

vereine," in which he commended the Schulze-Delitzsch type of bank for towns and industrial centres, and the Anhausen model for agricultural communities. But he seems gradually to have changed his mind; and from 1873 until his death, in 1888, he devoted all his energy to the furtherance of rural associations of the Anhausen type.⁶

With the establishment of these two models of co-operative credit association, there was started a movement which has had a tremendous influence on the rapid agricultural and industrial development of Germany during the past sixty years. There is scarcely a town of any importance but has its town bank. These are often stately edifices, each with a well paid staff of clerks and officers, where the most important banking business of the city is transacted. On the other hand, the modest Raiffeisen association has spread among the agricultural towns, villages, and rural districts, carrying thrift, ambition and progress with it everywhere.

In 1905, there were in Germany 1,020 banks of the Schulze-Delitzsch model, with a total membership of 586,595. Sixty per cent. of these members availed themselves of credit; and the total loans granted in 1905 amounted to 3,000,000,000 marks, upon which was charged an average rate of 5.05 per cent. interest. Of the country banks, the number for Germany in 1905 stood at 13,181. The 10,786 of these associations belonging to the Imperial Union, for which reliable statistics were available, had a membership of 954,473, and had granted credit for that year aggregating 500,000,000 marks, at a rate of interest which probably averaged about one per cent. less than was charged by the town banks. The average credit advanced per member was 500 marks, as compared with 5000 marks per member granted by the Schulze-Delitzsch associations.⁷

But the co-operative movement has by no means been confined to the country of its origin. In 1865, Signor Luzzatti established the Popular Bank of Milan with an initial capital of 700 lire, of which the founder himself subscribed 100 lire, thus becoming the largest shareholder among the charter mem-

⁶*Ibid.*, 20.

⁷*Ibid.*, 48.