some results in the Exhibition Hall at Ghent. We have asked our Japanese friends to send samples of what they can do, and from all these channels we hope to receive some inspiration, and even practical results, which will enable us shortly to supply the co-operative world with a flag which we may hope will become more universal than any extant.

The question of a badge and a motto for the Alliance is closely bound up with that of the flag. We shall be glad to have practical suggestions on both these matters.

An international co-operative film is still unrealised, but is a growing need for purposes of propaganda. The question of expense is a big one, but if the various national organisations would accept the financial responsibility for producing a certain quantity of film in their own country, planned and carried out in conjunction with the Committee of the I.C.A., the negative of an excellent international film could be realised in a reasonably short time.

INTERNATIONAL CO-OPERATIVE EXHIBITION.

When Edouard Anseele gave the invitation to the delegates at Basle to hold the next Congress of the I.C.A. at Ghent in 1924, he coupled with it the request that the International Co-operative Exhibition, which was even then projected by the Belgian Co-operators, should be organised and carried out under the auspices of the I.C.A.

The Belgian Co-operators had in mind not only the advancement of International Co-operation, but also the unique opportunity of associating their effort with the celebration of the 50th anniversary of their famous "Vooruit" society, of which they are so justly proud.

The two great functions of the Exhibition and the Congress were to be joined in one inspiration, as has always been the case in Great Britain where the two ideas in association have had a longer vogue than anywhere else in the world. The occasion of these events in 1924 was to be also the great monument and triumph of the Belgian Co-operative Movement in its own direct advance and in its work of conciliating the interests of Co-operators, Trade Unionists, and the politics of the proletariat. That consummation is now in the way of realisation and if, for any reason, it should fall short—which we do not contemplate—most assuredly it will not be on account of any failure of our Belgian friends to realise on the highest plane and to the fullest extent all the hopes with which they set out.

The Exhibition speaks for itself more forcibly and eloquently than we can think or write. The delegates to the Congress will be surprised and gratified to see such a world demonstration of the power and versatility of the Co-operative Movement. As a matter of historical record, it should be noted that this is the second International Co-operative Exhibition organised under the auspices of the Alliance, the first having been held at Manchester, in 1902.

Throughout the work of preparation for the Ghent Congress, the Executive of the Alliance has been in touch with the Executive of the Exhibition and has given every aid in its power to support and further the work.

Our colleague, Victor Serwy, and his son, Willy Serwy, the Director of the Exhibition, have worked unremittingly to create a monument worthy of the cause, and they have succeeded admirably.

The finest site in the Exhibition, its Central Hall, was at once allotted to the I.C.A. Victor Serwy has himself inspired the designs which most artistically represent the different countries in the mural tableaux. He is also responsible for the central symbol of International Co-operation, which depicts the world supported by different types of workers.

A word as to the cost of the participation of the I.C.A. The Executive had to decide between making an appeal to the national organisations to meet the cost of the I.C.A. exhibit or of defraying the expenses from the general funds of the Alliance. They chose the latter course with the idea of avoiding the multiplication of financial calls on the societies. This fact, together with the actual need, justifies an appeal to all members of the Alliance to increase their subscriptions and thus replenish the general income.

It is only to be added that Mr. G. J. D. C. Goedhart, as President of the I.C.A., and the General Secretary took part in the opening ceremony on 14th June, when a most successful demonstration inaugurated the Exhibition, which will practically reach its term with the sittings of the Congress.

RELATIONS WITH THE INTERNATIONAL FEDERATION OF TRADE UNIONS.

The steps which have been taken to establish relations with the I.F.T.U., of Amsterdam, arose from the paper presented to the last Congress by Victor Serwy on the relations which ought to exist between Trade Unionists and Co-operators. Correspondence followed between the two Internationals, with the result that representatives of the I.C.A. and the I.F.T.U. met at The Hague in December, 1922, to discuss the possibilities of mutual working for common objects. As the basis of discussion the I.C.A. Executive submitted the following points:—

1. The promotion of a genuine "entente" for all mutual associated purposes.
2. The regular interchange of fraternal delegates at Congresses and Conferences.
3. Joint propaganda demonstrating the economic interdependence of both movements and the need of united and reciprocal action to secure social, economic, and political freedom.
4. The promotion of "consumers' councils" in every country, consisting mainly of representatives of the Co-operative and Trade Union Movements. These councils to exercise a vigilant oversight of the sources and methods of production and supply in the interests of the consumers.
5. The establishment of a joint committee which would meet regularly to consider difficult problems, such as wages and conditions of labour whether in the case of disputes or new proposals, also to formulate policies on questions of Peace, War, Disarmament, Free Trade, Protection, etc.
6. Joint action to secure direct representation of both movements on international economic bodies, such as the International Labour Bureau, the Economic Section of the League of Nations, etc.

The I.F.T.U. Executive accepted these points, but decided to add the following:—

7. To examine the possibility of joint propaganda work for the Labour Movement in the widest sense of the term (Trade Unionism, the Co-operative Movement, anti-war campaign, etc.) by means of pamphlets and posters issued by the Co-operative Movement and the Trade Union Movement jointly.

8. To examine the desirability and possibility of establishing an international bank by the Co-operative and Trade Union Movements jointly.

After discussion, a Sub-Committee, consisting of two representatives of each International, was recommended to explore the possible lines of advance and to prepare an agenda for a Joint Conference of the two Executives at a later date.

The Joint Sub-Committee has held five meetings and has discussed a number of questions, but eventually the Joint Conference of the two Executives was convened at Paris to consider the following agenda:—

- (a) Ratification of the constitution of the Joint Committee.
- (b) Consideration of a model agreement to govern the relations between Co-operative Societies and Trade Unions.
- (c) International co-operative banking in relation with Trade Unions.

At the beginning of the Conference it was clearly explained on behalf of the I.C.A. that in any contemplated relations with other bodies the Alliance must strictly observe its rule of neutrality in politics and religion. Therefore any agreement they might reach that day on the questions on the agenda would be subject to the approval of the Central Committee and the Congress of the I.C.A.

After considerable discussion and modification, the proposed constitution of a Joint Committee, which was submitted by the Sub-Committee, was accepted in principle as follows:—

- 1. That an "entente" for all mutual associated purposes should be established between the two organisations consistent with the rules and constitutions of each organisation.
- 2. That there should be a regular interchange of fraternal delegates at Congresses and Conferences.
- 3. That a Joint Committee should be established which would meet regularly to consider problems of mutual interest and under the following conditions:—
 - (a) Each organisation to have the right to place on the agenda the subjects of its choice.

(b) The Joint Committee to be composed of the two Executives and to meet at least once a year.

(c) A Sub-Committee of four persons to be appointed for the purpose of preparing the agenda of the Joint Committee and other necessary purposes connected therewith.

(d) The decisions taken by the Joint Committee to be carried out by the general secretaries of the respective organisations, subject to the approval of the competent authority of each organisation.

The second point on the agenda, viz., "The model agreement between Trade Unions and Co-operative Societies" was debated at length and ultimately referred back for revision. The revised report will be sent to all national organisations for their observations.

The question of international banking in relation with Trade Unions was adjourned owing to lack of time for its discussion.

THE SIR WILLIAM MAXWELL TESTIMONIAL.

The Central Committee at Basle unanimously decided to organise a testimonial to the late President of the Alliance, Sir William Maxwell, on his retirement after 20 years of office and as some small recognition of his great services to International Co-operation. The Executive was asked to take the necessary action, and in due course an appeal was issued to all the members of the I.C.A. The total sum realised by the appeal was £1,415 3s. 8d.

After due deliberation it was decided that the bulk of the fund should be paid over to Sir William, but that the more permanent form of the testimonial should be a "Golden Book," in which the Co-operators of each country should inscribe their tribute to our late President over the signatures of their leaders. This idea was carried out with great success, and the result was an album which experts have described as "simply unique," and which was certainly a masterpiece of artistic expression, literary tribute, and autography.

A cheque for £1,200 was handed to Sir William Maxwell by the General Secretary at a small representative meeting at Glasgow, convened by the Scottish C.W.S. in August, 1922, and the balance was handed over after the close of the fund.

The "Golden Book" was presented to Sir William on the occasion of the British Congress in Edinburgh at Whitsun, 1923, at a meeting of international delegates to the Congress, convened by the British Co-operative Union.

Mr. W. R. Rae, then President of the British Union, presided, and Mr. G. J. D. C. Goedhart, President of the I.C.A., journeyed

to Edinburgh from The Hague to make the presentation, accompanied and assisted by the General Secretary. The book and its recipient, who received it with emotion and an eloquent speech of appreciation, made a great impression on the whole company. The editor of the "Co-operative News" was moved to publish a special description of the book, which also appeared in the "BULLETIN" of July, 1923.

We may add that at the time of writing the health of Sir William Maxwell is in a somewhat precarious condition.

INTERNATIONAL CO-OPERATIVE TRADING.

In view of the varying texts of resolutions submitted to the Basle Congress on this subject, it may be well to reproduce here the resolution which the Congress adopted. The text is as follows:—

" This Congress notes with satisfaction the steps already taken to set on foot international co-operative trade, and records its opinion that the extension of such trade with the least possible delay is of vital importance to the recovery of Europe from the grave economic difficulties caused by the war.

" It calls upon the International Committee of Wholesale Societies to make the fullest use of the opportunities afforded by the present breakdown of international trade through capitalist channels for the purpose of establishing international trade through co-operative channels.

" It recognises that the exchanges cannot be made normal, and that international trade cannot be re-established on sound business lines, except by each country paying for its imports directly or indirectly by its exports, and that the International Co-operative Wholesale Society must be built up on this foundation.

" It therefore recommends the International Committee of Co-operative Wholesale Societies to take steps at once to assist each country to utilise all its available resources to build up an export trade through co-operative channels, by encouraging the purchase of goods through the Co-operative Movements of each country, and by helping to organise the marketing of the goods so exported.

" Further, this Congress urges the International Co-operative Alliance Committee and the International Committee of Wholesale Societies to take all possible measures to ensure the removal of any Government or other obstacle to international co-operative trading, and to secure that any special schemes set up, under the League of Nations or by individual Governments, for the facilitation of trade by

credits or otherwise, are on lines suitable to the circumstances of the Co-operative Movement and are used to the utmost by the movement."

The general question of the promotion of international economic relations has received the active attention of the Committee and no useful opportunity of achieving the aim has been neglected.

From time to time expression has been given by various members of the Alliance to the need for more vigorous action and progress, and appeals have been made to the Co-operators of the world to close up their ranks and unite to achieve a great economic advance on a mutual co-operative basis.

Amongst other things the Executive received a special report, prepared by Victor Serwy, on the resources of Georgia and the possibilities of international trade. The report revealed the extent of pre-war exports of Georgia as being from 17 to 18 million poods of various agricultural and mineral products. It showed that a large proportion of these commodities were under the control of co-operative organisations, and that the latter were ready to enter upon international co-operative operations. This report was referred to the International Wholesales Committee.

The report of the delegation to Russia, referred to under its special section of this report, revealed a similar condition of things on an immensely larger scale.

The Esthonian Wholesale Society communicated its views on the general question, and especially urged the establishment of an International Co-operative Commercial Bureau, and this question was also referred to the International Wholesales Committee.

The recent report of the British members of the Central Committee of the I.C.A. to the British Congress contained the following:—

"The future of the Co-operative Movement in every country is now largely dependent upon the development of mutual trading between the appropriate co-operative organisations of all countries; and it is the duty of the Co-operative Movement to neglect no means of aiding and developing international co-operative trade, banking, and assurance. British Co-operators will fail in their duty if they do not press these subjects to the fore on every appropriate occasion."

This is a statement of the general position which fairly reflects the position of the I.C.A. The practical task of opening up trading relations has been in the hands of the Special Committee appointed in August, 1919, whose report was included in the report of the Central Committee to the Basle Congress. That Committee has since issued three reports, which have been published in the "BULLETIN." At its meeting held at Prague

in March last the new rules of the Association of Wholesale Societies were unanimously adopted. Detailed statements of trading operations with other countries have been published from time to time, but the difficulties in the way of rapid advance are best set forth in the statement which we have received from the Special Committee itself, the text of which is as follows:—

“ REPORT ON INTERNATIONAL CO-OPERATIVE TRADING.

“ Since the last Congress at Basle the Committee appointed by the various wholesale societies especially to study the possibility of developing international co-operative trade have issued three reports.

“ Each of the reports has confirmed and emphasised the difficulties with which the Committee are faced owing to the very extraordinary conditions which obtain. The exceptional financial chaos prevailing in several of the countries of Europe has prevented that active assistance which would have been forthcoming under ordinary circumstances to promote the ideals which inspire the bulk of Co-operators. The ripened national and international trade experience of the members of the Wholesales' Committee, combined with the impossibility of raising funds of comparative values, as well as the absolute necessity of strict economy in trading expenses, have led them collectively to very definite conclusions about the establishment of an International Wholesale Society for trading purposes, and these are outlined in No. 2 of the new rules of the Association of Wholesale Societies, and which were unanimously passed at the full Committee meeting in Prague in March, 1924, on the recommendation of the Sub-Committee of that body.

“ Rule 2 reads as follows: ‘ The objects of the International Co-operative Wholesale Society are to collect and distribute information and to foster development and promote trade and trading relations and interests between co-operative societies in all parts of the world. *The society itself shall not undertake any actual trading.*’

“ The Committee are, in fact, firmly of the opinion that a separate international wholesale with capital of its own cannot be established at the present time with any hope of success, and even if sufficient funds could be raised the rapid divergence of values between one country and another is oftentimes so great in trading that the losses would swallow up almost the whole of the capital in a single night.

“ These are the practical findings of the Committee after careful and serious investigation of the whole of the circumstances governing the subject, and, although our enthusiasm and desires led us to believe great things could be accomplished in international trading, we must respect the views

and judgment of those men whose sincerity, we may presume, is quite equal to our own, and who have fuller information at their disposal than we can be expected to possess.

“ Whilst the International Trading Committee cannot see their way at the moment to establish an actual trading wholesale society, they have agreed to adopt articles of association for the purpose of recording information and collecting data in preparation for the times when such a happy occasion may arrive, and in this connection useful facts are constantly being brought to light. The Committee are also giving every encouragement to inter-trading between the various countries and transactions are now more frequent. It must not be forgotten that one wholesale must require, and have the means of paying for, what another wholesale has to offer before a transaction can take place on mutually advantageous lines. It may be said that, although progress has not been made quite so quick as one could wish, the Committee themselves are quite satisfied that everything has been done to promote international co-operative trade, which has been possible under the very exceptional conditions of Europe since their appointment, and that the lack of more rapid development is well known to be quite beyond the control of any body of Co-operators.”

INTERNATIONAL CO-OPERATIVE BANKING.

The Basle Congress decided that a Special Conference on this subject should be convened with a view to formulating a scheme for an international co-operative bank.

The Conference was held at Brussels in January, 1922, when a report on the general question was presented by Mr. Gaston Lévy, which drew warm expressions of approval of its matter and of the ability with which it had been prepared.

The Conference proposed the appointment of a Special Committee, which was afterwards confirmed by the Central Committee. At Milan in April, 1922, a further Conference assembled 22 delegates from twelve countries. The Committee has met regularly since that date, and has amassed a considerable amount of valuable information necessary to the establishment of an international bank. The results of the work of the Committee are embodied in its special report, which follows:—

REPORT OF THE COMMITTEE ON INTERNATIONAL CO-OPERATIVE BANKING.

The International Co-operative Banking Committee since the Conference at Brussels has met at Milan on 12th April, 1922; Essen, 3rd October, 1922; Ghent, 5th February, 1923; The

Hague, 23rd April, 1923; Luxemburg, 1st October, 1923; Prague, 24th March, 1924.

It has had to consider the questions proposed at Milan, and particularly the two following questions which have constituted its main activities:—

1. What is the position of the co-operative banking organisations in the different countries? Which is the national organisation to be most recommended for improving and intensifying international relations?

2. What are the present international banking relations between the co-operative organisations? Which of these relations is it desirable to develop? By what means?

With regard to the first question, the Committee has addressed a request to the different organisations with a view to obtaining the desired information; and, for the centralisation of such information, it has asked the Bank of French Co-operative Societies (which has existed as an autonomous organisation since July, 1922) to constitute a Bureau of Information in Paris, under the direction of Mr. Gaston Lévy, Secretary of the Committee.

Up to the present, information has not been received in many instances, but it has been sufficient to enable the drawing up of an initial comparative table, following a uniform balance sheet, and reducing all figures to the value of the dollar.

This initial survey of the international co-operative banking movement, with the elements of which the Committee has become gradually acquainted at its meetings, has given rise to discussions.

In connection with the first question, it has been of interest to study and come to a conclusion on the proposition made by Mr. B. Jaeggi, Switzerland, and which has been unanimously adopted:—

“The Conference recommends that each national co-operative association should concentrate its entire money and credit business in one co-operative bank, or in the banking department of its wholesale society. It recommends that all those national institutions should endeavour to co-operate closely with one another, and suggests that the wholesale societies should effect all their international payments, whenever possible, through them.

“The Conference further suggests that the chief administrators of these institutions should meet and consider in common the means by which these national institutions may most effectively develop; international clearing operations be instituted for the wholesale societies; and how these may be made to lead to the creation of an international co-operative bank.”

Mr. Komeda (Czecho-Slovakia) was charged to submit a report on the first part of this proposition, viz., to concentrate as far as possible the co-operative means of each country, with a view to accelerating the growth of, and rendering more efficacious, international co-operative finance.

Mr. Gaston Lévy (France) also presented a memorandum, which was approved, recommending the constitution of solely national co-operative banks as distinct from the wholesale society.

With regard to question 2, the result of the questionnaire addressed by the Secretariat to national co-operative organisations shows that there is a great poverty of international relations in the commercial and, especially, in the financial sphere. The transactions of the wholesale societies have been effected almost always outside of the Co-operative Movement. The wholesale societies, as producers, have sold few goods abroad.

There was no system of international compensation, hence the obligation for all banking organisations to purchase foreign bills on the spot. International payments were generally effected for cash. Nothing had been done in respect of international discount. Any surplus resulting from transactions of co-operative banking organisations was generally placed in private banks or employed in short-dated State funds.

It was, therefore, necessary to consider whether these relations could be developed and in what manner; further, if the establishment of an international co-operative bank was desirable, in accordance with the proposition submitted by French Co-operators at the International Congress held at Basle.

In connection with this most important question the Secretariat has drawn up the following report, in which it considers complete international banking relations, without taking into account the opportuneness and methods of furnishing the materials ready for the moment that is considered favourable. It has not concealed the fact that the present lack of equilibrium in international finance is not without great risks for the constitution of an international co-operative bank. After the favourable and, in some instances, enthusiastic adoption of the theoretical conclusions by a large number of countries, the general opinion was that it was necessary to act with the greatest reserve and to proceed very slowly, beginning with the simplest tasks and those entailing least risk (information, statistics, banking technique, direct international relations).

Co-operators did not, however, await the crisis in order to consider the conditions under which international trade would be obliged to function owing to the war for, at the Inter-Allied and Neutral Co-operative Conferences held in Paris in 1916 and 1919, the question of the rational organisation of exchange was considered and solutions proposed.

The Brussels meeting emphasised that it would be in the interest of Co-operation, in view of the economic interdependence of all the civilised nations, to react against the detrimental effects of the difficulties of international exchange. This necessary reaction could assume two forms which are closely allied:—

1. An international co-operative wholesale society.
2. An international co-operative bank.

The general policy of the latter, as also that of the international wholesale society, would be the utilisation of the interdependence of the nations, with a view to the specialisation and distribution of produce solely from the point of view of the interest of consumers, the pooling of all national resources, and stabilisation of exchange. At the present time it is especially this question of exchange which, very rightly, claims the attention of Co-operators. The report analyses the unhappy condition of countries with a high rate of exchange.

The countries with a very low currency are not experiencing crises either of sales or unemployment, but distress is very great, and consumers are unable to obtain the necessaries owing to the extremely high prices of raw material necessary for their consumption.

The instability of the exchange has increased since 1919, and the question of payments in hard cash or in bank notes cannot, therefore, be contemplated. We must, therefore, consider the constitution of an organ of compensation for effecting agreements, while taking into consideration the value of the imported and exported goods in each country, which would only leave open to credit a part of the sales effected by countries having a high rate of exchange in the countries with a low rate of exchange.

Side by side with this organ of compensation it would certainly be necessary to have an organ of distribution, with a view to regulating on the international markets the rates of the different national products, so as not to lead to a too great depreciation of the value of certain products.

This organisation of international credit would have as its aim the fixing of advances to be made to the different countries with a low rate of exchange, while taking into consideration the normal conditions of labour of these countries and the advantages which would accrue to the world if these advances were destined to stimulate production, and, at the same time, increase the necessary consumption for the maintenance of the organisation itself. It is evident that any solution of this character can only be considered from the international point of view. At the end of the war, while leaving to the Governments the task of continuing to consider the desirability of creating international organisations destined to establish stability of the exchange or to

organise international distribution, the Co-operative Movement ought to consider the conditions under which it could constitute its own international financial organisation.

THE CONSTITUTION AND FUNCTIONING OF THE INTERNATIONAL CO-OPERATIVE BANK.

What are the conditions under which this bank could be constituted and function?

If we examine the situation in the different countries we see that to an increasing extent the national co-operative organisations, desirous of winning their independence, have been led to constitute their own banks or banking departments attached to the central organisations. For some years past the importance of these services has increased; they exist everywhere where the Co-operative Movement has grown—in England, France, Germany, Switzerland, Sweden, Norway, Denmark, Italy, Belgium, and Russia; in some countries under the form of autonomous organisations; in others under the form of services connected with the wholesale societies and unions.

The organisation of an international co-operative bank may, therefore, be conceived, destined, even if not to bring together all the national organisations, then at least to unite them by an organ established for this purpose, which would be based on the banking organisations already existing in the different countries. The shareholders of this international co-operative bank would consist solely of national co-operative organisations and banks, either attached or autonomous organisations, composed either solely of co-operative societies, or also of other bodies, but on the condition that the co-operative organisations are in the majority.

The guarantee capital could be immediately subscribed by each of the national organisations in proportion to their turnover. The amount contributed would obtain interest at the rate of the average security. The amount guaranteed would be either gratuitous or receive interest at $\frac{1}{4}$ or $\frac{1}{2}$ per cent. The amount contributed could be fairly small, and in this respect, French legislation could be adopted (10 per cent. for co-operative societies). The contracting parties would be sufficiently solvent.

The organisation would be administered by a Council of Delegates of each of the affiliated organisations, and directed by an Executive appointed by this Council.

THE OPERATIONS THAT COULD BE UNDERTAKEN BY AN INTERNATIONAL CO-OPERATIVE BANK.

1. ARBITRATION OF EXCHANGE.

Exchange between the national wholesale societies, or between them and the international wholesale society, will call for the adjustment of accounts between the buyer and seller in the

currency of the latter. There is immediate interest for each not to buy in his own country foreign notes for payment. The international co-operative bank, by reason of its relations with the national co-operative banks, could best settle exchange by drawing on its affiliated organisations.

2. FINANCIAL INFORMATION.

International exchange cannot be undertaken without involving somewhat greater risks than those incurred by the nations in the home markets. It is, therefore, necessary to take considerable precautions and obtain international financial information.

3. DEPOSIT OF FUNDS.

It does not seem that the international co-operative bank could be a bank of individual deposits, owing to the differences of the currency, banking customs, and the difference in the rate of loans. These differences would necessitate the establishment of national sections within the international co-operative bank, these sections being merged in the national banks.

An international bank could not effect operations in the national sphere more advantageously than a national bank. It would, therefore, be advisable to leave to the national bank the entire management of its individual accounts and those of societies, leaving to the international bank international banking transactions. Thus it seems that the international co-operative bank ought to be a bank of banks, or consortium of national banks, rather than a deposit bank.

What should be the form of the financial aid granted by the national banks to the international bank?

The central solution would be that all the banks could be considered as agencies of the international co-operative bank, the council of administration of the international co-operative bank having power over all the transactions, even internal, of each agency.

In connection with this extreme solution, and, in certain respects, advantageous for the unity of the international financial policy of Co-operation, it would, however, be desirable to leave to each national agency the greatest possible initiative compatible with the necessary control.

With regard to drainage, complete liberty would be allowed, since each country has its own customs. However, technical conferences would be held periodically with a view to unifying methods, as far as possible, and profiting by experience.

In an entirely opposite direction an international co-operative bank can be conceived, the members of which, absolutely free, would decide whether or not they would place funds at its disposal according to the convenience of the moment. The advantage

would be to leave to the national movements the financial independence which they desire; the disadvantage would be that it would be impossible to utilise fully international reserves, and thus the international co-operative bank would be obliged to sometimes undertake lengthy negotiations in connection with transactions.

Midway between these two extremes, is it possible to conceive a joint system, that is to say, the placing at the disposal of the international co-operative bank of a percentage of the surplus?

This method would provide a certain amount of independence.

In practice, the council of the international co-operative bank would be obliged not to claim its full rights of certain countries, and to negotiate with certain other countries deposits somewhat higher than the compulsory percentage.

It may be that the intermediary solution will be adopted, being more prudent. It would have the advantage in the same way as the central solution, of proportioning the financial aid of the national banks according to the needs of international exchange.

4. COMPENSATION OF INTERNATIONAL EXCHANGE: DEFERRED PAYMENTS FOR COUNTRIES WITH LOW RATE OF EXCHANGE.

The seller ought to be credited in the currency of his own country; thus whatever be the period of payment he does not lose more than if he had placed his funds in a national enterprise.

In what way must the purchaser be debited? In the currency of his own country, for otherwise it would permit him to speculate on a rise of currency of his national bills of exchange. The international co-operative bank which would undertake the transaction would, therefore, be obliged to arbitrate.

On the other hand, the purchasing country, even a country having a low rate of exchange, would, in its turn, sell either to a former purchaser or to another country; this sale transaction, entered to its credit in its own currency, would compensate the debit in its currency, since it would be entered in the same account at the international co-operative bank, this bank being a substitute for creditors and debtors.

It is, therefore, a question after all the international exchange transactions have been undertaken of adjusting balances, which indicates that part, and perhaps, a very considerable part, which will be compensated without national wholesale societies having to obtain foreign bills of exchange. By the transactions effected, the international needs of each country would become known practically, and could be registered by a Bureau of Statistics, established within the international co-operative bank. The bank would thus be in a position to supply information to the national

co-operative organisations, and to aid, in proportion to needs and the possibilities of realisation, the establishment of international industries.

By decreasing the necessity for obtaining bills of exchange, especially costly ones, and by the extensive international relations thus facilitated, compensation will be a factor of equilibrium of the values of international production.

The question of compensation having been settled in the matter of each account, there will remain the question of final adjustment of balances:—

(i.) PAYMENT IN CASH.

It will be effected on the best terms at the time decided upon for payment.

(ii.) DEFERRED PAYMENT.

The international co-operative bank will have to consider two questions:—

(a) The financial guarantee of the national bank, which will be the debtor and the agent of the international co-operative bank in its own country.

(b) Exchange.

The first important question will obviously concern the finance department of the international co-operative bank. The second concerns the actual interest of this international organisation, and gives rise to the problem of its policy.

The international co-operative bank, if it is to undertake the economic and financial re-establishment of the world, will find it to its interest to have credit balances in a high currency and debit balances in a low currency—in other words, it will not only purchase credit for resale, which is a current transaction of the bank, but it will also purchase credit in currency likely to depreciate and resell it in currency likely to appreciate, downward speculation for countries with a high exchange, and upward speculation for countries with a low exchange—speculation in the noblest sense of the word, since there would thus be financial solidarity of all co-operative organisations on a single interest, the diminution of the difference of exchanges, the re-establishment of the financial equilibrium. International Co-operation will be for good or evil. In the latter case the losses of the bank will be shared. Will the bank be prepared to run this risk?

Co-operation, therefore, acting on financial equilibrium, would be a factor in favour of this equilibrium; it is both its honour and international duty. To act in the contrary direction, or to do nothing at all, would be allying ourselves with the forces of economic disorder in the world, and would signify the impotence of Co-operation.

5. THE DISCOUNTING OF CO-OPERATIVE BILLS.

The international co-operative bank would be the discount bank of International Co-operation. It would, therefore, undertake not only payments in cash, but also deferred payments—that is to say, the discounting of bills drawn by the selling wholesale society on the purchasing wholesale society. As all the international bills of each purchasing country would be dealt with by the international co-operative bank, this bank would thus become acquainted with the international relations of each of the national banks.

6. SECURITY ON GOODS.

The international co-operative bank, according to the nature of its resources, could consent to securities on goods or invest part of its capital for a long period in national enterprises.

7. INTERNATIONAL AFFAIRS.

The international wholesale society will decide upon the establishment of international enterprises, and ask the international co-operative bank to furnish the necessary capital.

8. COMPENSATION OF RISKS.

The international co-operative bank would not only constitute a kind of international reservoir of the mass of national capital, but it would also have the task of allotting the disposable sums of the national banks according to the nature of the capital, and of undertaking the international distribution of each kind of capital, according to the particular risks which it involved.

It would be possible to study the laws governing fluctuations, resources, and needs, especially from the point of view of seasons, in the case of capital derived from agriculture. The international co-operative bank could thus anticipate the percentage of capital which would permit between countries the compensation of the payments of the one by the withdrawals of the other.

It is obvious that we cannot here discuss all details and the entire structure of a new banking organisation of which the equivalent is *not* to be found in the capitalistic order.

The scheme that we have studied is complete, and can be given effect to in proportion to the development of the new organisation. We have thought it advisable to consider some of the financial and banking problems arising in this connection.

This programme, however, can and must only be carried out by degrees, and it is obvious that we must proceed with extreme prudence and at the least possible expense. Our immediate aims must be modest. Our international organisations could, with but slight expense—one or two employés is all that would be

necessary—render small services to the Co-operative Movement throughout the world, i.e., by the—

Arbitration of exchange in ready money, or according to the methods of the organisations concerned in the establishment of mutual relations, and without responsibility of the international organisations.

Supply of financial information with regard to co-operative credit organisations and establishment of direct relations.

Collection of statistics re the present extent of business transactions and statistics of future developments.

Establishment of relations between banking experts for consideration of methods adopted in the different countries.

It is only gradually, and to the extent that the utility of such an organisation is recognised, that the capital will be forthcoming and increased according to the extent of the turnover.

Since this theoretical report, it has been decided to see what can be done immediately in a practical way either by creating an international bank with limited powers, or by direct relations facilitated by the Bureau of the Secretariat. With this aim in view a small budget has been voted in order to allow this Bureau to act.

The Committee has also considered a project for the establishment of a consortium with a view to an international loan, and has decided to propose to you the adjournment of this question, which is premature at the present time.

In spite of difficulties of all kinds in the matter of international communication, the Secretariat considers that the work of the Committee will bear fruit. At the present time our meetings afford not only personal relations between responsible men and direct business between the organisations, but also the accumulation of information which will become abundant if all countries will affiliate with the Committee. Our meetings also permit the constant study and expression of opinion on our methods, each one contributing his share and benefiting by the collective work.

The Committee has also had relations with other international organisations. On the one hand, the Joint Committee of the International Trade Union Federation and of the International Co-operative Alliance asked your Secretary on 20th April, 1923, for a report on the international co-operative banking organisation. It is desirable that Co-operation should be the natural banker of the national and international Trade Unionist organisations. On the other hand, the Committee has followed attentively and sympathetically the work of the International Committee of Workers and Co-operative Insurance.

While taking into account the very considerable differences which exist in the matter of the legislation of the different countries in this connection, it seems evident that the joint utilisation of technical means on the one hand, and the co-operative utilisation of long period reserves on the other, should claim your particular attention.

It is important that the international banking committee affiliated to the I.C.A. should enlarge its sphere of action, increase its relations and seize, as soon as possible, the opportunity of creating an international co-operative bank.

GASTON LÉVY, Secretary.

INTERNATIONAL CO-OPERATIVE ASSURANCE.

The Belgian Co-operative Assurance Society "La Prévoyance," of Brussels, took the initiative in 1921 in an endeavour to establish international relations with other societies of co-operative assurance, and immediately approached the Executive of the I.C.A. with a view to placing their study of the whole question under the auspices of the I.C.A. While the question was being considered, the direct efforts of the Belgian Society led to a Conference of accredited representatives at Rome in April, 1922. Full reports of the discussions and proposals of the Rome Conference were submitted to the I.C.A., and eventually a Committee of Study on Questions of Insurance in the international aspects was established on similar lines to those of the Banking Committee.

The Committee has met from time to time and considered reports prepared by its secretary, Mr. Joseph Lemaire, and also the proposals of national representatives. The results of the work of the Committee are embodied in its report, which follows:—

REPORT OF THE COMMITTEE ON INTERNATIONAL CO-OPERATIVE INSURANCE.

On 25th April, 1922, representatives of the Co-operative and Working Men's Insurance Societies of Holland, France, Sweden, Belgium, and Italy assembled at Rome, terminating their exchange of views by the unanimous adoption of the following resolution:—

"In view of the principles of international solidarity which united in conference at Rome representatives of the Co-operative and Working Men's Life and Fire Insurance Societies, it has been decided to institute a Committee of Inquiry, whose duty shall be to direct a permanent Information Bureau of the adherent societies or those which may adhere in the future.

“ The object of this Committee is to prepare a report for the next Conference on the constitution of an International Organisation of the Co-operative and Working Men's Societies for Re-insurance.”

It is in virtue of this resolution that we have the honour to present to you this report.

Our programme of work being definitely drawn up, our first task was to inform all the Co-operative and Working Men's Insurance Societies of which we had knowledge of the constitution of our Committee, and to ask them for information.

Having approached also the International Labour Bureau for some information, this organisation promptly inscribed our Committee among the International Associations whose development it follows, and allotted to us a special heading in the International Labour Directory.

From the beginning the International Co-operative Alliance, with whom we were in relation, has published information regarding our activity in the “ I.C. Bulletin.” This led us to ask this organisation to take our Committee under its auspices.

With this object in view a meeting with the Executive of the I.C.A. was held at Ghent on 3rd February, 1923, when the following resolution was adopted:—

“ In accord with the principle of international solidarity which unites the whole Co-operative Movement, a Committee of Study and for a permanent Information Bureau has been established amongst Co-operative and Working Men's Insurance Societies from the international point of view.

“ The International Co-operative Alliance, having taken note of the preparatory work of this Committee, now agrees to take it under its own auspices.

“ This Committee will meet in agreement with the Executive of the I.C.A., convened by its Secretary, Mr. Lemaire, and will report on its work to the I.C.A.”

We have strengthened our Information Bureau morally by securing the patronage of two important organisations.

Our Committee has held five meetings—in Brussels, Ghent, The Hague, Luxemburg, and Prague—in connection with the meetings of the I.C.A. Executive.

We will not recount the questions discussed at these different meetings, but will only give the results achieved, regretting that these do not fully represent the efforts put forth by the Committee.

THE FOLLOWING SOCIETIES ARE AT PRESENT IN CORRESPONDENCE WITH THE INFORMATION BUREAU:—

ENGLAND.—The Co-operative Insurance Society, Limited, Manchester.

GERMANY.—Volksfürsorge Versicherungs Aktiengesellschaft, Hamburg.

BELGIUM.—La Prévoyance Sociale, Brussels.

BULGARIA.—Société Coopérative d'Assurances et d'Epargnes des Fonctionnaires Bulgares, Sofia.

DENMARK.—Andels Anstalten Tryg, Copenhagen.

FINLAND.—Tulenturva, Helsingfors.
Kansa, Helsingfors.

FRANCE.—L'Assurance Ouvrière, Paris.

HOLLAND.—De Centrale Arbeiders Verzekerings-en Deposito-bank, The Hague.

NORWAY.—Samvirke Forssikringsaktieselskapet, Christiania.

RUSSIA.—Centrosoyus, Moscow.

SWEDEN.—Folket Sveriges Praktiska Livförsäkringsanstalt, Stockholm.

Samarbete Oemesidiga Brandförsäkringsföreningen, Stockholm.

SWITZERLAND.—La Prévoyance Populaire, Basle.

CZECHO-SLOVAKIA.—Ceschoslavia, Prague.

WE HAVE ALSO BEEN IN CORRESPONDENCE WITH:—

The Central Union "Konsums," Riga.

The Central Co-operative Union, Bessarabia.

The Society "Gazdak," Budapest.

The Civil Servants' Co-operative Society, Madrid.

The Central Union of Working Men's Co-operative Societies, Hungary.

The Versicherungsschutz für Deutschösterreichische Konsumvereine, Vienna.

The All-Ukrainian Co-operative Insurance Union "Coop-strasch," Charkov.

These organisations either possess an Insurance Society or intend to establish one.

The questionnaires addressed to the existing societies have not yet been returned, and no information concerning them has been received. We hope to receive them soon so as to permit us to undertake a general comparison of the balance sheets for 1923 of all the corresponding societies.

We must, in fact, not only regret the absence of balance sheets for 1923, but also the great difficulty of obtaining complete replies to the questionnaires sent out. It is, moreover, desirable that all the information should be furnished on the same lines, in order to permit the Secretariat to send to all affiliated societies a tabular comparative statement. We venture to express the hope that the societies will reply fully to our questionnaires in the future.

We append to this report the only table which we have been able to prepare up to the present time.

In view of the Conference on International Co-operative Insurance to be held at Ghent during the Congress, we have deemed it our duty to limit the present report to the activity of the Committee and the results achieved.

In conclusion, we express the hope that the Conference on International Co-operative Assurance at Ghent will strengthen the bonds which unite the societies affiliated to the Information Bureau, and will result in increasing the number of adherent societies and facilitating the work which has been assigned to us.

On behalf of the Committee of Inquiry and Information,

JOSEPH LEMAIRE, Secretary.

NAMES OF THE SOCIETIES IN CORRESPONDENCE WITH THE
INFORMATION BUREAU.

England.

The Co-operative Insurance Society Limited.

109, Corporation Street, Manchester.

Co-operative Insurance Society founded in 1867 with a capital of £100,000 sterling (457,289 dollars) by the English Wholesale Society and the Scottish Wholesale Society.

Undertakes life insurance, fire, accidents, burglary, etc.

Secretary: Mr. R. F. Lancaster. Manager: Mr. J. P. Jones.

Quarterly organ: "C.I.S. Quarterly Review."

Germany.

Volksfürsorge - Gewerkschaftlich - Genossenschaftliche Versicherungsaktiengesellschaft,

Capellenstrasse 5, Hamburg.

Society founded in 1912.

Joint Insurance Society of Trade Unions and Co-operative Societies.

Undertakes life insurance, and expects to extend to fire branch shortly.

Represented by Messrs. Fr. Lesche, R. Junger, W. Haertig.

Monthly organ: "Volksfürsorge."

Belgium.

La Prévoyance Sociale Co-operative Insurance Society,
31, Square de l'Aviation, Brussels. Founded in 1907 by a Congress of the Belgian Labour Party.

Capital, 2,874,000 francs (149,735 dollars), of which 2,747,000 frs. are subscribed by the Co-operative Societies and Labour groups.

Managers: Messrs. Jos. Lemaire and Jul. Bourquin.

Has undertaken life insurance since 1907 and fire insurance since 1909.

Monthly organ: "La Prévoyance Sociale."

Bulgaria.

Société Coopérative d'Assurance et d'Épargne des Fonctionnaires Bulgares.

Sofia.

Co-operative Society, founded in 1904 by the Civil Servants.

No share capital.

Has undertaken life insurance, and since 1921 fire insurance.

General Manager: Mr. Ch. Ganeff.

Denmark.

De Samenwirkende Danske Andels Forsikringssselskaber Andels Anstalten Tryg, Højbrohus.

Ostergete 61, Copenhagen.

Danish Mutual Society of Life Insurance.

Society founded in 1904.

Guarantee capital, 2,500,000 crwn. (477,500 dollars).

Managers: Messrs. And. Nielsen and Anders Hansen.

Finland.

"Kansa."

14, Kirkkokatu, Helsingfors.

Life Insurance Society.

Established only three months.

"Tulenturva."

14, Kirkkokatu, Helsingfors.

Fire Insurance Society.

France.

"L'Assurance Ouvrière."

Mutual Insurance Society against Fire.

3, Boulevard Beaumarchais, Paris.

Founded in 1900.

No capital.

Manager: Mr. Mercier. Secretary: Mr. Pichon.

Norway.

Samvirke Forsikringsaktieselskapet.
4, Kirkegaten, Christiania.

Co-operative Insurance Society, having as shareholders Co-operative Societies and Trade Unions.

Capital, 250,000 crwn. (415,000 dollars), fully paid up.

President: Mr. And. Juell.

Manager: Mr. H. P. Hansen.

Fortnightly organ: "Kooperatoren."

The statutes contemplate Insurance against Accidents, Fire, Maritime Risks, and Theft. Undertakes fire insurance, and has just commenced accident insurance.

Holland.

Centrale Arbeiders-Verzekerings en Depositobank,

24, Rynstraat, The Hague.

Joint Stock Society.

Founded in 1904.

Capital, 50,000 florins (19,500 dollars), subscribed by militants of the Labour Party.

Shares not transferable without special authorisation of the Council of Administration.

Fifty-five per cent. profits are reserved for the Labour Party.

Branch carried on: Life Insurance.

President: Mr. D. G. W. Melchers. Managing Director: Mr. Nehemia de Lieme.

Secretary: Mr. A. Harms.

Russia.

Centrosoyus, Moscow. Fire Insurance Society.

Sweden.

Samarbete Oemesidiga Brandförsäkringsföreningen.

12, Stadsgården, Stockholm I.

Mutual Society, founded in 1908.

Affiliated to the Co-operative Union.

Only undertakes fire insurance.

Guarantee capital, 300,000 crs. (79,500 dollars); deposited by the Co-operative Union.

Manager: Mr. Doctor A. V. Soderbom.

Folket Sveriges Praktiska Livförsäkringsanstalt.

Vanagatan, 5, Stockholm.

Mutual Society, founded in 1898.

Affiliated to the Co-operative Union.

Only undertakes life insurance.

Guarantee capital, 600,000 crs. (159,000 dollars); deposited by the Co-operative Union and Trade Unions.

Switzerland.

La Prévoyance Populaire Suisse.

Tellstrasse 58, Basle.

Co-operative Society, founded in 1918.

Undertakes people's life insurance.

Capital, 350,000 fcs. (63,210 dollars); subscribed by the Union of Consumers' Co-operative Societies.

Czecho-Slovakia.

"Ceschoslavia."

Krakovska 5, Prague.

Society founded in 1919.

Capital, 3,000,000 crs. (88,500 dollars); deposited by Working Men's Societies.

Manager: Doctor F. Soukup.

At first undertook Life Insurance only, but since 1922 has extended to the Fire Branch.

Undertakes also Accident Insurance.

PREMIUMS RECEIVED BY THE SOCIETIES IN 1923.

England.—The Co-operative Insurance Society, Ltd., 109, Corporation Street, Manchester.

	Pounds sterling.		Dollars.
Life Premiums.....	1,349,773	...	6,172,400
Fire ..	151,414	...	692,400
Accidents ..	203,512	...	930,700

Germany. — Volksfürsorge Versicherungsaktiengesellschaft, 5, Cappellenstrasse, Hamburg.

	Rentenmarks.		Dollars.
Life Premiums	1,055,036	...	263,759

Belgium.—La Prévoyance Sociale, 31, Square de l'Aviation, Bruxelles.

	Francs.		Dollars.
Life Premiums.....	4,580,043.57	...	238,600
Fire ..	1,452,829.63	...	75,700
Accidents ..	1,041,887.96	...	54,300

Bulgaria.—Société Coopérative d'Assurance et d'Epargne des Fonctionnaires Bulgares at Sofia.

	Levas.		Dollars.
Life Premiums.....	34,360,474	...	303,800
Fire ..	4,112,509	...	36,300
Accidents ..	76,167	...	670

Denmark.—Andels Anstalten "Tryg," 61, Ostergate, Højbrohus, Copenhagen.

	Crowns.		Dollars.
Life Premiums.....	3,700,000	...	709,000
Accidents ,,	2,500,000	...	457,500

Finland.—Tulenturva, 14, Kirkkokatu, Helsingfors.

	Finnish marks.		Dollars.
Fire Premiums	956,059	...	25,600

France.—L'Assurance Ouvrière, 3, Boulevard Beaumarchais, Paris IV.

	Francs.		Dollars.
Fire Premiums	833,000	...	50,600

Holland.—De Centrale Arbeiders Verzekerings en Depositobank, 24, Rynstraat, The Hague.

	Florins.		Dollars.
Life Premiums	1,338,000	...	523,000

Norway.—Samvirke Forsikringsaktieselskapet, 4, Kirkegaten, Christiania.

	Norw. crns.		Dollars.
Fire Premiums	163,793	...	27,200

Russia.—Centrosoyus, Moscow.

	Gold roubles.		Dollars.
Fire Premiums	1,203,782	...	493,500

Sweden.—Folket Sveriges Praktiska Livförsäkringsanstalt, 6, Vanagatan, 1 tr., Stockholm.

	Crowns.		Dollars.
Life Premiums.....	4,550,000	...	1,206,000

Sweden.—Samarbete Omsidiga Brandförsäkringsföreningen, 12, Stadsgården, Stockholm.

	Crowns.		Dollars.
Fire Premiums.....	1,229,334	...	325,800

Switzerland.—La Prévoyance Populaire Suisse, 62, Tellstrasse, Basle.

	Francs.		Dollars.
Life Premiums.....	552,854.11	...	99,900

Czecho-Slovakia.—Ceschoslovakia, 5, Krakovska, Prague.

	Cz. crns.		Dollars.
Life Premiums.....	8,791,341.17	...	259,300
Fire ,,	1,486,676.50	...	43,900
Accidents ,,	2,617,268.05	...	77,200

NOTES.—

(1) All these figures refer to December 31st, 1923.

(2) The valuation in dollars is made at the mean rate of exchange of the year in which the premiums have been received.

THE INTERNATIONAL CO-OPERATIVE WOMEN'S COMMITTEE.

PRESIDENT.—Frau Freundlich (Austria).

REPRESENTATIVE MEMBERS.—Frau Seidel (Austria); Mrs. Allen (England), Women's Co-operative Guild; Mdle. Coulon (Belgium), Ligue des Coopératrices Belges; Miss Meyboom (Holland), Nederlandsche Coöperatieve Vrouwenbond; Mrs. MacCoubrey (Ireland), Irish Women's Co-operative Guild; Mdme. Jouenne (France), Fédération Nationale des Coopératrices; Miss Callen (Scotland, Scottish Women's Co-operative Guild; Mrs. Neegaard (Norway), Norges Kooperative Kvindeforbund; Miss Jonson (Sweden), Kooperative Kvinnogillesforbundet; Frau Hüni (Switzerland), Konsumgenossenschaftlicher Frauenbund der Schweiz.

CO-OPTED MEMBERS.—Frau Goldschmidt-Carmak (Czechoslovakia); Mrs. Cheel (United States of America).

SECRETARY.—Miss A. Honora Enfield (England).

OFFICE.—29, Winchester Road, Hampstead, London, N.W. 3.

The attempt to organise co-operative women internationally was decided upon at the Women's Conference held in connection with the International Co-operative Congress at Basle in 1921, and the remarkable progress which has been made in the last three years indicates that it was inaugurated at the psychological moment.

As a first step the Conference set up an International Co-operative Women's Committee as a temporary Committee, consisting of representatives of national organisations of women Co-operators, subscribing a minimum sum of 5s. per year, with power to co-opt consultative members from countries where no national co-operative women's organisation yet exists. The Conference elected Frau Emmy Freundlich (Austria) president of this committee and Miss A. Honora Enfield (England) secretary.

The Committee was entrusted with three tasks—those of preparing the way for a permanent international organisation of co-operative women, of maintaining contact between the different National Women's Guilds, and of taking such action as seemed desirable on behalf of co-operative women.

THE PROMOTION OF NATIONAL WOMEN'S ORGANISATIONS.

A necessary step in preparing the way for an effective International Guild was to try and secure a national co-operative women's organisation in all countries, and a large part of the work of the Committee has been in bringing the question of forming women's organisations before the I.C.A. and the national unions, and giving information and advice with regard to it.

On the proposal of Frau Freundlich, the following resolution was passed by the Central Committee of the I.C.A. at Milan in 1922:—

“ The Central Committee of the International Co-operative Alliance request all those affiliated unions, which are not already assisting the co-operative women's organisations of their respective countries, to place the question of how they can further such organisations on the agenda of their next annual congress or conference.”

This resulted in considerable attention being given by the national unions to the question of women's part in co-operation. Even before this, the local Swiss Women's Commissions had been considering the question of uniting in a national Guild, which was definitely formed in the summer of 1922. In 1923, national women's organisations were formed in France and Belgium, and each of these has now a representative on the Committee. At the suggestion of the I.C.W.C., the Dutch Co-operative Union sent one of their women members to the Belgian Congress at which the League of Belgian Co-operative Women was formed.

The President has undertaken lecturing tours in Germany and Czecho-Slovakia. In the latter country, the German Union appointed a woman secretary and passed a resolution in favour of the organisation of women; it has also undertaken propaganda and educative work amongst women members. Frau Goldschmidt-Carmak was co-opted on to the I.C.W.C., but unfortunately had to resign on account of ill-health.

The Czech Union passed a resolution at its Congress, October, 1923, and efforts are being made to secure a larger representation on official bodies. Plans for a women's league are being discussed.

In the United States of America, there is a special Committee responsible for promoting the formation of Women's Guilds. All local secretaries have been urged to start Guilds, and it is hoped that the various local Guilds will shortly be linked up in a national organisation.

The Canadian Guilds have recently formed a national organisation, but have not yet formally affiliated with the Committee.

In 1923, the Finnish Congress passed a resolution in support of a more active part being taken by women in the movement, and recommending that they should attend members' meetings, be appointed as delegates to Conferences and stand for Committees.

A similar resolution has been passed in Germany, and the Central Union circularised all societies affiliated to it with a view to finding out what was being done for and by the women

of the movement. Propaganda and educative work have been carried out, women sit on Co-operative Committees and self-governing women's groups have been formed in several large towns.

The position of women in the movement has been discussed at the Russian and Latvian Congresses.

Local Guilds exist in South Africa and Australia, and in the latter country a Federation of the Guilds in New South Wales has been formed.

Correspondence has also taken place with Italy, China, Esthonia, India, and Iceland.

ORGANISING INTERNATIONAL ACTION.

The Committee has given great attention to methods of creating a real sense of unity between the women's organisations of the different countries. With this object, regular circular letters have been sent to the Committee members dealing with all the matters coming before the Committee, as well as keeping the members in touch with the work in other countries.

The Women's Notes in the "International Bulletin" have enabled matters of common interest to be made known to all interested in the movement, and the Committee desire to express their warmest thanks to the I.C.A. for the space allotted to them.

To make this unity a reality the need for joint action has also constantly been kept in view, and amongst the most important matters dealt with have been:—

(a) SPECIAL SUBJECTS.—In order to promote definite international action three subjects have been adopted for discussion and investigation in all the countries. These are "More Trade for the Co-operative Movement," "War Against War," and "The Reform of Domestic Work." The affiliated organisations have carried out the work by means of meetings, articles in the Press, propaganda, and, in the case of the reform of domestic work, by setting up committees to inquire into the subject and make practical proposals.

(b) CO-OPERATORS' DAY.—National Guilds were urged to organise celebrations for Co-operators' Day, and this was done in many countries.

(c) AN INTERNATIONAL LANGUAGE.—A paper on "Esperanto" by Miss Meyboom (Holland) was circulated to the Committee, and it was decided to advocate the study of this language. Five of the affiliated organisations decided to take it up, and co-operative women have attended classes in it in Austria, England, Holland, Ireland, and Scotland.

(d) INTERNATIONAL CORRESPONDENCE.—Guild branches have been encouraged to correspond with those in other countries. Branches in England correspond with others in Australia, Belgium, Canada, South Africa, and the United States of America. Branches in the U.S.A. also correspond with Scotland, and letters are exchanged between individuals in Austria and England.

(e) INTERNATIONAL RELIEF.—Affiliated organisations have been urged to contribute to the relief of the starving in Russia and Germany. In most countries this has been taken up in conjunction with other workers' organisations.

GHENT EXHIBITION.

The Committee decided to accept the invitation to take part in the Ghent Exhibition and record their appreciation of the decision of the Exhibition Committee to allot one of the panels in the exhibit of the I.C.A. to the work of co-operative women.

For this efforts were made to collect statistics of the part played by women in their respective national movements. A questionnaire was sent to all National Guilds and to 44 co-operative unions, and, though only eight of the latter replied, namely, Denmark, Esthonia, Germany, Hungary, Japan, Madras, Spain, and the United States of America, the information collected should prove of considerable interest as the first international record of the work of co-operative women.

PUBLIC ACTION.

On several occasions the I.C. has taken public action on behalf of the co-operative women whom it represents, and has thus become for the mothers and housewives of the Co-operative Movement a means of making their influence felt in international affairs.

No opportunity has been lost of action in support of better international relations and peace.

At the time of the Washington Conference in 1921, the Committee passed a resolution which was forwarded to the British, Austrian, Dutch, and Swedish Ambassadors, and to the Chairman of the Conference. It expressed the earnest hope of the co-operative women that the measures of disarmament proposed by the Government of the United States of America would be adopted in their entirety as a first step to the disarming of the world. It further urged the gravity of the problems of aerial and chemical warfare, and called upon the Conference to continue its labours till means had been agreed upon for the general progressive disarming of the nations.

Representatives were sent to the two Peace Congresses held by (a) the Women's International League; (b) the International

Federation of Trade Unions at The Hague in December, 1922. At the latter the Committee's delegates succeeded in securing joint action between the Trade Union, Socialist, and Co-operative women present, which resulted in a resolution recognising the importance of women's work for peace.

In January, 1923, a resolution was passed protesting in the name of the co-operative mothers and housewives against the occupation of the Ruhr, which was calculated to aggravate the danger of renewed war. It called upon all women to take a firm stand against this danger, and concluded with an expression of sympathy for the German people, and especially the German Co-operative Movement. It was forwarded to the League of Nations and to the Press.

In June of the same year three resolutions were passed addressed respectively to the French and Belgian, the British, and the German Governments. In the first an appeal was made to the French and Belgian Governments to seek a solution of the reparations problem through peaceful negotiation and so relieve the sufferings of mothers and children in Germany and the economic distress (owing to dislocation of trade) brought about in other countries by the occupation of the Ruhr. In the second, co-operative women appealed to the British Government to abandon its policy of inaction and use its influence to bring about such negotiations leading to a peaceful settlement, and thus save Europe from destruction and restore prosperity to the world. In the third, the International Committee congratulated the German Government on its expression of readiness to meet its reparations obligations as well as on its peaceful stand against the Ruhr occupation, and, while expressing sympathy for its difficulties, urged that the way of understanding might be pursued yet further.

The Committee has suggested to the International Labour Office that that body should undertake a compilation of statistics of women's public work and the public positions held by women in recent years, but at present without success.

MEETING OF THE COMMITTEE.

Owing to financial and other difficulties of meeting, the work of the Committee has been carried on almost entirely by correspondence. One meeting has, however, been held for the purpose of drawing up the proposals for a permanent organisation which the Committee was instructed to prepare. This meeting was held in August, 1923, at Brussels, by kind arrangement of the Belgian Guild, and was attended by the representatives of Belgium, England, Holland, Scotland, and Switzerland, and the President and Secretary. A constitution for an International Women's Guild was unanimously agreed upon and is embodied in the draft rules to be laid before the Ghent Conference.

The meeting also dealt with arrangements for the Conference and the raising of funds. In view of the increase of work in the office, it was decided to engage a clerk for half-time work. It was further decided to adopt green, white and blue as the international colours, and an international badge and song.

FUNDS.

It has not proved possible to finance the work of the Committee on the very small subscription agreed upon at the Basle Conference, and additional funds have had to be raised. A kind gift of £50 to provide clerical help in the office was made by Miss Llewellyn Davies and Miss Harris from the Testimonial Fund presented to them by the English Women's Guild, which they had decided to devote to international objects. A special effort by Guild branches in affiliated countries brought in a sum of £24 12s. 4d. which made possible the Brussels meeting, at which it was agreed to launch appeals on a wider basis in the various affiliated countries in order to raise a fund for the Ghent Conference. Money subscribed to this fund now amounts to £78 4s. 6d. To all those who have so generously contributed to its finances the Committee desire to express their warmest thanks.

The work of the Committee during the past three years has met with splendid response. The sympathetic attitude of the I.C.A. is highly appreciated, and the Committee desire to express warmest thanks for the assistance given. Co-operative women, on their side, have shown in many countries their keenness to organise in order to take a more active and responsible part in co-operative work. Equally notable has been the recognition by the Co-operative Unions of the importance of the women's side of the movement and their help in developing it.

The advance made is the more striking because during these three years the Co-operative Societies everywhere have had to face appalling economic difficulties. And there is great promise in the real international spirit which, amid all the international suffering and problems, has been shown by co-operative women.

The Committee therefore present their proposals for a permanent International Co-operative Women's Guild with confident hope that the new organisation will prove itself a valuable part of the international organisation of co-operation.

(Signed) EMMY FREUNDLICH, President.

A. HONORA ENFIELD, Secretary.

DECEASED MEMBERS.

Since the last Congress the Alliance has suffered considerable loss in the decease of the oldest and youngest members of the Central Committee, together with several others between those extremes, who have done yeoman service for International

Co-operation. The list includes Emil de Boyve (France), Edward Owen Greening, Duncan McInnes, Aneurin Williams (Great Britain), Oscar Dehli (Norway), Konrad Barth (Germany), and Hermann Namsing (Esthonia).

A brief notice of the life and work of each of these colleagues has been published in the pages of the "BULLETIN."

The Congress will, doubtless, desire to place on record its appreciation of the monumental services which this distinguished company of co-operative leaders represents.

POST WAR ACTIVITIES.

At a meeting of the Central Committee at Prague in March last, on the proposition of the representatives of Czecho-Slovakia, it was decided to ask all the national organisations to send in a *brief* report on the progress and work of their respective national movements since the Armistice.

A circular letter requesting the preparation of these reports at the earliest possible moment was sent out to all countries. We have often complained of the lack of response to our request for information, statistics, etc., but on this occasion we have received such an abundance of replies that it is impossible to include them as appendices to the Central Committee's report to Congress. Altogether 40 reports have been received, varying in length from a few hundred to several thousand words, and in some cases with elaborate statistical tables.

Reports are still being received at the moment of closing this report. To deal with all these manuscripts and to translate them into the other two official languages is a task impossible to achieve, with our resources, before the Congress.

We propose, therefore, to prepare them as far as possible, and to submit to the meeting of the Central Committee at Ghent the question of their disposal, either by special publication in a volume or in the report of the Congress as appendices.

On behalf of the Central Committee,

G. J. D. C. GOEDHART,

President.

HENRY J. MAY,

General Secretary.

Discussion on the Report of the Central Committee of the I.C.A.

The PRESIDENT: In submitting the foregoing Report of the Central Committee to the Congress for discussion and approval, I have a few observations to make of a general character.

In the press and other documents which have reached you, you will all have read, as I have done, certain remarks provoked by fear, insinuating that the I.C.A. is not altogether neutral in its attitude towards politics and religion, or, at least, that it has not grasped the necessity for complete and strict neutrality with regard to these two questions.

We neither know whence this fear has arisen nor what actions have prompted it. The Central Committee regards the Co-operative Movement as neutral territory upon which people of the most various opinions and creeds may meet and collaborate. This neutrality, which forms the basis of our Movement, is adhered to and strictly respected in all the meetings and publications of the Alliance, and also by its officials, in accordance with Article 7 of the rules.

Then why this fear? Our Alliance is international and endeavours to prosecute its activities throughout the world. It aims at promoting the interests of the Movement by special collaboration with other international organisations which are pursuing an object, the realisation of which might be in the interests of the Co-operative Movement itself. (Article 4 of the rules.) It is obvious that in this work, from time to time, the Alliance may be obliged to collaborate with organisations which are constituted on a different basis to its own, but it is evident that it does not depart from its own fundamental principles and rules by collaboration with them.

The members of the Alliance are naturally pledged, like the Alliance itself, to practise the Rochdale principles of Co-operation. Moreover, when they have discharged their obligations, they will have built up the strong supports to the edifice which they are endeavouring to erect—the monument of a society of which Co-operation will be the driving force.

If, however, we wish to attain this object we must be animated with the true international spirit, the spirit of fraternal collaboration with all nations, irrespective of creeds and opinions, whether political, social, or economic. Society must be built

up upon a foundation of humanity and justice—on the principles of fraternity, equality, and universal peace.

We can, of course, only approach such an ideal society by collaborating with all who can bring influence to bear on the development of our work. When we refuse their help we render our already heavy task much more difficult. Therefore, if we are practical, we shall not resent this collaboration, but will make use of it as far as possible.

Probably there are those amongst us who are of a different opinion, who believe that our Alliance should not enter into relations with other organisations, but rather that it should exercise more scruple than hitherto with regard to those who are admitted as members, and that it would work better with a limited number of followers who are absolutely orthodox, and who present to the world an example of all the civic virtues of faith, honesty, and altruism.

It would certainly be a signal honour to be included in such an army of Gideon, but is it possible to believe that this limitation of our members would give us a quicker victory?

We fear that the contrary would be the case. The world of human activity, it must be admitted, is another sphere which demands constant compromise if we are to hope for progress. We have proofs before us in the recent conference of the nations, and if we wish to bring the world to a higher level we must not refrain from seeking the collaboration of other international organisations. But there is one thing which we have the right to demand, and that is, that we shall not become weakened by the fact that our adherents find adversaries in their ranks. Co-operation must be served by all.

In the Co-operative Movement one must be an out-and-out Co-operator. Our Movement is democratic in its origin, and each controversy within our ranks must be honestly and calmly discussed, and only decided according to conviction, never by mere prejudice. 3/6

Reason should be the factor in coming to a decision. Those who cannot conform to the opinions of the majority have naturally a right to oppose this opinion, but only with intellectual weapons. 3/6

As long as it is not possible to convince the majority, we have to submit, but we have no right to act in any way which would prejudice society or the Movement itself. According to the saying of our British friends our motto should be:—

“ In things essential, unity;
In things doubtful, liberty;
In all things, charity.”

In a few minutes we shall be discussing the principles of the Movement—principles which we have at heart. The discussion promises to be one which will stimulate your imagination; but the greater your conviction as to the honesty of your ideals, the better will you be able to uphold them.

We are governed by justice. We have only to yield ourselves to this universal sovereign, and we must endeavour to live according to the laws which are imposed by this universal and invincible authority.

For centuries, humanity has been moving towards unity, that is to say towards internationalism, towards the collaboration of all for the well-being of all.

Centuries will doubtless elapse before this aim has been completely attained, but the best amongst us have it always before us and strive to turn our hopes in that direction in which lies the goal of Co-operation.

At a certain moment, the two currents will find themselves united, the victory over selfishness and usury will be gained and Co-operation will have justified itself. Let us endeavour to hasten the happy day.

Mr. A. E. GOETTLER (Ukraine): The Ukrainian members of the I.C.A. have submitted a motion for the recognition of Russian as an official language of the Alliance. The Ukrainian Co-operators are of opinion that the recognition of Russian as the fourth official language of the I.C.A. will not only entail no difficulties, but will render the greatest service to the International Co-operative Movement. It will afford to a number of countries the possibility of fully realising the aims of the Alliance as laid down in Article 3 of its rules. I have the honour to inform the Congress that the motion of the Ukrainian Co-operators regarding the recognition of Russian as an official language of the Alliance has the whole-hearted support of our friends, the Co-operators of Georgia, Azerbaidjan, Armenia, Galicia, and Russia.

The PRESIDENT: We discussed this question at length at the Central Committee meeting yesterday, and we are of opinion that three languages are quite enough—if not more than enough. You must not only translate every spoken word, but you must issue all your communications and publications in each of these languages, and that would mean a very heavy additional expense. The adoption of a fourth official language would seriously disturb our discussions, which are already difficult enough, and, therefore, the Central Committee propose that the question be adjourned. I invite the Congress to agree to this.

On a show of hands, the PRESIDENT declared the adjournment carried.

Mr. N. I. BARU (Russia) addressed the Congress in German.

Mr. H. KAUFMANN (Germany): The President cannot have understood what the speaker has said; if he had he would not have allowed him to continue, because it was a political speech, which has no place here.

The PRESIDENT: In introducing the report of the Central Committee I have dealt with the principle of neutrality as expressed in Article 7 of our statutes. We have, according to that statute, no right to talk politics or religion at a meeting of the International Co-operative Movement. If my ruling is not obeyed I must withdraw from the Presidency, because I am bound to abide by the rules of the Alliance.

Mr. A. FEIGEN (Russia): On page 40 of the report of the activities of the International Co-operative Alliance we find that, in reply to the resolution sent by the Alliance to the League of Nations, the General Secretary of the League informed the Alliance that its resolution could not be accepted by the League and should be submitted through the Governments of the respective countries; and later, on page 41, the desire is expressed that co-operative organisations should take steps in order that the League of Nations should recognise the Co-operative Movement. We consider that co-operative organisations should not take these steps and that the International Co-operative Alliance does not require recognition by the League of Nations at all, as the Alliance is an organisation of the proletarian and peasant masses in all countries. The question now is, in what direction the Alliance should seek its allies and which are the organisations with which the Alliance should establish connections. At the Basle Congress the greatest stress was laid on the League of Nations and on the International Labour Bureau. We have already seen from the report that these hopes were absolutely without foundation and of no value. This experience, and especially our deep conviction as representatives of Workers' and Peasants' Co-operation, make it evident to us that any relations with such organisations are not only useless, but contrary to the interests of the Alliance. Relations with the League of Nations, we are fully convinced, will lead to no results whatever in the future, because the activities of the League of Nations and the form of its organisation are widely divergent from the interests of the workers and peasants united in Co-operation. We consider that the Alliance must entirely desist from any connection with the League of Nations. We are convinced that only in complete union with proletarian class organisations will the Alliance be able to accomplish its tasks on an international scale.

Mr. A. A. KISSIN (Russia): On a point of order. In the name of the Russian, Ukrainian, Georgian, Armenian, Transylvanian, and Azerbaidjan delegates, I have to protest against the speech of Mr. Baru not being translated in accordance with the rules of the I.C.A. into the other official languages.

The PRESIDENT: The speech was not in conformity with the rules, and if I had heard and understood its contents I would have cut it off right at the beginning; therefore it should not have been delivered and it should not be translated.

Mr. S. D. WULFSON (Russia): On behalf of the co-operative organisations in the Union of Soviet Republics, I wish to draw your attention to the importance of the question of collaboration between Co-operative Societies and Trade Unions. I believe that co-operative societies will remain weak, even powerless, if they will not work in full contact and complete unity with the International Trade Union Organisations. In the Union of Soviet Republics, and also in a few other States, all the members of Trade Unions are members of Co-operative Societies, and our Co-operative Movement owes its rapid development and power to this fact. Unfortunately, however, the I.C.A. Executive has not done all that it could and should have done to establish closer relations with the two International Trade Union Organisations, and, although the Joint Committee set up in December, 1922, adopted a working programme at its meeting in Paris in May, it sacrificed the principle of political neutrality, being forced by necessity to find points of support, and substituting for it the solidarity of an international workers' organisation, with the avowed object of working together in the interests of the proletariat both as regards practice and propaganda.

Therewith the Alliance entered into a new epoch, considering itself as a part of the International Workers' Movement. Comrade Khintchuk, the representative of "Centrosoyus," submitted to the meeting of the Executive in February, 1924, the proposal to admit to this coalition the Red Trade Union International "Profintern." But, although the representatives of Switzerland and Czecho-Slovakia supported this proposal at the meeting of the Central Committee at Prague in March, the motion is not yet adopted. Reference was made to the fact that the Moscow International ("Profintern") was a political organisation and that for this reason it was impossible to enter into an alliance with it. Now, quite apart from the fact that it is impossible to draw a line between economic and political questions, we lay stress on the necessity of allying the I.C.A. with all organisations of the working class. The "Profintern," which is not composed exclusively of Communists, is also of opinion that the general aims of the working class can only be attained by a united fighting front of all workers' organisations.

Our request that the "Profintern" should, like the Amsterdam Trade Union, be admitted into a union with the I.C.A., is to-day supported by millions of co-operatively organised workers. This Congress must give active help to the millions of working Co-operators in their struggle for the formation of a united international front of self-conscious workers and their organisations,

for only with the help of this united front will it be possible to successfully contend for the Socialist ideals of the Co-operative Movement against international capital. I therefore submit to the Congress the following resolution:—

“ That the International Co-operative Alliance shall establish relations with the Moscow “ Profintern ” (Moscow Trade Union International) similar to those already existing between the International Co-operative Alliance and the International Federation of Trade Unions of Amsterdam.”

In order to demonstrate the brotherhood of the co-operative societies and the working class and to give an effective proof to the proletariat, we have submitted a motion to the Congress Committee, which is signed, apart from the delegation of the Union of Soviet Republics, by delegates of Czecho-Slovakia, England, and Bulgaria, in which the Congress expresses its sympathy with the 40,000 miners on strike in the Borinage. I am convinced that the Congress Committee will submit this motion to the Congress and express its solidarity with the struggling miners of the Borinage. But, unfortunately, it has not done so yet.

Mrs. McARD (Great Britain): I want to ask the Alliance if they have done everything possible and taken every possible opportunity to carry out the grand resolution which we passed at Basle on disarmament, as set out on pages 32 and 33. I would like to suggest that one very powerful way would be that all should approach the various Government Committees and the Press on this subject. It seems to me that this has not been done when we see so many countries with greater armaments than they had in 1914. I want simply to see that the Alliance has passed a resolution in all sincerity and not as a pious resolution. We women and the movement will back them right up to the hilt.

Dr. N. ISACOFF (Bulgaria): You have seen by the report distributed by the Bulgarian delegation that a flourishing co-operative society, having 70,000 members, has been dissolved by a decree of the Tribunal by order of the Bulgarian Government, and that the goods of this co-operative society have been confiscated. They have tried to prove that it is a question of a decree of justice before which one can only bow. Now, even if this legal decree were in order we have the right, since it concerns the existence of a co-operative society, to ask ourselves if they have judged fairly. But this is not a question of simple justice. It is a special law which has been adopted, and the procedure which has followed is not at one with it. No guarantee, no pleading, no hearing of both parties. It is the Government which has dissolved the society, and the Tribunal has only been the administrative instrument which has carried out the administrative order of a higher authority. Moreover, the Tribunal is ashamed to publish its decree because its lack of substance would

be apparent to all. Months have gone by since that decision. We have published—in extenso—the accusation in order that its absurdity may be known. The charges brought against us are entirely devoid of foundation. We have published the result of the examination of accounts by the Inspector of Finances appointed for that purpose. He has worked for months without finding any trace of a proof of the accusations brought against the society. It has been claimed that the society was concerned in the delivery of arms for revolutionary movements. But if it was engaged in such traffic would the banks have given it credit to the extent of several millions?

No, the true reason of this confiscation is that this co-operative society had begun to expose the extortionate levies of capitalism. In only three years certain tobacco exporters had made the enormous profit of a milliard-and-a-half, and because the society wished to undertake the organisation of the exportation of tobacco coming from small producers, they used the most direct, the most simple, and the most brutal method, namely, that of destroying the co-operative society.

We feel that Congress ought not to remain indifferent when a co-operative society has suffered in such a manner. It is not a question of politics. It is not a question of defending every co-operative society against possible abuse. Seventy thousand Co-operators cannot be allowed to suffer in this way because a Government has seen fit to pass a special law. The Tribunals have the right to dismiss from the Administrative Councils those members who displease them and to call a general assembly to nominate others, but to take away in such a manner the bread of 70,000 Co-operators and to dissolve their co-operative society is a crime!

An International Co-operative Alliance ought not to content itself with passing resolutions which are necessary for the amelioration of our work. An Alliance knows that it must, above all, safeguard the existence of co-operative societies. It ought, therefore, to protest against this dissolution of "Osvobodjénie" and the confiscation of its goods. It ought to demand the re-establishment of the society and the restitution of its goods in order to restore security to Co-operators. We are addressing this appeal to the Congress, and we have no doubt that the Congress will do its duty in protesting against such a procedure, worthy of the Middle Ages.

When we speak of this co-operative society we do not only mean Bulgarian co-operative societies, for, as you know, the example is contagious. You have seen what has happened in Italy. If the International Co-operative Alliance does not cut short these attempts of capitalism I am afraid that we shall see the same thing happen in other countries, and then the evil will be much more difficult to fight. Matteotti was not a Communist,

and yet you have seen that capitalism does not stop at political opinions. When it sees any hindrance to its inordinate appetite it overrides all scruples. Fellow Co-operators, the eyes of 70,000 robbed Co-operators are turned towards Ghent! They have authorised us to appeal to you to pass an energetic and clear resolution which will leave nothing in doubt. That is what we ask of the Congress, and we hope that all Co-operators will adopt our motion.

Mr. C. GANEFF (Bulgaria): I am astonished that a discussion on a question which we believed closed should be reopened. I regret it extremely, especially as I find it difficult to express myself in French.

The Bulgarian question, which is here called "Bulgarian," is not as simple as one would at first be tempted to think. My compatriot has said many things on this question, and if I were to reply to them it would weary you too much. Therefore if I speak it is not to reply to all the insinuations of Mr. Isacoff, nor to defend the action of the Bulgarian Government, nor to accuse the co-operative society of which he speaks. My object is to throw light on the essential points of the question. Things as they are cannot be seen from a distance as well as on the spot.

This conflict of which "Osvobodjénié" has been the victim is not a conflict on the question of Co-operation. It is a political and social conflict; it is a conflict concerning internal order. All those who are at all interested in Bulgarian affairs know that in the autumn of last year rioting occurred and that the rioters were Communists. A peculiar state of mind took possession of the whole populace. The people were irritated and excited and the existence of the country itself was at stake. As is well known, Bulgaria does not possess an army large enough to ensure order internally and externally. That is why one searched for the cause of this rioting and found that it originated with the Communists, who wished to overthrow the Government and institute Communist rule in Bulgaria. It was at the moment of this sudden attack of the rioters against the Government that the incident took place of which "Osvobodjénié" declares itself the victim.

All of you love your country, and nothing would prevent you defending her cause in a similar case. Well, we, the inhabitants of this little country of Bulgaria, only wish to be allowed to defend our country against anything that threatens her existence. In order to fully appreciate the fact of the dissolution of "Osvobodjénié" one must be acquainted with the situation and the manner in which events took place. Would you dare to accuse a country which at this moment is defending her existence? Who would dare to assume the responsibility of accusing her at such a serious, delicate, and supreme moment? The Bulgarian Co-operative Society has been struck. The Government has been approached on this matter.

The PRESIDENT: You have already exceeded your time.

Mr. C. GANEFF: However, in view of the definite statements made on the subject of the guilt of "Osvobodění," the matter ought to be left in abeyance until certain circumstances are cleared up—

The PRESIDENT: Your time is exhausted.

Mr. C. GANEFF: My proposition is—

The PRESIDENT: There is no proposition on this question.

Mr. C. GANEFF: In any case, I insist on protesting against what has been said here about this co-operative society.

Mr. A. JOHANSSON (Sweden): What I want to say here must not be interpreted as an attack or a reflection on any of the delegates, but I am of the opinion that we are here to speak only on co-operative questions. Other questions are outside our range and our power. They can only disunite us, and what we want is to remain united; and remain united we must if we want to go speedily ahead.

The PRESIDENT: I associate myself with the opinion of Mr. Johansson, and hope that the delegates will follow his advice.

APPOINTMENT OF TELLERS.

The GENERAL SECRETARY: According to the rules, the Tellers must be nominated by the President to count the votes which may be taken during Congress. The President agrees that eight delegates shall be appointed, one for each table, as follows: Mrs. Dujardin, Messrs. R. A. Palmer, M. Camin, S. D. Wulfson, W. P. Watkins, A. Boulanger, J. Schils, G. Friedrich, with the General Secretary as Chief Teller.

The PRESIDENT: We will now adjourn until to-morrow morning at ten o'clock.

THIRD SESSION.

Tuesday, 2nd September.

The PRESIDENT: Yesterday we heard two Bulgarian delegates on the question of the society "Osvobodníci," but as there is no motion before the Congress on this subject I think we can consider the discussion closed. We shall now resume the business of the Congress by considering the various resolutions, copies of which are before you.

THE FINANCES OF THE I.C.A.

Mr. H. KAUFMANN (Germany) moved the resolution on this subject, the text of which is as follows:—

"This Congress, while reminding the co-operative organisations of all countries of the immense and important results which they expect from the activities of the I.C.A., and drawing their special attention to the work of the Alliance since the last Congress as well as to the excellent contribution which it has made to the International Co-operative and Social Welfare Exhibition, appeals to all co-operative organisations to respond favourably to the financial appeal which the Executive will make to them forthwith."

Mr. Kaufmann said: You have before you the balance sheets of the Alliance since the Basle Congress. From the report which you have all received you will have seen that the financial position of the Alliance is not favourable. Neither has it ever been since its establishment. The income of the I.C.A. has fallen considerably in the past few years owing to the depreciation of the currencies of various European countries, especially of Central and Eastern Europe. But we may now hope that since the political relations are getting better and the economic position more favourable the income of the Alliance will increase.

At present it is a question of surmounting existing difficulties. The costs of the Congress and the participation of the I.C.A. in the Exhibition are very high. An urgent appeal is, therefore, made to all members to put the finances of the Alliance on a sound foundation by voluntary contributions. We ask the Congress to further that desire by supporting this resolution.

The PRESIDENT put the resolution to the vote and it was adopted unanimously.

THE INTERNATIONAL CO-OPERATIVE DAY.

Mr. VICTOR SERWY (Belgium) moved the resolution on this subject, the text of which is as follows:—

“ This Congress views with satisfaction the remarkable enthusiasm which has accompanied the establishment of the International Co-operative Day throughout the membership of the Alliance, and places on record its conviction that this annual festival is destined to be one of the most powerful and helpful instruments of international co-operative propaganda and of universal peace and fraternity. It therefore urges every country and every member of the International Co-operative Alliance to use its utmost endeavours to the end that the day may become a striking manifestation to the world of the power and solidarity of Co-operation.”

Mr. Serwy said: You have this resolution before you, therefore it is unnecessary for me to read it. The International Co-operators' Day was founded two years ago, and we have noted with very great pleasure that this year it has been much more widely observed in certain countries. We are confident that in time this day will be celebrated by Co-operators in every country of the world. Therefore we ask all organisations to do all they can to popularise in every district, town, village, and country this day of International Co-operation, which, in our thought, ought to link together all Co-operators in the one ideal and, at the same time, give to Co-operation an ever-increasing development.

On being put to the vote the resolution was carried unanimously.

THE INTERNATIONAL CO-OPERATIVE EXHIBITION.

Dr. A. SUTER (Switzerland) moved the resolution on this subject, the text of which is as follows:—

“ This Congress heartily congratulates the Belgian Co-operators on the conspicuous success of the International Co-operative Exhibition which they have organised, to the honour of our world-wide movement, with so much ability, enthusiasm, and sacrifice. As a manifestation of the power, versatility, and extent of the economic and social activities of Co-operation, the Exhibition stands as an unique example and also an evidence of the practicability of the Co-operative Commonwealth. Its artistic merit and educational value are very great, and inspire the hope that such demonstrations of the strength and character of our movement may become a permanent feature of future Congresses of the I.C.A.”

Dr. Suter said: All those who have visited this Exhibition will unite in congratulating our Belgian friends on the work which they have accomplished. Some time ago, when this Exhibition was first thought of, one of the leading Co-operators expressed doubt as to

the possibility of realising such an enterprise. I replied: When our friend Edouard Anseele gives his name to an undertaking it is bound to succeed. Anseele knew the extent of the devotion and the capabilities of his collaborators on which he could rely. Our friend Serwy—one of the veterans of Belgian Co-operation—and his son, Willy, have accomplished a gigantic work. I am sure that you will all unite in congratulating Anseele and the Serwys—father and son—on the result of their labours and on the enormous work they have performed in the interests of Co-operation.

The resolution was unanimously adopted.

RELATIONS WITH THE INTERNATIONAL FEDERATION OF TRADE UNIONS.

The PRESIDENT: We will now proceed to the consideration of the resolution of the Central Committee with reference to the Relations with the International Federation of Trade Unions.

Mr. E. POISSON (France) moved the resolution of the Central Committee, which was in the following terms:—

“ This Congress approves the action of the Central Committee and the Executive in seeking to establish, in accordance with the resolution of the Basle Congress, relations with the International Federation of Trade Unions which would facilitate united action on purely economic questions of common interest.

“ In view, however, of the complications which may arise from any organic connection at the present time, and also of preserving inviolate the neutrality of the I.C.A., the Congress decides to adjourn the consideration of the proposed constitution for joint relations contained in the report of the Central Committee.

“ Meanwhile the Congress approves the continuance of joint action with International Federations of Trade Unions in such specific matters as may arise from time to time, and subject to each question being previously submitted to and approved by the Central Committee of the I.C.A.”

Mr. Poisson said: At the request of the Central Committee I have to submit to you the resolution which it has adopted on the relations with the International Federation of Trade Unions. The report demonstrates what the Executive and the Central Committee have done towards the application of the resolution of the Basle Congress. At Basle, the question of the organisation of Co-operative Societies and Trade Unions having been exhaustively discussed, and the report of Mr. Serwy having been presented, the Congress authorised the Executive and Central Committee to enter into relations with the International Federation of Trade Unions.

After various discussions and several meetings a Joint Committee was formed, first as a Sub-Committee, and subsequently, in May last, the Executive of the Alliance met the Executive of the International Federation of Trade Unions of Amsterdam in order to consider under what conditions and in what form it would be possible to establish these relations. As a matter of fact, nothing definite was decided. The idea of a Joint Committee was considered, but that would first need ratification by the Congresses of the respective organisations.

The Sub-Committee also studied two problems, one which was placed upon the agenda, the utilisation of workers' savings for co-operative purposes; and the other, of much greater importance to Co-operative Organisations, that of collective contracts to be concluded between or recommended by Co-operative Organisations and national Trade Unions.

To-day we ask you to adjourn the proposal to constitute such relations, that is to say, we think that, for the present, we do not wish to finally sanction what has been done. Why? Because, in the meantime, we have found ourselves confronted with considerable difficulties. The chief one is that, after having come into contact with the International Federation of Trade Unions of Amsterdam, the Executive, and to-day the Congress, has received a resolution asking us to enter into relations with the International Trade Union of Moscow. Little by little we formed the opinion that, useful and indispensable as common action with International Federations of Trade Unions may be, there was at the same time a great danger, because, by degrees, we should be led to exceed the limits of the true questions which interest both of us, and even to overstep the bounds of the rules of the Alliance, and this might lead to a more or less direct violation of the co-operative neutrality of the Alliance, which, for us, is a matter of life or death to our international organisation. And it is in these circumstances that, while desirous of showing to the workers and, particularly, to the International Federation of Trade Unions, with whom we have had regular and friendly relations which we in no way desire to break, the interest which we feel towards them, we are, nevertheless, anxious not to draw the Alliance into relations which might be harmful to it. That is why the Central Committee proposes a compromise.

At the Central Committee meeting this resolution was confronted with a more definite resolution, and also a resolution entirely contrary to the spirit of that which was presented from our Russian comrades, who ask for relations with the International Federations of Trade Unions of Moscow and Amsterdam, not only for definite and specific objects, but in reality for common general action. That resolution confirmed the real danger which some of us—those with the best intentions towards relations with the Trade Unions—could foresee. And that is why we hold to the text which is before you. No doubt our English friends will

withdraw the text which they have presented in the name of the British Union, and which proposes to "refer back" the whole question and to consider it as settled for all time.

We think that it would be a bad thing for the International Co-operative Movement to say that, through fear of difficulties which might arise from our joint relations, we should cease to have relations which would be useful to the Co-operative Movement. Undoubtedly if on a well defined question, such, for example, as that of collective contracts to be effected between Co-operative Societies and Trade Unions, we could make use of the contract which was adopted by the Sub-Committee, and which aimed at making Co-operative Organisations safe in the future from strikes on the part of their employees—by reason of their social and economic character—we should be rendering a service not only to the Co-operative Movement but to the general cause of emancipation of the workers in demanding that Co-operative Societies should not be treated by the world of labour in the same way as capitalistic and private organisations.

This shows that if we were to adopt the resolution of our English friends we should close the door on questions such as these, which might be helpful to the Co-operative Movement.

Therefore we place before you a considered motion which recalls the resolution of the Basle Congress. We declare that we will continue to seek the means of joint action, and we propose for the moment to adjourn to a later date the resolution which was to have been definitely adopted and indicating that for the future we are ready on special and definite questions to take joint action. In this way we shall avoid the danger of being drawn into actions which would be "extra co-operative," and be able to maintain a good understanding with the workers of the whole world, with whom the Alliance wishes to have cordial relations, knowing as it does that the mass of workers in towns as well as in the fields compose the Co-operative Organisations.

Mr. F. HAYWARD (Great Britain): On behalf of the British Co-operative Union I have to move that the report relating to the relations with the International Federation of Trade Unions be referred back to the Central Committee. In doing so the British Union is actuated by the desire that the activities of the International Co-operative Alliance should be devoted to the purpose for which the Alliance was established. We find in our case, as in the Central Committee, that more than one-half of the time of the Alliance is being taken up by discussing questions which, while they may have some relationships to co-operative activities in different countries, cannot be said to be the purpose for which the I.C.A. was formed. And we are of the opinion that, for some years to come at any rate, the work of the Alliance, in developing Co-operation in the various countries of the world, will have plenty to occupy its time and energies; and this work cannot be done so

long as its time and energies are being devoted to extraneous organisations introducing questions of acute controversy, which, indeed, if persisted in, will tend to weaken, rather than to strengthen, the I.C.A. Mr. Poisson admitted that so far as the thing has gone great difficulties have arisen, and that the resolution of the Central Committee is really to postpone and hold up the question of affiliation with the International Federation of Trade Unions. Seeing, as we do, that the alliance between the I.C.A. and the I.F.T.U. has already produced the controversy mentioned, the British Co-operative Union is asking that the general matter should be referred back in order to give the Central Committee an opportunity of considering the relationship that should exist between the I.C.A. and outside organisations which are working in other spheres than purely co-operative work. We are desirous, as Mr. Poisson says, of promoting good relations. We in Great Britain are doing all we can to work with the Trade Union Movement and the Working-Class Movement generally, and we expect there is similar action in most countries represented here. We are not in entire accord, but when we remember the great difference of political and social conditions in these countries, then it seems to us that the time is not opportune to make up these affiliations and connections with other bodies, and that whilst maintaining the friendly relations we should maintain our independence to continue our own peculiar co-operative work. For these reasons we desire to refer back the report of the Central Committee on this subject in order that it may receive more mature consideration.

Mr. S. D. WULFSON (Russia): I would like to say a few words in reply to Mr. Poisson's speech. I am in full agreement with Mr. Poisson when he says that neutrality is to the Alliance a question of "life or death," but in the very opposite sense to that which he has in mind. We assert that if the Alliance wants to remain absolutely neutral in the class war which the toiling masses of the world are waging we are up against the question whether its existence can be maintained at all. The working classes want to know the attitude of the Co-operative Movement towards them. If we remain neutral we are not quite frank towards the workers' organisations; if we postpone the matter for further development, then again we have no answer to the question which should be decided here. We then put the question of neutrality thus: Shall the International Co-operative Congress give an answer to-day? Do you wish to establish relations or enter into negotiations with the workers' organisations? The proposal of the Central Committee to postpone the matter, or the proposal of the British delegation to refer it back to the Executive, cannot satisfy us, because the question would remain undecided. We wish the Congress to decide the question so that there can be no uncertainty on this point and that we

may have the assurance that the Central Committee will give effect to the will of the Congress.

For this reason we have sent in the following motion to the Central Committee, which we submit to-day to the Congress:—

“ That the International Co-operative Alliance shall enter into relations with the Moscow “ Profintern ” (Moscow International Federation of Trade Unions) similar to those which have been established between the International Co-operative Alliance and the International Federation of Trade Unions of Amsterdam.”

When it was merely a question of collaboration with Amsterdam, neutrality was left out of consideration. The Basle Congress agreed that we could easily, and in fact, should, work together with Amsterdam. But when a motion to the same effect is submitted with regard to the “ Profintern,” which is no less an international workers’ organisation than the Federation of Amsterdam, then Mr. Poisson comes along with the question of neutrality and knocks our proposal on the head.

The Co-operative Movement can and must live only as a Workers’ Movement, as an organisation of the working class, and because of this there can be no other solution to this problem. The Co-operative Movement is only a branch of the Workers’ Movement and only by mutual action between the International Co-operative Movement and the International Trade Union Movement can we attain our objectives. Both must unite and fight hand-in-hand in order to gain a victory over the brutal hierarchy of Fascism.

Mr. A. RUPPRECHT (Germany): On behalf of the German delegation, I am asked to say a few words on this question. The German Consumers’ Societies have been working hand-in-hand with the Trade Unions since 1910. In conjunction with them, we have discussed and solved trade union questions and problems of employment with good results. Even though differences arose occasionally, we have always been able to overcome them in a fraternal spirit. This was also possible within the limits of the rules of the I.C.A. In Article 4 (f) it is stated: The Alliance seeks to attain its objects “ by special collaboration with other international organisations pursuing aims of importance to Co-operation.” We were ready to vote for the motion submitted by the Central Committee, but after hearing the views expressed by our English friends we support them and will consequently vote for the resolution submitted by the English delegation.

Mr. W. J. OWEN (Great Britain): In speaking against the amendment of the British Union, I want you, as delegates, to give serious consideration to the matter before you. You are asked to give your consideration and support to a question which not only affects the Co-operative Movement nationally and internationally, but also vitally affects the future progress of the whole

movement—that is, the question of neutrality. If you are prepared, as Co-operators, to admit some alliance with the Amsterdam Federation of Trade Unions, so also must you express the spirit of co-operation in harmony with the Russian workers. You can never hope, as Co-operators, to succeed if you are going to be partisans when it comes to union with International Organisations of Trade Unions. It is only in harmony with working class organisations that you can hope to progress as a movement.

We have based our tenets upon the antagonism which exists in modern society. The Co-operative Movement is born out of that antagonism between producers and those who receive the benefit of the produce. That antagonism must not be bridged over or cloaked, but clarified in harmony with the Workers' Movement. These ideas were the tenets of the Rochdale Pioneers. The class struggle between the workers and the capitalists can never find its solution except in harmony with the Workers' Movement. The Co-operative Movement must not support one section, but the whole of the organised workers. You must not be partisans, only in so far as you are partisans of the workers. You must not bar one section in preference to another. Is it fair that you should exclude the Russian workers because it involves neutrality in politics? The Co-operative Movement, as a Movement, must find itself in harmony with the industrial and political workers. The appeal of the Russian comrades for admittance to the I.C.A.—

The President's bell cut short any further remarks of the speaker.

Mr. W. R. RAE (Great Britain): In intervening to point out the errors into which Mr. Owen has fallen, I do not want to be regarded as being too critical. Mr. Owen has said a good many things about what should be the relations between the International Co-operative Alliance and the International Workers' Unions with which I am in perfect agreement. He was wrong, however, when he said that the intention of the British Union was to exclude the two bodies mentioned from any further relations with the I.C.A. We are simply asking that the subject be put back for one or two years in order that the matter may be inquired into and that we may be able to lay down a policy which will determine the basis of the admission of these and similar bodies. The matter is not yet clear. Trouble has arisen. We do not want any more trouble to arise over applications of this kind. We want the ground cleared, the policy laid down and the terms of admission agreed upon. We are not seeking that you should throw these workers' organisations overboard, but that you should give us a little more time to think about the basis upon which they should be admitted. I ask my fellow delegates to support the Central Committee.

Mr. L. LIBRACH (Poland): In the name of the Workers' Co-operative Societies of Poland I wish to say a few words on the

subject under discussion. In Basle this question has already been set out in an excellent memorandum presented by our Comrade Serwy.

The Workers' Co-operative Societies in Poland have made great progress in this respect. In common with the Trade Unions we publish a monthly economic review. We have also jointly organised "propaganda days" and can fairly congratulate ourselves on the results obtained.

The resolution of the Central Committee, in order to avoid difficulties, postpones decisions which could be taken now, but we consider that the question is sufficiently ripe. One does not avoid complications by postponing them. In short, we ask that the resolution presented by the Central Committee be divided into three parts. We are against the third paragraph of this resolution because we feel that, while relations between the International Federations of Amsterdam and Moscow are so strained, there can be no question of entering upon relations with those organisations. We ask, therefore, that the resolution shall be voted on paragraph by paragraph.

Mr. W. R. RAE (Great Britain): On a point of order. I made a huge mistake just now in my last sentence. I asked my colleagues to support the Central Committee. What I meant to do was to ask them to support the British Co-operative Union!

Mr. G. N. MELNITSCHANSKI (Russia): It seems to me that the discussion ranging around our treatment of this question is to a large extent connected with the fact that we are speaking here in different languages in more than one sense. At an International Congress the babel of languages and the rendering of the speeches by translators often create and provoke misunderstandings. Now to the question at issue. I beg you to excuse my bad English. It seems to me that the delegations, and in particular the British one, have not understood our point of view. We do not propose to establish a permanent unified centre of all the three Internationals. What we want is that if in connection with the conditions which may occur in the International Workers' Movement there arises the necessity for the Central Committee of the Alliance to enter into an understanding with Trade Union Organisations, and this undoubtedly will occur, that the Central Committee should then enter into negotiations and understandings not only with Amsterdam, but also with "Profintern." The suggestion of the English delegation is especially curious to my mind. The Chairman said that they do not propose to reject this question entirely, but only to leave it open—not to decide on it here—that in the course of a year or two the Central Committee might have the opportunity of studying the question. We are living in an epoch when the course of events changes rapidly. And, as a matter of fact, in the course of last year, and even of the last few months, we have been the witnesses of many new events and changes. How, therefore,

in the opinion of our English friends will the Central Committee have to act when it is called upon actually to meet this question? That is why we want the Congress to make it perfectly clear now that, in the event of negotiations for joint action having to be conducted with the Trade Unions, such negotiations must be conducted not only with Amsterdam, but also with "Profintern." The fact that joint action is needed is as clear as day. As an active Co-operator and Trade Unionist I am putting forward the point of view which we are carrying into effect in our country. We consider that Co-operation must base its activities on the workers organised in their Trade Unions. Each member of a union, each working man and woman should, as a first duty, join the ranks of Co-operation. How, then can you wish to isolate the centre of Co-operation from the centres of the Trade Union Movement? The position taken up by the British delegation on this question is particularly curious. You know that during the past few months there has been a great change amongst English Trade Unionists, and, on their initiative, negotiations are being conducted on the subject of the unification of the proletariat. It is possible that a conference on this question will be convened shortly, whilst here the British delegation puts forward the proposal that the Alliance should stand aside.

Mr. E. Poisson (France): I wish to reply very rapidly to the remarks which have been made by various delegates on the resolution proposed by the Central Committee. You are, in reality, faced with three points of view—the English proposition, the Russian proposition, and the proposition of the Central Committee. The English proposal is to postpone. It advocates in a polite form the cessation of all joint action with the International Trade Unions, even for definite objects. That would mean rupture. It would mean the abandonment of what has been attempted up to now. It would shut the door, not for a day, but for three years, since our next Congress will not take place earlier. It would, therefore, be a postponement pure and simple, and what reasons are given for it? The reason that one must act carefully. I quite agree that on this question one must act carefully and prudently, but the proposal of the Central Committee is to leave in abeyance what has been done, while leaving the door open and allowing the Central and Executive Committees, when occasion offers, to enter into relations. If you vote for the English proposal you will, for three years, exclude any possibility of realising what may be done by the proposal of the Central Committee. When, however, it is said that each will arrange for the best as regards their own country, may I express my astonishment that anyone should imagine that problems concerning Labour are not of international interest! Very often, on the contrary—and I am now replying to our German comrade—difficulties have arisen between Co-operative and Trade Union Organisations. As regards the employment of workers and

employees, the support of international opinion of Trade Union Organisations would be of great use in solving problems such as that of collective contracts of labour. I ask, therefore, that the English proposal should be rejected.

As for the Russian proposal I venture to say that if our Russian friends do not wish, at any price, for superficial reasons, to have a separate opinion here, they have no ground for maintaining their text. Their amendment seems to ask that relations should be established with the Trade Union International at Moscow. Our text says "with International Federations." Consequently, on the surface, it seems to meet their requirements, but in reality the Russian proposal differs from ours. In fact, if it does so, it is because it does not simply ask that we should enter upon relations for specific, definite objects, but seeks, under the pretext of contact with Trade Union Organisations, to draw us into relations which are outside the limits of Co-operation. What they invoke here, under cover of the unity of the workers, is in reality an equivocal action. They wish, under this pretext, to force us farther along a line of action which is contrary to the rules of the Alliance. One must remember this when voting on the Russian proposal.

The proposition of the Central Committee, however, constitutes a whole, and I now reply to our Polish comrade who asks for its division. I am convinced that the Central Committee will not accept the division of their proposal. The proposition stands in its entirety and must be adopted in that form and not in parts. Some friends say: In your text you put "international federations" in the plural. Take care! You wish neutrality to be respected. You wish neutrality to be imposed on the Russians, but if this is your opinion you must not let it be thought that, indirectly, you take up your position with regard to this question through fear of having relations with the Moscow International. If you are neutral you ought to accept relations with all international organisations. That you do not do so in your country is another question, because in your own country you need not be neutral, as, for example, in Belgium. But if the Alliance is neutral do not give an argument to those who reproach us for not being neutral, and who would say: You see, your neutrality means nothing, for as soon as you are afraid of having relations with some organisation or another you are no longer neutral.

It is in order that you may be able to vote for a proposal which can be accepted by all the delegates that we ask you to-day to reject the English and Russian proposals and to accept the motion of the Central Committee, which is a prudent and wise motion that does not promise much, but, on the other hand, does not break with the Trade Union world.

The PRESIDENT: The discussion is now closed and we will proceed to take the vote upon the three propositions. We will

vote first on the British proposal to "refer back" the report of the Central Committee—this is the most drastic. Then we will vote on the Russian amendment, and finally we will take the vote on the proposition of the Central Committee.

The tellers having been allotted to their respective places, the President proceeded to put the questions to the vote with the following result:—

The proposition of the British Union: For, 222; Against, 332.

The proposition of the Russian "Centrosoyus": For, 179; Against, 424.

The resolution of the Central Committee was then put and adopted unanimously.

HOMAGE TO THE DECEASED MEMBERS.

The PRESIDENT moved the resolution submitted by the Central Committee expressing the sympathy and regret of the Congress at the losses which the Alliance had sustained by death since the last Congress.

Mr. GOEDHART observed that it would not be necessary to say much in support of this resolution. Everyone who knew anything of the life and work of the Alliance must also be acquainted with the career of men like Emile de Boyve and Edward Owen Greening amongst its founders, and Duncan McInnes and Aneurin Williams, who for very many years had shared its inner councils and assisted in the direction of its work. There were others who were outstanding leaders in their own countries, and who had also contributed to the progress of the Alliance. The resolution he had to move was as follows:—

"This Congress expresses its deep regret at the loss of the following members of the Central Committee who have died since the last Congress:—

"Emile de Boyve (France).
Edward Owen Greening (Great Britain).
Duncan McInnes (Great Britain).
Aneurin Williams (Great Britain).
Oscar Dehli (Norway).
Konrad Barth (Germany).
Hermann Namsing (Esthonia).

"It places on record its great appreciation of their character and services to Co-operation and to the International Co-operative Alliance."

The PRESIDENT asked the delegates to rise in their places for an instant as a token of respect to those who had passed away. The whole of the delegates stood in silent homage and in support of the resolution.

FOURTH SESSION.

Tuesday Afternoon.

The afternoon session opened with the continuation of the discussion on the report of the Central Committee. There being no other delegate desiring to speak on the report, the President called upon the General Secretary to reply to the criticisms which had been made during the discussion.

REPLY OF THE GENERAL SECRETARY.

The GENERAL SECRETARY: I am commissioned by the President to make what reply seems to be necessary to the criticisms that have been offered upon the report of the Central Committee. I think you will agree with me that, in view of the large variety of questions dealt with in the report of the Central Committee, the criticisms that have been offered have been very small. But in order to give satisfaction to those who have ventured to offer some observations, I am asked to give quite briefly the reply of the Central Committee.

The first point is the question of the Russian language which it has been proposed should be added to the official languages of the Alliance. The Central Committee desire that it shall be clearly understood that they do not offer opposition to the introduction of the Russian language, as such, into the work of the Alliance, and that they have not really decided to reject the proposal, but have only asked for its adjournment until a more suitable occasion when the whole question of the official languages of the Alliance may be discussed. They fully realise the limitations which are imposed upon many of the delegates here, not only from Russia but from Scandinavia and other countries, by the fact that the proceedings of the Congress are confined to three languages. On the other hand, they desire to point out to you, from your own experience of the discussions of the Congress, how difficult it would be to increase the number of the official languages and the length of the sittings by additional interpretations. They are, however, quite sympathetic with the general question and have only proposed its adjournment.

With regard to Mr. Feigin's criticisms on the League of Nations, you will observe that that section of our report is very short, and that we have simply stated the facts. It has been suggested that the relations with the League of Nations have led nowhere because its activities are divergent from those of the International Co-operative Alliance. What I would point out

is that, whatever its activities may be, its aims are the same as those of the Alliance—that is, the unification of the fraternity of man in the common object of securing peace and better conditions of life for the whole body of the people. If the League of Nations is to be tested merely by its activities, then that is a standard which would apply not only to the League of Nations but to every other organisation, and even to national organisations and the individuals who compose them; if we are tested by our own deserts which of us shall find salvation?

One other word, the aims of the League of Nations, its principles and its essence, are identical with those of the Alliance, and unless the Congress decides to the contrary, the International Co-operative Alliance will continue to endeavour to associate itself with those great ideals of peace, international fraternity and of human brotherhood for which the League of Nations stands.

Another delegate, Mrs. McArd, asked the question whether the International Co-operative Alliance was doing everything possible to further the idea and desire for disarmament of the nations expressed in a resolution passed at Basle. I think I shall not be doing any injustice to the Alliance if I say that we have found that any attempt to secure by direct means the disarmament of the nations as they stand to-day is not only out of its power but also outside of its immediate function. What the Alliance has to do is not so much to demand the disarmament of nations as to disarm the people of each country in the moral, intellectual and spiritual sense, so that they shall not desire the material armaments of war which has for so long been the curse of mankind. That work the Alliance is pursuing with all vigilance, and we think that our programme and our ideals the more they are pursued will lead to the real disarmament. We believe that the Alliance itself, rightly understood by the people in the true spirit of internationalism, will become the only true League of Nations.

One other subject, and that a question of some importance, have I to deal with in this reply. That is the question of the Bulgarian co-operative organisation "Osvobodjénie." There are two points in this connection which, I understand, I have the President's permission to make. First, the reason why the discussion on "Osvobodjénie" was closed at the end of the session of yesterday afternoon was that nothing was before the Congress—no proposition of any kind—but simply a report of the facts, and an extension of the discussion could lead to no more definite or effective result than has yet been realised. Further, that the opposing forces, so to speak, in Bulgaria had each had an opportunity, in the persons of Dr. Isakoff on the one side, and Mr. Ganef on the other, of expressing their views. That is the first point.

The second is, that the Central Committee hold firmly to the resolution they adopted at their meeting at Prague in April last, in which they protested against the violence that had been exercised against the co-operative organisation "Osvoboždění." That resolution is printed here in the report of the Central Committee. Since then, as the delegates of "Osvoboždění" desired to explain to you this morning, they have submitted to the Executive of the Alliance a long statement of their case. Here is the final paragraph of the minutes of the meeting of the Executive Committee at Paris in May, where their statement was considered, which was decided upon by the Executive, and later endorsed by the Central Committee. This minute shows clearly where the Committee stand in this matter, and puts aside all necessity for further discussion in the Congress, at least from their point of view.

"It was agreed to take further action within the limits of the decision of the Central Committee at Prague to protest against the dissolution of 'Osvoboždění'; to insist upon the restitution of its property and the liberty of its members by the Bulgarian Government; to send a copy of the protest to all the national organisations and invite their support, and to publish some articles upon the question in the 'Bulletin.'"

That is the official decision of the Executive, and to that they hold and are prepared to carry it out in the spirit and letter. This is the position in which the question stands to-day, and the Central Committee suggest that that is an adequate statement of the subject.

The Central Committee have endeavoured in this, and many other similar matters which have arisen since Basle, to act in that spirit of neutrality which is demanded by the rules of the Alliance. They believe that they have succeeded, and that while their feelings as Co-operators and Internationalists bring them at once to a sympathetic attitude when face to face with persecution, there sometimes comes a point when that sympathy cannot be pushed too far, or any further, without violating the neutrality of the Alliance. They believe that they have carried out that resolution and that they have gone to the utmost limits which the constitution of the Alliance permits, and they think that by these means they will give satisfaction to every co-operative ideal, desire, and aspiration, which can be expressed in connection with this or any other similar matter.

The PRESIDENT: The discussion is now closed and we shall proceed to the vote.

The Congress accepted the report unanimously.

Paper on
"The Relation between the Different
Forms of Co-operation."

BY ALBERT THOMAS (FRANCE).

No problem in connection with the International Co-operative Movement is perhaps at once more ancient and of greater present interest than that which forms the subject of this report. What are the various forms of Co-operation? What are their characteristic common features? How can their various activities best be grouped and rendered of mutual assistance? At each fresh stage in co-operative evolution the International Co-operative Alliance will be led to examine new experiences and prepare the way for new attempts.

This problem might, indeed, be dealt with in a purely theoretical manner. But quite apart from all theoretical questions, it is desirable to illustrate from the facts themselves the converging tendencies, partly actual, partly potential, of the various activities of the Co-operative Movement.

A proof of these converging tendencies is to be found—

- (1) In the agreement progressively realised with regard to the features common to all forms of co-operation which distinguish them from joint stock companies;
- (2) In the existence side by side with the simple forms of co-operation of co-operative organisations with various functions, and of varied forms, which do not easily fall into any absolute classification;
- (3) In the moral or economic relations which have already been established or are in process of being established between different forms of Co-operation in the same country, or in different countries.

1. COMMON AND DISTINCTIVE CHARACTERISTICS OF CO-OPERATION IN ITS DIFFERENT FORMS.

The definitions of a co-operative society are numerous. Certain of these only apply to a single class of co-operative organisation, for example, to consumers' co-operative societies; other definitions apply to every class of co-operative organisation. No attempt will be made to undertake a critical examination of the different definitions which have been suggested. One fact may, however, be noted which emphasises the fundamental unity underlying the Co-operative Movement, namely, the ever increasing tendency towards similarity, if not actual identity, of the more recent general definitions applicable to all categories of co-operative bodies. These definitions are taken from the writings of various authors, or occur in the legislative texts of various countries.

The definitions given below * are significant in this respect, and the difference between them is less a question of meaning than of form. The variety which appears in them is chiefly due to difficulties of vocabulary or grammar particular to each language, but they agree as regards the fundamental characters common to all forms of Co-operation which distinguish them from joint stock companies.

* H. KAUFMANN: "A co-operative society is an association of any number of persons or of associations who, uniting of their own free will, and on the basis of equal responsibility and equal rights, delegate an economic function or functions to some joint enterprise with a view to obtaining an economic advantage."

ALFRED NAST (principes coopératifs et exposé synthétiques de la législation, 1919):—

"Co-operative societies are social institutions which are defined at once by their ends and by the means they use for achieving these ends.

"The end, according to the kind of co-operative society, is either to affect the greatest possible economies in the acquiring or renting of the utilities needed by the members or to obtain for them the highest possible remuneration for their work.

"The means are those of uniting the persons who are in search of the same advantages and of forming a joint undertaking, the capital of which is made up of contributions from all the members.

"In order that the ends may successfully be achieved by these means surpluses are divided among the buyers, borrowers, tenants, or producers, as the case may be, in proportion to their business with the organisation, after deduction of the sums needed for the department or for the reserves established by the constitution of the society with a view to the diffusion of the principle of Co-operation (development of the undertaking, propaganda, social welfare, etc.).

"This definition adequately brings out the necessary subordination of capital to human personality."

A comparison between these different definitions, their commentaries and the practical rules they involve, will enable us to classify the characteristics common to all organisations which have the right to style themselves "co-operative" whatever their special objects, and the functions they exercise.

In agreement with most writers on this subject, and in order to emphasise in turn the social and economic aspect of a co-operative society, a distinction will first be made between (1) the association of persons which constitutes the society, and (2) the undertaking in common by which it carries out its objects.

(1) The association of persons. (a) Persons associate of their own free will in order to satisfy needs of a similar character by means of an undertaking carried on in common.

(b) The association is open without restriction to all persons on whom it can confer a benefit.

(c) Its constitution is democratic. (The general meeting is sovereign; members have equal votes).

(d) The needs which can be most effectively satisfied by a common undertaking are those arising from the *weakness of the economic position* of the majority of the members of the association.

COMMISSION ENTRUSTED BY THE SWISS FEDERAL GOVERNMENT (1919) WITH THE PREPARATION OF A NEW CO-OPERATIVE LEGISLATION:—

"A co-operative society is an association of persons who, recognising that they have certain economic cares and needs in common, form a joint business undertaking with a view to satisfying such needs.

"The object of the association may be to satisfy family and household needs by the joint acquisition of foodstuffs, clothing, housing, water, and light (distributive societies, building and housing societies, water and light supply societies), and to make provision for sickness and distress (sick funds, popular dispensaries), or to assist the members in their trade or business, whether by the joint acquisition of credit or of raw materials and tools (credit societies, supply societies), or by the joint utilisation of the labour power of its members (producers' societies), or by the joint utilisation of the product of labour (co-operative creameries, fruit, and wine societies)."

MODEL CO-OPERATIVE STATE LAW: THE CO-OPERATIVE LEAGUE OF UNITED STATES:—

"A co-operative corporation, within the meaning of this article, shall be deemed to be a corporation in which each shareholder has one vote and no more, organised for the purpose of conducting any lawful business primarily for the mutual benefit of its shareholders who may be natural or legal persons, and the earnings and savings of which are used for the general welfare of the shareholders and patrons or are distributed, whether in the form of cash, stock, or evidences of indebtedness, or in services, proportionately and equitably among the persons for which it does business, upon the basis of the amount of their transactions; provided, however, that any such corporation may pay out of its net surplus-savings not to exceed per centum (equivalent to the legal or current interest rate), dividends or interest upon its capital stock."

(e) The association thus constituted, while endeavouring to strengthen the *economic independence of its members*, also endeavours to establish bonds of *moral solidarity* between all the members and to create a *common social life* based on development of personality (self-help) and mutual aid.

(2) *The Undertaking in Common.* The economic aims of the association are attained by creating an undertaking in common, whose special aims correspond to the needs which have to be satisfied.

(This is an essential difference in comparison with capitalist undertakings, whose special objects remain indifferent to the shareholders).

The undertaking in common must endeavour, like any other form of undertaking, to establish itself on a stable financial basis and to build up the financial reserves necessary to ensure stability and normal development. The conditions of its working and management, however, are not determined with a view to making the highest *profit*, but to affording the best *service*.

In consequence (a) a co-operative undertaking will endeavour to obtain the capital necessary from its members to ensure its working (either in equal shares or in proportion to the services to be rendered to each member); while endeavouring to encourage saving and having recourse to such saving, such an undertaking will only pay on individual capital a *limited interest*, independent of the financial results of the undertaking.

(b) The annual profits, if such exist, and in so far as they are not allotted to the reserve fund or to capital expenditure of a general interest, will be distributed among members in proportion to their dealings with the undertaking; that is, according to a practical rule which aims at making up the difference between the payments effected by members in the course of the financial year for services rendered and the cost of rendering these services.

(c) If the undertaking is wound up, or the association dissolved, the net assets, after shares have been refunded, are not distributed according to the usual rule in joint stock companies, that is, in proportion to holdings, but according to one of the three following methods: Assets are distributed according to the same rule as that followed in distributing annual profits; they are distributed in equal shares, or better still, they are transferred to another co-operative organisation or to a public institution.

The above principles and rules are implicitly or explicitly contained in the various definitions reproduced, and which, occurring as they do in the writings of authors of various nationalities, show the converging tendencies of co-operative opinion as regards the fundamental features common to all forms of co-operative organisations, whatever their purpose.

It is interesting to note an agreement of this nature, not only because it indicates the evolution of co-operative thought which reflects the converging tendencies of the movement, but because it may serve as a basis for the establishment of a special co-operative legislation in those countries where such legislation is absent. This would enable the different forms of Co-operation to obtain a legal charter adapted both to their special and to their common forms of activity; legislation of this kind would also provide a means of defence against their common adversaries.

2. MIXED FORMS AND TRANSITIONAL FORMS BETWEEN DIFFERENT CATEGORIES.

After having noted the value and interest of this converging tendency as regards definitions of Co-operation, we were tempted to define and classify once more the various forms of Co-operation. It seemed to us that a preliminary study of this kind was essential to our report.

After careful consideration, we have determined, however, to make use of the terms consecrated by usage and to avoid the terminology employed in systematised classifications. We recognise that the classifications which have been attempted are not without interest. All of them, however they may differ from one another, have their use, having been framed in order to meet special needs, either of a practical or of an intellectual nature. They all, however, aim at including all the different phenomena within a limited number of categories, thus conveying the impression that all the facts dealt with under one heading are homogeneous, while they differ entirely from one category to another.

The reality is, however, very different; it is all life and movement, and where a systematic mind can only see mutually exclusive categories, there is, in fact, a great variety of mixed and transitional forms.

Most classifications make a distinction, as regards co-operative purchasing organisations, between consumers' co-operative societies (where co-operative buying is undertaken for personal or household needs) and co-operative wholesale supply societies (purchasing in common to satisfy trade requirements). In Great Britain, however, the classic land of genuine co-operative consumers' organisations, many of these organisations also serve to supply agricultural requisites, and an entire department of the Co-operative Wholesale Society has specialised in the production and distribution of seeds, manure, and agricultural machinery to co-operative consumers' societies and agricultural co-operative organisations. In agricultural countries, co-operative organisations are still more naturally met with which satisfy both the requirements of domestic consumption and trade needs.

In other cases, co-operative organisations for transformation and sale, such as co-operative dairies, are at once agricultural supply organisations and consumers' co-operative societies, or on the other hand, as in Russia, for instance, those among the consumers' co-operative organisations which are in contact with the peasant population are also organisations for the sale of agricultural produce.

In certain countries, the co-operative rural credit associations are strictly specialised bodies, but in others, even in Germany, for instance, the *Raiffeisen* organisations are co-operative bodies which, in addition to their functions as savings and credit institutions, act as domestic and industrial supply societies, and sometimes, also, as co-operative organisations for transformation and sale.

While in some countries, such as Denmark, extreme differentiation prevails, so that a single person may be a member of a dozen specialised bodies in order to satisfy his various needs, in others, on the contrary, such as Ireland, "General Purpose Societies" predominate and develop the most rapidly.

It would be extremely interesting to undertake a systematic study of the circumstances which are favourable or the reverse to the differentiation of local co-operative bodies; but it is sufficient for our present purpose to have shown, by a few examples which are far from exhausting the extreme variety of the combinations that have actually occurred, that the different forms of Co-operation are not separated by watertight compartments, and that in addition to the simple and clearly distinguishable forms of co-operative organisation, mixed and transitional forms exist, not merely as exceptions, but as widespread phenomena.

3. ORGANIC RELATIONS BETWEEN THE VARIOUS FORMS OF CO-OPERATIVE SOCIETIES, COMBINATIONS, AND FEDERATIONS.

Whatever may be the evolution of co-operative bodies of a mixed character, the problem nevertheless arises how co-operative societies can combine and how they can concentrate and harmonise their activities?

The tendency which prevails amongst all forms of co-operative organisations to establish common organisms of a federal character has resulted in the constitution in some countries of general federations embracing co-operative bodies of all descriptions, and in others of special federations consisting only of bodies of a more or less homogeneous nature.

Special studies, based on a thorough knowledge of the particular structure and of the economic and social development of each country and also of the various contingencies of its history, would be necessary to enable an adequate conception to be formed

of the conditions under which these general and special federations have been constituted, and of their special functions and tendencies.

If, however, for the purposes of this study we refrain from dealing with sub-divisions of the movement, which have in a limited number of countries led to the formation of federations on a political or religious basis, we can broadly distinguish three stages through which this federated movement has passed:—

1. The constitution or attempted constitution of *general federations*, including all forms of co-operative societies.
2. The constitution of *special federations* embracing, or tending to embrace, co-operative societies of the same description.
3. The establishment of more or less close relations between the different special federations, ranging from a permanent or temporary committee for joint action to a *confederation*.

The second stage, the stage of differentiation, is generally reached either immediately after a preliminary period during which attempts to form a general federation have failed, or, in other cases, as a result of breaking up a general federation into several fractions.

In certain countries the unity of the movement has been maintained, and a union grouping all co-operative societies has assumed the character of a confederation of specialised federations by a process of internal differentiation.

It is naturally not so easy to reconcile and ensure the united action of various federations which have sprung up in the midst of conflicting doctrines and tendencies. Such struggles, however, have generally been merely the expression of a need which was obscurely felt for specialisation of functions, and this is shown by the fact that, after a period of rivalry, joint committees, at first of a temporary nature and subsequently permanent, have been constituted.

Both in France and Germany, for instance, important specialised federations, putting aside previous misunderstandings, have formed permanent committees during the last few years for the study and defence of their common interests. Thus the tendency to reconciliation and union for common action on the part of the different forms of co-operative activity has prevailed over the opposite doctrine of exclusiveness.

The participation of co-operative organisations of every form and tendency in the International Co-operative Exhibition, and the constitution of national committees grouping for this purpose federations which have hitherto remained isolated, leads us to hope that the Co-operative Movement will soon possess organs in every country expressing its fundamental unity.

4. ECONOMIC RELATIONS BETWEEN THE VARIOUS FORMS OF CO-OPERATIVE SOCIETIES.

The question of the economic relations between the different forms of Co-operation may be approached in various ways.

The most direct method consists in taking the various forms of Co-operation separately, and in classifying the economic relations which each of these forms is competent in theory to enter into, or has in fact already entered into.

A study of this character, based on a considerable mass of information and showing an acute power of analysis, was undertaken by H. Kaufmann in his report to the Glasgow Congress on direct exchange of goods between distributive, agricultural and other productive societies. Reference to H. Kaufmann's study will show the difficulty of such a task. The extreme elasticity of the Co-operative Movement, and its ability to adapt itself to the most different requirements and to varying economic and technical conditions, have led to a multiplication of combinations and relationships, a study of which is beyond the ordinary scope of a simplified analysis intended for teaching or propaganda. These combinations and relations, which are gradually constituting an intricate net work between the various principal forms of Co-operation, must be fully realised and adapted to our habits of thought in order to subject them to the organising power of our mind.

A collective effort to supply information intended to throw light on all the different relations which aim at associating local or central co-operative organisations of different kinds for a common purpose would be particularly useful. The programme of studies and collection of information which has been drawn up and annexed to this report is intended to stimulate such an effort. It might serve as a frame work for an inquiry to be undertaken by the organs of the International Co-operative Alliance with the assistance of the best informed Co-operators in all countries.

We feel certain that an inquiry of this nature, undertaken with the necessary thoroughness, would greatly assist in directing theoretical inquiry towards conceptions of a more synthetic nature, and would also encourage efforts towards achievements of a more general character by the example of numerous partial or isolated experiments.

But the value of precise and detailed information on all the facts of inter-co-operative relationships would be considerably lessened if it were not realised clearly that a solution of the most general problems of co-operative economics depends on the union of all the various forms of Co-operation.

It is in this spirit that we are desirous of drawing the attention of the Congress to two essential problems, two efforts which

appear to be of vital importance for the future of the Co-operative Movement, and which, pursued methodically, would undoubtedly contribute to hasten the establishment of society on the basis of Co-operation and human solidarity which we desire.

One of these questions is the question of the relations between distributive co-operative societies and the various forms of agricultural co-operation, which involves the whole problem of the relations between town and country and between industrial and agricultural States. 3/10

The other is the part which autonomous groups of workers may be called upon to play in co-operative organisation. This is at least one aspect of the problem of the wage system and of industrial organisation as it appears to Co-operators.

These two problems are, moreover, closely connected with the wider problem of the equilibrium which must be realised in the common interest between the various factors, whether industrial or national, in an economic co-operative system.

5. CONSUMERS' CO-OPERATIVE SOCIETIES AND AGRICULTURAL CO-OPERATIVE SOCIETIES.

Within comparatively recent times the idea of establishing a complete system of co-operative economics based entirely on consumers' co-operatives was not regarded as Utopian. It may even to-day be considered heretical to express a doubt whether consumers' co-operative societies and their co-operative wholesales, after completely absorbing trade and industry, would be capable of organising and managing all agricultural production. While admitting that such an idea may have been useful for purposes of propaganda, let us face facts and let us submit to be taught by them.

After the Russian Revolution and the various agrarian reforms which have already been introduced or are in process of application in all the new States of Eastern and Central Europe, it is no longer possible to conceive the organisations of agriculture otherwise than under the system of small holdings and peasant proprietorship, which though not exclusively applied is at least dominant. This would appear to be equally true for other parts of the world; both in the older civilisations and the newer countries small scale production is holding its own or is increasing: agrarian revolution in Mexico, agrarian agitation and programme of agrarian reform in Argentine, settlement scheme in South Africa and Australia.

A corresponding development of agricultural co-operation is also taking place, both as a necessary condition of technical progress and as a means of defence either against the older forms of usury or the newer forms of commercial and financial domination.

The development of Agricultural Co-operation embraces all the different forms of Co-operation which correspond to the varying requirements of agricultural undertakings and housekeeping. A special feature of this movement at present, namely, the efforts made to organise the sale of agricultural produce on a co-operative basis should, however, be particularly noted. These efforts which correspond to an advanced stage in the development of the Co-operative Movement have been intensified of late owing to market disturbances and price upheavals.

The wide margin between the prices obtained by agricultural producers and those paid by urban consumers have led to a desire on both sides to enter into direct relations in order to eliminate the profits of middlemen and the wastage due to a defective system of distribution.

The declarations regarding Agricultural and Urban Co-operation contained in President Harding's last speech will be present to all minds, and the observations contained in the report of Linlithgow's Committee in Great Britain* show a similar tendency as well as the "Stadt und Land" movement in German speaking countries, the formation in Germany of a "Joint Economic Committee of German Consumers' and Producers' Co-operative Organisations,"† and the manifestations of a similar nature in France in connection with the Congress of the National Union of Consumers' Co-operative Societies and the Agricultural Co-operative Union.

The interest taken in this question by the Mixed Agricultural Committee of the International Labour Office and the International Institute of Agriculture may also be noted. This Committee, in the course of its first session, adopted the following resolution which was subsequently approved by the governing body of the International Labour Office in the course of its 20th session, October, 1923:—

"The Committee invites the International Institute of Agriculture, in collaboration with the International Labour Office, to investigate the means by which agricultural co-operative organisations, and, in particular, agricultural credit institutions, could organise direct contact between producers and consumers of agricultural produce, and, in particular, consumers' co-operative societies."

* Reports of the Departmental Committee on distribution and prices of agricultural produce.

† Wirtschaftsausschuss der deutschen Erzeuger—und Verbraucher-genossenschaften.

This Committee includes representatives of the Central Union of Consumers' Co-operative Organisations, Hamburg, the National Union of Consumers' Co-operative Societies, Düsseldorf, the Union of Raiffeisen Organisations, and the National Union of Agricultural Co-operative Organisations.

The following passage in the resolution I submitted to the Basle Congress should be compared with the above official manifestations. This resolution recommended "the establishment of direct relations between different countries and within each country, between organised consumers" and associations of agricultural producers, "not only to serve the general good by eliminating middlemen's profits," but also to "lay a strong foundation for a world economic system in which the spirit of strife and competition will have no place."

As pointed out by H. Kaufmann in a series of reports in 1921 to various regional consumers' co-operative congresses in Germany: "It is impossible to believe that the Consumers' Co-operative Movement will in the near future be able and willing to undertake agricultural production on a scale adequate to enable it to supply by its own efforts organised consumers with all agricultural produce.

"Development is occurring on other lines in this sphere. It has led to the formation of co-operative organisations of another kind, namely, agricultural co-operative societies. It is a general task of co-operative bodies to ensure that the produce raised by agricultural co-operative societies shall be supplied direct without the intervention of middlemen to consumers' co-operative organisations.

"There are numerous agricultural countries where agricultural production is on such a large scale that it cannot be consumed by the industrial population of those countries. In such cases, if agriculture is strongly organised on a co-operative basis, such an organisation usually takes the form of central co-operative organisations for export. These will endeavour to sell their produce to the co-operative wholesales of the countries which are in need of agricultural produce, and this constitutes a form of direct exchange."

The constitution in 1920 of a joint undertaking connecting the "Co-operative Wholesale Society" and the New Zealand Producers' Co-operative Market Association for the export of dairy produce from New Zealand to Europe, principally to co-operative societies in Great Britain, formed the first example of an important co-operative achievement in the domain of international economy. A second example of this tendency is afforded by the constitution in 1923 of the "Anglo-Russian Grain Export Company," although this body includes the participation of capitalists on the English side and State participation on the Russian side. It must also be pointed out that the part played by the "Centrosoyus" in connection with this organisation is not properly that of a wholesale purchasing organisation, but of a central export organisation for agricultural produce, and that the "Co-operative Wholesale Society" will also play the part

of a central organisation for the export of manufactured produce, according to the views expressed by its directors.

The conception of an international co-operative economic system at first appeared to rest mainly on the combined action of "consumers' wholesales." As soon, however, as this idea begins to take shape it is observable that various kinds of central organisations, complementary to one another, associate and form connections. We are, therefore, led to suggest that the time is now ripe for the International Committee of Co-operative Wholesale Societies to widen its scope and to become an international committee of central co-operative associations for import and export.

6. CO-OPERATION AND THE WAGE SYSTEM.

The linking up of different forms of Agricultural Co-operation with consumers' co-operative societies provides a co-operative solution of the problem of the relationship between peasant labour and the economic system as a whole.

If consumers' co-operative societies and agricultural producers' co-operative societies can harmonise and co-ordinate their efforts, and thereby accomplish a silent and profound revolution in social economic activity, the question occurs whether Co-operation is not competent also to play a part in the domain of industrial organisation.

Practically everything possible has been said concerning the relations between consumers' co-operative societies and workmen's co-partnership societies, since Co-operators have been expressing their views on the subject. All has been said, and many have despaired of being able to transform industry by co-operative methods. Here again, however, daily realities are calculated to afford renewed hope, and various experiments are of such a nature as to encourage the efforts of men of goodwill. It is in this spirit that we have thought it useful to draw attention to the part which labour co-operative contracting societies and other similar bodies may play in organising industrial labour.

The importance of this form of Co-operation has been repeatedly emphasised by Professor Gide, and the following passages are quoted from one of his lectures delivered last year in connection with the future of co-operative producers' organisations. After dealing with the difficulties which these bodies have to meet, Professor Gide devoted part of his lecture to labour co-operative societies; the following passages deserve to be quoted:—

"Would it not be possible to envisage an extension of the sphere of activity of these societies (the productive co-operative societies) to enable them to embrace the whole working class?"

“ Yes, I think so, on condition that the workmen’s productive societies refrain from endeavouring to play a part for which they are not fitted, namely, that of administering capital, and confine themselves to the organisation of labour on co-operative lines.

“ This type of Labour Co-operation may assume different forms.

“ It may take the form of labour co-operative societies constituting autonomous undertakings and dealing directly with public authorities in connection with the execution of important public works; in such cases the State or the municipality concerned supplies the necessary capital and raw material while the association supplies the labour required. This is the form which the Italian co-operative societies, the so-called “ co-operative di lavoro ” or “ dei braccianti, ” have taken, and which has been so successful.

“ Building Guilds, which I have already mentioned, may also be included in this category, though it should be noted that these are purely of trade union origin and animated by trade union ideas. I have already pointed out how enthusiastically labour leaders have welcomed these new forms of co-operation, though they despised the old forms of workmen’s productive societies.

“ Moreover, the labour co-operative contracting associations are already in existence in France, and a large number of our 500 workmen’s productive societies are really only associations for carrying out works under contract. . . .

“ But a labour association may also occur in a narrower form than a guild; instead of undertaking the execution of the entire enterprise, it may enter into agreement for the execution of a part of the work only.

“ Under the present wages system, this form of organisation is already in existence and has produced excellent results; it is usually known as the *commandite d’atelier*.

“ Work executed on this system is really only a form of co-operative labour association, like the *braccianti* associations, the guilds or the *artels*, with this difference that, instead of constituting a permanent association of workers capable of undertaking various enterprises, such a group is of a temporary character and localised in a particular workshop.

“ Even in this limited form, labour association and wage system are two different things. The great objection which the workers have to the wage system resides in the fact that it renders them dependent on their employer and even more on their foreman, that they are subject to factory discipline, shut up in barracks, and are merely instruments, ‘ hands, ’ to use the English expression, or, in our own expression, ‘ main d’œuvre. ’ Under the new system this state of things would change.

“ Groups of workers would be able to organise their work as they desired, and the employer would only deal with the financial and commercial direction of the undertaking, which constitutes his proper function.”

It is clear from these quotations that the essential function of “ labour co-operative contracting societies ” consists in carrying out work for another undertaking owning the necessary plant and raw material. Such associations differ from co-operative productive societies, properly so-called, by the absence of capital. Here also there are intermediate forms. In the same class with “ labour co-operative contracting societies ” should be placed all the permanent or temporary groups which in common with them possess the following features* :—

1. Every group of workers must be constituted by the free choice of its members.
2. The members of the group must work under the direction of delegates elected and liable to dismissal by such members.
3. The collective remuneration of the group must be shared between its members, including the delegates, according to principles recognised as equitable and laid down by the members themselves.

Such groups, at once free and responsible, in which the workers are no longer subordinate to a hierarchical superior, though their technical connection with the undertaking as a whole is maintained by contract, constitute a particular form of workers' participation in management. It should, however, be noted that this form of participation in the management does not consist of a *partial influence* on the *general direction* of the undertaking, but of the *complete management* by the associated workers of each of those *parts* of the undertaking which can be technically separated from its financial and commercial direction.

What has been said with regard to Labour Co-operation as defined above is amply justified by the fact that the introduction of this system into the labour organisation of co-operative undertakings constitutes a particular form of the relationship between two different forms of Co-operation.

There is a more special reason for dwelling on this aspect of the problem, namely, a desire to show that, as regards the

* These are the main features which, according to the classic work of David F. Schloss, constitute co-operative labour as compared with other methods of remunerating labour: time wages, piece wages, progressive wages, collective wages, contract work. David F. Schloss. *Methods of Industrial Remuneration.*

organisation of both industrial and agricultural labour, the Co-operative Movement is capable of reconciling human dignity, the free-play of activity, and self-government in labour with the requirements of technical progress and collective action. The organisation of labour co-operative societies and the development of labour co-operative contracts might offer a solution of the question of the wage system which would really go to the root of the problem.

Co-operators have often pointed out, with perfect justice, that the employees in co-operative undertakings earn the best wages consistent with competition, and, moreover, that the surpluses realised in co-operative undertakings are of a different character from capitalist profits owing to the manner in which they are applied. But to suppose that this settles the problem of the wage system would be to overlook the fact that there are other factors in the workers' revolt against that system than those due to the feeling that they are subject to economic exploitation. Perhaps the main factor in this revolt resides in a deep-seated aspiration towards the emancipation of the worker's personality when engaged in his work. According to the formula at once clear and comprehensive of Mr. H. Dubreuil,* a member of the Administrative Committee of the French General Confederation of Labour, the problem consists "in discovering a method of work capable of introducing into large scale industry, which cannot, of course, be abolished, that cheerful spirit of independence and spontaneous, tenacious and productive activity which characterises the artisan."

Mr. Dubreuil, having thus stated the problem, arrives at the conclusion in the constructive part of his work that the solution consists in the so-called system of the *Commandite d'atelier*, that is, in co-operative labour, the organisation of which would be rendered possible by a functional parcelling of large undertakings which would introduce autonomy and responsibility at every stage of the work. "As regards peasants," says Mr. Dubreuil, "the problem is solved by the facility of acquiring property, owing to the parcelling of land. As regards industrial workers, however, a solution on these lines is out of the question, and all systems which concern themselves with the ownership of the factory appear to me to evade the point at issue. Admitting that industry should be parcelled like land in order to arrive at the greatest stability, and to ensure that those employed in it shall work with the same eagerness as peasants, such parcelling must be carried out in something more ideal than ownership,

* H. Dubreuil, *La République Industrielle*. Preface by Charles Gide, 1924. *Bibliothèque d'Éducation*, 15 rue de Cluny, Paris.

that is, in responsibility, of which everyone, from the highest to the lowest rank, must receive a share adequate to his capacity.”*

These observations, dealing with the deep-seated analogies between peasant aspirations and those of the workers, should be borne in mind, as they reveal the possibility of affording equivalent satisfaction to both by means of Co-operation.

7. THE CO-OPERATIVE COMMONWEALTH.

We have endeavoured in the preceding lines to indicate the connection of the problems of agricultural and industrial co-operative organisation and the relations between the different forms of co-operative activity, and we have been led to examine the conception of a complex co-operative economic system under which the different forms of co-operative activity would be closely connected with each other by a variety of combinations.

The idea of an economic system based on the interests of the consumer has so often been closely associated with the idea of a co-operative economic system based exclusively on distributive Co-operation that it is perhaps necessary to give a few explanations in order to prevent or dissipate any misunderstanding.

We are still of opinion that the Co-operative Commonwealth, however great the diversity of the complementary elements which have to be included in its structure, should and can only be an economic system aiming at the satisfaction of the general interest.

The general interest and the interest of the consumer are identical terms. But we must beware of thinking that it is sufficient to state this identity in order to abolish all the different classes of interests which occur in the ranks of the consumers as a result of the division of labour, and occupational or local specialisation. It would be useless to endeavour to conceal, by the use of an abstract term, the necessity of determining what are the concrete relations which must connect the mass of the consumers with each of the categories of producers included in it.

The difficulties are the same, in fixing reasonable prices for transferring the produce raised by agricultural co-operative societies to distributive co-operative organisations, and in fixing the rate of remuneration of the different categories of the staff of co-operative undertakings. If we do not simply adopt the

* Similar ideas have been expressed by Eugen Rosenstock in collaboration with Eugen May and Martin Grünberg in a work entitled: *Werkstattaussiedlung. Untersuchungen über den Lebensraum des Industriearbeiters (Sozial psychologische Forschungen, Bd. 2)*. Berlin Julius Springer, 1922, 286 pp.

ordinary market rates, the conception of reciprocal services and the mutual respect of conditions of life and labour must be taken into account in both cases.

It may be hoped that this conception, which is fundamentally equivalent to the doctrine of "fair price," will progressively replace the blind play of economic forces which is itself often thrown out of gear by combinations of private interests; in proportion as, in a more highly developed co-operative economic system, producers of all kinds and of all countries feel more clearly conscious of belonging, both economically and socially, to a vast organised community whose various elements, at once differentiated and complementary, work together for the satisfaction of common needs.

DRAFT RESOLUTION ON THE RELATIONS BETWEEN THE VARIOUS FORMS OF CO-OPERATION.

The Eleventh Congress of the International Co-operative Alliance notes that the opinion of Co-operators in all countries is converging on the characteristics which distinguish them from joint stock companies and are common to all co-operative societies, whatever their form.

It considers that, with the assistance of the co-operative organisations and the best-informed Co-operators in the different countries, prominence should be given, in the "International Co-operative Bulletin" and the official reports of the International Co-operative Alliance, to a survey of the present position and development of the relations between the various forms of Co-operation.

It regards the steady development of such relations as a condition for the national and international organisation of an economic system based on the satisfaction of needs and not on profit. It, therefore, draws the special attention of the Co-operative Movement to two main lines of action:—

1. It is desirable that direct organic relations should be established between distributive and agricultural co-operative organisations with a view to the local and national consolidation of the interests of consumer and producer in town and country and the international consolidation of the interests of industrial and agricultural countries, on the basis of mutual respect for each other's conditions of life and work

2. It is desirable that, in their relations with the staffs they employ, the co-operative societies of every description should entrust to co-operative groups of workers, manual and intellectual, the independent responsibility for the direction of those parts of their business which are technically

separable from the commercial and financial administration, and thus give an example to private enterprises of an organisation of labour which conforms to the aspirations and the convictions of the workers.

It is by making the different forms of Co-operation articulate that the Co-operative Movement will demonstrate its capacity to reconcile—in the organisation of industry as in that of agriculture—human dignity; freedom of action and autonomy in labour, with technical progress and collective action.

APPENDIX.

SCHEME OF INQUIRY INTO THE RELATIONS BETWEEN THE VARIOUS FORMS OF CO-OPERATIVE SOCIETIES.

A.—COMMON PRINCIPLES AND LEGISLATION.

1. Is there national legislation common to all forms of co-operation or are there special laws applicable to each form?

2. What are the principles common to all forms of co-operative societies (distinguish between the principles laid down by legislation and those contained in the rules of the societies)? Information should be given in particular on—

(a) Equality of rights whatever the number of shares held;

(b) limitation of the rate of interest paid on shares;

(c) use made of surpluses (distribution among members of the society in proportion to their transactions with the society, the constitution of reserve funds, the promotion of educational work), use made of surpluses derived from transactions with non-members.

(d) Method of allocating assets in the event of liquidation (or transference to other co-operative societies or public institutions).

3. Statutory conditions to be fulfilled in forming—

(a) federations of co-operatives of the same type;

(b) federations of co-operatives of different types.

B.—THE DIFFERENT TYPES OF CO-OPERATIVE SOCIETIES.

1. What are the *different types* of co-operative societies as defined:—

(a) by legislation;

(b) statistical classifications, official and non-official.

2. *Co-operative societies for sundry purposes* (distinguish between co-operative societies in urban and rural centres):—

(a) *Credit co-operative societies* acting at the same time as societies for the *purchase, sale, transformation* of goods, e.g., Raiffeisen societies in Germany, "Kampelicky" in the Czechoslovak Republic, societies for general purposes, village societies in Ireland, India, etc.

(b) *Distributive societies* acting at the same time as supply societies, i.e., societies which not only distribute foodstuffs and articles for personal use or domestic consumption to their members, but also the commodities or tools they require for their work.

(c) *Co-operative societies* acting at the same time as *distributive or purchase* societies and as *sales* societies (with or without transformation of the goods), e.g., distributive societies which arrange for the marketing of the produce of their members (agricultural produce, articles manufactured at home); co-operative dairies for the joint sale of milk and dairy produce which supply their members with the commodities or tools required either for their personal use (groceries, clothing, coal, etc.) or for their work (fertilisers, seed, agricultural implements, etc.).

(d) *Distributive or sales societies* acting at the same time as societies for the *joint use* of machinery, equipment, and services, e.g., mills and bakeries (distributive societies), transforming the wheat produced by certain of their members into flour and bread; cheese factories (sales societies), returning a proportion of their output to their members.

(e) *Other combinations.*

3. Forms of transition from one type to another, e.g. :—

(a) Transition from an artisan or peasant co-operative society to a workmen's co-operative society, e.g., home work combined with work in a joint workshop; leasing co-operative societies with mixed management (*conduzione mista*), the members of which cultivate individual lots of land but carry out certain work in common.

(b) Societies which are intermediate in form between labour co-operative contracting societies and productive co-operative societies.

(c) Productive co-operative societies partially absorbed by distributive societies.

4. Local and general reasons for the presence or absence of specialisation:—

(a) Among distributive societies: Specialisation in the form of bakeries, restaurants, etc., book-selling and publishing co-operative societies, housing co-operative societies.

(b) Among agricultural societies: Specialisation of co-operatives for the sale of a single commodity.

C.—CO-OPERATIVE FEDERATIONS.

1. *Composition and structure*: Local, regional and national federations; special federations by type of co-operative; the links between special federations (confederations, joint committees).

2. *Functions of federations*: Propaganda, education, auditing, purchase in common, production, marketing, banking

D.—COMMERCIAL RELATIONS BETWEEN THE DIFFERENT TYPES OF CO-OPERATIVE SOCIETIES AND FEDERATIONS.*

1. Relations between workmen's productive co-operative societies and distributive societies.

(a) Workmen's productive co-operative societies delivering their products to distributive societies (or their wholesale society) or working on their behalf.

(b) Workmen's productive co-operative societies working for housing societies.

(c) Workmen's productive co-operative societies obtaining their raw materials from distributive societies (or their wholesale societies).

2. Relations between artisans' co-operative societies and distributive societies. Relations classified as under (1).

3. Relations between agricultural co-operative societies and distributive societies.

(a) Distributive societies obtaining their supplies from agricultural sales societies or their central organisations.

(b) Agricultural co-operative societies obtaining their supplies of raw materials or agricultural machinery from the wholesale societies of distributive societies.

* Under this heading, see the schedule given in Mr. H. Kaufmann's report to the Glasgow Conference, of which considerable use has been made here.

4. Miscellaneous links between different types of co-operative societies in connection with garden cities, workers' allotments, and agricultural settlement.

5. Mixed societies formed for joint undertakings between co-operative societies of different types.

(N.B.—Reference should be made to the cases of distributive societies delivering to other distributive societies any surpluses from the productive departments or the product of the individual work (industrial or agricultural) of their members.

E.—FINANCIAL RELATIONS BETWEEN CO-OPERATIVE SOCIETIES OF DIFFERENT TYPES.

(a) Relations between local credit co-operative societies and supply co-operative societies.

(b) Relations between the central institutes of credit co-operative societies and other forms of Co-operation.

(c) Financial assistance given by distributive societies (or their banks) to housing societies and productive co-operative societies.

(d) Banks common to the different forms of Co-operation.

F.—INTERNATIONAL RELATIONS BETWEEN WHOLESALE SOCIETIES AND THE AGRICULTURAL (OR INDUSTRIAL) CENTRAL OFFICES FOR IMPORT AND EXPORT TRADE.

(This part of the enquiry to be reserved for the International Committee of the Co-operative Wholesale Societies.)

G.—INTERNATIONAL RELATIONS BETWEEN CO-OPERATIVE BANKS, I.E., BANKS OR BANKING DEPARTMENTS OF DISTRIBUTIVE SOCIETIES, AGRICULTURAL CO-OPERATIVE BANKS, CENTRAL BANKS OF PRODUCTIVE CO-OPERATIVE SOCIETIES, ETC.

(This part to be reserved for the Committee of Enquiry into Banking as affecting international Co-operation.)

Discussion on Mr. Albert Thomas' Paper.

The PRESIDENT: Now I will call upon Mr. Albert Thomas to introduce his paper in order that we may hear what he has to say about it.

Mr. ALBERT THOMAS (France): Mr. President, you have just used a charming formula which well depicts the embarrassment of a public speaker. You have said that you will call upon me to speak in order to hear what I have to say about my report. Obviously, it is always a rather trying situation for one who has carefully prepared, in the silence of his study, a reasoned report which has been sent to every organisation, and has to repeat in some way or other before the Congress what everyone has already read, thought over, and on which everyone, probably, has already formed an opinion. But since you invite me to do so, I must try to summarise the conceptions of my report.

May I ask my fellow Co-operators to turn to the draft resolution printed at the end of my paper, which I wish briefly and simply to explain.

The draft comprises three parts. The first is in the form of a statement. We ask you to declare that all theoretical or practical Co-operators who have taken the trouble to define a co-operative society, whether of consumption, production, or credit, are agreed in recognising that genuine co-operative societies possess certain features in common. We have quoted the definition. We ask you unitedly to state that we are all agreed in defining a co-operative society as destined to fulfil the needs of a certain number of individuals, voluntarily grouped in a society and opposed to capitalistic organisations based on the idea of profits. The quotations which we have given from Mr. Kaufmann and from a certain number of legislative proposals show that an agreement is possible, within the International Co-operative Alliance, with regard to the definition of co-operative societies.

That is the first point of the resolution.

Then there is the second point. We express the hope that the International Co-operative Alliance, aided by all the co-operative organisations, should undertake a sort of permanent inquiry into the spontaneous birth and development of all co-operative organisations and their relations with one another.

Doubtless we should have been able, in our turn, in a philosophical and sociological manner, to define the different forms of co-operative societies, to try and class them under different headings, to note how many there were and how they might merge in one another. Certainly the human mind is ingenious enough with regard to formulas to have enabled us

to bring you a new classification. Instead of that, we ask you to urge the International Co-operative Alliance to institute a sort of permanent inquiry into the development of the different societies and into the relations which they have established between themselves, because we consider that classifications, however scientific they may be, will never be capable of indicating all those forms of Co-operation which can enter into no definite classification, but which express the collective effort of men living in association and seeking to satisfy their needs in a rational and organised manner.

Then there is the third part. We say that if we propose to the International Co-operative Alliance to examine such a large problem, it is not only with an academic and theoretical purpose. You do not come here to make an attempt at co-operative science. But, as we point out in our paper, we think that on the liaison of all forms of Co-operation depends the solution of the most general problems of co-operative economy as a whole. That is to say, we propose to find out what are the immediate efforts to propose to the International Co-operative Alliance in order to realise that co-operative republic based on the supplying of the needs of men and not simply on profit.

And that is why we have asked the International Co-operative Alliance and the present Congress to indicate:—

1. That it is desirable that direct and organic relations should be established between Consumers' and Agricultural Co-operative Societies with a view to the local and national consolidation of the interests of the consumer and producer in town and country and the international consolidation of the interests of industrial and agricultural countries on a basis of mutual respect for each others conditions.

Then, in a second part of the motion, we ask the International Co-operative Alliance to recognise that it is desirable in their relations with the staffs they employ that co-operative societies of all kinds should entrust to co-operative groups of workers, manual and intellectual, the free but responsible management of those parts of their enterprise which are technically separable from the commercial and financial administration, and so give an example to private enterprise of an organisation of labour which conforms to the profound aspirations of the workers.

Fellow Co-operators, if you have read, even in an English or German translation, the text of this motion, you will certainly have observed that we are very wise and that we are trying, by means of exact terms, to show on what definite points to expend our efforts and what is the limitation of our endeavours. But, wise and prudent as we have been, we have not succeeded in allaying the suspicions of the Central Committee, and I am obliged to tell you that this report, so carefully thought out, this resolution so carefully balanced, has not received the approval of

our friends of the Central Committee. I am obliged to point out the reservations of the Central Committee, and at the same time, since thought remains free, in spite of the majorities which can be shown in an assembly, and at the risk of being defeated, as some have been this morning, I am obliged to defend what I believe to be the truth.

There are a few further remarks which I wish to make to the Congress. I have said that it seems to us a worthy and desirable thing—you must acknowledge that the term is very restrained—that in their relations with their staffs, co-operative societies of all kinds should give to manual and intellectual workers the free but responsible management of those parts of their enterprise which are technically separable from the commercial and financial administration. At this point certain members of the Central Committee representing the International Co-operative Movement cry: "Stop! You wish to hand over to groups of workers, to groups of producers, part of the administration of the enterprise. You want a group of workers to undertake—as we say in our French phraseology, 'en commandite'—the execution of this or that work." Our comrades draw themselves up and say to us, "Stop! remember that you are dealing with organisations of a democratic character, that the directors and responsible managers have received their authority from the general meetings to which they are responsible for the management of the enterprise, and they cannot hand over this responsibility to a subordinate group or to persons who are not responsible to the general meetings of the members." I am not a lawyer, and I confess that I do not know exactly, according to legal treatises, what functions can be delegated and which cannot. I have learnt in international organisations that legal responsibility cannot be delegated, but I do know that the director remains responsible to the general meeting. In the same way that I, as director of the International Labour Bureau, ask my Administrative Council to give me the necessary authority and responsibility to delegate, to no matter which of my staff, the authority and responsibility indispensable in any given department. I do not see, in this perfecting of industrial organisation, why it should be impossible to delegate this or that part of the work to the workers, whether manual or intellectual. Presently, no doubt, my colleagues of the Central Committee will justify their point of view. I do not wish to stop to criticise it, but I want to say this, I am a Co-operator and, as such, I have the greatest and fullest confidence in the virtue and efficacy of the co-operative spirit. But what I wish to emphasise above all is that our proposal conforms to a collection of facts, and if we are, as Co-operators, realists, we cannot shut our eyes to the facts.

Now the facts prove that in various countries, in various industries at the present time, it is becoming more and more the

practice to entrust to groups of responsible workers the accomplishment of certain work. That is the fact. In spite of the difficulties of work "en commandite," this practice is continued in France and also in Italy, as Charles Gide has reminded us. Indeed, one sees in it the constitution of manual labour societies which undertake, whether in agriculture or in public works, the carrying out of certain undertakings. That is a form of Co-operation to which we cannot close our eyes. Moreover, are there not represented in the International Co-operative Alliance workers' associations, co-operative productive organisations as they are called? Oh, I know very well one can make all sorts of criticisms against these associations; I have made many myself in the past. But in spite of all the criticisms on the lack of markets, the lack of capital, and the difficulties of management the fact remains. Co-operative productive associations continue tenaciously to maintain their existence. I would say more. They have already in every country been in existence a long time, and in France, especially, the historians of our Co-operative Movement show that at each epoch, up to and including the war and post-war periods, the co-operative productive associations have maintained and consolidated their existence. They may be mistaken in their methods. It may be that co-operative societies have not always taken the best road to realise the ideal for which they stand; that is possible, but in co-operative history, as in social history, when movements of this kind manifest themselves, when generations in a similar effort tend towards identical forms of organisation, it is perhaps because such social forms correspond to a profound need of the human soul, to a revolt of the individual against certain economic and social conditions which weigh heavily upon the development of individuality. Thus, if the form of co-operative productive societies may be more or less condemned, none the less it answers in some manner to a profound human need, to a revolt against present-day economic conditions. That is the last point, fellow Co-operators, which I wish to emphasise in defending this side of our organisation.

Co-operation, if it be truly the power that we proclaim under all circumstances, ought to be capable of helping us to solve all economic problems. I agree with this Congress in thinking that it is the consumers' interest which is dominant, and that it is they who ought to control. On the other hand, does this declaration meet every case? When we have assured to our co-operative organisations full independence of just conditions of labour for production, when we shall have assured short working days, good wages, social insurance, and when we shall have protected the working class family against the daily risks of sickness and unemployment, even when we shall have given to workers of the co-operative societies the certainty that they are working, not for the profit of certain individuals, but for the general

interest, shall we then be able to claim that we have solved the problem of the wage worker? I answer "No." Even under these conditions the worker in the co-operative organisation will continue to feel that he is in the inferior position of a wage worker, and will continue to feel that he has not that share in the productive administration, nor in the commercial and financial management of the enterprise, which is possessed by the small agricultural producer who freely controls his land. I say, therefore, that Co-operators cannot shut their eyes to this problem, that the International Co-operative Alliance owes it to itself—I will not say compulsorily to solve this problem at once—but to place it before all co-operative organisations.

For this reason, in spite of the great respect which I have for our friends of the Central Committee, in spite of my desire to see them triumph in all circumstances as they triumphed this morning over the delicate question of the relations between Co-operative Societies and International Trade Unions, I venture to maintain my point of view at the risk of being defeated, because I believe it conforms to co-operative principles.

I have only one more word to add. The sight of our International Congress Meeting in the midst of the International Co-operative Exhibition symbolises the spirit of our report. In the post-war life, in the political and economic disorder of Europe and the whole world, co-operative initiative has manifested itself, new associations have been born, and I have touched upon them this morning without any biased opinion, without any special opposition.

Whatever may be the opposition which I sometimes feel towards my Russian friends, I am glad to see how their co-operative exhibit sets forth the great strength of production which still persists in the depths of the rural districts of Russia.

I am also happy to note the activity and youth of the social economy of Yugo-Slavia and of Czecho-Slovakia, as shown by their exhibits.

What we ask you in our resolution is to arrange in some manner that all these young forces be respected, that they be grouped, that they be associated in such a manner as to prepare—without exception, without reserve, without hesitation under a new formula—the universal co-operative republic which we all wish to see realised in the near future.

Mr. H. LORENZ (Germany): The Central Committee has asked me to present to you its views on the resolution contained in the paper as expressed in a resolution which it adopted unanimously. After the stirring speech of my friend Thomas my task will be a little difficult. As we were unable to agree on his motion it is all the more necessary that we should do so now. The Central Committee is in agreement with part of this motion, especially the first sentence on the relations between the consumers' and the agricultural co-operative societies. I would personally

welcome the same good spirit if it were manifested by the latter towards the consumers' societies. For many years we have tried, unfortunately without much success, but we will make another attempt. The Central Committee decided to recommend to you the deletion of the recommendation numbered two of the motion of Mr. Thomas. The propositions contained in this sentence are of the utmost importance to all co-operative societies, not only to the consumers' societies, but especially to those which own productive works, and are helpful inasmuch as they afford Mr. Thomas the opportunity to expound his views. In this sphere I find it difficult to argue with him. The words of the great philosopher Henck are known to you all: "Eng ist die Welt, doch dass Gehirn ist weit. Dicht beieinander wohnen die Gedanken. Doch hart im Raume stossen sich die Sachen." ("The world is small, but the brain is vast. Thoughts dwell closely together, whilst in space, things knock hard against each other.")

I have recourse to the last sentence: In space things knock hard against each other; in other words, things are different in practice to what they are in theory. For this reason I will not enter into the subject. The Central Committee has indeed been unable to see Mr. Thomas's point of view. Different explanations were offered, but they were all beside the point. Only to-day, after hearing his statement, can we grasp what he had in mind. The Central Committee was at first of opinion that it was chiefly a question of propagating the influence of the productive societies, but this was not the case, and, further, would be wrong, for we believe that such a propaganda should not be started. We consider that co-operative production should be organised for the retail stores, i.e., that world-production should be organised to meet the requirements of the consumers; Co-operators should not produce to supply markets, which would render their enterprises similar to capitalist undertakings, with all the inherent evils of capitalist production. In a statement submitted to you to-day, the representative of the International Labour Office has clearly set out what is to be understood.

"Attention may also be drawn to the new impulse which is being given by the Co-operative Movement to the old system of 'workers' commandos' (commandites ouvrières). This is the term employed in the case of labour contracts, in which the employer treats with a group of workers which undertakes a certain piece of work for a fixed price, receives the whole amount due to the group for its work, and distributes it among its members, either in equal portions or in proportion to the amount of work done by each member of the group. In these groups the workers are free from control on the part of superior outside authority, performing on their own responsibility a definite kind of work and being technically connected with the whole undertaking by a contract of a purely economic nature."

This is now quite clear to me. We are asked to have recourse to means of exploitation which the capitalists in the big productive industries have long ago employed. But then the question arises: What relation has this to the important question of the contract worker himself? Co-operative societies, especially in countries where there is an extensive organisation, must in the ordinary course enter upon production and must compete with private enterprises, both as producers and distributors. Much, therefore, depends on the methods adopted by private industrialists. Will Co-operators follow suit and introduce methods similar to those existing in private firms? Such a course would be harmful to them. Our co-operative society represents the view that work done by groups under an agreement is fatal to the Co-operative Movement. If Mr. Thomas is under the impression that such a system would have a favourable influence on co-operative relations, let me inform him that in Germany contract labour is the death blow to labour. In any case, we cannot tell the director of the International Labour Office anything new on the subject, but should he desire information, that section of the I.L.O. which is competent to give advice on co-operative matters, can easily furnish it. I am a tobacco worker and know that the Co-operative Movement is hostile to this system. It still exists in the big German firms, and it may therefore be helpful to examine the circumstances under which contract work may be possible. The statement submitted to us contains an observation by Professor Gide, which has a bearing on the subject.

"This method of organising and remunerating labour," observes Professor Gide, "is the more interesting in that it may give good results where the independent co-operative society seems to be impracticable, namely, in large-scale industries. The worker finds in the system greater independence as regards his relations with his employer and greater solidarity with his fellow workers, while for the employer it means economy in supervision, less elaborate book-keeping, increased output, and greater care of the plant. The system will probably develop considerably in the future."

This may partly be true in regard to the greater measure of independence in view of the relations of the workman to his employer, but not in regard to the greater solidarity among the workers themselves. From personal knowledge I will give only one example of what occurred in Germany some years ago.

Among the builders' labourers of Hamburg there exists the column system (Kolonnensystem), which corresponds to contract work, groups of workmen uniting for the performance of certain jobs. A labourer who, owing to advancing years or some other handicap, is unable to do a large amount of work is systematically excluded. The Union of the Builders' Labourers protested against the system and decided to attack it at its general meeting. As a result, quite a number of contract workers withdrew

from membership and decided to establish a new union. You will see that we did not experience the beneficent effects of this system. I hope that in France and Italy the desired results are attained, but I doubt it.

Let us now pass on to examine the other side of the question, which is even more interesting. Mr. Thomas proposes that in our co-operative societies, where the special technical character admits of a separation between the general commercial and financial administrations, the management should be entrusted to the employees and the co-operatively organised workers. If I understand this rightly it means that the boot factory should be entrusted to the cobblers, the soap factory to the workers employed in it, and the bakery to the bakers. First of all, this might be possible if only the large modern concerns came into question. But what about responsibility?

To this point Mr. Thomas said: "I am not a lawyer." Neither am I, but every practical person in the Co-operative Movement can solve such questions. I consider this plan an impossibility. The 20 or 50 bakers cannot take upon themselves such a charge. It is a question of responsibility to 10,000 members, which can only be placed upon the board of management. We know from practical experience that to divide such a responsibility among various sections, no matter of what kind they may be, is impossible, and would be the ruin of any undertaking.

In this also—but evidently only if everything goes well—we should set an example to the capitalist order of society. This may prove true or it may not. Clearly such things cannot be recommended to co-operative societies. They are very doubtful and never useful. This is just the difference between theory and practice. I will conclude with a quotation from Goethe: "Grau, teurer Freund, ist alle Theorie und grün des Lebens goldner Baum." ("All theory, dear friend, is grey, whilst life's golden tree is green.")

Mr. VICTOR SERWY (Belgium): Fellow Co-operators, in the debate which is taking place to-day, there is one point on which, it seems to me, there is complete agreement; that is, on the first paragraph of the resolution.

On the second there are divergencies of opinion, and these, we think, proceed from a lack of clearness and precision in the resolution as presented. For this reason we must state at the very beginning that the idea of Albert Thomas—as well as that of the French and also, I think, of the Belgian Co-operators—has been very badly interpreted if it is thought for one instant that we wish to give the mine to the miners, the bakery to the bakers, etc. That is not our idea at all. Such an idea must be dismissed from the minds of all Co-operators. The object of Albert Thomas's proposal is to compel the study and examination of an idea which is not of to-day but which has always

been, for at the base of the Co-operative Movement there is the spirit of Fourier. There are always these groups of activities which must be organised. The practical exponents and not the theorists must find formulas by which production may reach its maximum capacity and at the same time the cheapest price with superior conditions of labour. That is the whole problem. One endeavours by means of the organisation of labour to thus satisfy the general interests. To-day when Albert Thomas was speaking to you, perhaps a little vaguely, of groups of workers, I think he was simply asking you to examine, think over, and try to establish in all our economic spheres, a system which, from the point of view of labour, will permit of the maximum output and the most favourable conditions to all workers.

This is why, in agreement with some members of the Central Committee, I propose an amendment which will commit you to nothing, because I think that Co-operators are, above all, men of goodwill. They are not prejudiced. They are reasonable men, and consequently they desire to examine everything which may be of value to the Co-operative Movement. It is in these conditions that we propose the following amendment to the resolution.

Instead of saying there are two forms we say there is one form of co-operative action.

We retain the first recommendation, and as for the second we say:—

“The Congress invites co-operative societies to consider whether, in their relations with the staffs which they employ, the co-operative societies of every description should entrust to co-operative groups of workers, manual and intellectual, the independent responsibility for the direction,” etc.

We ask you, therefore, to consider whether it is within the bounds of possibility to take this course.

The PRESIDENT: At six o'clock we are due at the Town Hall to meet the Burgomaster of Ghent. There are still seven delegates on my list who desire to speak, and Mr. Thomas must leave Ghent to-night for London. Therefore, I must ask you to agree to the closure of the discussion at once. I would only ask Mr. Thomas to say whether he accepts the amendment of Mr. Serwy.

Mr. H. LORENZ: As a member of the Central Committee, I protest against the statement that the amendment which Mr. Serwy has just submitted has been adopted by the Central Committee. I am against the amendment, and would like to give further expression to my views on the subject. I consider the procedure incorrect.

The PRESIDENT: It is only Mr. Serwy and some members of the Central Committee, who happened to be on the platform, who support this amendment.

Mr. A. THOMAS: I reply in a word: I accept Mr. Serwy's amendment, but it would greatly please me if Mr. Lorenz would also accept it. We should then all be in agreement.

After many attempts to understand my idea, which, however, seemed to me fairly clear, Mr. Lorenz at last discovered what I wished to say. We have spoken of labour "en commandite," as we say in France, or of the "Kollektive Akkord-gruppe," as the Germans say. Yes, it is of that that we have spoken, perhaps under a rather experimental form, but for which Co-operators have the right to search out what possibilities there are of co-operative organisation from the industrial point of view. That is what we seek.

The amendment of Mr. Serwy says that we will continue the search. We shall meet again in three years when I hope that we shall all be present to compare our experience. But I wish to say at once to Mr. Lorenz that it is not a question of the bakery for the bakers, or the glassworks for the glass workers. No, it is not that for which we are looking. We are trying to find, in the modern organisation of an industrial enterprise, by what methods greater authority and independence can be given to the workers. There are experiments in solidarity which are sometimes doubtful. Solidarity, as all Co-operators know, teaches, experiments, and is exactly one of the forms of progress which we wish to realise. I speak as a theorist. You are a practical exponent. I bow before the experience of the practical exponent, but you know—it is a saying of Gide that I often recall—Co-operation is at the same time Don Quixote and Sancho Panza. You run the risk, in spite of all your practical experience, of being sometimes rather like Sancho Panza and of becoming frightened at some difficult experiment that you have tried at Hamburg and elsewhere. As a theorist, I shall always remain Don Quixote, and I could wish that the entire co-operative organisation would remember the idealism—sometimes a little mad—of the old Spanish hero.

But it is by idealism that Co-operation will advance, and it is on idealism, mingled with your practical experience, that we shall lay the foundations of the co-operative republic.

Therefore, I accept the amendment of Mr. Serwy, whilst Mr. Lorenz will please me very much by demonstrating that—if we French and Germans sometimes run counter to each other—in co-operative matters we seek together sound international solidarity, and we will impose it in all other spheres. I hope, therefore, that Mr. Lorenz will accept the amendment as I have done.

Mr. LORENZ: I only wish to reply in a word to the personal observation of Mr. Thomas. I agree to be the Sancho Panza of Co-operation as he wishes to be the Don Quixote, and would only remind him of another example from the classics—the legend of the giant Atlas whose strength vanished when he lost contact

with the earth. Having said that, I desire that we should be entirely in accord, to work together, both in theory and in practice, for the prosperity of the Co-operative Movement.

The PRESIDENT: It is with regret that I now close the discussion and ask you to vote upon the resolution as amended by Mr. Serwy. The amended text is as follows:—

“The Eleventh Congress of the International Co-operative Alliance notes that the opinion of Co-operators in all countries is converging on the characteristics which distinguish them from joint stock companies and are common to all co-operative societies, whatever their form.

“It considers that, with the assistance of the co-operative organisations and the best-informed Co-operators in the different countries, prominence should be given, in the International Co-operative Bulletin” and the official reports of the International Co-operative Alliance, to a survey of the present position and development of the relations between the various forms of Co-operation.

“It regards the steady development of such relations as a condition for the national and international organisation of an economic system based on the satisfaction of needs and not on profit. It, therefore, draws the special attention of the Co-operative Movement to a line of action of the first importance:—

“It is desirable that organic relations should be established between distributive and agricultural co-operative organisations with a view to the local and national consolidation of the interests of consumer and producer in town and country, the international consolidation of the interests of industrial and agricultural countries, on the basis of mutual respect for each other’s conditions of life and work.

“The Congress invites co-operative societies to consider whether in their relations with the staffs they employ, co-operative societies of every description should entrust to co-operative groups of workers, manual and intellectual, the independent responsibility for the direction of those parts of their business which are technically separable from the commercial and financial administration, and thus give an example to private enterprises of an organisation of labour which conforms to the aspirations and the convictions of the workers.

“It is by making the different forms of Co-operation articulate that the Co-operative Movement will demonstrate its capacity to reconcile—in the organisation of industry as in that of agriculture—human dignity, freedom of action and autonomy in labour, with technical progress and collective action.”

On being put to the vote the resolution was adopted unanimously.

FIFTH SESSION.

Wednesday, 3rd September.

The PRESIDENT, in declaring the session open, also announced the receipt of a telegram from Sir William Maxwell, in reply to the message of sympathy and good wishes which had been addressed to him by the Congress. Sir William said: "Thank delegates for their good wishes. Always with you in spirit. May every success attend your deliberations.—MAXWELL."

AMENDMENTS TO THE RULES OF THE I.C.A.

The PRESIDENT: We will now pass to the proposed amendments to the rules of the Alliance. I will call upon the General Secretary to propose the amendments of the Central Committee.

The GENERAL SECRETARY: Mr. President and Fellow Co-operators, I have to move the three amendments to the rules standing in the name of the Central Committee which are as follows:—

I. Delete from Article 26, clause 2, the words "*Or part thereof, not being less than £50.*"

II. Delete from Article 26, last clause, the words "*one half of.*"

III. Amend Article 30, line 2, to read "*and eight other members.*"

I. The first amendment deletes the words "or part thereof, not being less than £50" from Article 26, clause 2. The rule provides that each country should have one representative on the Central Committee of the Alliance in respect of its membership. This provision has been made so that no country, however small, shall be deprived of representation on the Central Committee. Additional representatives are accorded to each country and organisation in proportion to their subscriptions—one for the first complete £100 of subscription per annum. As the rule stands at present it is provided that a third representative may be included for an additional subscription of £100 "or part thereof, not being less than £50." This provision has led to an increase in the membership of the Central Committee without a corresponding increase in the income of the Alliance.

It has also, I may say, led to some confusion, because the rule as it stands, permitting a third representative for an additional subscription of not less than £50, does *not* mean that the next following £50 entitles the organisation to another representative. That, however, is how some societies have interpreted the rule. Therefore on two grounds—first, for keeping the number of the

members within due bounds from each country, and, second, in the interests of the income of the Alliance—it is necessary that this rule should be altered and that these words “ or part thereof, not being less than £50,” should be deleted. The rule will then provide that each country shall have one representative in respect of its membership and one additional representative for each complete £100 of subscription.

II. This is an amendment to the same Rule 26, but to the last clause, which will speak for itself when I read the rule to you. It says: “ At each Congress one-half of the members of the Central Committee shall retire but shall be eligible for re-election.”

That clause was left in the rules at Basle by a misunderstanding, but on this occasion the whole of the Central Committee have retired and submit themselves for re-election in anticipation of your approval to this amendment, and also because as in some countries there was only one member we did not know which half of the member should retire.

III. Is an amendment to Article 30, line 2, as follows: “ and eight other members.”

This is the rule constituting the Executive Committee. At present the Executive of the Alliance consists of the President, two Vice-Presidents, and seven other members elected by the Central Committee from amongst its members immediately after each Congress. The Central Committee propose to increase the Executive by one member, so that it should consist of the President, two Vice-Presidents and eight other members.

You will see that there is an amendment sent in by “ Centrosoyus ” to read “ and nine other members.” The Central Committee have considered the position carefully, and they submit to you practically unanimously the proposal which is before you in their name to increase it to eight members.

With regard to the rule re representation on the Central Committee, I have made it clear that every country gets one representative in respect of membership, and an additional one in respect of each £100 of subscription, but the maximum that any country can have under the rule is seven representatives.

Mr. L. KHINCHUK (Russia): Mr. President and Fellow Co-operators, the Russian delegation has the feeling that up to the present it has not received in the councils of the Alliance a position that may be described as just and equitable—that is to say, in proportion to the importance of the Russian Co-operative Movement. So far we have not had a deliberative voice in the Executive Committee, but only a consultative one. May I remind you that the Russian Co-operative Movement includes more than seven million members, and it is for this reason that we propose to amend Article 30, line 2, to read “ and nine other members ” instead of “ seven,” as it now stands.

In this way the crying injustice of the Basle meeting, three years ago, which refused to allow the Russian Co-operative Movement a seat on the Executive, may at last be removed, and the Russian and Ukrainian Co-operative Movements may each be afforded an opportunity of representation on the Executive.

We think that the Congress will certainly acknowledge the justice of our demand.

The GENERAL SECRETARY: Mr. Khinchuk says that it was an injustice to Russia that she only had a consultative voice upon the Executive Committee. I venture to suggest that no delegate who understands the situation and the operation of the rules would support that contention for a moment. There was no injustice to Russia. The Executive Committee was formed in accordance with the rule, and at a later stage Russia demanded a seat upon the Executive. It was impossible in accordance with these Statutes to appoint an additional representative to those which are provided for in the rule, but, in view of the importance of the co-operative organisations of Russia and of the fact that they had only just come back again into the Alliance with all their members, the Central Committee agreed to add one member in a consultative capacity until this Congress. That is the answer to the question of injustice.

You must also remember that there are 30 countries in the Alliance and only ten members of the Executive. If there was an injustice to Russia, there was also injustice to 19 other countries that did not have an opportunity of a representative on the Executive. It is impossible on the Executive as at present constituted to have representation by countries. You have to approach the election of the Executive not from the national but from the international point of view, and appoint the men whom you think are most worthy by character and experience to serve your interests upon the Executive. It is not a question of national representation.

Mr. Khinchuk further points out that the object of the amendment of "Centrosoyus" to add two members to the Executive is from his point of view to add one representative of Russia and another representative of the Ukraine. I have no opinion further than what I have expressed as to the equity of that proposition, but I want to point out the facts, which is my duty as Secretary.

If either of these amendments is passed to-day there is no guarantee by the adoption of that amendment that either in the case of one member, or in the case of two, being added to the Executive that either one or the other will be a representative of Russia or the Ukraine. It is important, to save any misunderstanding at a later stage, to say that the passing of either of these amendments does not carry with it, either expressed or

implied, the appointment of a Russian or Ukrainian representative to the Executive.

The Central Committee will elect the Executive as they have hitherto done from amongst the members of the whole body of the Central Committee.

The PRESIDENT: Mr. Khinchuk will reply.

Mr. L. M. KHINCHUK: I wish to express my astonishment at the reply of Mr. May. If it were merely a question of form and the formal application of the rules, Mr. May would be right. But why is this question raised here? In the repeated discussions of the Executive and the Central Committee there has been no question of the formal application of the rules, but only whether we were to propose the addition of one or two members to the Executive Committee. Herein lies the difference between our motion and that of the Central Committee. Every member of the Executive and Central Committee knows exactly that the real question was whether one or two seats on the Executive should be allotted to the Russian and Ukrainian organisations. That is the real point, and now Mr. May has recourse to formalities which I think we should leave out of consideration. At bottom, it is a question of a previous agreement for the nomination of Russian representation, and I hope that in view of the great number of Russian Co-operators the Congress will agree to the inclusion of two representatives on the Executive.

The PRESIDENT: I think that we can now proceed to vote. I will ask you to vote upon the amendments one by one as they stand on the agenda.

I. Delete from Article 26, clause 2, the words "*or part thereof, not being less than £50.*" Adopted unanimously.

II. Delete from Article 26, last clause, the words "*one-half of.*" Adopted unanimously.

III. Proposed by the Central Committee: Amend Article 30, line 2, to read "*and eight other members.*"

Proposed by "Centrosoyus," Moscow: Amend Article 30, line 2, to read "*and nine other members.*"

The voting on these two amendments was:—

319 in favour of the Central Committee's amendment and
183 in favour of the proposal of "Centrosoyus."

The PRESIDENT declared the amendment of the Central Committee adopted, viz., that the rule should read "*eight other members.*"

The PRESIDENT: We will now consider the further amendment of "Centrosoyus" which proposes to add to Article 30 the words: "*All members of the Executive shall have the right to appoint substitutes.*" I call on Mr. Kissin to move this amendment.

Mr. A. A. KISSIN (Russia): We base our proposal on this, that if we are to enjoy our rights as fully qualified members of the I.C.A., if we are to receive the representation on the Executive which is due to us, it is only just that we should be given the possibility of exercising that right of representation. We have once or twice submitted the proposition that the meetings of the Central Committee should be held at Moscow, but our invitations have not been accepted. Every time a meeting of the Central Committee is convened we have to travel from Moscow to Paris, Brussels, or London.

The GERMAN REPRESENTATIVES: So have we!

Mr. KISSIN: Yes, but the distance separating Hamburg from Paris or Brussels is not as great as that between Moscow and Paris. For this reason it is not possible for the same person to attend all the meetings, and we propose that we shall be permitted to nominate a substitute.

The GENERAL SECRETARY: The Central Committee oppose this amendment. It is evident, in view of what I said just now with regard to the Executive, that this amendment is misconceived. It asks that any member of the Executive, if he or she is unable to be present, shall have the right to appoint a substitute. I have already pointed out to you that the Executive, being only ten, or now eleven members, cannot represent all the countries and still less all the organisations. Further, that election to the Executive Committee does not confer something upon either a country or a national organisation, but is international. If there is to be any question of appointing substitutes to the Executive, it is the Central Committee and the Central Committee alone who should appoint those substitutes. That power exists in the rules if the Central Committee desire to exercise it, but in their view it is not desirable that the members of the Executive should appropriate to themselves or to their own organisation the representation on the Executive which, as I have said, is conferred upon them in the much larger sense of representing groups of countries and in an international way.

Mr. Kissin says that we might meet sometimes in Moscow. There are representatives here from New York who are very anxious that the Executive should meet there, and some of the members would be willing to go with our other friends to Japan if there was no fear of earthquakes. Argentine has sent us appeals to meet there. From all these different points we have been compelled to excuse ourselves because of the inconvenience to the other members of the Executive.

That is the answer to a request for a meeting in Moscow, but the answer to the demand for substitutes to the Executive is that it is constituted upon international and not upon national lines.

The PRESIDENT: We will now proceed to take the vote on the amendment of "Centrosoyus."

On being put to the vote the amendment was rejected by 352 votes to 169.

ELECTION OF THE CENTRAL COMMITTEE.

The GENERAL SECRETARY: All the delegates have been provided with printed lists of the nominations. Since this list was issued and since our arrival in Ghent, we have received the nomination of the delegate of Roumania—Mr. Constantin Cercel—and this has now to be added to the printed list as the nomination is duly attested. The nomination for Azerbaidjan has also been promised, but not yet received. I wish to make it clear to the delegates here that when the requirements of the rules are fulfilled as to the regular nomination of delegates from those countries which are left open in this list, their representatives will be immediately admitted into the Central Committee.

I move the adoption of the list as printed, with the addition of the name of Mr. Constantin Cercel as the representative of Roumania.

The PRESIDENT declared the proposal to be carried unanimously and the whole of the nominees duly elected as follows:—

Armenia.....	Nicolai Courselle
Austria	Dr. Renner, Mrs. E. Freundlich
Azerbaidjan	One to be elected
Belgium.....	Victor Serwy
Bulgaria.....	K. T. Bozvelieve
Czecho-Slovakia.....	Emil Lustig, Adalbert Fiser, A. Dietl
Denmark	Anders Nielsen, L. Broberg, N. Porse
Esthonia	J. Kukk
Finland	Hugo Vasenius, Viktor Fagerström, Väinö Tanner, Väinö Hupli
France	Professor Charles Gide, A. J. Cleuet, E. Poisson, Albert Thomas
Georgia	M. G. Toroshelidze
Germany	R. Assmann, H. Kaufmann, H. Lorenz
Great Britain.....	Sir T. W. Allen, W. Gregory, A. H. Jones, W. R. Rae, R. Stewart, A. Whitehead, J. J. Worley
Holland.....	G. J. D. C. Goedhart

Hungary	E. de Balogh
Italy	A. Vergnanini, Dr. A. Schiavi
Japan.....	One to be elected
Latvia	Vilis Silins
Lithuania	P. Salcius
Norway	A. Juell
Poland	M. Rapacki
Roumania	C. Cercel
Russia	L. M. Khinchuk, A. A. Kissin, M. G. Toroshelidze, D. Kutuzoff
Spain	One to be elected
Sweden	A. Oerne, A. Johansson
Switzerland	B. Jaeggi, Dr. A. Suter
Ukraine.....	A. E. Goettler, — Wetoehken, A. Kelmanson, — Nurinov, G. M. Blacher, P. P. Leubtchenko, — Kolchinski
United States.....	Dr. J. P. Warbasse
Yugo-Slavia.....	Michael Avramovitch

ELECTIONS TO THE COMMITTEE OF HONOUR.

The GENERAL SECRETARY: The Central Committee have decided to submit for your approval as additional members of the Committee of Honour the names of Miss Margaret Llewelyn Davies of Great Britain, and Mr. Edouard Anseele, the doyen of the Belgian Co-operative Movement.

On behalf of the Central Committee, I have the honour and the pleasure to submit those names for your approval.

The proposition was approved with acclamation.

THE ITALIAN QUESTION.

INVITATION TO THE ALLIANCE TO SEND A DELEGATION TO ITALY.

The GENERAL SECRETARY: There have been present at this Congress three representatives from Italy who have attended in response to the invitation sent to the Italian Government. Some of them have been at the same time the representatives of the Fascist co-operative organisations, and I wish to make it clear that, in that capacity and not in their governmental capacity, they have approached the Committee of the Congress and have asked for the opportunity of explaining to the Alliance what is

the position in Italy in relation to the co-operative organisations and the difficulties as between the Fascists on the one side and the Socialists on the other. The Committee of the Congress has interviewed these representatives and as a result they have now submitted a formal invitation to the Alliance to send a delegation into Italy to be received by them and to have the opportunity of inquiry on the spot and of seeing for themselves what the position is. The Congress Committee has viewed that proposition with considerable favour, and I am instructed to submit it to-morrow to the Executive Committee of the Alliance which will be elected immediately at the close of Congress for their favourable consideration.

This is simply submitted to you this morning as information as to the negotiations which have taken place and the attitude of the Congress Committee towards them.

I am asked to add to this statement that the proposals of the co-operative organisations of the Fascist section are entirely acceptable to the other section of co-operative societies in Italy, which are members of the Alliance and are represented on the Central Committee by Mr. A. Vergnanini, the President of the Lega Nazionale of Milan.

The Tasks, Extension, and Limits of Co-operative Production

by Consumers' Societies.

By MAX MENDEL (GERMANY).

The question of "co-operative production" in its most varied aspects has been considered by nearly every national co-operative union. If the I.C.A. has placed this subject again on the agenda of its Eleventh Congress at Ghent, it is surely not with a view of having the necessity of co-operative production, the relations between co-operative and private capitalist production, or the question "industrial productive societies or consumers' productive societies" discussed anew.

The principle on which the arguments of this paper are based presupposes that the necessity of co-operative production is generally admitted and that the greatest benefits through co-operative union can only be gained by the establishment of co-operative production on the basis of the sales effected by this union. The differences of opinion regarding industrial productive societies, co-operative societies accepting state credits, and other kinds of organisations and their historic development since the middle of last century may well be passed over in silence. This paper will be strictly confined to: "The tasks, extension and limits of co-operative production." The bearers of co-operative production in the sense of this report are: (a) the consumers' societies; (b) the co-operative wholesale societies.

The arguments contained in this paper refer only to consumers' societies; those having reference to wholesale societies are treated separately. An overlapping between the two papers seems inevitable, since both treat on the same subject. Further, the relations existing between consumers' and wholesale societies are very close, and consequently the boundaries between the two are necessarily changeable. It must, however, be borne in mind that in the case of an overlapping into the sphere of the other paper, the question of co-operative production is considered only from the individual consumers' society's point of view.

The aim and object of co-operative union must be to raise the economic standard of the organised consumers. This object can be attained if the powers of the members as consumers and purchasers of the necessaries of life are directed into one channel by means of purchase in common.

The economic basis of every consumers' society is to supply the needs of its members, and the business of every such society is built on that principle. Distribution of goods is not the first

step, they must first be produced. Experience has shown that the union of purchasers or consumers is easier than the union of producers or sellers, and the achievements of modern Co-operation are in the field of organised consumption. A consumers' society is in reality nothing else than developed household economy. The maintenance of the latter in its primitive form has become impossible owing to the advanced industrialisation of most civilised States, and the new form of supplying the necessaries of life to those at least who do not consider their interests sufficiently safeguarded under the profit-seeking system of private capitalism is through a consumers' society. The historic development of the movement clearly shows that the consumers' society restricted its activities at first to the wholesale purchase of commodities, retailing these to its members. By means of this kind of distribution the profits of the middleman accrued to the benefit of the members. But what was of even greater importance in this kind of distribution was the abolition of the antagonism between buyer and seller which necessarily exists under the private capitalist system. To the consumer this abolition means a better distribution in regard to price, quality, and weight.

The further development in this kind of distribution in the case of most societies, especially the larger ones and those which had amassed some capital, was production of their own of at least part of the commodities which they required for their members. First among these were foodstuffs, followed by household articles and articles of clothing. The progress of a consumers' society from distribution to production can only be in proportion to its membership, the available capital, and the extent of its sales. An assured sale among its members is the foundation of all co-operative production. All production over and above the requirements of the membership must at this stage be condemned as being against the co-operative principle. The opposition of co-operative production to private capitalist production must always and in every circumstance be most emphatically declared. Private production produces for a market which must first be found, whilst Co-operation produces for an existing market. A co-operative society can start production if the sale of the manufactures is assured by the union of its members.

The demand for the goods must be large enough to make production economically possible. In national economy there is a well-known fundamental principle to the effect that all economic progress is dependent on a certain density of the market, a certain condensing of the population, and this fundamental co-operative societies cannot ignore when starting on production. It would be preposterous to equip a large wholesale bakery to supply the requirements of a few hundred members. If the turnover of a society with a small membership is to form the basis for production, then a small bakery will be sufficient to supply

the needs of a few hundred members. The question now arises quite naturally whether the establishment of a bakery will bring the members any advantages. Even for a consumers' society the economic equipment of a productive concern must be one of the chief factors. In the case of a consumers' society it is not a question of production for the sake of production, but the output of goods, which must be both economic and likely to bring the members some advantages. Only when the condition of an adequate sale justifies the establishment of a reasonable undertaking can the second question, that of capital, be taken into consideration.

The capital of a society is raised chiefly by the sale of shares. It is well known that the initial capital of a consumers' society is exceedingly small, and does not enable it to go beyond the most elementary form of purchase and distribution. In by far the largest number of cases the society itself must earn the capital, i.e., it must, by careful calculation, the most economic and thrifty business management, amass surpluses, which it partly credits to members in respect of shares and partly allocates to the reserve fund. The accumulation of capital does not, therefore, proceed as fast as the impatience of the members or the enthusiasm of the founders expect. There is one way of financing a proposed productive concern—credit. Apart from the fact that a small consumers' society is not considered specially worthy of credit by financiers, the establishment of productive works with the aid of credit is wrought with so many dangers that every society must be strongly dissuaded from taking this course. It will and must be the first duty of the management board that production should be entered upon with the society's own capital. We may summarise that the essential conditions before a society may venture, with any hope of success, on the field of production are (a) an adequate and assured sale to its members; (b) the society's own capital for financing the undertaking.

With regard to the latter, nothing but a long term credit can come into consideration, but, as stated above, the chances of obtaining credit are exceptionally small, especially in the case of a young society.

If both these conditions exist, the transition from a purely trading society to one of production must be regarded as a means to place the society on a wider basis, offering greater advantages to its members. In this case, it must be considered the duty of a far-seeing consumers' policy to enter upon production, though with the necessary precautions.

At the beginning of this paper, we observed that the aim and duty of the Co-operative Movement was to improve the economic position of its members. But the duty of a society does not consist only in supplying necessaries to its members at a little

cheaper rate than private traders; it is much wider and comprises the supply of every commodity in the widest possible sense. Not only the finished article, but also the raw materials of which it consists should, as far as possible, be comprised in the society's production. A society embarking on production eliminates the profits of the producer, just as it did away with those of the middleman when it entered upon distribution. This is a further step towards the unification of the economic process. The benefit of the consumer must also be sought in this case, in the fixing of the price, special regard being paid to the quality of the goods. This development in production is better adapted to draw and bind the members to their society than is possible by merely retailing goods, and if production is carried on economically, the society will not only reap the profits of the middleman but also those of the manufacturer. Production properly conducted is well adapted to raise the economic power of the consumers' society, and its development is to the benefit both of the individual member and the whole movement.

One must not overlook the fact, that a consumers' society unlike a capitalist company is a community of persons. Its management is rather different to that of a private undertaking, being dependent on the approval of the members. The relations of a co-operator to his society differ largely from those of a shareholder to his joint stock company. It should, therefore, be the duty of a society's board of management to keep in close touch with the members, to ascertain their loyalty and views especially as regards production. It should carry on a propaganda, instructing the members in the great importance of a consumers' society producing its own goods.

What kind of goods can a consumers' society produce? At first sight the field of production seems unlimited, for the necessary commodities are almost infinite. But on closer examination it will be seen that quite a number of articles are not suited for production by a consumers' society. Even in the larger societies, the demand is not sufficient to justify the establishment of a soap, chocolate, sweets, or even a margarine factory. The turnover in this or that commodity will soon show that production by a consumers' society will have to centre round the mass production of a number of easily perishable goods for daily consumption.

"Give us this day our daily bread." It is not chance that the first step in production by many consumers' societies is the establishment of a bakery. Bread is the most necessary daily commodity which cannot stand storage or long transport; it must be baked and consumed. It is due to the quick sale and the daily demand that its production can be undertaken with the greatest hope of success. Co-operative production, above all,

makes it possible that members are supplied with bread, made under the best imaginable hygienic conditions. One has only to remember the appalling conditions which prevailed, and still prevail, in the small bakeries in almost every civilised country before the establishment of the large bakeries. It is to the credit of the consumers' societies to have brought about a thorough change in this industry, and to have this most essential food of the people produced under conditions, which, from the technical and hygienic point of view, must be called exemplary. The bakeries of consumers' societies everywhere surpass those of private firms in their own locality. A bakery is a comparatively simple undertaking, and production can most easily be started in this branch with the highest hope of success.

Some of the larger societies have even added a mill to their bakery, so as to give a lead in the quality of the flour. This branch, also, is quite within the sphere of production by a consumers' society, in as far as the mill will produce only the flour required for the bakery.

The production of meat, the second largest article of consumption, has not been nearly so extensive as that of bread. A butchery presents far greater difficulties than a bakery; meat is far more perishable and the conditions of the market play a bigger roll than in the case of bread. For this reason, only a small number of the larger societies have been successful in building up large productive works.

The same holds good for milk, the third most necessary article of consumption. The handling of milk is very difficult owing to its extreme perishableness, and consequently only societies having the technical installations and good relations with agriculture have been able to offer advantages to their members. But the successful societies in this branch of production have been compelled to acquire their own farms.

This transition to primal production—agriculture—has, of course, the widest range. The successes so far achieved have been so sporadic that it is quite impossible to give a conclusive opinion. Suffice it to say that a society can enter upon almost any kind of production provided the above-named elementary conditions exist and the sale is assured.

The same can be said of other productive enterprises on which consumers' societies may embark. There is quite a number of commodities produced in minor productive works of consumers' societies. But the turnover in such goods generally shows that even in the case of the larger societies the demand is not sufficiently large, and the few undertakings for the manufacture of marmalade, paste goods, etc., have not benefited the members of these societies economically. With regard to production by consumers' societies, it can be safely stated that their manu-

factures are confined chiefly to perishable articles for immediate consumption, which do not admit of storage or transport. In short, it is production for local requirements. This does not, however, exclude the fact that a number of societies have extended their production from foodstuffs to the manufacture of furniture, articles of clothing, etc., to supply the needs of their members. Although this kind of production is open to serious risks, fashion and the tastes of the purchasers playing frequently an important rôle, it is nevertheless within the sphere of local requirements, and, although not so extensive, we must state that it does not offend against the above rules of production by consumers' societies.

Even if production by consumers' societies is a question of production in accordance with an assured sale to members, it also happens that productive enterprises of consumers' societies seem at first too big when compared with the demand. When establishing productive works provision must be made for an eventual increase in the output. Consequently such works, especially at the beginning, are never productive to their full capacity. On the other hand, the demand may be reduced in consequence of an economic crisis. Such a retrograde movement will lessen the profitableness of the undertaking. In such an eventuality, the society will have to try and effect sales to neighbouring societies, or even to a wholesale society, which will certainly come to the assistance of such a society in as far as this is possible. The action of a society under such circumstances could not be termed unco-operative, if it sought to place its goods on the open market, and in the interests of its members it might even be forced to act thus. In the varied economic life, such cases, however, are the exception. Even though the principle of co-operative production be not rigidly adhered to, it must be admitted that obstinate adherence to a principle—especially in economic affairs—often reacts. Everything is elastic, especially in questions of economy. Fluctuations, from which even the productive works of consumers' societies are not exempt, are among the risks which a society takes when it enters on production. They must be carefully weighed and require the utmost caution. Before entering upon production, consumers' societies would do well to first seek the advice and approval of their co-operative union.

In the development of the consumers' societies it has not infrequently happened that the turnover in certain commodities was fairly large, but not sufficient to justify production. In such cases the management boards have found a way out for the production of such commodities, by coming to an understanding with one or more neighbouring societies, establishing thereby a kind of district supply. This kind of production goes beyond the principle which we have laid down above, and even though it

be a case of production to supply an apparently existing demand, such a step cannot be too strongly deprecated. The centralisation of the requirements of several societies for the establishment of productive works in the locality of one of the societies will only prove a success so long as the members and management boards agree between themselves. It is certain that the society, under whose roof the undertaking is housed, will derive the greatest benefit, and the other societies will sooner or later ask for the same benefits. If the administration of the enterprise is in the hands of several societies or their management boards, as is usual when the capital is pooled, conflicts about the competence of the management are inevitable. But if the administration, as has happened, is entrusted to the management board of the society where the undertaking is housed, the turnover may be endangered the moment the other societies believe that they could buy cheaper elsewhere; or it will be necessary to have recourse to compulsory sales, which will further increase friction. Difficulties will then show themselves which have caused the collapse of so many consumers' productive societies in the past, i.e., contest for a market and contest for the management of the enterprise. The joint establishment of productive works by several societies must be strongly discouraged. Production by an individual society must be strictly limited to meet the demand of its own members.

In the above we have considered the "tasks, extension, and limits of co-operative production by consumers' societies." Let us now cast a glance at productions reserved for the wholesale societies, not, of course, in the sense that this field can be extensively discussed in this paper, but chiefly in respect of the demands put forward on the part of the individual societies regarding the productions of the wholesale societies.

After all that has been said above, it is quite clear that the production of standard articles which can be uniformly manufactured for the whole of the country—and since the war, manufacture seems to have become more and more standardised—or of such goods which can only be economically manufactured in very large quantities, can be undertaken by the central organisations of the consumers' societies, i.e., the co-operative wholesale societies. These organisations have to decide the very important question, whether production is to be centralised or decentralised. In view of the variety of the goods to be produced, this question cannot be answered in general. In every individual case the pros and cons must be carefully weighed. No doubt, centralisation offers many advantages owing to the simplification of systematic and business construction, accommodation, technical condensation and control, but on the other hand—and this is specially to be emphasised from the standpoint of the individual society—the requirements of the market regarding quality, style, packing and tastes are so varied, that the

production of some goods in one big factory for the supply of a whole country does not seem sufficient. Further disadvantages of centralisation are the high costs of transport, so that centralisation can only come in question in the case of small countries. From the standpoint of the consumers' society, it must be urged that there should be an economic and reasonable decentralisation, so that, with the greatest economy, justice may be done to the peculiarity of each part of the country.

This decentralisation will necessarily result in frictions between a consumers' and wholesale society. Both are producers, and in the above we have endeavoured to fix the general limits of the one and the other. Should frictions occur between an existing consumers' productive society and a wholesale society trying to establish a factory, then a settlement of the differences cannot be attained by an authoritative decision. An understanding and settlement can only be achieved on the grounds of economic expediency, as there is in reality no rivalry between individual societies and wholesale societies, but rather a joint working to attain the same object. Both are, therefore, dependent on a friendly understanding, as the activity of the one is unthinkable without that of the other. To such an understanding there are several alternatives, either the productive undertaking of the individual society is so far advanced that its abandonment would be a more or less serious loss—in this case the wholesale society would either have to renounce its intention, or else the individual society could produce for the wholesale society at a fixed rate—or the wholesale society could, in conjunction with the individual society, place production on a larger scale, in which case, however, predominance would have to be given to the wholesale society. There are still other alternatives which must be sought and found in each individual case by a friendly understanding. Be this as it may, and if, as we have stated at the beginning, the limits of production by consumers' and wholesale societies are elastic, mutual adaptation alone will safeguard the highest interests of the consumer and improve his economic position. This, as we have stated at the beginning of this paper, is the aim of the whole Co-operative Movement.

To attain this end is the duty and task of every Co-operator, and, although the particular views on this or that question may differ, there can be no clashing of interest within the movement, as all the forces of Co-operation aim at this one object—to improve the economic position of its members.

We summarise the above statements in the following principles which we submit to the Eleventh Congress of the I.C.A. at Ghent for adoption.

It is the duty of the consumers' societies to supply their affiliated members with the necessary commodities. This comprises all articles of daily use. Primarily—provisions and commodities, household articles, and articles of clothing; and secondly—lighting and heating.

Starting with the purchase of these necessities, the consumers' society will proceed to take up production in proportion to its membership and the extent of its turnover. That is its task and duty.

The development of co-operative production maintains and increases the economic strength of the consumers' society and must for that reason be promoted to the utmost. The sphere of this activity comprises chiefly bakery, milling, butchery, and agriculture, and to a certain degree, and as needs require, articles of clothing and the manufacture of furniture.

The development of co-operative production can only proceed slowly and is governed—

- (1) by the size of the membership and the turnover of the society;
- (2) by the society's own capital.

The establishment of factories for co-operative manufactures is based on the assumption that the works will be fitted out with the most modern inventions. That is only possible when a sufficiently large sale to members seems assured. The establishment of dwarf productive works is not in the interests of the Co-operative Movement.

The establishment of factories by several societies is not advisable. The establishment of larger undertakings, exceeding the sphere of activity of the individual consumers' society, should be left to the wholesale societies. The development of production by the consumers' society, therefore, finds its natural limit in supplying the needs of its members.

The manufacture of standard articles which are to be produced uniformly for the whole country, or the production of certain goods which is only economical when effected in very large quantities, should rightly be left to the central organisations of the consumers' societies. From the standpoint of the consumers' society must be demanded—

- (1) an understanding regarding the existing productive works of the consumers' societies, or, if need be, the operating of the existing works according to the wages' tariffs of the wholesale societies;
- (2) an economically rational decentralisation in the establishment of factories by the wholesale societies in order

to do justice, as far as this is possible, to the particular conditions of the individual districts.

The establishment of productive works by the consumers' societies should be on the following lines:—

A consumers' society can start production in any branch—

(a) if demand by the members assures a reasonable output;

(b) if the financing is completely assured by the society's own capital or loans for long periods.

It is further advisable that both these conditions should be examined and approved by the independent authorities of the national unions.

The Tasks, Extension, and Limits of Co-operative Production

by Wholesale Societies.

BY SIR T. W. ALLEN (GREAT BRITAIN).

The ramifications of our co-operative wholesale societies being so widely varied it must be borne in mind that we are here considering a specific aspect of our activities. It is, therefore, desirable, both within the paper itself and in any discussion that may follow, that we confine ourselves to what is relevant to, and permissible within, the subject we are asked to examine.

The private producer commences business in a spirit of chance. He may find himself filling a need and his business growing, if new competitors permit, into a great and enduring success; or he may become a needy adventurer seeking by a hundred stratagems a share in the spoils of the consumer, and degenerating at last into a confirmed failure and a general loss to trade. In either case it is a private hazard. There has been no public call for the newcomer. *Sink or swim*, it is the affair of one or few, and on this basis the business jostles amongst a crowd for its own success.

It was different with the movement that began at Rochdale. True, only a small group of persons were at first concerned, but they spoke in the name of common human needs. Although only a group, they wanted what all the masses of people required, and still demand throughout the world. They needed food, clothing, proper houses, education, fellowship, in short, all they meant themselves when they projected stores, factories, estates, and even hotels, to form at last self-governing communities of united interests. They spoke for the eventual host of twenty million Co-operators, and for the other millions to whom the movement is still open, and they called forth the business enterprises first of the Rochdale Pioneers' Society, then of other societies, then of the English Wholesale Society, and, ultimately, of other retail and wholesale societies in other lands. In every case, the wholesale societies were born not as hungry adventurers, but rather as awaited leaders destined to high service amongst the multitudes of the earth.

But, having begun with a vision, it is the characteristic of successful Co-operation to apply itself, while remembering the vision, to sober realities. The first task of the "wholesale" was very humble. It was intended to act merely as an agency, gathering into one accredited channel the different and often

competing purchasing orders of its constituents. From this, as the audience will know, it quickly grew into a warehousing body. But it did not forget the vision, and wherever a sufficient bulk of goods was passing through its warehouses, which the institution itself could manufacture, it began to produce to its members' demands. There were great outcries. Eminent critics said it was not the task of a wholesale society to build and equip factories. In England, at any rate, many a battle was fought—and valiantly led by J. T. W. Mitchell—to defend the legitimacy of the task of production.

Those battles are over. To-day, no Co-operator questions the right of any accepted wholesale federation of consumers' societies to meet, as far as it can, all the needs of co-operative societies, whether by purchase, manufacture, or any legal method of supply. At the present time, co-operative wholesale societies are manufacturing every domestic commodity, are buying and producing far outside the orders of their own territories where such operations do not compete or conflict with those of any national wholesale in the country operated in—and, in some instances, are also selling goods abroad, goods produced by themselves or their federated members. Furthermore, they are in some instances supplying Governments and Municipalities, and rendering different economic services to Trade Unions.

In the sphere of production the recognised task of every co-operative wholesale society is to commence manufacture for its society customers wherever it finds a reasonable economic prospect of supplying the demands of those members as economically and well as the same demands could be met from any different source, subject to recognised and established national co-operative opinions as to the propriety of the demand and the fairness of the labour conditions under which it can be supplied. Thus, for example, recognised and established national co-operative opinion in Britain would not permit the production or sale of alcoholic liquors, although this may be a task in other countries where customs are different, while in most countries (or in all) there are sweated trades or forms of trade into which wholesale societies would not be expected to enter. But, with these national and working-class limits, the whole field of societies' supply lies fully open.

It also lies open, unfortunately, to all the mammoth trusts and combinations that use every power of mass production and skilful distribution for getting the custom of co-operative and other consumers, and so bringing whole peoples and whole categories of the cost of living under capitalist control.

The further task of wholesale societies has been, and is, to defend its own co-operative market against such inroads, and in recent years this task of defence has involved new efforts towards

old ideals. And is it not the task of wholesale societies, not only to produce for co-operative purposes, but also to defend the purchasing power upon which the whole fabric of retail and wholesale Co-operation rests?

Co-operative wholesale societies cannot fulfil their most essential tasks thoroughly and well without facing continually new needs of expansion and extension. Suppose we look purely at the economic task of supplying a market. To-day each wholesale society comes to its work hedged about with many constitutional limitations. The retail society members rule and the wholesales obey. The societies are free to buy where they like, and their doors are open to the public as well as to their own members, even though in practice the non-members' trade is negligible. The wholesales theoretically possess the same freedom; for example, usually they can sell to non-member corporate bodies. But individual non-members comprise the whole outside retail market. Society non-members, on the other hand, form only a limited part of this larger sphere. In practice the wholesale societies, while they cannot attempt to sell through a retail society where apathetic and unenterprising, or possibly unfriendly, prejudiced, or self-interested officials or committees block the way, are also precluded from offering in the open market any productions so left over.

More and more it is the case that success in business goes to the big producers and distributors. Large production on standard lines means low overhead charges and the lowest possible cost for each article made. Access to the largest and most varied markets means the maximum possibility of distribution, and without wide distribution the best productive methods may fail. Simply through the logic of these facts, and for no other reason, problems of extension have arisen.

There is the limitation of the field covered by retail societies. A wholesale society produces an article as welcome to one possible purchaser as another, but because purchaser "B" lives in an area where, for some reason, autonomous retail distribution has failed to establish itself, he has no chance of buying nor the wholesale of selling. Our friends of the Scottish Wholesale Society have overcome this difficulty by obtaining powers from their members to open retail branches of the S.C.W.S. in areas where no retail society existed, and the more the wholesale societies develop the more necessary such powers will become in catering for the trade of scattered districts, or even of city areas, where the conditions of a floating or otherwise unco-operative population are preventing development.

This question of the means and necessity of extending wholesale co-operative production by opening up new avenues of marketing and sale is piquantly and critically dealt with by Mr. Neville, Secretary to the Royal Arsenal Society, in a thought-provoking

pamphlet entitled "The Future of Federal Co-operation." I quote (with slight paraphrasing) his observations in one special direction. Says Mr. Neville: "A point has arisen upon which opinion will, perhaps, be very divided and that is whether the wholesale societies should confine to co-operative societies alone the sales of their productions. This is a problem to which the movement will have to give attention in the near future. A statement was made at a recent quarterly meeting of the British Wholesale that if one particular factory could sell productions to the outside trade the works would be on full time in less than six months. Now what ought to be the attitude of Co-operators to this question of sales to non-members of the Federation? It should be the aim of the Co-operative Movement to dominate the trade of the country, and perhaps the time has arrived when greater thought must be given to this problem. To-day we see big business organisations operating separate articles with special brands and trade marks, largely and generally advertised, making it by advertisements, prize schemes, etc., extremely difficult for co-operative societies not to stock these lines—in fact, not to stock them in certain instances, where those commodities have secured a grip upon the popular imagination, is a sure way to the loss of business. In face of competition like this any wholesale producing co-operative society is admittedly at a disadvantage. It may have an article just as good as its competitors and equally cheap, but if the wholesale engages all the modern forms of publicity much of its expenditure is wasted because that commodity is available only in certain districts where retail societies are established; it is not stocked by retailers everywhere. What then ought to be done? If we cannot get trade for co-operative factories through co-operative stores some other method must be tried. The Co-operative Movement will make its greatest contribution to the solution of industrial problems not so much through the retail as the productive activities, and we cannot let the present unsatisfactory position remain. I do not despair of doing much more trade through the retail societies, but the pace is not fast enough."

In concluding his observations under this head, and while admitting the point cannot be answered without much consideration, Mr. Neville puts the significant question: "Is it possible to successfully penetrate the general trade of a country through the medium of its co-operatively producing wholesale?"

For my own part I would carry the query even farther than Mr. Neville. May I put it in this way? Up to the present the extension of co-operative wholesale production has, in the main, been limited by the demand or support of its shareholding distributive interests. We have proceeded from the *bottom* upwards—from the unit to the store, from the store to the wholesale, from wholesale marketing to wholesale production.

In the interests of primarily extending the field of co-operative wholesale production, and to embrace an ever-widening opportunity of distribution and sale, ought we not now also to proceed from the *top downwards*? In this I feel sure there would be advantages in economy and saving in price to existing distributing societies, a widening of the opportunity of co-operative purchase, an impetus to the creation of new Co-operators, and an extension of wholesale co-operative production that would open out a new chapter in co-operative history.

In another direction we shall watch with interest and expectancy the development of "Stafa," the new venture in store-keeping inaugurated by the Austrian Co-operative Movement. We have no space to go into details, but might venture the hope it will open out a wider field for the marketing of co-operative wholesale products and a further extension of productive enterprise.

Extension is practicable even over a wider sphere.

Recently, there have come into existence two new experiments in Co-operation; one of Australian, the other of New Zealand origin:—

1. AUSTRALIA.—Australia is well known as a primary producing country living principally by her exports. In all the Australian States, co-operative agricultural productions are splendidly organised and eminently successful. For the purpose of co-operatively marketing their products the Australian societies have constituted themselves into a "wholesale." As a co-operative wholesale society they market their wool, meat, butter, grain, etc., on the London exchanges and in the sale rooms. Vast supplies of these co-operatively produced commodities find their way into co-operative consumption in Great Britain and on the continent. But while the Australian wholesale are exporters of primary products, they are large consumers of those "secondary necessities" which British and continental wholesale co-operatives have well and successfully learned to manufacture. It only needs organisation and a deepening sense of mutual obligation to vastly extend the sale of our wholesale productions, if for no other reason than the "duty of reciprocity." It is good that the "Australian wholesale" should bring its products to this side and market them through our wholesales to the consumer. It is equally good that Australia should extend our productive enterprise by purchase and export to their constituents on the other.

2. NEW ZEALAND.—Like Australia, New Zealand is a primary producing country dependent for its prosperity on export. Here again, co-operative agricultural and dairy production is highly organised. The difference in the New Zealand method of marketing is in this, that the co-operative productives of New

Zealand have formed a partnership with the English co-operative wholesale for the purpose of marketing their products in Great Britain. It only now remains for New Zealand Co-operators to extend their enterprise at their own end and to organise themselves for the sale of those "secondary necessities" (which they do not produce and must consume) which the British and continental co-operative wholesales manufacture. In this also we see the possibility of an extension in co-operative wholesale production.

Coming back nearer home, the inquiring mind desires to know why a co-operatively producing nation such as Denmark, for example, whose products find their way into most of our wholesales and on to the tables of millions of Co-operators, cannot also quicken wholesale co-operative production by a wider sale of those commodities produced by those wholesales in which it finds the customer and market for its own productions.

So much for the possibilities of extension within the Empire of our international and associate co-operative life.

Within the limits of our national life as wholesales, we shall do well to look for and cultivate a closer relationship between the varying, but by no means antagonistic, interests of co-operative enterprise. In our history we have laid great emphasis on the importance of organising the industrial shareholding societies into strong co-operative wholesale marketing and producing units. It is now being discovered that the future prosperity of agriculture within every "national" rests on a co-operative basis. Co-operative wholesale production that is restricted by its industrial shareholding interests to the consumers' societies as mediums of sale and supply finds itself working within severe "limits." A wider conception of the mutuality and interdependence of industrialism and agriculture in co-operative life will open an avenue for the extension of wholesale productive enterprise.

To rightly understand our duty and trust will be to remove in any given country the need of one wholesale producing for, and selling mainly to, the industrial co-operatives and another doing the same thing for the agriculturist.

Again, there is the limitation of the quality of markets. The world is made up of all classes. While a national co-operative membership is limited, in fact, either upwards or downwards, its national wholesale will be at a disadvantage in production and supply, for it frequently happens that to produce two or more articles, or varieties, side by side from the bulk of raw material is more economical than to make only one. We meet this problem especially in trying to effect international exchange. Again and again we hear that particular goods are excellent yet not suited to the co-operative market, although they would find a sale in

other markets in the same country. The English C.W.S. has had to face this difficulty in regard to Russian imports, and how it is overcoming the obstacle will be fresh in your minds.

Co-operators use railways and steamships and rent houses. How is Co-operation to get the benefit of the money that Co-operators spend on fares and in rent? A wholesale society may be better able to supply domestic fuel if also it can sell industrially, or to make furniture if also it may produce door and window frames. Should it be debarred from seeking these markets? Once more, by investing capital in a private company, as our Swiss friends of the V.S.K. invested in a meat company, a wholesale society may become the eventual proprietor of a business which it would be far more costly and perhaps impossible to build up in the narrower way. Are we to contemplate such measures as regular and desirable extensions of wholesale productive tasks?

Attempts to answer these questions bring us at once to discussion of the limits of co-operative wholesale productions. We should be confined by nothing except our original mission and purpose. Critics will say that if the wholesale societies extend towards the open market they may degenerate into the ordinary profit-making of speculative industry, instead of making for a known and organised demand within that circle of mutual trade which eliminates, by restoring to each customer-member, all profit on price. Certainly in theory there would be that risk. If wholesale societies as a matter of practice begin to operate beyond the existing co-operative market it becomes open for some theoretician to imagine a selling of goods for profit possibly to the same price-rings that Co-operators have to combat, or to fear a holding of shares purely for the sake of the dividend on capital in the very trusts that keep up the cost of living and levy taxes on the consumer. But we could trust the general sense of Co-operators to keep these dangers imaginary.

Nobody denies there must be circumspection. With all its limitations every wholesale society possesses in the stores of really loyal societies a special exclusive market. This is well understood, and so we can trust the control of society-members and the general sense of the movement to prevent any damaging sale of wholesale specialities to rival private traders or any other theoretically possible departure from the main co-operative aims.

While a wholesale society is faithfully producing for societies in a major degree it should be free to dispose of any necessary minor surplus of productions in any non-competitive region, whether by opening retail branches or by making any international agreement of a mutual character, or by selling to traders under guarantees. In the same way it should be free to enter into selling contracts or to make investments wherever such a

course is clearly in furtherance of co-operative supply and co-operative control. Each proposal should be judged on its merits.

If members and delegates have a lively sense of what the mission of co-operative supply is—to achieve a community of interests over the whole field of production and distribution—judgment can be entrusted to them.

It may be the limits are more evident than the extensions. There are the temporary difficulties of the currencies and exchanges, and there are the more lasting problems of differences in national tastes, and the desire of many nations to produce their own manufactured goods. But there is sufficient ground for advance.

Evidently, there is no sufficient bulk of possible trade to warrant a complete international wholesale society. Inter-trading in specific cases and the establishment of an agency (or clearing house) within each "national" with a permanent display of international samples, seems more feasible, and it is evident that trade will best be extended internationally in respect of articles which wholesale societies themselves produce, rather than in those for which they can be only factors. None the less, we may hold to the first great vision of the wholesale societies, as called into being by the consuming peoples of the world, to supply their common wants at first cost, with profits on price turned back to them, and to extend in this direction with no other limit than that of consistency to this original purpose.

At the moment, our whole productive resources, actual and potential, are not being put to the best account. It was an act of the greatest courage and faith that brought us into being. Let that courage and faith which animated our founders quicken us to new vision. Let the shareholding interests of our various "wholesales" accede (with all necessary precautions) the opportunity and power to their wholesale that they may explore and experiment new avenues of co-operative advancement and then we shall have no doubt that though the "tasks" will be great they will prove exhilarating, and we shall hear little of our "limits" and have much to tell of our "extensions."

We would submit to the consideration of the Congress the following summary of the position as it presents itself to us:—

It is the primary task of "consumers' wholesale societies constituted on a national basis" to organise sale and supply covering the whole field of requirements in every particular in the interests of their shareholding members.

Their greater task is to organise production, and in this they will fulfil their highest service and make their fullest contribution to the solution of business and industrial problems.

The organisation of production is essential to the continued life and strength of the Co-operative Movement, and without its fulfilment retail co-operatives, acting as individual distributing units under stress of modern business competition, will cease to function effectively.

The capital of a retail co-operative society is limited to the savings of its individual members, and requires in the main to be of a liquid character.

Productive enterprise incurs the greatest risk and requires large capital.

To meet modern business requirements, production must be specialised and on a large scale. This cannot be effectively or economically undertaken by societies acting as units, whose productive demands are purely local, and whose funds available for production are limited.

Societies producing through their national wholesale harness to their own use national capacity, the widest enterprise, and secure the benefit of variety, specialisation, and mass production. At the same time they put capital to its highest economic purpose, eliminate duplication of its use, minimise productive risks, and retain the greatest possible amount of liquid capital for local security and welfare.

Production at a centralised source is the highest form of business economics, the surest defence against inroads on our co-operative market, and the only effective means at our disposal for meeting and minimising competition.

In modern times success goes to the biggest producers and distributors. In the outside business world the big distributor is more and more becoming also the big producer. He has his own source of supply for all he handles. Retail societies, regarding to the fullest their national wholesale in a similar light, and using it to the utmost as producer, manufacturer and supplier, can face their business future and extend in their field of enterprise, being limited only by their faith in the practical application of the co-operative principle.

Discussion on the Papers of Mr. Max Mendel (Germany) and Sir Thomas Allen (Great Britain).

Dr. V. TOTOMIANZ (Committee of Honour): I would like to make a few remarks on the very interesting reports of Mr. Max Mendel and Sir Thomas Allen. In them they speak of new methods of extending the activities and production of co-operative societies, but no mention is made of the methods already in use in Switzerland, Czecho-Slovakia, and Germany. These methods are, if you will, semi-capitalist, but one can fight and weaken capitalism by being on friendly terms, and this is the method employed in Switzerland. You have no doubt heard of the "Bell Alliance" in Switzerland. In Czecho-Slovakia they make contracts with the co-operative productive societies by which they take half the shares of the societies and form administrative councils consisting of an equal number of representatives from each side. The same method is also employed in England for the extension of co-operative production. In Germany, recently, the Union of Consumers' Co-operative Societies made contracts with capitalist factories and shareholders and have advanced them money. As guarantee for the advances made, they have taken over shares and, in this way, gradually acquire the whole of the shares and so become the owners of the whole business. These are, perhaps, difficult methods, but if one wishes to extend co-operative production, every means must be employed. I agree with the methods proposed by Sir T. Allen, but from a co-operative point of view they are no better than those I have referred to, neither are they the only ones. There are other means of extending co-operative production, and, as I have already said, we can combat capitalism by friendly methods.

The PRESIDENT: I will now call upon the writers of the papers, Mr. Max Mendel and Sir Thomas Allen, to address you upon the subject of their papers.

Sir THOMAS ALLEN (Great Britain): No one will accuse me of indifference to the growth and progress of Co-operation as we understand it in the distributive sense. I regard it as being of primary significance to the consumer and serving a very distinct and useful purpose in the growth and development of the worker to a higher and greater social position. But what I am seeking to emphasise in the paper I am submitting is that whilst all this is true, we shall be making our greatest contribution to the betterment of society not so much by our distributive efforts as by our efforts and success in productive enterprise.

The wants of our consuming interest are very numerous, they are common to all, covering a very wide sphere, and embracing food, clothing, land, factors of primary and secondary products over the very widest possible area. The process of arranging production is highly technical, needing the best possible skill we can harness to our service, and production must always be regarded as being in a different category from the ordinary supply and distribution. In production we shall find it best to advance by experiments, and by the process of evolution. As co-operators we can only acquire capital in a small way through local store enterprise and little of this is available for production. What is available should be concentrated and centralised in national bodies for national production. Our urge is that a wholesale producing unit within each national movement is imperative to the life of our distributive societies. I do not think the continued life of our distributive societies is possible in these days of competition without a producing wholesale which will secure for the unit of the distributive society the highest possible skill in management, general enterprise, and general purpose, and by that means, and that means alone, give to the weakest society the best possible results of co-operative enterprise. Further, a centralised national society gives access to the largest and most varied markets for raw materials needed for its manufacture, and puts capital to its highest purpose and best possible use on those lines, and at the same time gives the greatest possible security without any probability of dissipation. Further, there is the question of any of the national co-operative wholesales selling through its distributive channels all its own productions. I am asking this question in my paper: Shall a national wholesale wander from production and employment by being its own distributor where there is no local store for the purpose, and by that means create a co-operative demand where one at present does not exist? In other words, shall a national wholesale be limited in the sale of its products to its shareholding units or be free to market through privately owned sources? If our aim is to penetrate trade and industry, the question is, what are to be our limits? Big firms penetrate our wholesale and retail stores by advertising, and a demand is thus created for their goods. What I am asking is this: May we not penetrate into their lines of business in a similar way? And the answer I am submitting, in my view, will decide how far we are likely to displace the individualistic by the co-operative method. By our extensions we have to-day a very much wider international market than we have had in any previous part of our existence. Primary products, co-operatively produced, are finding themselves in one country after another in an ever-widening degree. Those countries producing primary products have no markets except through individual enterprise, though themselves requiring

the manufactures such as other countries are producing. Therefore I see a wider sphere for wholesale co-operative productions, when one primary producing country is sending products to another country, and there is no reason why that country, not a primarily producing one but a manufacturing one, making primary products into secondary goods, should not extend the sales of its wholesale productions, and so increase our trade. I think also extensions are possible by a better understanding between the industrialists and the agriculturists. Personally—and I am speaking absolutely for myself and not for my society—I do not hold that it is the primary task of the consumers' movement, either as a wholesale organisation or a retail institution, to undertake in any extensive degree agricultural production. I believe that is best left to agricultural societies. But what I do feel is that the agricultural producing co-operative societies should arrange the closest relationship with organised distribution for the marketing of products. The agriculturist produces wheat and various kinds of grain, but he has not an efficient market for the finished article of that particular product. He cannot enter into the flour industry. That is not his business; his business is to grow wheat and to find a co-operative market. But, on the other hand, he needs to buy products which arise out of the manufacture of his wheat into flour, and therefore ought to take back from the flour mills the by-products. Again, the co-operative wholesale manufactures soap and margarine. It is not possible for agriculturists to undertake the manufacture of soap or margarine, but the co-operative wholesale society manufacturing these goes to the primary market for its raw materials, clarifies what it requires, but the by-product is turned into cattle cake. The agriculturist cannot economically manufacture that for himself, but the co-operative wholesale, having the distributor's market for margarine and soap, also wants the co-operative market amongst agriculturists for its by-products. I think in that way there is a possibility for a better understanding between the agriculturist, the co-operative wholesale and the distributive society. By each meeting the others needs, we shall enter on a wider sphere of co-operative production. What I have said in my paper, I have said altogether on my own responsibility, and my one purpose is to provoke thought wherever possible that we may increase our co-operative production over the widest possible field.

Mr. MAX MENDEL (Germany): Individual consumers' societies and wholesale societies have entered the sphere of production. The aim of my paper is to outline the limits of the one and the other. This is a question of practical importance which cannot be solved by the adoption of a resolution or the decision of a majority. I have refrained from submitting a resolution for this very reason. My observations are limited to show the lines on which we can proceed. Conditions differ

widely in various countries, and the procedure must be determined by economic laws and the experiences of the past. Many of those who have read my paper will think that the outlines given are too narrow; others that they are too wide; some will consider the place allotted to consumers' societies in the movement too big; others that it is too small. Sir Thomas Allen is right in what he says about the concentration of co-operative capital; but if we are to judge things in their proper perspective, it should be noted that if concentration is carried too far on the part of the wholesale societies, the life of individual societies may suffer restriction, and if this should happen on an extensive scale, the whole movement would suffer. Both sides, therefore, must seek the means of mutual adaptation.

The question raised by Professor Totomianz was that capitalism is to be combatted by the employment of semi-capitalist methods. I personally have no objection to this course, but in order to employ the methods of capitalism one must have capital. The question as I understand it is this: Co-operative capital should be created by the wholesale societies and the distributive societies. But the chief thing is the development of co-operative production. If we carry on production successfully, we will some day arrive at what Sir Thomas Allen calls in his paper the General International Consumers' Society, and this must be the aim of co-operative production.

The PRESIDENT: On behalf of the Congress, I have to present our best thanks to Sir Thomas Allen and Mr. Max Mendel for their very interesting papers.

SIXTH SESSION.

Wednesday Afternoon.

The Place of Women in the Co-operative Movement.

BY MRS. EMMY FREUNDLICH, M.P. (AUSTRIA).

In all countries where there are co-operative organisations, it is invariably stated that the women must be won over to the co-operative idea if the movement is to attain its object. Yet very little has so far been done in most countries to win the women to the co-operative cause, and the close connection which organically unites the inner nature of the social movement and that of woman does not yet find in actual relations that expression which is necessary if they are both jointly to reach the goal at which they aim.

The International Congress, the highest authority of all co-operative bodies in the world, is, therefore, undertaking a praiseworthy task in devoting its attention to this subject, awakening the interest of Co-operators, and urging all to comply with the requests which we make.

THE AIM OF THE CO-OPERATIVE MOVEMENT.

It is the task of the co-operative societies to transform the anarchy of the present private capitalist order of society, which again and again leads to serious economic crises which must be paid for by the mass of the people in unemployment, short time, falling wages and salaries, into a society of organised community, which will work to meet the requirements of all mankind and will find the means, with the least expenditure of labour and mechanical power, to make the best provision for the masses.

To attain this end, the Co-operative Movement endeavours to draw together the consumers and to educate them to satisfy their needs through self-help, and to produce their own goods for the organised market. Only when they succeed by indefatigable organisation of the world economy in attaining this end, can we expect to be freed from the present anarchy and collapse.

DOMESTIC ECONOMY.

The family and its household are the smallest economic cells of the present economic organisation. By tradition and the development of economy, the family is a small consumers' society, which supplies its needs by purchasing in common, and which only gives the finishing touches in converting raw material into foodstuffs. This last and smallest cell in the economic order has to accomplish a big task; it must educate the men who will one day have to lead and maintain the organisation of the world. Its aim is far greater than the economic means which the community places at its disposal.

The family formed once a productive workshop, and the household not only purchased goods, and added the finishing touches, but at one time it produced raw materials and manufactured goods; moreover, the head of the family was a homemaker, who worked in his own home and workshop. Technical development has greatly destroyed this form of domestic life; it has been deprived of one field of activity after another, and to-day, it is no longer a productive workshop, but a consumers' centre, which of its own strength can never better its conditions, because its economic power of resistance and its creative activity are limited. This small consumers' centre is only able to improve its position if it is the foundation of a great economic organisation which it furthers and serves.

THE CONSUMERS' SOCIETY.

The consumers' society alone can form such an organisation. We purposely exclude all other forms of co-operative activity from consideration and devote all our attention to the consumers' society, because it alone has direct relations with the household. If to-day consumers' societies in all countries enjoy a more prosperous development than the productive societies it is only because of the greater economic future which awaits them. They are established on the broad basis of the consumers' economy, whilst the productive society has the narrow basis of the small bourgeoisie and the artisan. The consumers' society is the logical economic outcome of the individual household, which is to-day exposed to private capitalist exploitation in all its forms unless it finds support by organised purchase. Therein lies the national economic importance and the social power of Co-operation, which alone is able to offer to mankind the solution of all future tasks.

THE HOUSEWIFE.

The responsible direction and the real conduct of the household rests with the housewife, although the marriage laws of most countries do not admit it. The man, whose vocation and

inclination in life lie more outside than inside the home, can no longer be regarded as the centre of the family, even though he supplies the means. Woman is mistress of the house in spite of civil laws. She provides for the family, chiefly by the labour of her own hands, and gives her services, often without reward or thanks, for the welfare of the family and of society. It is the woman who brings up the children and takes care of them, and her efficiency has a far greater influence on the happiness of the family and the education of the children than that of the man. It is the housewife whom we must make the conscious supporter of the development of our Consumers' Co-operative Movement if the structure of the new economy is to be built up at all. A systematically organised economy must begin in the household and be made the basis of organised consumption.

THE BASIS OF THAT ECONOMY.

The basis of that economy can only be the housewife, for she is the principal agent on whom everything depends. She makes the purchases, she increases the turnover, and with the aid of her basket she lays the foundation. Without this organised purchase a consumers' organisation is unthinkable. Therefore, if woman is not the foundation, the building up of a new economic organisation is not possible.

We can fearlessly state that to-day all attempts to organise consumption in any other way than co-operatively have failed. During the war the nationalisation of trade and the conversion of private traders' shops into national centres of distribution were a failure in all countries and often led to corruption and abuses. Without the transformation of trade a change in the private economic organisation of society is not practicable, and even the most complete socialisation of production would fail in its objective, i.e., the abolition of profit-making, unless privately organised trade were suppressed. Trade cannot be compulsorily organised, because the consumers do not wish to have their personal requirements strictly prescribed; they wish to be free men, working out their salvation in their own way. The enormous sums which are being wasted to-day owing to trade being privately organised are a heavy loss to the community, and one of the causes why thousands of people cannot make ends meet. We squander goods, and waste our energy, and are then astonished if economy falls short in meeting the needs of all and protecting them from economic distress. What quantities of goods have to be thrown away because there is no demand for them! What an amount of labour and energy is spent on advertising and pandering to fashion which could be put to better use if we did not have to squander, as is the case to-day, by first producing the goods and then seeking a purchaser! In a properly

organised economy—production for use—these powers could be better employed.

If we realise this, we must go a step further and ask: "How can we win housewives to the co-operative idea?" "How can we draw on their powers, which is necessary if we want to become the decisive factor in the world-market?"

WOMAN MUST DO IT HERSELF.

Women alone can be the pillars of this educational work. It has always been, and will always be, so in all social movements. We see this again in all countries where women have been given the vote. At first they do not understand the use of their voting card; by and by, however, they learn to know its importance, and they then become filled with ardent determination, which assures the hope of progressive development of the world. Woman must be freed from the narrow precincts of her domestic affairs; she must learn to understand how greatly the happiness and welfare of her family are influenced by the constitution of the State and the economic life, and she will then become the most ready and willing collaborator we could possibly find. Unfortunately, there is disagreement in many national movements. Although it is admitted that women must be won to the co-operative cause, it is not realised that, if she is to be won, the way must be left open to her; she must be given equality with men, not on paper only, but in reality.

Is it not surprising that, in a movement that depends so largely on the women, only four wholesale societies have women on their management boards, i.e., the Russian, the English, the Finnish (Neutral Union), and the Austrian? Should not every wholesale society, every consumers' union, have at least one woman member on its board? Is one woman, even, sufficient?

Very frequently, when the International Co-operative Women's Committee has communicated with national unions, we have received the following answer: "We do not require a special women's movement, for in our union the women have equal rights with the men; they can stand and be elected for any position." This platitude can, of course, mean nothing unless something is done to educate the women, and make them capable of filling such posts. Women must not be prevented from taking an active part simply because they are not proposed as candidates. Of course, all national organisations will say, "We do not prevent them, but our women do not wish for active participation."

WHY DO THE WOMEN NOT COLLABORATE?

Frequently women do not collaborate because they are not asked to and the way is not opened for them; they are not allowed to act, and everything is done so that they have no share in our

movement apart from purchasing. It is said that women do nothing but criticise, that they do not understand economic difficulties, that they act more as ballast than give help, and are only a source of annoyance and opposition to the management boards. So long as women are only our "customers" they can do little more than worry the boards of the societies with complaints and fill the shops with criticisms. Our first duty is to change the women from purchasers into "Co-operators"; they will then cease to be the terror of the boards of management and become a helping force to the societies.

Very often, however, the boards of management wait till the miracle is wrought, till the consumer is transformed into a Co-operator, just as Saul was changed into Paul. Waiting serves no useful purpose; systematic education alone can be of any use, and that must be achieved by the women themselves with the help of the movement.

THE MAN AS EDUCATOR.

Woman can learn a great deal from man. For centuries man has been in public life, whilst woman has first to contend for it, and in this she needs experience. But it would be quite wrong if we meant to imply that men are, on that account, the best educators of women. If this were the case, how is it that the millions of men all over the world, who help to make up the membership of the co-operative societies, have so far failed to make loyal Co-operators of the women? Practical experience in all countries and in all organisations has shown that woman must be made the chief instrument in this educational activity.

WOMAN TO-DAY IS A CITIZEN OF THE STATE.

She has gained the right of equality and will support no movement where she is only an object to be led.

A Women's Co-operative Movement may, therefore, be an organic member of the whole movement, and work in closest harmony with it. It has never been possible—and a practical example would prove it—for a women's movement to be organised if led by men. Women had always to prepare the way for their sisters.

Propaganda, and the education of woman, must be organised on different lines from those for man. Man is not a housewife; he does not know the little world of the household, although he lives in it, and many things which are of vital importance to woman appear mere trifles to man because he does not understand them. The housewife can only be understood if the bridge between domestic economy and Co-operation is built consciously and with a definite end in view. How is man to build this bridge since he does not know one side of the world?

WE HAVE NO WOMEN LEADERS.

"We have no woman," we are frequently told by national organisations when we ask for a mandate on the Supervisory Council, and when our International Committee asks for help to organise a women's movement it receives the same answer: "If we had a woman we would willingly comply, but we have none who possess the necessary knowledge or sufficient gift of leadership; the thing, therefore, is impossible."

But why have we not the women? Because we do not trouble to win them.

In most countries, the women's movement does not owe its origin to man, but came into being by the power of woman. That power can, and must, be roused. Our international organisation is necessary as a centre of appeal and to rouse the women of all countries, and will continue to be so until we have a women's movement in every country. But it is only with the help of the co-operative unions that we can penetrate into a country, and we can only succeed if these unions do not take up a passive or hostile attitude towards our attempts, but support them in every way.

The highest authority of the Co-operative Movement must, therefore, urge the national organisations to help us further in our endeavours, so that women workers shall become as numerous as men, and our household economy the true basis of our collective activities.

HOW CAN WE ORGANISE THE WOMEN?

There are two methods on which the organisation of the women in the Co-operative Movement can be based.

The one—of which the English Co-operative Women's Guild is typical—is by an autonomous organisation, having its own funds and administration. It has the closest connections with the Movement through the women members on the Supervisory Councils and the Educational Committees, and various other co-operative bodies, without, however, the movement as a whole being able to exercise any decisive influence on its resolutions. The Women's Co-operative Guild has its own individual members, paying subscriptions. In the administration and the adoption of resolutions the Guild enjoys absolute autonomy; it holds an Annual Congress and organises conferences without asking the consent of the Union. Its whole independent activity is placed at the service of the whole movement. The advantage of this method lies in the complete responsibility which rests with the women as regards the administration and the adoption of resolutions, and especially the co-responsibility for the whole movement and the independence which women gain by having to bear full responsibility.

The second system treats the women's organisations as a part of the whole movement and limits their independence. This kind of organisation is composed exclusively of women holding office in co-operative societies, uniting them into a special organisation, which is entrusted with the task of making known to women the need for co-operative organisation.

This organisation is established as follows: The women members serving on the committees of branch establishments, the supervisory council, and the board of administration form a women's organisation of the society, the society paying the expenses incurred in their special propaganda work. Such a women's organisation is in constant touch with a central organisation, which represents either a committee or a commission within the union, and which directs the special tasks of the women. The organisation does not have its own members nor does it receive subscriptions. The central organisation is in most cases a part of the administrative body of the union, or else an organic connection is established between the board of administration and the women's committee by a mutual delegation. In this instance the independence of the women's organisation is not infrequently limited owing to the wishes of the board of administration of the society, which regards it more as an auxiliary organisation than as an independent body able to act as it pleases.

It is difficult to decide which of the two is the better method. The International Women's Committee, in drawing up the rules for the future International Women's Guild, has decided to acknowledge both forms, with this proviso, however, that an organisation built up within a union shall have its own rules and central committee, which shall control the women's organisation.

The constitution of the existing women's organisations differs considerably in the various countries from those forms described above, but only as regards individual measures, the fundamental principles being always the same either in the wholly autonomous organisations or in the organisations within the unions and the whole movement, with the right to carry on independently their educational activity and propaganda. The decisive factor, however, is—

THE WOMEN THEMSELVES WHO ARE RESPONSIBLE FOR THEIR WORK.

The women must carry on their own work. They must determine the fundamental principles; they must see to it that new propaganda material is forthcoming; that new life is infused into the women's circle. Therein lies the strongest incitement and the most valuable encouragement to the women themselves. If the national movements fear that the women might some day pass resolutions which might be unacceptable to them, and for such reason restrict the activities of the women, and subject

them to the direction of men, then a real women's movement in the various countries is out of the question.

Woman does not want to be led. In most countries, she has the right to vote, and all public offices are open to her. She will only serve the Co-operative Movement if she is given a large measure of independence, and work is directly entrusted to her.

It is, therefore, necessary to make all national movements understand that the education of woman must be entrusted to woman, who will then learn how to work for the movement, and the friction which will occur from time to time will not prevent a valuable joint activity.

THE ORGANISATION OF JOINT ACTIVITY.

If the organisation of woman is to have a beneficial influence, then she must have a share of the anxieties, the problems and difficulties that beset the movement.

This can best be effected if we take the necessary measures to ensure that women are nominated to all the administrative and managing bodies. Men are not always elected because of their expert knowledge. In most cases, they are elected because they are capable of acquiring the necessary knowledge. Women, too, must be thrown in the water if they are to learn to swim. Women could never have been elected to ministerial positions if one had asked whether women were usually elected. Women were simply appointed, and they have given as good account of their stewardship as the men. It is, therefore, necessary that all national organisations should pass Congress resolutions, binding their affiliated societies to appoint women to their Supervisory Councils, Boards of Management and Administration, for in that capacity only will women gain a knowledge of the movement and the business anxieties which are not easily understood by women. They will then understand the powers of achievement of which our movement is capable to-day, estimate them at their full value, and conduct their propaganda accordingly.

A joint activity which rests merely on a mutual delegation between the management board of the society and the local women's committees will never be as valuable as if the women themselves were members of the board of administration of the society.

HOW ARE THE WOMEN TO BE TRAINED?

We require two methods because we have two tasks to fulfil; we must train officials for the boards of administration and members for the society.

Many things which the women members of the supervisory council must absolutely know are not required to the same extent for the ordinary members; such as, for example, book-keeping.

To get as many candidates as possible, to enable women to elect their own officials, we must prepare the most capable among them for the duties of the management board, which they will one day be called upon to discharge. The bulk of the membership must be trained chiefly to carry on propaganda on behalf of the society.

Both these aims will best be achieved by regular courses or schools. Women members must meet regularly, and at least once a month, to discuss the tasks which they want to accomplish, and to listen to lectures concerning the various difficulties with which the movement is faced.

We require an increased turnover in cash and goods. Women must be entrusted with all the material so that they can take their full share in the work. For each woman we must fix the goal of her practical duties. Each one should try to win one new member, and whoever brings most members into the movement should not only receive praise, but also a tangible expression of thanks; as, for example, an address, a gift, etc. Our members do not purchase enough. The women must visit delinquent members and try to increase the turnover. Let me give an illustration:—

Suppose the Co-operative Movement was to be burdened with new taxes; the women should then arrange protest meetings, for taxes increase the family budget and spoil the work of the co-operative societies. Compare the instance of the income tax campaign in England and Germany.

The slogan of such a meeting as is mentioned above should be "Why is the consumers' society unable to sell cheaply?" The blame which women usually ascribe to the society is thus placed on the shoulders of the State or Parliament, which is in reality responsible.

In this way we educate our members, make them fellow workers and fellow combatants, who will be loyal to their society because their whole mental life is bound up with their society, and the business, which was often a source of annoyance, is transformed into social welfare work, which they love and are willing to serve.

It is true every beginning is difficult, and we can only attain our aim if we do not overlook the hardships at the outset.

PAMPHLETS AND PAPERS.

A witty man once said: "Every democratic method is expensive and takes up much time; each requires three times as much work as autocracy. As, however, I never find autocrats who are superhuman and do everything to the satisfaction of the community, I must devote my time and money to democracy."

Even co-operative democracy is not always acceptable, but we must have it, maintain, and further develop it. Only by this means shall we transform a commercial into a social organisation which will be entitled to demand loyalty from its members. Democracy is not satisfied with the spoken word, it wants the written word if we are to make a deep impression on the masses, whose mode of thinking is foreign to us, and whose mind is filled with private economic conceptions which frequently decide against us.

A pamphlet must be written for the women if they are to read it. The simple woman, who spends her life in her home, will never read literature which runs counter to her imaginary world. Men who write such pamphlets write them with a cool understanding without appealing to the sentiments of women which are, and will remain, strange to them. Every national organisation requires its own and special propaganda literature for the women, in which will be discussed all problems of co-operative organisation, and which will furnish women with the material for propaganda which they absolutely require.

We must never overlook the fact how much less changing are our conditions as compared with political events. In politics the situation changes frequently; in the Co-operative Movement it is only the most serious economic crises which change the fundamental principles of its activities. Our propaganda must, therefore, if we are anxious to win the indifferent woman, be more intense than that of the political movements, which depend more on the ever-changing events than the mode of their propaganda. In this respect our propaganda is similar to that of the trade unions, which change only, like our own movement, with special economic conditions.

THE WOMEN MUST SEE THEMSELVES. THEY MUST FEEL THEIR IMPORTANCE.

If they are to be loyal, enthusiastic workers women must not only assemble in small circles, they must also realise their power as a collective body; they must feel that they are the factor of the social power which they really are, and which is able to achieve great things. The participation in conferences, demonstrations, processions, and big celebrations are means to symbolise the power of the movement, and will win women more easily to its ideals. Every victorious movement attracts and gains new adherents, and even the dullest brain aims at an objective. Co-operators must, therefore, adopt methods similar to these; they must not despise nor neglect them because they may seem strange; they must understand that if we wish to be a big, popular movement we must adopt the forms which appeal to the masses.

For this reason the "International Co-operators' Day" was instituted to be a day for demonstrations. It will be the duty of the International Women's Guild to arrange other similar celebrations for the women, which must become the great ideals of the movement, especially of the national organisations.

A GREAT AMOUNT OF WORK.

This will be what many Co-operators will say. Yes, but the women are to do it themselves. The men in all countries will only be asked to give a hand in laying the foundation stone for our work, to find the first women who will work with the International Committee, to leave the way open so that women may be able to work with us. They must not prevent the collaboration of women for fear of the women demanding their rights. As long as the women are to do the purchasing, we cannot do without the active, indefatigable, self-sacrificing, and intelligent work of women, neither will we be able to make the Co-operative Movement what it ought to be, i.e., the foundation for a new economic order, the beginning and the object of a community, which aims at supplanting anarchy and the crises in private economy by a systematic ownership in common, which will not aim at making profits but at supplying needs.

The co-operative world can only be called into being by the women. Without the housewives and the mothers, it will never be established. The mothers will be either its friends, and then Co-operation will be victorious, or they will be its enemies, or be indifferent, and in that case the movement will never extend beyond the frontiers which it must break through if it is to conquer the world. The mothers will understand us, they will work with us if we will understand them, and mete out to them the full measure of their rights and duties just as we have done to the men. Justice is not limited, it must be given to all. The help of the men, their collaboration and experience will be useful to the women, and help them to find the right way to place all their influence and power at the service of our movement. We must all help to organise this work so that it may succeed.

RESOLUTION.

It is the duty and ultimate aim of the Co-operative Movement to replace anarchy and the economic crises occasioned by the capitalist, privately organised system of economy, by a new order, which will produce for use, and distribute equitably the available supplies, by making the consumer the support of the distributive organisation which will supply the needs of all.

This economic system must be established on the lines of the individual household, which is to-day the consumers' society of the family, and as such can be made the basis of a systematic and reasonable distribution of goods. The manager of this

household is woman, she is the purchaser for the whole family, and, for that reason, her will and collaboration can support the co-operative distribution of goods and further it to the utmost.

Realising this, the Eleventh International Congress assembled at Ghent appeals to all national co-operative unions and organisations to give their support to the organisation of co-operative women, and where there exists no such organisation, to establish one so that the women themselves may carry on their own propaganda and educational activities, and learn to be responsible for the conduct of their organisation.

The Congress recommends all national organisations to adopt a resolution at their next annual Congress making the election of women to the management boards of co-operative societies obligatory, thus establishing organic connections between the women's organisation and the whole movement.

Further, the Congress recommends all national unions to establish the closest relations with the newly established International Co-operative Women's Guild and to support the international activity of their national women's organisations.

The Congress charges the administrative bodies of the I.C.A. to give material and moral support to the international co-operative women's organisation and to further its activities as far as possible.

It expresses its conviction that only a strong organisation of the co-operative women in all countries is able to become the international of the housewives and mothers, who are earnestly endeavouring to bring about the economic transformation of the world and who do not merely advocate this transformation, but are preparing the way and actually the organic development of this new economic system.

Discussion on the Paper of Mrs. E. Freundlich, M.P. (Austria).

The PRESIDENT called upon Mrs. Freundlich to introduce her paper to the Congress.

Mrs. E. FREUNDLICH, M.P. (Austria): Fellow Co-operators, a few words will suffice to introduce my paper, which lies before you printed in the three official languages. From the resolution you can see the attitude adopted towards this question, not by myself personally, but by women in general. A few points, however, should be specially emphasised.

I wish, first of all, to express my thanks to the I.C.A. as being the first great international organisation to place the question of the active collaboration of women on the agenda of its Congress, which is the highest authority on co-operative matters. This is the first time that we women have had the opportunity of giving expression to our hopes and views at a big international gathering and of publicly declaring that the women are ready to help in the development of the great International Co-operative Movement. I am confident that as the Central Committee has now agreed to our resolution the Congress also will adopt it. Further, I am sure that if the Congress favours our resolution the co-operative organisations in the various countries will be won over to the idea, and that women will then be given a greater share in the work of the movement. Men in general have little regard for us.

The DELEGATES: No, no.

Mrs. FREUNDLICH: They like us when we darn their socks and prepare their meals, but they care little for us when it is a question of collaboration between men and women; when we ask for the exercise of our rights and to have them embodied in the rules of the co-operative organisations. Nevertheless, I am full of hope for the future. In the last few years, as a result of the decisions of your Congress, there has been an endeavour on the part of the National Unions to show greater appreciation for the work of women. Since the Basle Congress there are quite a number of countries which have done everything possible to further the organisation and the education of women. Women fully realise that men are endowed with the highest capabilities and that they are the best directors when it is a question of establishing an organisation. But just think for one moment, what would all their talents avail them if women did not purchase their requirements from the co-operative societies?

The condition for the efficient development of Co-operation is co-operative loyalty on the part of the women.

There are millions of women to-day who buy from co-operative stores. How did they ever come to purchase there? Either by force of habit, or because their husbands enjoined it, or perhaps a friend once took them there, and they returned again as they would to any other shop they had once visited. We not only desire that women should purchase their requirements from co-operative stores; this alone is not sufficient. We ask that women should only buy from co-operative societies if they are convinced that by so doing they perform a socially useful and sacred action. A man knows the duties he owes to our movement; he is conscious of the sacred fire; he sees in it the symbol of a new social order. If you wish women to become active and effective instruments, then they must be made to realise that they perform a social duty, a co-operative action, and they must understand the significance of their acts. To achieve this end women must be given definite rights in our movement, the rights of self-administration and self-determination. They must have the right to voice their views when decisions are taken. Only when women are given their proper share in the administration of the co-operative societies will they be able, in the same manner as men, to fully develop their activities. With women, it is the same as with all the suppressed, for they are suppressed in this sense, that they are always told not to do certain things, although they are never given the opportunity to develop their capabilities.

As I said the other day at the Co-operative Women's Conference, we are convinced champions of the right of self-determination of the peoples. But we wish that you should also recognise the right of self-determination of women. You have my conclusions before you on the agenda. If they go too far, surely we can find a compromise in order that we may at least obtain something. At the meeting of the Central Committee I had to accept such a compromise in the form of certain amendments which are now submitted for your approval. This I agreed to, because I realised that the demonstration of a unanimous decision is of greater importance to the women than a discussion on points of detail. The chief thing is that Congress should unanimously adopt a decision pointing out, to the various societies, the way for the co-operative organisation of women.

Unfortunately, I am the only woman on the Central Committee, and had to represent the interests of women against a superior number of men. But I trust that the national unions will soon nominate women to the Central Committee, for if women are not appointed to positions in which they can give proof of their abilities, how can their collaboration ever be fully effective?

The amended text of my resolution is as follows:—

“ It is the duty and ultimate aim of the Co-operative Movement to replace anarchy and the economic crisis occasioned by the capitalist, privately organised system of economy, by a new order, which will produce for use, and distribute equitably the available supplies, by making the consumer the basis of the distributive organisation to supply the needs of all.

“ This economic system must be established on the lines of the individual household, which is to-day the consumers' society of the family, and as such can be made the basis of a systematic and reasonable distribution of goods. The manager of this household is woman, she is the purchaser for the whole family, and, for that reason, her will and collaboration can support the co-operative distribution of goods and further it to the utmost.

“ Realising this, the Eleventh International Congress assembled at Ghent appeals to all national co-operative unions and organisations to give their support to the organisation of co-operative women; also to give their support and interest to the organisation and education of women as the circumstances in their countries permit.

“ The Congress recommends the affiliated organisations to adopt a resolution at their next Annual Congress in favour of the removal of every hindrance to the election of women to the management boards of co-operative societies.

“ Further, the Congress appeals to the administrative bodies of the I.C.A. to strengthen their activity on this question, and to give all possible help to the newly formed International Co-operative Women's Organisation.

“ It expresses its conviction that only a strong organisation of the co-operative women in all countries is able to become the international of the housewives and mothers, who are earnestly endeavouring to bring about the economic transformation of the world, and who do not merely advocate this transformation, but are preparing the way and actually the organic development of this new economic system.”

You will observe that the original text, as printed at the end of my paper, has been amended in the third, fourth, fifth, and sixth paragraphs. The general effect of these amendments is to substitute, for the initiative of the Alliance and the National Unions in promoting the collaboration of women, the general support of those bodies to the efforts of the women to organise themselves where the circumstances permit.

With regard to the new fifth paragraph (which takes the place of the fifth and sixth in the original text), several members of

the Central Committee were under the impression that we aimed at the establishment of National Guilds of Co-operative Women on the lines of the English Women's Guild. That is not the case, however. There are in Europe various kinds of national organisations of women, adapted to the local and national conditions. We think it should be made possible in every country for women to unite, and associate, as women, to pass resolutions on matters of common interest to themselves.

In conclusion, I hope that the delegates will not only adopt the amended resolution unanimously but that on returning home they will do their utmost to give effect to its proposals

The PRESIDENT: I have already eight speakers on my list; therefore I cannot allow more than five minutes to each.

Mr. F. FEUERSTEIN (Germany): It is impossible to say in five minutes what I would like to say on Mrs. Freundlich's paper and resolution. We are not opposed to the principle on which the resolution is based. But as Mrs. Freundlich has spoken of a compromise with the Central Committee I would like to state that if objections were raised against the resolution the reason was that, in many countries, as for example in Germany, the organisation of the societies is such that if the printed resolution had been adopted it would have remained inoperative. That is not due to any lack of goodwill, but the number of our women members is very small and under the present rules they cannot be elected to the Management Boards in large numbers. That is the actual position in Germany.

Again, with regard to the relations between the individual societies and the unions, the societies elect their management boards at their discretion without the central organisations being entitled to lay down any rules for them. The International Congress equally has no right to lay down a law that a certain number of women should be elected to Management Committees. That is the opinion of the German delegation. It was necessary to explain this lest any misunderstanding should arise on the principle.

During the past year the German Central Union has been actively engaged, not only in obtaining equal rights for women, but even certain privileges in the consumers' societies, in order to further, as far as possible, their collaboration in the societies for which they needed a majority of votes. But if all the women members were of the same type as Mrs. Freundlich, I am confident that many more women would have seats on the management boards of our societies.

In conclusion, I would like to remind you that Mrs. Freundlich states in her paper that the Women's Movement began of its own volition and that it must rely on its own powers. I am

convinced that the Women's Movement will progress if they continue to work together in the same spirit in which they began.

Mrs. N. I. OSTROWSKAIA (Russia): Mr. President and delegates: To-day I would very much like to be able to speak your language fluently, so that I might discuss this serious question in a way you could not misunderstand. The question is an important one because the co-operative societies cannot attain their objective without a thorough organisation of the women who represent half, or rather more than half, of the working class. The question is also important, because the contest in which the workers are engaged to bring about a transformation of society cannot be brought to a successful issue without the collaboration of women. But this will only be possible if they are properly organised. The co-operative society, as already stated, can do much to liberate women from the burdens of house work. The wife of a workingman has really a double working time. When she has finished her daily task of bread winning she has to start again at home, and that is the reason why she cannot be a co-operator. She must be freed from the burden of housework, which weighs upon the shoulders of woman like a heavy load that separates her from co-operative activities. And because she is thus burdened, the working-class woman must be safeguarded against other work. Our experience in Soviet Russia is that when women unite to carry on propaganda, they are not as successful as those who work within a co-operative organisation. At present we have on the management boards of our consumers' societies 4,400 women, we have 979 women students who teach the theory of co-operation, and 951 women who organise practical co-operative work, and are salaried employees. This is done in Soviet co-operative societies to afford women the opportunity of further educating themselves. In districts where there are no big industries, the membership of our women is 80 per cent. of that of the men, and in districts where there are large factories the women number about 30 per cent. of the membership. Experience has taught us that in the co-operative societies the men and women must unite, but in contact with separate women's organisations we find that there are many points on which we can further the emancipation and co-operative education of women. To interest women in the co-operative societies we must adopt practical measures. For example, in our country we have instituted measures for the "protection of motherhood," both in towns and villages. Such means draw women to the co-operative society where they learn that they can buy bread and other foodstuffs, and thus they begin to take an active part. To organise all the working women to take their share in the struggle is a big task, and the women's co-operative organisation cannot carry it through; they must unite with other organisations and come into our co-operative societies. The separate organisation of women is, therefore, to

no purpose. If woman is suppressed it is not because she is woman, but because she belongs to a suppressed class. For this reason we propose the following amendments to the resolution:—

I. That paragraph 2 should read:—

“ To effectively carry out this task it is necessary that the co-operative society should be made a powerful instrument in the class struggle of the proletariat and that women, who form the greater part of the population, should be drawn into its ranks.”

II. That paragraph 3 should read:—

“ Realising this, the Eleventh International Co-operative Congress assembled at Ghent appeals to all national unions and organisations to give every assistance in their power to induce working-class women to join the Co-operative Movement in order that they may take an active part in all its activities; and, further, to take the necessary measures to improve the material position of women and to strengthen their co-operative spirit.”

III. That the last paragraph should read:—

“ The Congress expresses its conviction that only by bringing all working-class women into the fold of the co-operative organisation, and by the clear-sighted activities of women among the rank and file of the co-operative and other working-class organisations, will it be possible, in the interests of the establishment and the organic development of a new social order, to realise the aims of the Co-operative Movement.”

Mrs. B. KANINSKA (Czecho-Slovakia): I must first of all apologise that I have to read to you what I want to say on this resolution, for I am not permitted to address you in my native tongue and the time allotted to me is so short.

It has been stated that after the terrible world war the women were the first to realise the importance of organised self-help, or, in other words, what the Co-operative Movement can do for the working class. The growing interest of the women in Co-operation dates back to that time. It is now a question of the form of organisation which will make it possible for women to acquire the necessary knowledge of the principles and aims of the co-operative societies. In England there are independent Guilds of co-operative women which were established about 50 years ago, and, in spite of the great efforts made by enthusiastic leaders, the success of the work falls short of the present-day requirements; whilst in Russia we believe that the activities of the women, which were not separated from the whole movement, have achieved a great success in a very short time, that is to say, since 1921. The women organised in the co-operative

societies, but hitherto without class consciousness, learn by their common activities in the Co-operative Movement to overcome individualist production and methods of distribution, and thus become active champions of a Socialist economy and culture. On the other hand, women must endeavour to make the co-operative societies into a defensive weapon in the interests of the proletariat in general and the women in particular.

Proletarian women are opposed to the establishment of special Women's Guilds, as they see in them a splitting up of the forces which is detrimental to the working class, and will result in proletarian women being kept at a distance from the fight of the proletariat. They desire the opportunity of active collaboration in the Co-operative Movement, with the same rights and duties as men. But it is evident that the official organs of the society must morally and financially support the work of the women. It is necessary that women's work should be utilised in the various stages of co-operative administration and control. At all the general meetings questions should be discussed which are of special interest to women. There is common work for both women and men, and by the collaboration of women we desire to extend the possibilities of co-operative development, so that the working class may in future be victorious in the economic sphere.

Mr. H. LORENZ (Germany): I propose that this discussion should now be closed, as this item on the agenda must necessarily be disposed of to-day.

The PRESIDENT: I will ask your vote on the motion of Mr. Lorenz that the discussion be now closed.

On a show of hands, the President declared the motion lost.

The PRESIDENT: I have just received the text of the three amendments proposed by Mrs. Ostrowskaia. As they are of a purely political character, I cannot accept them in view of Article 7 of our rules, and for that reason they will not be submitted to the vote.

Mrs. MATTHEWS (Great Britain): As an active member of the Co-operative Guild, I ask you to accept the amended resolution. If your co-operative societies are to have success you must have an educated membership. It therefore behoves you to get the most important side of your co-operative unity—the women—organised and educated in the principles and ideas of the Co-operative Movement. Teach them that there is something besides buying and selling in our co-operative organisation. Teach them that we are out for a higher standard of life, and to work for a Co-operative Commonwealth in which we shall all share. Having taught them this, make rules so that it will be possible for the women to attend the meetings. As a Women's

Guild, we are not out just to put women on management committees. We are out to teach women—and men—their own business, and part of their business is at your society's meetings. With an educated band of women at your meetings you will get such a power to construct your societies that you will be surprised at the rate at which you will march along. I plead for educated co-operative women. Give the women equal opportunities with the men. When you find able women, put them into administrative positions in the Co-operative Movement and in other bodies. If you are to obtain a Co-operative Commonwealth, your co-operative women must be sent out to serve on the public authorities to see that the laws are administered according to the ideals of the Co-operative Movement. In this way the Women's Guild has been able to alter the standard of life on the public bodies of England, able to help the people, because there is nothing like having a friend at court. I hope every society of every nation will get the women together and organise them so that they will be able to express themselves in the society and in the community, for they have a clear interest in securing the peace, prosperity, and pleasure of the citizens.

The PRESIDENT: It is now 5-15 and we shall have to close at 5-30. We have already heard speakers from Germany, Russia, Czecho-Slovakia, and England. I will call upon Mrs. Freundlich to reply.

Mrs. FREUNDLICH: I will reply in a few words to the observations on my paper and to the amendments which have been proposed.

On behalf of the German delegation, Mr. Feuerstein outlined the legal impediments to women taking a larger share in the administration of co-operative societies. I am well aware of the fact that in many countries, just as in Germany, only one member of the family is permitted to be a member of a co-operative society, and usually it is the man. Although woman takes her part, it is only the man that has a vote. It is the same in Austria, but I will try, as far as my own country is concerned, to solve the difficulty; perhaps that will be a good example for other countries to follow. I believe that when women have the political franchise, they will try to secure for themselves better representation. But this is a question into which we cannot enter in this resolution.

The question was raised whether it would be useful to establish separate and autonomous women's organisations, or whether the women should be organised within the compass of the general movement. The question can be solved more easily by the respective countries than by an International Congress. Besides, the International Women's

Organisation created a few days ago is framed so as to admit the representation of both kinds of national organisation. I must confess that if it is a question of a new organisation, the separate form, in my opinion, is more suited for the settlement of questions which the women can better decide among themselves, in order that they may act independently; but this is again a question which is dependent on the political and economic conditions and the present-day conditions of each country.

Now, with regard to the amendment of Mrs. Ostrowskaia, I must say that I do not quite understand why it was introduced. Mrs. Ostrowskaia told me personally that she goes further than we do, but this seems to consist in her reference to "working-women," whilst we simply speak of "women." It must not be overlooked that we are approaching this question from the international standpoint, and whilst in Russia the co-operatively united workingwomen are drawn chiefly from the peasant class, in other countries they are recruited from all grades of society. An International Congress should, therefore, speak only of "women." If the aim of the amendment is not merely to show that it is intended to go farther than we do, then we must close our ranks and unanimously reach a compromise which would offer all countries the possibility, imposing on them the moral obligation, to win the women of all countries to the Co-operative Movement. How this can best be put into practice must be left to each individual nation. If an International Congress were to attempt to carry it through in the national organisations, it would fail. For this reason, the Women's Conference decided that we should speak of "women." We are convinced that the women workers represent by far the larger portion, but each country has its own special conditions.

On behalf of the Central Committee I ask you not only to vote for this resolution, but also to see that it is carried into effect and the result reported to the next Congress. We will then be able to prove which union has done most for its women. That is an honourable ambition for all.

The PRESIDENT: Earlier in the discussion I ruled that the Russian amendment was not in order because it infringed our rule of political neutrality. It has been re-drafted, and I will now give Mrs. Ostrowskaia the opportunity to read it in its amended form.

Mrs. OSTROWSKAIA: The amendment we propose to Paragraph 2 has been altered to read:—

"For the realisation of this task it is necessary that the co-operative society should attract to its ranks the working-class women, who form the greater part of the population, in order to improve the conditions of the working class."

The PRESIDENT: I will now take the vote on the Russian amendment, and afterwards on the resolution of Mrs. Freundlich as amended by the Central Committee.

Vote on the Russian amendment:—

For, 164; against, 282.

The PRESIDENT declared the amendment lost.

Mrs. FREUNDLICH'S RESOLUTION, as amended by the Central Committee, was then put to the vote and adopted.

SEVENTH SESSION.

Thursday, 4th September.

The PRESIDENT formally opened the final session of the Congress and announced that the first business would be the consideration of the resolution submitted by the British Co-operative Union on "Neutrality." He called upon Mr. W. R. Rae to propose the motion, the text of which was as follows:—

"NEUTRALITY."

"This Congress considers it necessary to draw the attention of its affiliated members to the fact that, while fully respecting their independence, the Alliance cannot consent to the infringements of that political and religious neutrality which is a fundamental point in its constitution, and which those who form its membership have freely accepted.

"The Congress, therefore, authorises its Central Committee and Executive to ask, and if the necessity arises, to demand, from its members an undertaking to strictly observe the neutrality of the Alliance, and to permit no infringement of the rights of national movements to carry on their work freely and without foreign interference.

"In case of necessity the Executive must refer the matter to the Central Committee and recommend to them all necessary measures."

Mr. W. R. RAE (Great Britain): I need not read the text of the resolution as you all have it before you in your own language, or, at any rate, in one of the official languages of the Alliance. This resolution, which has been approved by the Central Committee, has been put forward by the British Union very reluctantly. We had an idea, however, that some such course was necessary. We hope that the information which we have received may be in the nature of rumour, but it cannot be neglected. But further information of actual facts has made it necessary for Britain to submit our resolution. We have brought it here because we feel that this is the right place for such matters to be discussed. The rules of the Alliance are so strong on neutrality in politics and religion that anything infringing upon the principle of neutrality comes rightly before this Congress.

That you may have some idea of the sort of information we have received let me mention it in part. Quite recently meetings of the Communist International and Communist Co-operators were held at Moscow. At the conference of the Communist Co-operators it was stated, as reported in the Communist "International Press Correspondence," that "the co-operative societies must not only serve as tribunes for revolutionary propaganda among the masses of the proletarian army and the politically indifferent among the broad strata of the petty bourgeoisie, but they also have the duty to render moral and material support to all trade union and proletarian campaigns and to act themselves as instruments in the class struggle."

Here is another quotation: "As regards illegal work, there are many possibilities offered within the co-operative organisations, whilst co-operative work is admirably suited for the important task of the proletarian united front from below."

At Moscow resolutions were passed declaring that "a co-operative section must be set up in the party centre of every country, and that in the general political campaign, as well as in the Press, the co-operative work must form an essential part." This conference has issued a manifesto to Co-operators explaining the Communist policy and calling upon working men and women to join the co-operative societies "and make them a weapon of the class war" and "to follow the slogans of the Communist International and the Red Trade Union International in the fight to overthrow capitalism." We have good reason to believe that this manifesto has appeared among the co-operative societies of Great Britain, and that many underhand attempts have been made to introduce it amongst them, and we view these attempts to exploit the Co-operative Movement for political purposes as highly dangerous. We have been made aware that many and insidious attempts were being made to use the Co-operative Movement for the promotion of political ideas. We do not want to see our Co-operative Movement made the political "cat's-paw" of any political group. Mr. Kissin said to me on Saturday that Centrosoyus does not do these things. That is quite true; but is it also true that Centrosoyus has not repudiated any of these things that are being done? We have no right to have any objection to these things being done if they are confined to the land in which they are done; but we do protest against the Co-operative Movement in Britain being made the stalking horse of any political group here or elsewhere. British Co-operators have always favoured the right of the Russians, or of any other nationality, to determine the form of their own Government. When other Britons thought they ought to interfere in Russia, British Co-operators dissented strongly, and we are, therefore, entitled to claim the same liberty to work

out our own political future at home. Besides, we know the difficulty of trying to act unitedly in matters political even in England. After the war we were driven into politics for defence purposes. We had to use the political weapon to defend our stores. We have never started an offensive action, neither have we at any time been hostile towards any existing political party, nor do we ever intend to carry this struggle beyond our frontiers into another country. In our movement we have Labour men, Conservatives, and Liberals, but, in spite of their political creeds, they are true Co-operators, and in our defensive struggle we used the utmost circumspection for fear of the danger of splitting up our forces. We feel certain that an inspired entry of foreign political thought would rend our movement from head to foot and produce nothing but disaster. For this reason we must ward off every foreign political intervention in our societies, and we believe that those who are anxious to introduce political propaganda in our country will fail in their object. We cannot see that the friends we have in other countries can be benefited, if the bricks they want for their new Jerusalem are to be picked up from the ruins of British Co-operation.

For these reasons we are convinced that the International Co-operative Congress will unanimously adopt our resolution on neutrality, and it will, no doubt, urge all its members to observe that neutrality which is the very essence of its existence; any other course would be its destruction.

England, which has been a true friend of the International Co-operative Movement, would deeply regret if the Alliance should be wrecked on the rocks of dissension. We want to remain strong internationally; we want the Alliance to develop, and, as the General Secretary eloquently said yesterday, we want it to grow into a mighty league for world peace and prosperity. With this object in view I submit this resolution to the Congress, and trust that you will adopt it and live up to it.

Mr. A. A. DREJER (Denmark): The delegation of the Danish Central Committee, "Andelsudvalget," desires to give its best support to the British resolution. Within our societies in Denmark we are working on the lines of absolute political neutrality; and it is our opinion that the Alliance must do the same. But, further, we want to express, as our definite opinion and desire, that the Alliance in the future should concern itself more with purely co-operative questions and less with international problems of a more general nature, which now, we think, form a too important part of the work of the Alliance.

Mr. A. FISER (Czecho-Slovakia): On the question of "Neutrality," I should like to make a few observations. As long as the International Co-operative Alliance retains its present rules unaltered it is bound to observe political neutrality. But we must define "neutrality," for it seems to me that the

Congress Committee itself, in other words, the I.C.A., is prepared to violate its own neutrality. To a certain degree it is willing that the co-operative conditions in Italy should be investigated. This means that eventually the Alliance will have to pass a judgment, and it may be that, in passing judgment on the Italian affair, its neutrality will be actually violated.

Moreover, by neutrality we do not understand that every three years we should assemble together in Congress merely for a demonstration, at which the mention of such words as Socialism and Communism, and such names as Russia, Bulgaria, Italy, and perhaps even Czecho-Slovakia, will not be tolerated. No, this is not the aim of our Congresses; we are assembled here to represent the economic, moral, and social interests of the workers—the exploited section of the population—that is our object. It is not merely that once in so many years we can talk together and use the five minutes, or perhaps not use them, which are allotted to us. We must definitely employ our time so as to attain the goal laid down in the first article of our rules, namely, the transformation of the capitalist order of society. We cannot admit that the principle of "neutrality" should result in a state of things such as we had the other day in the case of the Bulgarian Co-operative Society, "Osvobodjénie." We consider it our co-operative duty, no matter what Government or State it may be that oppresses a co-operative organisation and confiscates its goods, to protest against such action. This is no violation of neutrality. Some short time ago a revolution broke out in Bulgaria; the Conservative Government acted most arbitrarily against the Communist Co-operators, whose property it confiscated and whose officials were sent to prison and eventually murdered. And we are to be silent like dumb fish! Surely we are men of flesh and blood, and we in Czecho-Slovakia understand neutrality inasmuch as, being members of the I.C.A., we respect the obligations of its rules. Article 7 is perhaps the fundamental cause of these difficulties. But if the Alliance is to continue on the same lines as hitherto, then our meetings will only be opportunities for hollow civilities and for paying homage, but in that way we do not help the toiling masses of the people, and are consequently powerless to help our members who cannot help themselves. For the rest, you may adopt the resolution submitted by the English delegation or not, it will neither benefit nor harm anybody.

Mr. A. A. KISSIN (Russia): We, the Soviet delegation, are opposed to the English resolution. There is, however, one passage to which we do not take exception, and that is the second paragraph, which says: "The Congress, therefore, authorises its Central Committee and Executive to ask and, if the necessity arises, to demand from its members an undertaking to strictly observe the neutrality of the Alliance and to

permit no infringement of the rights of national movements to carry on their work freely and without foreign interference."

In this connection Mr. Rae has recognised my declaration that "Centrosoyus" has not attempted to introduce "foreign interference with the British movement." I would like to add that neither "Centrosoyus" nor any other Russian society try to mix themselves up in the affairs of a foreign co-operative society of whatever country. But I want you to understand me correctly; that does not mean that we in the least renounce the right of expressing our views, in our Press, or at International Congresses and meetings, and of carrying them into effect.

With regard to the resolution itself, against this neutrality we place the principle of "anti-neutrality." What do we understand by "anti-neutrality"? That the Alliance should on no account ally itself with any definite party. By this we understand that on the whole, in the struggle of the working classes, it is impossible for the Alliance to remain neutral. ICA

What are our reasons for this assertion? First: The Co-operative Movement is built up chiefly by the working classes with their savings, and it would be wrong, nay it would be a crime against the workers, if the Co-operative Movement were to stand aside at a time when the workers, nationally or internationally, are engaged in a severe struggle.

Secondly: There is scarcely any Co-operative Movement that is neutral in its own country. And if anybody thinks that the German Co-operative Movement is neutral in the struggle, then I say that you are wrong—the only difference is that it stands on the other side of the barrier, it stands against the workers. If you work together nationally with the other movements of the working classes you can also collaborate with them internationally. Nationally, let alone internationally, Congress will have violated the neutrality of which Comrade Fiser has spoken.

We have adopted the report of the Central Committee; now just look at page 34 and the following pages. There you will see: "Disarmament," "The Economic Position," "The Conference of Genoa," "The Position in the Near East," "The World-Peace Congress at The Hague." Did you adopt these items of the report? Of course, you did. In so doing did you remain neutral? No! Pardon me, but all this is positive action. If you pronounced yourself against the party of the capitalists who want to set the world on fire anew, you took the side of the workers. You are not logical in this principle of neutrality. When you rejected the workers' resolution at yesterday's session, merely because it contained the word "class war," and when Mr. Rae spoke about the Communist International you were not neutral, but violated the principle of neutrality.

Mr. H. LORENZ (Germany): The short time at my disposal prevents me from entering into a controversy with Comrade Kissin. I can only say that Comrade Kissin confuses " Communist " with " worker." All Communists are not workers, and there are many workers who are not Communists. There is, in addition, a kind of leader, who is neither worker nor Communist. Apart from that, however, the question of how we in Germany stand towards the workers must be left to us. We will see to it.

In the German co-operative societies we are neutral, as we do not wish that co-operative organisations should be used, or rather misused, for other purposes. Besides, we are forbidden by law to enter into political questions, otherwise our societies would be dissolved, and in that case the material losses would have to be borne by the workers.

In the International Co-operative Alliance there must be freedom for all. Remember what Louis Bertrand said at the opening of the Congress, the Belgian Co-operators are Socialist in their own country, but neutral in the I.C.A. Generally speaking, I would say that the co-operative idea is international, no matter in what kind of garb the ideas are dressed. Co-operative organisations are active throughout the whole world, from Azerbaidjan to Greenland. In all countries they have grown up under a great variety of customs and notions, political conditions and morals which are the results of thousands of years' development. In our Alliance there is room for all these various conceptions and notions, if it is, and remains neutral.

Should we then decide that from henceforth the Alliance shall cease to be neutral? If the Russians intend to make the Co-operative Movement an instrument of the class struggle, then we will also be obliged to declare our attitude to all other questions, and, indeed, on which side we stand. But this is not possible, and the Congress cannot decide it. It could perhaps be decreed, and we know that the Russians are very skilled in this kind of persuasion, but it could not be done here. In Russia they might appeal to dictatorship or force. As Plato said, " You may forbid the word, but the spirit you cannot kill." I do not know whether in Russia they finally succeed in persuading the people, but if they try to impose their conceptions on other countries, they will have to wait till they have converted all people to their way of thinking.

Until the latter have been convinced of their theories and views by persuasion, and not by threats and force, there must be room in our Alliance for every kind of conception. The I.C.A. must be neutral or it will not be.

Mr. J. M. BIGGAR (Great Britain): To my great regret I feel compelled to speak against the resolution submitted by the British Union, and I suggest to the Congress that it should reject the proposal. I do so for two reasons—first, because the tone of the resolution suggests an effort to repress and prevent freedom of expression between nations, and, second, because of the attempt to prevent the full effect of the international exchange of ideas. I want to suggest that every effort to repress ideas has precisely the contrary effect. You can adopt no better way of getting an idea communicated than by attempting to stop its circulation. In our own country—I cannot speak for any other nation—as a representative of the Co-operative Party in Britain I believe it would have a greater effect in concentrating forces on behalf of the Co-operative Movement if the Communists attempted to force their ideas upon our community. This resolution will not prevent the Communists from carrying out their work, nor will it make the Co-operative Movement forsake the working classes. I suggest very sincerely that the resolution should be withdrawn, because if you pass it you will get an effect you do not desire, and any attempt to restrict freedom of speech we have always opposed in Britain. I do not believe this Congress can remain neutral. We believed in Britain that it was necessary to enter the political field; and just as it was impressed upon British Co-operators that political action was inevitable, so it will be necessary for this International Alliance to realise that neutrality is impossible and that its Congress must give facilities for international exchange of political opinion.

The PRESIDENT: We have still to discuss the report of Mr. Gaston Lévy. I therefore propose to close this discussion and to pass to the vote after Mr. Rae has replied.

Mr. RAE in reply said: Most of the speeches have been in favour of our resolution. Mr. Fiser asks for a definition of political neutrality. I am not quite sure if I can give a definition in a sentence. There is a great deal of difference between pure politics and party politics. We ask that the International Alliance should not attach itself to any political party. The International Alliance has intervened in Georgia, Bulgaria, Italy, and elsewhere, and has shown that it has a neutral platform, and that it can make protests in the name of justice and still remain neutral. Mr. Kissin did not attempt to explain why he did not repudiate the things I complained of that are being done by the Communist Co-operators. He could not deny that they have been done, and he did not say they should not be done. He will be standing waiting to see whether a chestnut taken out of the fire somewhere drops near him. Mr Kissin has said that the Alliance cannot remain neutral because the co-operative societies have been founded by working men. It is because our societies in

England have been founded by workingmen, managed by workingmen, and their policy dictated by workingmen, that we ask you to pass this resolution. Read your papers about the Trades Union Congress at Hull this week, and you will see the attitude of the workingman represented there against the Communist agitation, which has been sprung upon them. Our co-operators are the same men, and will resent the same thing that has been resented at Hull. If you want the same row in the Co-operative Congress as has taken place there, you will vote against me; but if you do not want it you will support me. Mr. Biggar opposed this resolution. Mr. Biggar has confessed that he knows only of the things of his own country. You have heard Germany and Denmark; and Mr. Biggar should give up his insular, Scottish position and get to know what other nations thought before he interfered in an international question. Scotland is not quite the same thing as the whole world.

On being put to the vote the resolution was carried by 397 votes "For" and 183 "Against."

Paper on the Role of Banks in the Development of the Co-operative Movement.

BY GASTON LÉVY (FRANCE)

The development of the capitalistic régime tends more and more, and particularly in the circumstances which have followed the World War, to give to banks a central position in economy.

The number of banks considerably increased during the War, and even where this was not the case, the importance of the credit organisations considerably increased.

Why are the banks called upon to play such an important part during periods of great activity. To discover the reason, it is necessary to study the conditions under which the banks were originally constituted. The constitution of the banks was determined by the search for a practical means of exchange and, as far as possible, of stable value. Originally the bankers were ordinary merchants; it was the nature of the goods which they exchanged which led them to act as intermediaries, because the goods which they had in their possession were a means of exchange corresponding to the needs of all exchanges.

In all countries it was the merchants of precious metals who became the first bankers, since the precious metal which they possessed, in view of its value, could be transported in small volume, and, moreover, this value was recognised as stable in practically all countries, compared with other goods.

In the more advanced periods of civilisation, when the reigning authority in the country ordered, as exchange value, an ingot of precious metal on which the official seal had been affixed, the metal merchants had to estimate the respective value of the different pieces of money thus constituted, and became money changers; but, little by little, by reason of the utilisation of the commodity which they held, these metal merchants were able to supply other merchants not only with the precious metals which they themselves possessed, but at the same time with those entrusted to them by their clients. These precious metals were later replaced by Treasury bills issued by the bankers and which constituted bank notes and other commercial drafts, the value of which was determined by the signature of the depositor. This more convenient method of exchange was very soon substituted in all forms for precious metals, and thus was initiated the rôle of bankers which was to utilise the savings of others and determine, according to their will, the conditions under which these savings should be employed.

The task of financiers is, in fact, to collect funds not utilised by the holders of capital and to distribute them according to the needs of enterprises in need of capital. Bankers become, in a sense, the arbitrators between the old producers, the beneficiaries of old production, and the new producers. It is they alone who are able to utilise the accumulated disposable funds either to develop or restrict the circulation and exchange of products.

The rôle of banks imposes upon them a higher duty, viz., that of controlling the enterprises in which they are called upon to interest themselves, for fear of seeing the capital placed at their disposal either badly administered or disappear altogether. This task may be undertaken either in a particular interest or in the general interest, and if banks have frequently been seen to interest themselves in new affairs, giving them their support, and causing them to prosper by reason of their aid, it not infrequently happens that banks cause an enterprise to fail, by cutting its credit, whenever the interest of the financial groups which have constituted the bank is opposed to the success of the undertaking.

This authority over the distribution of the savings collected which rests with the bankers may, therefore, become inconvenient to the Co-operative Movement, if the financial groups which have constituted the banks, are interested in impeding the development of Co-operation, or if by reason of their particular constitution the co-operative societies do not appear to the holders of capital to offer sufficient guarantees.

CAN THE CO-OPERATIVE SOCIETIES DO WITHOUT SAVINGS?

There is no doubt about it that the co-operative societies, in view of their constitution, cannot find the capital which they require for their development solely in the share capital formed at the time of establishment of the society. The co-operative system, which desires that the distribution of profits realised by the society be made to consumers, in the case of a distributive society, and to producers in the case of a productive society or an agricultural society, forbids the investment by a member of capital in excess of that which entitles him to representation at the general meeting. This representation, in accordance with co-operative principle, is limited to one vote irrespective of the number of shares held.

There only, therefore, remains for the development of the society that part of the profits which is allocated to collective reserves. It naturally follows that the development of the co-operative society will be limited, since the amount of capital subscribed and paid up by the members, augmented by the collective reserves, will scarcely suffice to represent the amount of investments to be undertaken by the society to satisfy the needs of members, both as regards the acquisition of plant, stock, and

fixtures. The goods which the society requires must be purchased for credit, and such credit will be agreed to either by the purveyors, in the case of a distributive society, or by the members themselves in the case of a co-operative productive agricultural society. In the latter case the amount of capital subscribed by members will be all the smaller. Moreover, these members, in their capacity of producers, will almost certainly be able to economise on their own consumption by reason of their productive effort; this saving, effected owing to surplus production, will be utilised by those to whom it is confided, and it is by no means certain, on the contrary, that it will be devoted to the development of the co-operative society.

If the co-operative society, or co-operative societies, was only able to develop at an extremely slow pace such development could only be conceived of to the extent of the increase of collective riches, riches effected to the detriment of immediate advantages looked for by Co-operators, but which would have the great advantage of capital not entailing interest charges on the society. Happily, however, the Co-operative Movement has been, and is still, called upon to develop more rapidly, and it has necessarily had to have recourse, like other enterprises, to credit, that is to say, to capital which is not its own and on which it has to pay interest in one form or another.

TO WHAT SOURCES IS THE CO-OPERATIVE MOVEMENT LED TO OBTAIN CREDIT?

In the first place, it obtains credit from its purveyors, and in this case it is not the co-operative society which controls the full utilisation of the capital thus sought: it is the purveyor who has definite control over the credit which he either does or does not grant to the co-operative society, according to the supplies of goods which he is able or unable to arrange.

Another source of capital are the existing banks, and, as we have already remarked, advances are only made by them to the extent that it is in their interest so to do, or in that of the groups who have been responsible for the constitution of the banks. There is, therefore, the fear that in the event of the banks considering the development of the Co-operative Movement excessive, the latter would suffer from the failure of the banks to supply the capital they required.

A third source of capital is the recruitment of the savings of Co-operators or of the co-operative society itself.

IN WHAT WAY HAVE THE SOCIETIES SOUGHT TO UTILISE THE SAVINGS OF CO-OPERATORS?

The co-operative societies have made appeal for the savings of their members by various means. In the first instance, they have merely requested those of their members who had savings

to entrust them to the society, sometimes even without furnishing them with a voucher indicating the amount of their credit on the society, but simply entering their credit in the ledgers of the society.

Another means has been the constitution of savings and loan banks, and the results in this connection have been somewhat striking. It has been clearly seen that all propaganda undertaken with a view to recruitment of capital for co-operative purposes has been calculated to lead to satisfactory results. Having regard to the considerable number and diversity of the public to whom the co-operative societies make appeal, they are always sure to find amongst their members a certain number who manage to save.

This system has certain advantages for the co-operative society. In the first place, and as a general rule, the money thus collected calls for less interest than would be demanded by banks, and it is often less costly than the credit arranged by certain purveyors to the society. Again, the Co-operator who has placed with his society a portion of his savings takes an interest in the enterprise.

The important thing is that the Co-operators who save should have confidence in their society, and that such confidence should be merited by wise and cautious administration of the capital acquired.

While recognising the advantages of this system, we must not hesitate to acknowledge that it also involves dangers. Amongst the precautions to be taken in the utilisation by the society of capital in the form of savings is that they should never be invested in the construction of buildings, nor the purchase of materials or shop fittings. In order to ensure the complete confidence of depositors, it is necessary that the society should always be in a position to make repayments on demand. A society investing part of such capital would be at the mercy of the least financial crisis, and if once it were unable to meet the demand for repayment it would soon result in panic and discredit of the society.

The only wise utilisation by the societies of the funds entrusted to their savings banks is such as will assure the necessary working capital and permit the societies to obtain stocks without recourse to credit.

Unfortunately, societies have often been obliged to utilise a portion of the capital thus collected for other purposes, and this has resulted in their confusing the different natures of the accumulated capital; consequently, in the event of a local crisis—a question of confidence in the administrators of the society or a crisis independent of the will of depositors—causing depositors to demand the refunding of their savings, the risks run by the society in this respect are very serious. On the other hand,

prudent societies, recognising that the savings collected seemed sufficient for their immediate needs, would cease the further recruitment of savings and thus liberate funds necessary for development of the Co-operative Movement.

It may, therefore, be said that in the form which we have just outlined, the savings banks, each adapted to the society which gave them birth, only attain very restricted development in the organisation and utilisation of savings for the achievement of co-operative aims.

For this reason the Co-operative Movement has sought a superior form of savings bank, calculated to yield better results and to offer to the collectivity of depositors surer guarantees.

CONCENTRATION.

The Distributive Co-operative Movement has been led, thanks to its existing central organisations, the wholesale societies, to constitute national savings banks, either for the receipt of the surplus funds of the special savings banks of co-operative societies, or for receipt by themselves in a special department of the savings of Co-operators.

It is evident that this superior form of organisation has offered additional advantages and avoided a certain number of the inconveniences which we have mentioned.

Local crises affect national savings banks less than private ones. Further, the recruitment of capital is not limited to the needs of a single society.

From the point of view of guarantee, the utilisation of the capital thus collected is unquestionably better, since these savings, destined to replace the credit of purveyors, permit of establishment by the wholesale society, in the interest of the societies, of a credit organisation, while in the case of demand for repayment the mobilisation of capital is easier, viz., by discounting the obligations of the societies to the wholesale society in respect of goods supplied.

In short, the granting of credit to the co-operative societies by the central organisation necessitates the watching by the latter of the working of societies to which credit has been granted. The wholesale society employs almost entirely in its own interests the sums entrusted to its banking department.

This system, however, has certain drawbacks which it is well to consider. In the first place, it is possible that by reason of the advantageous rate of interest, and increasing confidence in the national organisation, the wholesale society will have accounts opened with it by a large number of societies and a still larger number of individual Co-operators, with the result that the

increase in credit capital thus collected is more considerable than the increase in the net assets of the central organisation which serve as guarantee to depositors.

The development of a banking service under such conditions involves considerable changes in book-keeping methods. It is indispensable that the deposit accounts and commercial accounts be kept apart, and that the banking service be regarded as the cashier and banker of the commercial organisation.

It is also to be anticipated that depositors making use of a central savings' bank thus constituted will be gradually led to ask the bank to negotiate transactions usually dealt with by banks; consequently, it will be necessary to constitute a technical organisation different from that existing for purely commercial operations.

The most serious inconvenience is the confounding of commercial and financial responsibilities. If the wholesale organisation, as guarantor of the deposits placed with the banking department, sees its capital and reserves increase to a less extent than the deposits, the guarantee offered may appear insufficient, for it is the wholesale society alone which is responsible in this connection, notwithstanding the fact that the co-operative societies benefit by these deposits in the form of credit. Further, the guarantee serving simultaneously for commercial and banking transactions loses in efficacy.

It therefore seems necessary to find a new and different guarantee for deposit accounts in addition to those for commercial organisations. The responsibilities of the commercial and banking departments are, in fact, different and, in a certain measure, opposed. The banking department is charged with the accumulation of capital and preserves in portfolio the representative bills having the maximum guarantee; in other words, the point of view of depositors must, above all, be considered.

The chief concern of the commercial organisation is commercial transactions, and from the financial point of view it is led to utilise to the maximum the funds of depositors; in theory it is not concerned with the guarantee which it offers to third persons; that is the task of the latter. It is obvious, however, that in practice the persons entrusted with the destiny of the wholesale society will have constant solicitude for the guarantees of depositors, but it is possible that, having at a given moment to choose between the two responsibilities, their commercial responsibility will take precedence over their banking responsibility.

Another drawback of the system is the tendency which the wholesale society would have to restrict the utilisation of the capital collected to its own enterprise, thereby only aiding the development of co-operative societies to the extent that they will be of interest to the wholesale society from the commercial point

of view. In this case there is the possibility of disregard of the needs of development of distributive societies, and especially of the needs of co-operative agricultural and co-operative productive societies.

The consequence is that there will be constituted—in fact, such organisations already exist—credit organisations peculiar to the co-operative agricultural movement, the trade union organisations, and, side by side with these, organisations peculiar to the distributive co-operative movement. Moreover, it is certain that these credit organisations of agriculture and of trade unions will be led, little by little, by the fact that they interest themselves in one special class of society to defend their special class interests, resulting almost certainly in political influence being introduced into the administration of these enterprises.

The aim of the organisation of savings in this case will no longer be only the development of co-operative organisations, but will tend to serve political ends. That, of course, would be a drawback both to depositors and to the development of the Co-operative Movement in general.

THE NECESSITY FOR INDEPENDENT ORGANISATION.

It therefore seems necessary for the development of the Co-operative Movement, and having regard to its needs for savings, that their recruitment and utilisation should be entrusted to an independent organisation bearing the title and having the form of an actual bank. Independence should be characterised by administration, control, and guarantee, and in order to give to the organisation a co-operative character there should be a system of distribution different from that of ordinary banks.

An independent co-operative bank, established on ideal lines, may comprise all forms of co-operative organisation. It is by means of administration and control that the participation of all forms of co-operative organisation can be effected. Should it, however, not be possible at the outset to include all forms, the co-operative bank can be constituted either solely for distributive, productive, or agricultural organisations. Its functioning will be the same, and consequently it will be able to increase or reduce, according to needs, the forms of co-operative organisation in which it is interested.

What does the co-operative bank owe its depositors? It owes them guarantees and fixed remuneration.

These guarantees will be constituted by capital subscribed by co-operative organisations of all kinds, which will be able to utilise the services of the bank at a given moment. Such guarantees will be constituted by the conditions according to which the utilisation of capital is determined.

The remuneration of capital in the form of savings deposits will be fixed, for the aim to be pursued is to place at the service of co-operative organisations the means of development and not to furnish profits to the holders of capital. The bank has to reward the money loaned and to utilise such capital in the interests of the co-operative organisations which have need of it. The clients of the bank, viz., the co-operative organisations, which will make use of the capital collected by the bank, must be able to control the development of operations.

What are the services that a co-operative bank, with an independent constitution, can render to the Co-operative Movement? In the first place, its technical organisation should permit it to recruit by appropriate means the largest possible amount of capital in the form of savings.

It can also render accessible to its depositors certain facilities provided by all banks, viz., looking after their securities, payment of coupons, supervision of their bills and acceptances, advances on guarantees, cheque accounts, clearing, collection of payments, etc. Thus the bank will arrive, not only at the utilisation of the savings entrusted to it, but will at the same time become acquainted with the resources at the disposal of Co-operators or the associations which have given it their custom.

With regard to the utilisation of the deposits, the bank must bear in mind that the character of these deposits is facilitated by the development of the Co-operative Movement, either by discounting the bills drawn on co-operative societies by the wholesale societies, granting co-operative societies cash credit, or by agreeing to guaranteed advances.

Again, owing to a better educated clientèle and to acquaintance with their resources, the bank is able to aid the co-operative societies to augment the sums of which they may stand in need for their property by the depositing of deeds. In short, the bank will be able to utilise for the Co-operative Movement the savings collected under conditions most advantageous to the Movement itself. It will also be able to interest itself in the establishment of central co-operative enterprises by aiding the co-operative societies to constitute them, and by exercising effective control both over the enterprises and the societies concerned.

There already exist in the world a fairly large number of co-operative organisations which have adopted the form of banks; they have not all an independent form of constitution, although this is so in a number of cases.

We have been able to draw up a comparative statement relating to 35 organisations by taking as items of comparison merely the total of the balance sheet (total resources) and the profit and loss account. It is seen that the position of the agricultural banks

is proportionately more important than that of the consumers' organisations.

The agricultural banks in Eastern Europe and Asia occupy a particularly important position.

DATE OF FOUNDATION AND TITLE.	Total of Balance Sheet (total resources).	Total of Profit and Loss.	Rate of Discount.
	\$	\$	%
AUSTRIA.			
1922. Austrian Workers' Bank, Vienna	—	—	—
BELGIUM.			
1921. Deposit and Loan Bank, Ghent...	(31-12-22) 468,908	2,819	4.71
BULGARIA.			
17 Dec., 1910. Central Co-operative Bank, Sofia	—	—	—
1920. Agricultural Co-operative Bank, Sofia	(31-10-22) 399,627	19,254	7
1919. Co-operative Wholesale Society "Napred," Sofia	(31-12-22) 110,336	42,707	1 leva
CZECHO-SLOVAKIA.			
1896. Central Union of Agricultural Co- operative Societies, Prague	(31-12-22) 32,470,227	1,844,910	5.29
1920. General Co-operative Bank, Prague	(31-12-22) 2,205,713	139,658	—
1920. Czecho-Slovakian Co-operative Bank, Prague	(31-12-21) 297,072	26,901	5.79
DENMARK.			
1914. Danish Co-operative Bank, Copenhagen	(31-12-21) 35,094,140	3,042,892	6.33
ESTHONIA.			
1920. Central Bank of Co-operative Banks, Reval	(1-5-23) 345,546	—	8
FINLAND.			
1902. Central Credit Institute of Rural Banks, Helsingfors	(31-12-22) 2,259,816	46,938	8.75
FRANCE.			
1893. Co-operative Bank of Workers' Productive Associations of France, Paris	(31-12-22) 1,313,960	42,983	5.08
1922. Bank of the Co-operative Societies of France, Paris	(31-12-22) 6,475,358	206,204	id.
GERMANY.			
1876. Central Bank of Agricultural Credit, Berlin	(31-12-22) 1,553,577	31,183	6.58
1895. Central Co-operative Bank of Prussia, Berlin	(31-3-22) 7,407,540	92,815	5
1894. Wholesale of German Consumers' Societies, Hamburg	—	—	—
GREAT BRITAIN.			
1876. C.W.S. Bank, Manchester	(24-12-21) (figures included in the general balance sheet of the C.W.S.)	1,543,305 (six months).	5.5

DATE OF FOUNDATION AND TITLE.	Total of Balance Sheet (total resources). \$	Total of Profit and Loss. \$	Rate of discount. %
GREAT BRITAIN— <i>con.</i>			
1868. Scottish Co-operative Wholesale Society, Glasgow	(1-7-22) ditto.	757,265 (six months).	4.25
People's Bank of Moscow, London	(31-12-22) 1,985,702	— —	— —
HUNGARY.			
1921. Savings Bank "Diligentia," Buda- pest	—	—	—
1898. Central Bank of Co-operative Credit Societies, Budapest.....	—	—	—
INDIA.			
1918. Federal Co-operative Bank of the Province of Bengal, Calcutta	(31-3-22) 740,199	—	6
1914. Co-operative Bank of the Province of Bihar and Orissa, Bhagalpur	(31-3-22) 488,370	—	6
1911. Co-operative Bank of the Province of Bombay, Bombay	(31-3-22) 1,906,076	109,223	6
Co-operative Bank of the Province of Burma, Rangoon.....	(31-3-22) 2,972,689	255,815	—
Co-operative Bank of the Central Provinces and of the Province of Berar, Nagpur	(31-3-22) 1,472,283	—	—
Co-operative Bank of the Province of Madras, Madras	(31-3-22) 2,233,002	129,304	—
Co-operative Bank of the Province of Mysore, Mysore	(31-3-22) 164,644	—	—
IRISH FREE STATE.			
1920. National Agricultural Bank, Dublin	(31-12-21) 5,362,896	—	—
ITALY.			
1904. Credit Institute for Co-operation, Milan	(30-11-22) 2,258,567	262,323	5.8
Decree of August 15th, 1913. National Credit Institution for Co-operation, Rome	(31-12-22) 34,413,271	1,373,317	5.75
LATVIA.			
1920. Central Bank of Co-operative Societies and Municipalities of Latvia, Riga	(31-12-22) 73,496	5,781	—
LITHUANIA.			
1920. Co-operative Bank of Lithuania, Kovno.....	(31-12-22) 62,550	—	—
NETHERLANDS.			
1898. Peasants' Co-operative Credit Bank, Eindhoven	(31-12-21) 22,681,183	523,963	4.50
1898. Central Co-operative Bank of the Raiffeisen Societies, Utrecht.....	(31-12-21) 22,802,847	163,691	4.50
NORWAY.			
1918. Agriculturists' Co-operative Bank, Christiania	(31-12-21) 11,364,694	310,766	6.75
PALESTINE.			
1921. Workers' Bank of Palestine, Jaffa	—	—	—

DATE OF FOUNDATION AND TITLE.	Total of Balance Sheet (total resources). \$	Total of Profit and Loss. \$	Rate of Discount. %
POLAND.			
1909. Central Bank of Agricultural Societies, Cracow.....	—	—	—
1910. Bank of Co-operative Societies, Warsaw	(31-12-21) 586,405	74,698	6.33
1886. Bank of the Union of Co-operative Societies, Posen	(31-12-22) 2,105,832	358,807	7
ROUMANIA.			
1918. Central Institute of People's Rural Banks, Bucarest	(31-12-20) 5,094,268	72,908	5.33
RUSSIA.			
1923. All-Russian Co-operative Bank "Vsekobank," Moscow	(1-7-23) 6,004,438	—	—
SPAIN.			
1922. Co-operative Bank of Northern Spain, Bilbao	(31-12-22) 32,102	1,112	5.67
SWEDEN.			
1899. Co-operative Union and Wholesale of Sweden, Stockholm.....	—	—	—
UNITED STATES.			
1920. The Brotherhood of Locomotive Engineers' Co-operative National Bank, Cleveland	(12-6-23) 24,198,860	552,059	4
Total for 26 Banks	\$222,729,567	\$9,733,031	
" 9 "	\$16,626,628		

* Figures unknown.

The preponderance of agricultural banks shows that the capital available for investment by the agricultural enterprises is greater than in the case of commercial and industrial concerns.

Further, Co-operation appears to occupy an important position, notably in countries whose national constitution is of recent date, and, where the land has been more or less recently allotted, Co-operation has appeared as a new form of agricultural economy and been applied with great energy in view of the importance of the banks.

The figures given in the above Table, which we have drawn up, show that considerable credit capital has been recruited in a variety of forms, which are indicated to a great extent in the title of the organisation.

An observation should be made in regard to the United States. We have only received particulars of one bank whose constitution is particularly noteworthy. It is "The Brotherhood of Locomotive Engineers' Co-operative National Bank," Cleveland. This organisation, constituted by an important corporate body, and which, on 12th June, 1923, had a balance sheet exceeding 24

million dollars, and which has extensive premises at Cleveland for the conduct of its transactions, has employed its capital particularly in the form of credits granted to farmers and agricultural producers. Thus unity of action has been realised between agricultural producers and industrial producers acting in their capacity as consumers, with a view to utilisation under the best possible conditions of agricultural produce, and at the same time allowing the agricultural producers to escape from the control of purely capitalistic organisations.

Further, this bank has succeeded in attracting a considerable part of the savings of emigrants, and has also been made use of for transmission of their savings to their native countries.

The agricultural banks of Eastern Europe and Asia have for the most part been made use of by small farmers and co-operative agricultural societies. The Raiffeisen banking system seems to be the most developed. This system is based on the principle of mutuality and individual responsibility. The banks are nourished by the savings of members and loans are granted for the purchase of agricultural implements to the advantage of members of the association. Credit remains personal, but the group of persons constituting the local section of the bank are jointly responsible for the personal credit granted. The importance of these banks in India is to be noted; at present there are seven of them of varying importance, but all well equipped.

Reference should also be made to the form of organisation of co-operative credit in Italy and which has undergone certain changes since the establishment of the new constitution. The organisation of credit institutes, constituted by reason of State loans and destined to facilitate the operations of all types of co-operative societies, but especially artisans' and public works' societies, was quite peculiar to this country, and permitted artisans' societies to occupy an important position in constructive work.

The destruction of a certain number of co-operative organisations in Italy has rendered precarious the existence of these banking institutions, which at the present time would appear to be undergoing transformation.

In Germany, Great Britain, and Switzerland the consumers' organisations have adopted the system of savings' banks in connection with the wholesale society. However, in Germany, apart from the co-operative distributive organisation, there are co-operatively constituted banks, but solely for agriculture.

In Ireland likewise there is a national agricultural bank established on a co-operative basis.

In Austria the organisation is composed of representatives of the distributive movement and the workers' trade unions.

In Denmark the Danish Co-operative Bank comprises co-operative productive societies, distributive societies, and workers' trade unions. It represents one of the best types of co-operative banking organisation and is of considerable importance.

In France, in addition to the Bank of French Co-operative Societies, the organisation of distribution societies, which tends to extend beyond consumers' organisations, particularly in agricultural districts, there is a special co-operative bank for workers' productive societies.

The total number of these organisations represents a considerable figure, as is seen from the preceding table.

BANKING ORGANISATIONS AND INTERNATIONAL RELATIONS.

Can it be said that co-operative banks are sufficiently strong to permit of international relations at the present time? Assuredly, and, taking into consideration the strength of these organisations, the usefulness of concentrating all these forces in one sole organisation is obvious. That cannot, however, be the question of the moment since in practice relations scarcely exist between these different organisations. The existence of these banks shows, however, that, although international co-operative relations are still weak, they could be built up on these banking organisations. A great difficulty, of course, is the instability of the world market, which is due to the fluctuation in the value of national bills of exchange. Notwithstanding this instability, relations already exist, and could be developed in a relatively easy way if each of the existing co-operative banks in a country treated with the co-operative bank in each country in which there were transactions to be effected.

It has already been possible to establish relations between different organisations which can be still further developed, but the question of exchange is so dominating at the present time that it is impossible to ignore it in a report of this kind. It is not a new question, having existed before the war, but has since become accentuated. Contrary to customary opinion, it is not economic questions alone which affect the respective values of the bills of the different countries; it is above all a question of confidence in the possible recovery of countries whose exchange is at present depreciated. It is perfectly obvious that confidence can only be restored to the extent that those who must have confidence have also right of control over the conditions of the financial development of countries standing in need of confidence. It is in this way that attempts have been made to restore the financial position of Austria and Hungary, and, at the time of writing this paper, of Germany also. It is incontestible that nothing short of the international settlement of political questions determined by the world war can permit of economic settlement

leading to stability of the market. It is this stability which is of first importance, and the International Co-operative Movement must work for its achievement to the extent that it is able. Once this stability has been established it will be possible to contemplate the constitution of an international co-operative organisation for international co-operative exchange, and having as its basis the existing co-operative banking organisations.

THE BASES OF THE INTERNATIONAL ORGANISATION.

The general policy of this international organisation should be the same as that of the International Co-operative Wholesale Society, viz. :—

1. Utilisation of the inter-dependence of the nations with a view to specialisation and the distribution of products, having regard only to the interest of the consumer.
2. The pooling of all national resources.
3. Efforts to restore national bills of exchange to a gold basis.

To achieve this end it would be necessary to take as a basis the existing co-operative banks and banking departments.

This international co-operative organisation, if constituted in the form of an international co-operative bank, should include solely as shareholders the national co-operative organisations and banks. Each national bank or banking department could be considered as an agent of the international co-operative bank, and the business transacted in a country, with the aid of the international co-operative bank, would be effected under control of the national agency of the international co-operative bank.

The guarantee capital could be subscribed by each of the national organisations in proportion to its turnover, and the paid-up portion would receive interest, while that portion not paid up would receive no, or at any rate very small, interest.

This capital could not be considered by third persons other than as a guarantee; it would merely be an extra resource of the bank. The resources would be constituted, on the one hand, by interior financial arrangement, sufficiently elastic to regulate at a given moment the amount of credit demanded to the volume of international exchange.

The profits of the international co-operative bank would be returned in part to clients to the extent of their transactions with the bank, and in part placed to reserve so as to permit of the extension of the affairs of the bank and the constitution of international enterprises.

In order to arrive at the constitution of an international co-operative bank it is desirable that the existing national banks should be constituted on a uniform basis of organisation.

We would refer, merely by way of example, to the conditions under which the Bank of French Co-operative Societies was constituted. The capital of the bank is constituted by the subscription of guarantee capital, of which one-tenth has been paid up. It is subscribed solely by the Co-operative Wholesale Society and the co-operative societies, and totals at present 14 million francs. It increases by reason of new adhesions and must be in proportion to the number of members comprised within the affiliated co-operative societies. Measures have been adopted to render impossible the diminution of the capital below nine-tenths. The bank recruits its capital through the intermediary of its regional agencies or auxiliary banks, of which there are about 400 at the headquarters and branches of co-operative societies.

The calculation of all the operations effected by the banks is undertaken daily at the headquarters of the bank and shown by a balance indicating the amount of available funds. These funds are utilised:—

1. To open advance accounts for the Co-operative Wholesale Society and co-operative societies according to conditions agreed upon by the Committee of Control and as advised by them.
2. To discount co-operative bills on conditions of risk decided upon by the Committee of Control.
3. To discount bills accepted by co-operative societies on the same conditions.
4. To grant loans on securities and advances on merchandise.
5. To issue bills, chiefly co-operative, and principally those of the Co-operative Wholesale Society.

With regard to the relations of societies with the bank, these are classed in four categories:—

1. Societies which have subscribed to the guarantee capital of the bank and have organised auxiliary banks.
2. Societies which are merely agents.
3. Societies which have merely contributed to the guarantee capital.
4. Societies which have neither contributed to the guarantee capital nor are agents.

Advances are consented to in order of priority as above.

The assets of the bank are constituted:—

1. By co-operative overdrafts.
2. By a portfolio consisting of co-operative documents and also other documents accepted by the societies. This constitutes the lighter and practically liquid part of the assets, which will gradually become the most important.

These documents carefully chosen, and advanced, will bear two signatures, and, after receiving the signature of the bank, will permit of their being discounted at any moment by the Bank of France.

The administration of the bank is entrusted to a board, which is the same as that of the National Federation and the Wholesale Society, so that the bank comes under the control of the Co-operative Movement.

The board has appointed two directors, and, in addition to the board, and apart from it, the guaranteeing societies have appointed a Committee of Control, consisting of seven persons. This Committee supervises the utilisation of capital and the guarantees of debit accounts. No overdraft, nor risk, can be agreed to without its consent. It is also called upon to give its approval if the board wish to call in capital.

No dividends are paid on guarantee capital. The interest on paid-up capital is 6 per cent. at present.

The profits realised, after writing off and allocations to reserves as legally prescribed, are divided into two parts:—

1. Fifty per cent. is placed to the guarantee capital.
2. Fifty per cent. is paid as dividend on debit accounts, constituted by the shareholding co-operative societies as a result of advances agreed to by the bank.

Thus it is seen that the application of the co-operative system is complete. The dividends to societies are placed to their capital accounts, thereby permitting the increase of the paid-up capital.

It would seem to be an easy matter to establish a similar organisation in each country.

The services rendered by the Bank of French Co-operative Societies to the French Co-operative Movement have been considerable, and may be compared with those rendered by co-operative banks in other countries.

At the present time an international organisation constituted on lines already indicated would be useful as a centre for compensation of the different international transactions between the co-operative wholesale societies of each country. In such a case it would be necessary to establish unity of foreign bills while awaiting general stability.

CONCLUSIONS.

In concluding this report, we propose that the Congress should recommend the realisation of the following points:—

1. The savings of Co-operators should be utilised with a view to development of the Co-operative Movement, and the best method of utilisation is the concentration of effort in each country.

2. The organisation of the concentration of savings ought preferably to be distinct from commercial organisations, and thus arrive at grouping all forms of Co-operation in each country.

3. The co-operative banking organisations existing in each country should aim at the adoption of a form of organisation which could easily be compared with that of other countries.

4. The development of a centre of information and study, permitting the co-operative banking organisations of each country to get to know each other and facilitating relations between them. It should become an organ of compensation and international organisation to the extent of the possibilities of the establishment of international co-operative relations.

Discussion on Mr. Gaston Lévy's Paper.

The PRESIDENT: We will now proceed to the discussion on Mr. Gaston Lévy's paper. If no one desires to speak upon it, I will put the resolution printed at the end of the paper to the vote. The President, after taking a show of hands, declared the resolution carried unanimously.

The text of the resolution is as follows:—

“ This Congress is of opinion that—

“ (1) The savings of Co-operators should be utilised with a view to development of the Co-operative Movement, and the best method of utilisation is the concentration of effort in each country.

“ (2) The organisation of the concentration of savings ought preferably to be distinct from commercial organisations, and thus arrive at grouping all forms of co-operation in each country.

“ (3) The co-operative banking organisations existing in each country should aim at the adoption of a form of organisation which could easily be compared with that of other countries.

“ (4) The development of a centre of information and study, permitting the co-operative banking organisations of each country to get to know each other and facilitating relations between them. It should become an organ of compensation and international organisation to the extent of the possibilities of the establishment of international co-operative relations.”

The President then called upon Mr. Lévy to address the Congress.

Mr. GASTON LEVY (France): If the resolution is already adopted it seems unnecessary for me to speak on it. But, as the President calls upon me to speak, I must simply ask the representatives of the co-operative national organisations who, during the reading of the report, have been able to take note of the importance of the Co-operative Banking Movement in the world, to continue to help the International Banking Committee by pursuing their efforts in favour of the concentration of all information and all useful activities.

At the moment when the Congress is completing its work it seems to me useless to prolong this discussion. Perhaps during a future Congress we shall find a little more time in the midst of the difficulties which exist for the Congress in deciding questions of neutrality and moral interests to study practical questions and thus allow the I.C.A. to keep itself in touch with the work done by practical exponents who are sometimes both idealists and technicians.

The PRESIDENT: We tender to Mr. Lévy our hearty thanks for the interesting and valuable report which he has presented to the Congress.

It was under a slight misunderstanding that the report of Mr. Lévy was just now declared unanimously adopted. As a matter of fact, the German delegation, as Mr. Lorenz informs me, is unable to vote for the resolution in view of the present conditions affecting this question in Germany.

The resolution was, therefore, adopted by a large majority.

OFFICIAL COMMUNICATIONS TO CONGRESS.

Resolutions of the Conference on International Banking.

The GENERAL SECRETARY: The first communication I have to make is formally to read to you the resolutions adopted by the Banking Conference which was held here on Saturday last. These are simply reported to you this morning as information and in order that they may be incorporated in the report of the proceedings of the Congress:—

1. "The International Co-operative Banking Committee invites the British and German Wholesale Societies and the Labour and Agricultural Banks of the United States of America and Denmark to take part in its work and to help to create a banking organisation for the workers and peasants comprising all countries. The Secretariat is, therefore, charged to communicate this resolution to the organisations concerned."

2. "The Conference recommends to all co-operative banks to make use of the co-operative banking institutions of other countries, as correspondents, for the payment and recovery of debts abroad."

3. "The Co-operative Wholesale Societies are asked to give preference to co-operative banks to effect payments in other countries. The Bureau of the Committee is, therefore, instructed to supply the wholesale societies with the necessary information."

4. "The Conference draws the attention of the co-operative banks to the advantages which might accrue to them by the organisation of the transfer of emigrants' savings, and asks the banks interested to assist in this organisation."

Greetings from Latvia and Russia.

The GENERAL SECRETARY: The next two announcements are greetings to the Congress which I regret to say have been delayed for a suitable opportunity which never seems to have arisen. The first one reads: "The best wishes of the Latvian Co-operative Union of Consumers for the success of the Congress and for world economic peace." The second is from the Agricultural Council of the Peasants of Russia who through the intermediary of this Congress desire to greet the agriculturists of the whole world. They rejoice at the progress of the I.C.A. and its endeavours to secure the solidarity of the workers and agriculturalists of all countries.

THE PLACE OF THE NEXT CONGRESS.

The PRESIDENT: We now come to the question of the place of the next Congress. The Central Committee propose that you leave that question to be decided by the Central Committee, as it is impossible to come to a conclusion on the matter this morning.

The proposal of the Central Committee was adopted.

MESSAGE TO PROFESSOR CHARLES GIDE.

The PRESIDENT: May I now propose to you that the following telegram should be sent to our absent friend and colleague Charles Gide:—

“ The Eleventh International Co-operative Congress expresses its sincere regret at the absence of the great intellectual of the International Co-operative Movement, Charles Gide, and sends him its fraternal salutations.”

THE CLOSE OF THE CONGRESS.

The PRESIDENT: The work of the Congress is now finished. It has been a very agreeable task and from the bottom of my heart I thank our Belgian friends. They have welcomed us as brothers and sisters; they have admirably prepared the reception and installation of the Congress; but better than that, they have organised an international exhibition unequalled in the history of Co-operation. They have manifested throughout the true spirit of hospitality, and we ask them to accept our heartfelt thanks.

We have also to thank our interpreters, who have accomplished their difficult task with great ability.

It only remains for me to thank our General Secretary and his staff for the very long and arduous duties they have performed in the interests of the Congress.

The DELEGATES by their acclamation warmly endorsed the thanks expressed by the President.

The PRESIDENT: I now call upon Mr. Victor Serwy, the director of the Belgian Co-operative Union, who, with his colleagues, is responsible for the organisation of the Exhibition and the arrangements for your comfort in this Congress.

VICTOR SERWY'S RESPONSE.

Mr. VICTOR SERWY, who was enthusiastically received, said: In the name of my Belgian comrades, I thank the President for the eulogistic remarks which he has addressed to us, and we are very touched by the applause which has punctuated his words. If we have reason to be satisfied with the Exhibition and with the Congress it is thanks to the collaboration of all those countries which, under the patronage of the International Co-operative Alliance, have given us their whole-hearted and devoted help. The organisation of the Exhibition has, in reality, been greatly facilitated because each country has given the Organising Committee continual and loyal support, and if, during the Congress, there have been differences of opinion, sometimes perhaps more profound than one can imagine, none the less we leave the Congress to-day strengthened, thanks to the spirit of conciliation, thanks to the spirit of understanding by which the delegates have been continuously animated, and thanks to the goodwill of all. These differences ought not to alarm us. I remember, 20 years ago, we—the Belgian, Italian, and French delegates—were occupying the place occupied to-day by our Russian comrades, but, in proportion as responsibilities increased, and in proportion as the movements became more important, so also the consciousness of responsibility grew. Twenty years ago the International Co-operative Alliance was a purely academic organisation, to-day it is a considerable force. I am convinced that the Alliance will continue to grow and to spread its light in the world. I am equally sure that our Russian comrades will rejoin us to make our common work more fruitful and to make peace reign throughout the earth.

Once again, in the name of my Belgian comrades, I thank you for having entrusted to the Belgian Co-operators the task of organising your Exhibition and your Congress, and thus showing by example that we know how to respect the neutrality and convictions of our comrades.

The PRESIDENT: Fellow Co-operators, our work is finished. I wish you all, God-speed and a safe return to your homes.

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APPENDIX I.

List of Members
of the
International Co-operative Alliance

JUNE, 1924.

The rules of the Alliance provide for the admission of members under two categories, (1) those Unions or Federations which are national in their scope and which desire to join the Alliance with all their constituent members; these are termed "collective members" (Articles 8*a* and *b* and 17*b*). (2) Those Societies, Unions, or Federations which have local, district, or national dimensions, and are admitted as single units. These are termed "individual members" (Article 8*c*, *d*, and *e*, and 17*a*).

Collective Members.		
Country.	Name of Organisation.	No. of Societies affiliated.
AUSTRIA.....	Verband deutsch-österr Konsumvereine, Vienna.	173
BELGIUM	L'Office Coopérative Belge, Brussels.	69
BULGARIA	Centrale Coopérative "Napred," Sofia.	91
CZECHO-SLOVAKIA..	Ustredni Svaz Ceskoslovenskych druzstev, Prague.	1327
	Verband deutscher Wirtschafts-genossenschaften, Prague.	254
DENMARK	De Samvirkende danske Andels-selskaber, Copenhagen.	—
FINLAND	Suomen Osuuskauppojen Kesku-sosuuskunta, Helsingfors.	464
	Yleinen Ostuskauppojen Liitto, Helsingfors.	458
	Kulutusuuskuntien Keskus-liitto, Helsingfors.	113
	Suomen Osuustukkukauppa, Helsingfors.	113
FRANCE	Fédération Nationale des Co-opératives de Consommation, Paris.	1937

Country.	Name of Organisation.	No. of Societies. affiliated.
GEORGIA.....	Central Co-operative Union of the Republic of Georgia "Tsekavshiri," Tiflis.	—
GERMANY	Zentralverband deutscher Con- sumvereine, Hamburg.	1275
HOLLAND	Centrale Bond van Nederlandsche Verbruiks-coöperaties, The Hague.	137
HUNGARY.....	Zentrale der ungarländischen Genossenschaften, Budapest.	17
ITALY	Lega Nazionale delle Cooperative, Milan.	2300
LATVIA	Union of Consumers' Societies "Konsums," Riga.	278
NORWAY.....	Norges Kooperativa Landsforen- ing, Christiania.	406
RUSSIA	All-Russian Central Union of Consumers' Societies "Centro- soyus," Moscow.	—
	All-Russian Co-operative Bank "Vsekobank," Moscow.	941
SWEDEN	Kooperativa Förbundet, Stock- holm.	889
SWITZERLAND	Verband Schweiz. Konsumver- eine, Basle.	519
UKRAINE	Allukrainischer Genossen- schaftsbund "Wukopspilka," Charkow.	—
	Allukrainische Genossen- schaftsbank "Ukrainbank," Charkow.	1242
	Allukrainischer Verband der landwirtschaftlichen Genos- senschaften "Silsky Gospodar," Charkow.	5651
UNITED STATES ...	The Co-operative League, New York City.	328

Individual Members.

Country.	
ARGENTINE.....	"El Hogar Obrero" Cooperativa de Credito, Buenos Ayres. Sociedad Obrera Cooperativa de Pan, Rosario de Santa-Fé.

Country.	
ARMENIA.....	L'Union des Sociétés Coopératives de l'Arménie "Aykoop," Erivan.
AZERBAIDJAN.....	Union of Co-operative Societies of Azerbaidjan "Azsoyus," Baku.
BULGARIA.....	Société Générale Coopérative Ouvrière "Osvobojdénié," Sofia. Société Coopérative d'Assurance et d'Epargne des Fonctionnaires Bulgares, Sofia.
CANADA.....	Co-operative Union of Canada, Brantford. British Canadian Co-operative Society, Sydney Mines.
DENMARK.....	Det Kooperative Faellesforbund i Danmark, Copenhagen.
ESTHONIA.....	Eesti Tarvitajateühisuste Keskühisus, Tallinn.
FINLAND.....	Society "Pellervo-Seura," Helsingfors. Finlands Svenska Andelsförbund, Helsingfors. Paloapuyhdistys "Tulenturva," Helsingfors. Vakuutusosakeyhtio "Kansa," Helsingfors.
FRANCE.....	Chambre Consultative des Associations Ouvrières de Production, Paris. Fédération Nationale de la Mutualité et de la Coopération Agricoles, Paris.
GREAT BRITAIN.....	Co-operative Union of Great Britain, Manchester, and about 485 Societies.
HUNGARY.....	"Hangya," Hungarian Co-operative Union and Wholesale Society, Budapest. Magyarországi Szövetkezetek Szövetsége, Budapest. "Háztartás" Fogyasztási Szövetkezet, Budapest. Landes Central Kreditgenossenschaft, Budapest. Altalános Fogyasztási Szövetkezet, Budapest. "Diligentia" Sparcassen Actiengesellschaft, Budapest. Grosseinkaufs-und Verwertungs-Aktiengesellschaft, Budapest.
ITALY.....	Federazione italiana dei consorzi agrari, Piacenza. Alleanza Co-operativa Torinese, Turin.
JAPAN.....	Sangiokumiai Chiukai, Tokyo.

Country.	
LITHUANIA.....	Union des Coopératives de la Lithuanie, Kaunas.
POLAND.....	Zwiazek Polskich Stowarzyszen Spozywczych, Warsaw. Zwiazek Robotniczych Spoldzielni Spozywcow, Warsaw. Landesrevisionsverband ruthenischer landwirtschaftlicher Kredit-Handels-und Gewerbegeossenschaften, Lemberg. Landes-Kredit-Verband, Lemberg. "Narodna Torhowla," Lemberg.
ROUMANIA	Centrala Cooperativelor de Productie si Consum, Bucarest. Centrala a Cooperativelor "Hangya," Nagyenyed.
SPAIN	Federación de Cooperativas de Functionarios, Madrid. Federación Regional de cooperativas de Cataluna, Barcelona.
SWITZERLAND.....	Verband der Genossenschaften "Konkordia" der Schweiz, Zurich Schweizerische Genossenschaftsbank, St. Gallen.
YUGOSLAVIA.....	Fédération des Unions Coopératives dans le Royaume des Serbes, Croates et Slovenes, Belgrade.

**Appendix II.—TABLE SHOWING TOTAL SUBSCRIPTIONS
RECEIVED FROM EACH COUNTRY, 1921-1923.**

Country.	1921.	1922.	1923.
	£ s. d.	£ s. d.	£ s. d.
Argentina	1 11 0	4 4 0	3 0 0
Armenia.....	...	...	...
Azerbaijan .....	...	...	...
Austria	25 0 0*	...	53 0 0*
Belgium.....	{ 26 0 0* } 21 6 0†	47 18 0*	29 13 9*
Bulgaria.....	10 10 0	10 11 0*	31 10 0*
Canada	0 14 3	1 4 0	1 0 0
Czecho-Slovakia	{ 106 0 0* } 70 0 0†	112 7 0*	144 2 0*
Denmark.....	24 2 6	150 0 0	160 0 0
Estonia	5 0 0	10 0 0	10 0 0
Finland	{ 244 17 0 } 50 18 11†	232 5 5	226 16 0
France.....	76 0 4*	206 5 5*	206 6 9*
Georgia	10 0 0	10 0 0	50 0 0
Germany	183 5 0*	100 0 0*	100 0 0*
Great Britain	{ 1014 1 6 } 172 0 0†	1391 0 10	1522 12 4
Holland	51 13 0	63 4 0	63 4 0
Hungary.....	11 0 0*	17 2 6*	20 4 0*
Italy	57 7 6*	10 2 0*	8 1 0*
Japan .....	...	...	...
Latvia.....	5 0 0	16 19 0*	16 19 0*
Lithuania	10 0 0	10 0 0	10 0 0
Norway	{ 15 10 0 } 42 12 6†	25 6 0*	25 6 0*
Poland.....	10 0 0	12 0 0	12 0 0
Roumania	18 6 2	5 0 0	5 0 0
Russia.....	{ 100 0 0 } 100 0 0†	200 0 0	250 0 0
Spain .....	...	...	...
Sweden	104 12 0	96 8 0	100 0 0
Switzerland	126 1 7	121 0 0	124 19 4
Ukraine	10 0 0	...	305 0 0
U.S.A.	{ 21 5 9 } 20 0 0†	20 0 0	20 0 0
Yugo-Slavia	12 0 0	22 0 0	10 0 0

* Subscriptions calculated at "mean rate" of exchange.

† Contributions to "Special Financial Appeal."

Appendix III.—STATISTICS FOR 1922 OF THE CENTRAL ORGANISATIONS IN THE VARIOUS COUNTRIES.

Country and Organisation.	No. of Societies.	No. of Members.	Total Capital—Shares, Loans, Deposits, Reserves.	Trade.	Net Profits.	Value of Land, Buildings, Plant, Machinery and Fixed Stock.	No. of Em-ployees.
AUSTRIA: Verband deutsch-öterr. Konsum-vereine, Vienna. (Union of German-Austrian Distributive Societies.) G.E.G., Vienna. (Austrian Wholesale Society.) (1923.)	173 137	512,017 ...	Crowns. 13,074,329,000 13,348,294,400	Crowns. 272,921,985,469 466,564,208,779	Crowns. 3,134,320,000 622,244,256	Crowns. 2,298,064,000 ...	4,106 748
AZERBAIDJAN: Union of Co-operative Societies, "Azsoyus," Baku.	173	117,532	Roubles. 350,000	Roubles. 1,756,895	Roubles. 144,010	100,868	338
BELGIUM: Office Coopératif, Brussels. (Co-operative Union.) Fédération des Sociétés belges. Antwerp. (Wholesale Society.)	88	249,617	Francs. 164,195,708	Francs. 289,303,978	...	Francs. 87,021,831	7,445
BULGARIA: "Napred" Union, Sofia..... Centrale "Napred," Sofia. (Wholesale Society.) Société Ouvrière "Osvojojdénic," Sofia. (Workers' Co-operative Society.)	91 ... 115	52,968 ... 64,007	Lev. 36,500,000 12,468,939 32,733,722	Lev. 358,296,930 191,803,070 93,464,886	Lev. 1,840,000 560,000 353,275	Lev. 7,253,472 1,246,528 15,622,828	350 34 450

Country and Organisation.	No. of Societies.	No. of Members.	Total Capital—Shares, Loans, Deposits, Reserves.	Trade.	Net Profits.	Value of Land, Buildings, Plant, Machinery and Fixed Stock.	No. of Em-ployees.
CANADA							
*Co-operative Union, Brantford	13	42,300	\$ 6,305,013	\$ 5,004,620	\$ 157,820	...	874
CZECHO-SLOVAKIA:							
Ustredni Svaz, Prague. (Union of Co-operative Societies.)	1,373	556,749	Crowns. 256,394,567	Crowns. 1,326,315,043	Crowns. 5,051,692	Crowns. 222,494,822	8,919
Velkonakupni, Prague. (Czech Wholesale Society.)	674	...	37,238,246	588,687,448	2,693,744	21,717,521	700
Verband deutscher Wirtschafts-genossenschaften, Prague. (Union of German Provident Societies.)	259	301,253	178,938,394	731,710,227	2,786,102	28,594,255	2,000
"GEC," Prague. (German C.W.S.)	182	...	28,134,143	301,739,340	249,597	13,284,516	437
DENMARK:							
"Andelsudvalget" Central Co-operative Committee, Aarhus.	7,902	1,468,000	Crowns. 74,500,000	Crowns. 1,644,500,000	Crowns. 35,400,000	Crowns. 116,700,000	13,100
ESTHONIA:							
Eesti Tarvitajateühisuste Keskühisus, Tallinn. (Co-operative Union.)	255	94,732	Esth. Marks. 83,752,000	Esth. Marks. 1,592,336,000	Esth. Marks. 22,342,000	Esth. Marks. 46,254,000	971
(Co-operative Wholesale Society.)	...	...	41,419,100	1,538,887,478	8,510,544	30,050,764	210
FINLAND:							
Suomen Keskuskunta, Helsinki. (Wholesale Society.)	470	176,500	Finnish Marks. 28,454,496	Finnish Marks. 416,599,251	Finnish Marks. 5,455,501	Finnish Marks. 53,768,001	1,281
Yleinen Osuuskappojen, Helsinki. (General Co-operative Union.)	...	...	59,200,000	1,068,000,000	12,600,000	...	...
Kalutus Keskusliitto, Helsinki. (Central Co-operative Union.)	113	160,618	33,000,000	735,623,401	13,266,820	72,075,696	4,522
Osuustukkanpää, Helsinki. (C.W.S. of Central Union.)	...	...	18,713,750	318,401,410	5,248,790	6,777,985	137

* These figures include the United Grain Growers' Marketing Association.

Country and Organisation.	No. of Societies.	No. of Members.	Total Capital— Shares, Loans, Deposits, Reserves.	Trade.	Net Profits.	Value of Land, Buildings, Plant, Machinery and Fixed Stock.	No. of Em- ployees.
FRANCE : Fédération Nationale des Coopératives de Consommation, Paris. (National Federation of Distributive Societies.)	1,800	2,500,000	Francs. ...	Francs. 2,500,000,000	Francs. ...	Francs. ...	...
Magasin de Gros, Paris. (C.W.S.)...	1,640	2,200,000	46,533,186	268,800,300	1,833,841	23,747,000	...
Banque des Co-operatives de France, Paris. (Bank of French Co-opera- tive Societies.)	33	420,000	16,000,000	1,480,000,000	801,750	2,227,000	217
Chambre Consultative des Associa- tions ouvrières de Production, Paris. (Productive Federation.)	845	22,000	* 25,000,000	* 150,000,000	* 15,000,000	* 80,000,000	* 45,000
Fédération de la Mutualité et de la Co- opération Agricoles, Paris. (Agri- cultural Federation.)	1,000	1,000,000	...	...	...	...	...
GEORGIA : Central Co-operative Union, Tiflis....	659	296,143	...	...	...	...	...
GERMANY : Zentralverband deutscher Konsum- vereine, Hamburg. (Central Union of German Distributive Societies). Grossverkaufs-gesellschaft deutscher Konsumvereine, Hamburg. (C.W.S.)	1,300 ...	3,161,794 ...	Marks. 1,624,794,357 3,169,382,725	Marks. 13,889,314,620 35,708,000,000	Marks. 289,167,841 239,651,397	Marks. 253,812,131 9,863,183	43,526 3,333
HUNGARY : "Hangya" Co-operative Union, Budapest. "Hangya" C.W.S. Magyarországi szövetkezetek szove- tege, Budapest. (Co-operative Union.)	1,969 ... 3,919	852,651 ... 1,965,265	Crowns. 535,824,553 5,128,265,324 37,694,798,917	Crowns. 12,177,825,509 6,657,417,811 486,884,763,209	Crowns. 69,418,705 74,606,034 1,220,098,092	Crowns. 11,740,288,000 70,674,889 98,158,866,874	... 2,118 10,992

* Approximate figures.

Country and Organisation	No. of Societies.	No. of Members.	Total Capital— Shares, Loans, Deposits, Reserves.	Trade.	Net Profits.	Value of Land, Buildings, Plant, Machinery and Fixed Stock.	No. of Em- ployees.
HUNGARY—continued: Landes Central Kreditgenossenschaft, Budapest. (National Central Credit Society.)	1,065	336,786	Crowns. 158,300,000	Crowns. 50,872,099,572	Crowns. 5,060,271	Crowns. 4,744,436	2,170
Konsum - und - Produktiv - Zentral- vereinigung der ungarländischen, Genossenschaften, Budapest. (Central Union of Distributive and Productive Societies.)	29	146,854	270,878,552	31,039,070,815	87,500,000	...	1,470
ITALY: Legg Nazionale delle Cooperative, Milan. (National League of Co- operative Societies.)	4,600	1,150,000	Lire. 1,029,000,000	Lire. 2,300,000,000	Lire. ...	Lire. 2,000,000,000	...
*JAPAN: Sangiokumiai Chiuokai, Tokyo. (Central Union of Co-operative Societies in Japan.)	10,928	2,658,147	Yen. 526,146,144	Yen. 153,265,089 (Sale Societies) 121,719,123 (Purchase Societies)	Y n. 10,625,549	...	...
LATVIA: Centrāla Saveeniba "Konsuams," Riga. (Union of Consumers' Societies.) Wholesale Society	300 ...	73,000 ...	Lat. Roubles. 85,518,706 166,032,000	Lat. Roubles. †430,788,250 364,185,000	Lat. Roubles. †5,302,160 1,165,344	Lat. Roubles. †17,305,042 40,280,000	643 266

* Approximate figures. † Figures refer to 184 Distributive Societies only.

Country and Organisation.	No. of Societies.	No. of Members.	Total Capital - Shares, Loans, Deposits, Reserves.	Trade.	Net Profits.	Value of Land, Buildings, Plant, Machinery and Fixed Stock.	No. of Em-ployees.
LITHUANIA:							
Lietuvos Koperacijos, Bendroviu Sajunga, Karnas. (Union of Co-operative Societies.)	242	51,375	Lit. 1,011,952	Lit. 8,316,224	Lit. 342,514	Lit. 632,000	524
Wholesale Society .....	...	...	518,107	8,741,645	64,863	395,122	87
NETHERLANDS:							
Centrale Bond van Verbruiks-coöperaties, The Hague. (Central Union of Distributive Societies.)	141	137,000	Fl. * 2,000,000	Fl. * 50,000,000	Fl. * 2,500,000	Fl. * ...	...
Handelskamer van den Coöperativen Bond. (Wholesale Society, Rotterdam.)	383	173,635	3,120,231	12,101,873	...	678,720	...
NORWAY:							
Norges Kooperativa Landsforening (Norwegian Union), Oslo.	411	93,189	Crowns. 15,561,900	Crowns. 105,365,200	Crowns. 4,156,100	Crowns. 13,082,600	1,678
Wholesale Society, Oslo .....	...	...	3,920,131	20,745,181	210,561	1,482,000	206
POLAND:							
Zwiazek Polskich Stowarzyszen Spozycow, Warsaw. (Union of Polish Distributive Societies.)	762	264,723	Polish Marks. 3,362,690,831	Polish Marks. 23,728,938,000	Polish Marks. 792,915,767	Polish Marks. 160,110,189	2,461
Wholesale Society, Warsaw .....	...	...	4,106,132,175	9,583,456,547	1,786,510,955	150,729,095	350

* Estimated figures.

Country and Organisation.	No. of Societies.	No. of Members.	Total Capital—Shares, Loans, Deposits, Reserves.	Trade.	Net Profits.	Value of Land, Buildings, Plant, Machinery and Fixed Stock.	No of Em- ployees.
POLAND—continued:							
Związek Robotniczych Stowarzyszeń Spozycow, Warsaw. (Union of Workers' Distributive Societies.)	123	130,859	Polish Marks. 1,062,465,000	Polish Marks. 8,655,995,000	Polish Marks. 123,968,000	Polish Marks. 27,775,000	1,260
Workers' Wholesale Society .....	...	...	338,632,946	1,097,700,000	10,285,607	...	55
Landeskreditverband, Lemberg. (National Credit Union.)	515	128,862	98,312,436	2,253,791,953	1,957,090	97,141,930	1,708
Narodna "Torhowla," Lemberg. (National Union of Ukrainian Distributive Societies.)	180	27,456	£5,418	£152,281	£155	£8,000	662
ROUMANIA:							
Centrala Cooperativelor de Productie si Consum, Bucharest. (Union of Productive and Distributive Societies.)	3,301	193,753	Lei. 157,528,315	Lei. * 260,190,294	Lei. ...	Lei. 45,218,155	...
Centrala Bancilor Populare, Bucharest. (Central Union of People's Banks.)	1,468	456,670	351,536,299	2,796,139,402	4,406,488	1,659,721	...
"Hangyna," Union, Aiud, Nagyenyed C.W.S.....	540	149,965	6,166,218 2,428,000	148,952,424 63,400,000	679,533 364,658	2,347,116 ...	1,550 182
RUSSIA:							
"Centrosoyuz," All-Russian Union of Consumers' Societies, Moscow	19,110	14,000,000	Gold Roubles. 76,256,024	Gold Roubles. 853,152,000	Gold Roubles. ...	Gold Roubles. ...	135,000
Wholesale Society, Moscow.....	...	...	8,688,000	54,349,512	...	...	...
All-Russian Co-operative Bank, "Vsekokbank," Moscow (1923.)	1,321	...	14,442,510	3,024,428,575	795,470	138,980	1,007

* Trade of 2,240 Societies.

Country and Organisation.	No. of Societies.	No. of Members.	Total Capital— Shares, Loans, Deposits, Reserves.	Trade.	Net Profits.	Value of Land, Buildings, Plant, Machinery and Fixed Stock.	No. of Em- ployees.
SWEDEN: Kooperativa Förbundet, Stockholm. (Union and Wholesale Society of Distributive Societies.)	895	259,188	Crowns. 16,614,000	Crowns. 200,609,148	Crowns. 5,962,625	Crowns. 22,735,529	5,114
SWITZERLAND: Verband Schweiz, Konsumvereine, Basle. (Union of Distributive Societies.) Wholesale Society, Basle..... Union of Konkordia Societies, Zürich Wholesale Society, Zürich	519 ... 89 ...	363,478 ... 7,876 ...	Francs. 107,798,004 32,199,428 1,787,832 955,900	Francs. 274,129,268 118,421,506 10,527,188 6,881,498	Francs. 13,248,534 310,027 412,251 25,388	Francs. 69,652,807 3,410,005 1,328,700 838,177	7,671 737 430 48
UKRAINE: All-Ukrainian Wholesale, "Wukops- pilka," Charkow. Ukrainian Co-operative Bank, Char- kow (1923).	46† 4,592† 1,060	1,493,000 164,300	Gold Roubles. 1,294,015 5,513,317	Gold Roubles. 3,423,760 113,098,700	Gold Roubles. 232,852 27,898	Gold Roubles. 264,449 37,227	320 ...
UNITED KINGDOM: *Co-operative Union, Manchester ... Co-operative Wholesale Society, Manchester. Scottish Wholesale Society, Glasgow Irish Agricultural Wholesale Society, Dublin.	1,436 1,195 271 684	4,565,906	£ 94,076,961 35,448,177 7,619,227 298,613	£ 176,890,408 65,904,812 16,826,188 686,486	£ 14,433,603 436,396 179,376 ...	£ 27,439,308 10,814,006 1,242,546 84,517	140,379 31,018 9,473 172

* Including figures of Co-operative Productive Federation, Leicester. † Regional Unions. ‡ Societies.

Country and Organization:	No. of Societies.	No. of Members.	Total Capital— Shares, Loans, Deposits, Reserves.	Trade.	Net Profits.	Value of Land, Buildings, Plant, Machinery, and Fixed Stock.	No. of Em- ployees.
UNITED STATES OF AMERICA: *Co-operative League, New York ...	838	135,450	\$ * 4,000,000	\$ * 20,000,000	\$ * 450,000	\$ * 35,000,000	* 3,000
YUGO-SLAVIA: Fédération des Unions Coopératives dans le Royaume des Serbes, Croates et Slovenes, Belgrade. (Federation of Co-operative Unions.)	11† 4,421‡	509,637	Dinars. 216,515,900	Dinars. 2,835,100,000	Dinars. 3,610,200	Dinars. 65,000,000	...

* Approximate figures. † Unions. ‡ Societies.