

## Co-operation

It is fairly safe to say that the prosperity of a community, a state, or any organization, depends upon the power of the individual members to co-operate. Co-operation may be for purposes of attack or for purposes of defence. In either case it is a necessary condition of success. So true is this, that history is the story of organizations rather than of individuals.

The last two decades have in a marked way illustrated the growth of organization for the furtherance of social, industrial, commercial and political ends. Churches are seeking union; philanthropic societies are banding together; cities are wresting powers from individuals and assuming the right to act as corporations in furnishing their own power, light, water, modes of transportation. The question men are asking is how they can best combine to get a maximum of efficiency or income with the least expenditure of time or energy.

This question has been asked, first of all, by the captains of industry, by money kings, and they have answered it in the one word—merger or monopoly. It has been asked by the wage-earner, and answered in another single word—union, or co-operative effort.

If the co-operative efforts of nations and of the owners of wealth have been interesting, infinitely more so have been the efforts of the common people as they have combined to secure political, religious or economic freedom. The struggle for economic equality has witnessed great failure as at New Harmony, Orbiston, Palatine and in South America. Fortunately there have been some cases where co-operation has met with signal success.

### Co-operative Distribution

To escape the burden of high living there was opened in 1844 at Rochdale, England, a distributive store. "These twenty-eight Lancashire working men successfully grafted certain portions of Robert Owens' co-operative ideal on a vigorous democratic stock, out of which is sprung the modern co-operative movement with its million members—thirty-six million pounds sterling annual trade, three millions of yearly profits, and twelve millions of accumulated capital." The great principle of this organization was that the trading profits should be divided among the members according to the amount of their purchases—and this principle strengthened by cash purchase of articles guaranteed to be genuine, is the very life of the co-operative movement. The figures given above were from statistics of some years ago. The figures for 1911 give a total of about 1,500 societies, with a membership of about three million and a trade of about \$350,000,000. Nor has the development remained with distribution. Through the organization of wholesale societies, the work of manufacturing and trading has been engaged in, and a fleet of vessels now carries goods to and from Denmark, Canada, Australia, United States, Germany and other lands. This then is the first successful attempt at co-operation—the profits going to the consumer.

### Co-operative Production

There are in England many co-operative societies of workmen, especially in the textile trades, in the manufacture of boots and shoes, in the building, the printing and the metal trades. These are self-governing shops paying interest on loan capital and proportioning their capital not among the

customers but among the producers. These societies last year did a business of about \$12,000,000. It is probable that in only a few selected industries would organizations of this kind succeed. Yet the ideal of a self-governing workshop makes a strong appeal to many minds. Nevertheless as in all branches of trade and commerce the larger organizations are pushing the smaller to the wall, so nothing short of such a strong association as that mentioned in the last paragraph would likely meet the competition of united capital. Co-operative production would then seem to be a doubtful possibility.

### Sharing Profits

There was organized in 1842 by Leclaire a system of division of profits among the workmen in his employ in a glass factory. He found that \$15,000 a year could be saved on working expenses. He offered to divide this amount, if it were saved by care on the part of the employees. The experiment was most successful. Now, when five per cent has been paid on capital and the managers have received fair income, the balance of profit is divided as follows: One-fourth to the managing partners, one-half to the workmen, one-fourth to the mutual aid society (for the benefit of workmen). This principle of profit-sharing has been employed since in many institutions in Europe and America; indeed, in some concerns in Western Canada. As a system it is not generally followed, though its advantages are apparent. Profit-sharing acts as a buffer to the opposing forces of labor and capital. Yet the scheme is not favored by many union leaders for it tends to weaken the allegiance of workers to their class. None the less this is a form of co-operation that is working out well where it is tried.

### Co-operation in Agriculture

There is one industry where co-operation has been successfully attempted in many lands. Denmark has been conspicuous for thirty years for its co-operative dairies. There are now over a thousand agricultural co-operative societies, and every village has its co-operative dairy.

In 1844 the French farmers turned to co-operation for the preservation of life. The aim at first was to assist the cultivator in the purchase of chemical manures. Quickly the aims and the membership extended. Now the farmer has the advantage of better prices, technical assistance, cattle insurance and credit. In Britain because of the system of land holding, co-operative societies have not flourished in the same way, although since 1901 there has been a considerable movement towards combination among farmers and small holders. The Irish Agricultural Organization Society has done excellent service. In the United States and Canada there have been several almost vain attempts at co-operation among farmers. In the nineties the Patrons of Industry was mighty in Ontario, and there was a companion organization in Manitoba, but these because of political entanglement or lack of wisdom or suspicion of the farmers, or for some other reason came to nought. Now the grain growers of the West have organized, and the growth of the movement seems to augur success. Beginning in 1906 with a subscribed capital of \$25,000, it now has a capital of \$683,000, and its grain receipts last year were about 28 million bushels. If this organization goes into manufacture, and distribution of commodities, it may revolutionize trade in Western Canada. It is a form of co-opera-

tion that may succeed. A very complete history of the aims and organization of this body has just appeared in "The Round Table," published in London.

### Co-operative Banking

A form of co-operation that has significance for farmers and others was introduced into Prussia in 1849, when Friedrich Raifeisen started his loan banks for the benefit of his rural neighbors. He saw them in the clutches of the bankers, hopelessly embarrassed by debt and even sinking lower and lower in the morass of despondency. By the aid of a few socially-minded men and women of means, by making the shares in the bank as low as possible, by keeping down the working expenses to a minimum, the loan banks were established and prospered. A shareholder borrows from the society on the security of his fellow-members but only when they are satisfied that a loan is necessary. There are no general loans. The rate of interest is five per cent. Since 1880 the Raifeisen Bank has been a popular institution in Germany. On the model of this bank the English Agricultural Co-operative banks have been formed, and here is a suggestion for the farmers of Western Canada. Of course no system of this kind is possible here or elsewhere unless there is a feeling of mutual trust. Really that is the bugbear in the way of all co-operative effort.

### Always Possible

If, then, actual industrial and commercial co-operation of the working classes is as yet a somewhat doubtful venture, there are, fortunately, some forms of co-operation that may accomplish even more and yet not be open to such great risks. In the first place, through the power conferred on them as citizens, the people can hasten the day when in all matters that affect their welfare as a whole the community shall operate and control public necessities. They can hasten the day when in every town there shall be a real market in which consumer and producer may meet directly; they can work for the nationalization of railways, telegraphs and power-production and distribution; they can, in every case where private ownership acts oppressively, demand the institution of municipal plants for manufacture and distribution. They can go further. As controlling the power which makes the laws of the land, they can, if they so wish it, combine to get such enactments as will make it for ever impossible for private greed to fatten on the labor of helpless hunger; they can demand a showing of actual profits from every privately-operated concern. For the people are king if they will forget for one brief moment to be partisans. It is a dangerous thing to ask people to press for class legislation, but all legislation today, because of party rule, is class legislation. The party that now needs a little legislation in its behalf is—the party of the common people. For it is plain that our fiscal policy, our trade policy, and our method for the transportation and distribution of life-necessities are alike unfair to the man who lives by the labor of his hands and to the man who acts as clerk in a counting house. Common decency calls upon every good citizen "to come to the help of the under dog." We shall make it possible for him to live and to enjoy living, and towards that end shall begin by making it easy for him to get an education and difficult for him to fall into vice or crime.