CHAPTER I.

HISTORICAL SURVEY, SHOWING THE QUEBEC SOCIETIES IN THEIR RELATION TO THE GENERAL CO-OPERATIVE CREDIT MOVEMENT.

Co-operation for the purpose of making credit available at a reasonable rate of interest [illegible] no longer be looked at askance as a new and untried phenomenon in the economic world. Indeed, it would seem that the idea is as old as Xenophon. He, it is said, conceived the plan of a bank to which all the Athenian people might subscribe capital, and in the profits of which they might all share. The object was to encourage wisely directed commercial adventure by financial support at rates of interest less oppressive than were extorted at that time; and incidentally to enrich the public treasury as well as the private citizens of Athens. "Thus, while numbers of individuals were encouraged and enabled to employ themselves for their private benefits, the whole Athenian people would become one great banking company from whose profits every member, it was expected, would derive at least an easy livelihood."[1] But, coming down to our own times, co-operative credit has now an unbroken record of over half a century to vouch for it, and that record is one which discloses an expansion and success which are trurly marvelous.

The movement took its rise in Germany, which has been called the fatherland of co-operative banking. In 1850, Herr Schulze, Mayor of Delitzsch, who was also a judge and a member of the Prussian National Assembly in 1848, established in Delitzsch-Eilenberg his first loan society with a membership of ten artisans. Two years later he remodeled his society as a self-supporting institution, with a share capital.[2] In 1856, he

[1] Mitford's History of Greece, iv. 22. Quoted by J. W. Gilbert: History, Principles, and Practice of Banking, i, 6-7.

[2] C. R. Fay: Co-operation at Home and Abroad, 19-20.