published a book setting forth the purpose and scope of his scheme. Three years later he organized the "Allgemeiner Verband der Deutschen Erwerbs- und Wirtschafts-Genossenschaften," of which he was director until his death in 1883.[3] He was instrumental in securing the first co-operative law in Prussia in 1867, which was made an imperial law in 1889.[4] Thus arose what has come to be known all over Europe as the town or industrial type of co-operative bank.

About the same time, another movement took its rise in Germany which has meant even more to the poorer agricultural classes than the town bank has to the larger landholders and industrial classes. The honor of first establishing rural co-operative credit associations belongs to Herr F. W. Raiffeisen, burgomaster of a group of villages around Neuwied. He was a man of great mathematical ability and of broad and varied experience. He was an ex-soldier, a wine-merchant, and had rendered valuable service in superintending the building of a railroad on the left bank of the Rhine.

Touched by the poverty of the rural classes around Neuwied, Raiffeisen established, in 1848, a co-operative distributing society for the purpose of assisting the poor to get their supplies of potatoes and bread. The next year, under the patronage of a number of wealthy philanthropists, he organized a credit and loan society at Flammersfeld, designed to provide credit on easy terms to needy farmers. The great importance of this association rests upon the fact that it indirectly determined the trend of the whole future movement of rural co-operative credit in Europe. One thing Raiffeisen learned from this experiment. He became forever convinced that the crying need of the poor was not for philanthropic aid, but for some sort of organization which would enable them to obtain credit funds for themselves. Hence, in 1862, he started another credit and loan society at Anhasen, and in this association the membership was made up of the borrowing farmers themselves.[5] Four years later Raiffeisen published his essay, "Die Darlehenskassen-

[3] Ibid., 20. [4] Ibid., 21.
[5] Ibid., 19-20.