

The American Society of Equity

Born in 1902 at Indianapolis, Ind., the American Society of Equity is one of a number of kindred organizations working in central and northwestern United States for better organization amongst the farmers of that country.

The society was not born under the most favorable auspices, and was used at first as an organization for the securing of subscriptions to a farm journal then published in Illinois. Presumably the society originated in the editor's office amongst the associates and stenographers in the same, and it certainly was a great idea for getting subscriptions. About the same time a book, called "The Third Power," was written by the same man to help out the proposition, and it was a hummer, too, but mainly in the first paragraph.

Organizers were put on the road and paid large commissions. Twelve thousand members were secured the first year, and by 1907 the society had its largest membership, with locals spread all over the northwest states and way up into Western Canada. There must have been fifteen locals of this society in Alberta, half as many in Saskatchewan, and two or three in Manitoba at that time. The farmers were hungry for organization, and anything that looked like a real way of getting together was readily taken up. From 1902 to 1911 the society has had tremendous ups and downs, and it has been a succession of successes and failures.

As stated before, in 1907 it had its biggest membership. In that year a monster convention was held at Indianapolis, at which an exceptionally good time, from an Irishman's point of view was indulged in. The delegates fought with chairs, and the originator of the society was thrown out, where he has since remained, tho shortly afterward he organized the Farmers' Society of Equity as a rival institution. At various times since then it has been necessary to throw other officers out. There has been more or less of a procession of such changes, especially up to 1911.

There have also been other offshoots from the society, but today it appears to be in probably the most hopeful condition for a long time. Much of the dross has been cleaned out of the organization and since 1911, when the society was at low tide, the growth has been more gradual and solid. What was left in that year represented the keenest staidbys, the desperates, the salvationists.

The membership is now 100,000. Its growth has been very rapid in the last four years. At present it has 7,146 locals and is operating in fourteen states: Kentucky, Indiana, Illinois, Wisconsin, Iowa, Minnesota, North Dakota, South Dakota, Nebraska, Wyoming, Montana, Oregon, Washington and Idaho, with a scattering membership in other places.

Scheme of Organization

Under the rules of organization of this society a county union has five local unions and a state union must have five county unions and 500 members as a minimum. There are state unions in existence in Kentucky, Wisconsin, Minnesota, North Dakota, South Dakota and Montana. Nebraska and Wyoming have branches of the National office, which is located at Wausau, Wis.

This form of organization necessitates considerable duplication and what appears like unnecessary expense. The membership is now \$4.00 a year, 50 cents of which goes to the local, 15 cents to the county, 35 cents to the state, 50 cents to the National, 50 cents to either the state or national equity papers, and \$2.00 to the state for organizing purposes, and then it is said this is not enough. This is the fee for a new member, of course. It will be readily seen that this is a high membership fee and it looks like one of the biggest handicaps in the rapid spread of the influence of the Society of Equity.

The locals usually carry on business as unincorporated bodies. A good many are incorporated, such as elevators, and sometimes several locals have their work under one constitution and by-laws. Such organization papers are usually either drawn free of charge by the central office at Wausau, or a state office where there is a state organization.

So far the work of the American Society of Equity has been mainly of an educational nature carried on thru meetings of local unions, the spreading of literature, thru organizers or in other ways, but much along the same line as the educational work amongst our "Grain Growers' Associations in Western Canada. Indeed, the educational and sentimental side seems to have been overdrawn, while

the business side of the organization is not yet fully enough developed. Very little indeed has been done with this side of it until the last two years. Some of the locals have carried on more or less unorganized buying, and some of the state associations have carried on buying of supplies very cheaply indeed.

American Co-operative Association

A little over a year ago the central organization established the American Co-operative Association, which is the business organization of the American Society of Equity. This was organized under the Wisconsin state laws. It has already established several branches and transacted a large amount of business.

Its first activity was the publishing of The Organized Farmer, the first issue of which appeared on January 14, 1915. In fact this paper appeared before the A.C.A. was organized. Difficulty was experienced securing second class mail rates, which only came after a special trip to Washington. The paper now has a paid in advance circulation of



A poultry car in Kentucky. Some of these contain shipments from 325 owners.

20,000, and is carrying on much invaluable criticism as well as constructive educational work. The editor is H. G. Tank, who is also secretary of the National American Society of Equity and the American Co-operative Association. Mr. Tank is an enthusiastic defender of the rights of producers and consumers, and absolutely fearless of privileged interests. In March, 1914, the call for a general business organization in connection with the American Society of Equity became so insistent as to warrant such a commencement as the A.C.A. Since then a flour and feed branch has been established at St. Paul; lumber and shingles at Everett, Wash.; a farm produce market on Water Street, Chicago, and a branch at Owensboro, Ky., for handling pools of land, poultry, grain, tobacco, etc. A large amount of canned goods, syrup, etc., is also handled thru the publicly operated warehouses, which give storage facilities at the rate of one-half cent per fifty pound box in and out and one and one-half cents per month storage. At the close of 1915 the A.C.A. had done a business of \$1,750,000, and the secretary estimated that for 1916 it would be at least \$5,000,000. This is made up of some pretty large items, like twine and salt, the groceries have been handled for the last three months. One million dollars' worth of wire fence will be handled this year.

The grocery business now amounts to approximately \$900 per day. It is done thru a Chicago wholesale house, and the large business that has developed has secured for the association the very inside prices, and has enabled it to sell to its members at approximately the same price as the wholesalers sell to the retailers. A comparison of prices with inferior articles handled by mail order houses shows the price to be below those of the mail order house. The quality of the goods is guaranteed. If the quality is not good the customer is under no obligation to take delivery. A large exchange business is done. Ten cars of fruit were brought east from Oregon last year and three cars of syrup from Kentucky to Wisconsin. Before this was attempted the shugum or syrup producers in Kentucky were getting 18 to 24 cents per gallon on the pretense that the market was very limited. The American Co-operative Association paid these producers 50 cents per gallon and gave the syrup to the consumer at 70 cents, which gave the producer 25 cents more per gallon and saved the consumer 50 cents per gallon. This year the association expects to take

thirty cars out of Kentucky. Previously there was no standardization of this product and the producer was held up on cans. Now the association buys cans and labels for the producers and keeps a man to standardize the product.

Wool Marketing

A large amount of wool is also marketed thru this association. Over 40 cents was obtained for the Kentucky wool this year, and it went direct to the manufacturers. At first difficulty was experienced with farmers backing out, which led to a law making it compulsory on signers of pools to sell thru the association. These pools were made by a large number signing one contract form. The Supreme Court of the United States ruled that a list of such names was a combination in restraint of trade—a trust—so now each man signs an individual contract. A large amount of tobacco is handled in Kentucky. Poultry is handled by pools in that state also. At Hartford, Ky., on one poultry day four streets were so jammed for five blocks that another wagon could not get in. This stuff is also graded and shipped to New York. The poultry collecting car moves about from place to place on poultry delivery days. Some of these cars represent poultry collected from 375 owners. At one place the regular dealers employed twelve men to go out on as many different roads from town to inform the incoming shippers that the poultry car had already left town. The manager of the pool was later arrested for want of a license. Such are some of the little things these co-operators have to fight. The farmers of Kentucky are very poor indeed, many almost hopelessly so, we would consider. To one car three different farmers came in with one rooster, and one farmer came in three times with one bird.

Co-operative Canneries

This year, the secretary stated, co-operative canneries and co-operative driers are being established on the Pacific coast states for canning and drying fruit.

The stockholders of this organization are organized farmers of which 90 per cent. are members of the American Society of Equity. The total capitalization is \$250,000, of which \$3,000 has been paid up. Business has commenced on \$600 capital, and the remainder has come in absolutely voluntarily.

Wisconsin State Union

The Wisconsin State Union of the American Society of Equity has carried on a considerable variety of work. There are about 400 locals in the state. The commercial buying work at central is carried on by H. E. Holmes, and a very large number of locals are now buying supplies in fifty-pound lots thru the central route. This work has been in operation and while there was a loss during the first two years, this year has shown a profit. Business is transacted on a narrow margin, i.e., the difference between the wholesalers' and jobbers' price and the goods are got to the consumer with the lowest possible price. Until this work was taken up the difficulties of keeping the membership up were much greater. In two years' commercial operations the membership has increased 2,000. When members find the saving effected they are much readier to join the society. Coffee is a good instance of saving. Each family consumes two pounds per week, on which a saving of eight to ten cents per pound can be made, or a saving of approximately \$80,000 in one year alone to the 10,000 families being served. Coal, flour, feed, twine, machinery and all kinds of groceries in fifty-pound orders are handled. At some places the locals are incorporated, and at some points the movement has resulted in the farmers incorporating a company to build a warehouse for machinery storage, etc. This is done at Marshfield, where a man is kept to operate it, and machinery is even distributed to other local dealers from this warehouse.

From November to May 1, 100 cars per month of mill feeds were handled at a saving of at least \$1.00 per ton or approximately \$8,000 per month. When the society wanted to handle gluten feed it found the whole gluten feed business in the state in the hands of three men who had absolute control. The price was so high that the consumption was being greatly curtailed. The price of this feed was reduced nearly \$9.00 per ton, and many dairymen who never thought of using gluten meal before on account of the price are using it freely now. It

Continued on Page 28