Co-operation

William Henry van Ornum

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I. INTRODUCTION

In view of the great interest that is being taken in the subject of Co-operation at this time; and in view of the evident confusion of thought which prevails on the subject as shown in the writings of many who assume to discuss it, I have thought it highly desirable to bring on, if possible, such a general discussion as will make clearer the true principles of Cooperation, and the prerequisites for success in co-operative enterprises. The need for such a discussion is apparent the moment we pick up any one of the thousand and one so called co-operative schemes which are offered with all possible assurance by their honest but often not well informed authors. For instance, I have frequently seen in the columns of the TWENTIETH CENTURY, proposed plans of what were called cooperative enterprises, but which were almost purely capitalistic ones, only that the capital was to be distributed in small blocks. I believe that a more general understanding of the subject will not only increase the interest in Co-operation as an ideal method of production and distribution, but it will prevent the large percentage of failures which has marked the history of Co-operation in the past. I will therefore start the discussion and invite criticism, hoping that the result will be helpful to the many co-operative schemes which are being set on foot.

First then, it is necessary to clearly draw the line between Capitalism and Co-operation, so that we shall not be in danger of confounding the two. The first is the present system, or want of system, under which production and distribution is carried on. It is based upon the old notion of political economy, that there are three factors in wealth production, one of which is capital; that capital performs a part in that production and consequently is entitled to share in the product; and that interest is the natural share which capital is justified in exacting. Dividends on capital stock, royalties and profits on invested capital are ah only different forms of interest, and derive their entire sanction from this same idea of capital. This political economy is a very different thing from social economy, which is the science of the production, distribution and consumption of wealth subject only to the natural laws of social intercourse which will necessarily govern human association when freed from the arbitrary interference of the law. On the other hand, political economy is the science, so far as any science is possible, of production, distribution and consumption of wealth subject to the political institutions which interfere with the natural laws of social intercourse. Social economy is always the same, only being modified by the prevailing degree of intelligence in society; while political economy varies greatly according to the political institutions which prevail. For instance, political economy will be a very different thing in a community where the law subjects land to private ownership and monopoly, from what it would be where it were free. So, in order to understand political economy in any country, it is necessary to know the political institutions of that country in relation to wealth, etc. it should be remembered that our whole system and institution of property, particularly that of private fortunes, is the outgrowth of political, instead of social economy. Its results are the results of human enactments and not of the free play of natural forces. Land monopoly, money monopoly, patents, franchises, control of the means of communication, and many others have interfered with the course of nature in social affairs, setting up distinctions, classes and castes based upon wealth

and legal privilege. In the absence of those things nature always tends to equality in material condition, with a resulting equality in social relations. The only thing that violates this equality is the legal advantage which comes from privilege. Capitalism then, is a product of the law which builds up wealth and privilege on one side, and on the other poverty, wage slavery and abject dependence.

Co-operation, on the other hand, is based upon the newer social economy which recognizes all wealth as the product of labor, without help from any source whatever, and therefore, which asserts that all wealth belongs to labor without its being called upon to divide with anybody. Seeing that it has produced all wealth in the past and that the only things that stand in the way of unlimited production in the future are the institutions of Capitalism which shut labor off from access to nature, labor seeks a way to overcome the obstructions. This will be found in Co operation, which is nature's way of overcoming both the natural difficulties, and the artificial obstructions which have been set up by human enactments. Therefore, Cooperation, having an entirely different basis, different methods and a different end it must necessarily keep itself entirely aloof from Capitalism. The two have nothing in common. They are as antagonistic as light is to darkness.

Now let us look at a joint stock company under Capitalism and see how it is made up! There is a certain amount of capital stock held by certain persons called stock holders, who, as such, perform none of the labor of the co-operation. If one of them does any part of the work he always expects pay for his services apart from his stock interest. The president, secretary and other officers, while they are stock holders, and draw their quota of dividends on their stock, always have an additional allowance as a salary. That salary they are expected to earn independent of any stock interest they may possess, so that the dividends never represent labor performed. Wherever also, the corporation has a bonded debt the interest on that debt is wholly outside of any labor performed. While in [6] some cases the workers may be in possession of some of the bonds of the corporation and in virtue thereof draw interest, that interest is in nowise a compensation for anything done which aids the workers or lightens their burdens. And the same thing is true of those sinecure officers or agents whose work is not actually necessary to the performance of the work of production peculiar to the corporation. Now, as all the wealth produced is the product of the labor performed; and as all payments of whatever nature, must be made out of the product, it necessarily follows that the more capital stock there is to draw dividends, the more bonds there are to draw interest, and the more purely ornamental officers there are to draw high salaries the more the fund will be depleted from which wages are to be paid to the real workers. But these capitalistic features which have been engrafted upon an otherwise co-operative society have still further changed the nature of the organization from a basis of pure co operation.

The owners of the capital stock assume, by virtue of that ownership, the proprietorship of the whole society. They pretend to employ those who perform the labor, and then, by reducing wages to the lowest possible price at which it can be obtained, divide the entire surplus, after paying the interest, salaries, etc, among themselves as dividends. Labor stands no possible chance of getting increased returns by increased diligence. Its condition is that of hopeless servitude; while, on the other hand, the proprietors—the stockholders, through the sinecure officers, stand in the relation of masters spurring their slaves on to the greatest possible exertion in order to swell their own unearned gains.

It is easy now to see just what the difference is between a joint stock company and a co-operative society. Eliminate the capitalistic features of any joint stock corporation, such as stocks, bonds and ornamental officers, so that it comprises none but the actual and necessary workers;

and then place them all on the same footing, so that there are no high and no low—for without equality there can be no genuine co operation—and we have an ideal co-operative society. There is not a railroad, telegraph or telephone line in this country, or anywhere else, or public or private works, great or small, which cannot be run by precisely the same men who run them now working as co-operative societies ; and that too with far greater cheapness, safety and dispatch than now obtains. These men are doing the work now. Let them continue to do it, but let the capitalistic features be abolished—the rent, interest, dividends, sinecure salaries and profits all be wiped out, and the products of the labor divided among those who perform the labor, share and share alike, and there will be no labor question to interfere with the orderly course of events, and every worker will be stimulated to render the best possible service.

Now, taking the joint stock company, or corporation, as we know it, with its capital stock, its bonds, mortgages and fixed charges; its rents, interest, dividend and royalties; its ornamental or useless officers useless so far as the production of wealth is concerned, and only useful when it become necessary to promote destructive competition or trust combination with others, or to manipulate legislatures, and its artificial gradations in the stations and pay of the workers. I say, taking all these as a type of capitalism, we may also take this same corporation, stripped of all these capitalistic features, as a type of pure co-operation; so that we have set before us the two systems in the sharpest and strongest contrast, one filching away the entire product of the workers for the benefit of the idle; and reducing those workers to a condition of wage slavery, and the other leaving them in full possession of the entire product of their labor, destroying the inequalities which capitalism had set up, and opening the way to a realization of that common human brotherhood which is the end toward which all reforms finally tend.

II. IN ENGLAND.

Let as apply the principles already reached, to those movements in this and other countries, which have flourished under the name of co-operation; and, I think, it will easily be seen why they have failed to bring any considerable relief to the producing classes, or have gone out of existence entirely. They have not been co-operative in the true sense of co-operation. They have been either purely capitalistic, or they have been an admixture of capitalism and co-operation, I have been unable to find a single instance of pure co-operation in all the history of organised co-operative effort to which I had access.

Taking the most conspicuous and withal the most successful of all mode in co-operative movements, that which has grown up in England known as the Rochdale system, and it will take but the slightest examination to see that it not only falls far short of what an ideal system should be; but that it is only the faintest attempt at co-operation; and has far more of capitalism than co-operation in it. Mr. Holyoke, in his "History of English Co-operation," defines co-operation as "a new power in industry, constituted by the equitable combination of worker, capitalist and consumer, and a new means of commercial morality by which honesty is: rendered productive. It is a concert of many for compassing advantages impossible to be reached by one, in order that the gain may be fairly shared by all concerned in its attainment,"

Here is a distinct recognition of the old political economy, that capital is a factor in production and is entitled to share in the product. By including the capitalist in the enumeration of the co-operators be ignores the doctrine of social economy that it is labor which produces all wealth and is therefore entitled to all wealth, The problem of labor is to get the whole of its earnings; and bow can it do that when a part is set aside for those who perform no part of that labor? Unless co-operation can secure this for the worker it can never work the emancipation of labor.

But English co-operation is confined to exceedingly narrow limits, Even if its principles were all that could be desired, it would still fall far short of the proper requirements. It is almost wholly distributive, It makes but very slight attempts at production. Up to 1882, out of 1,199 co-operative establishments in the United Kingdom, five were co-operative corn mills mainly engaged in grinding for the co-operative stores; and only twenty-two of the total number of 1,226 carried on any other manufacturing. The comparative insignificance of this co-operative manufacturing will be seen in the report of sales, The aggregate sales in 1,199 stores in 1882 reached £24,000,000, The sales from the five corn mills during the same year were £1,300,000; while for the twenty-two co-operative manufacturing establishments they only amounted to £220,000. It will be seen that while the system has had a large development, it has been almost entirely in the line of the purchase and distribution of certain necessaries of life, such as groceries, bread, meat, coal, furniture, draperies, etc. The most important field, that of production, has as yet scarcely been touched, But we shall have to look a little closer at the system to see bow widely it departs from the true principles of co-operation. Of course, in a sense, all working together is co-operation; but the co-operation which is to stand forth as a distinctive principle from capitalism, which is to secure to the worker the full fruits of his industry; destroy competition: abolish the wage system; and

which is destined to realize the Co-operative Commonwealth has a far greater significance than that. While the English co-operative societies differ somewhat in their various constitutions, they all have certain characteristics upon which they agree and which are considered essential to the system.

First, they all have definite capitalization in shares, instead of an uniform membership. This alone is destructive of true co-operation.

Second, members may hold any number of shares ranging from £1 to £5 each, as a minimum, up to £200 as a maximum; which makes them joint stock companies; and indistinguishable from any other joint stock corporation except that the stock is distributed in more hands.

Third, interest is allowed to the shareholders on the amount of their shares held, which is unadulterated capitalism and a clear violation of co-operation.

Fourth, goods are sold for ready cash only.

Fifth, the ordinary market prices are charged for goods sold, realizing large profits to the store. This perpetuates the idea of profits. It is out of these profits that interest is paid to the shareholders, and out of which there remains, after paying the interest, something to be divided back to the purchasers of goods as dividends on purchases. A truer idea of cooperation would be taught by furnishing those goods to members at cost plus the expense of handling, with no allowance for interest to shareholders and no profits.

Sixth, dividends are declared at regular intervals on cash purchases, whether those purchases are made by members or not.

Seventh, each member casts one vote only at all elections, regardless of the number of shares he holds. This tends to preserve equality in the management, and prevent many of the abuses of capitalism. But in this country this provision is not applicable, because the law allows one vote for each share. Therefore there must be a complete abandonment of the share system, even if it were otherwise desirable.

Eighth, a small sum, commonly two per cent of the net profits, is set apart each year as an educational fund with which the society maintains a library, obtains periodicals and carries on a propaganda for cooperation.

Such are the essential features of English co-operation. It will be seen that it is based upon and teaches the old economies; scarcely touches the labor question; and perpetuates all the abuses of capitalism. In fact, in its actual workings, it is made a bulwark of capitalism. It seeks to harmonize capital and labor; to inculcate pinching economy as the road to wealth; and to cultivate a class of small capitalists. Professor Jevons says: “Savings deposited in almost any form of co-operative company tend to incite the instincts of the capitalist, and to acquaint the owner with a new view of the labor question.” It is because of this manifest tendency that co-operation, such as exists in England, has been encouraged and often assisted by English capitalists; especially since this tendency became clearly discernable. The same thing has been noticed by others.

The “Encyclopedia Britannica” points out that English co-operation is distinctly capitalistic in its tendencies because it strengthens the principle of capital and private property by making every co-operator a capitalist and thus personally interesting him in the maintenance of present economic conditions of society. It has frequently been urged against co-operation that such enterprises are especially liable to failure; and therefore that there is great risk in putting money into them. But the statement is not borne out by the fact. In 1884 “The Co-operator” published a list of 224 industrial cooperative societies (so-called), which had been dissolved; but even according to the loose and indefinite ideas of cooperation which prevailed then, and still prevails

in England, it was forced to admit that 16 of them were merely joint stock companies, with no co-operative element in them; forty-four of them proposed to divide the profit among capitalists and customers, and twenty-four of them between capitalists, customers and workers. There was not one of the entire 224, which was entitled to the term co-operative, as understood in the new economy. Therefore such an experience is absolutely worth nothing as against any plan which eliminates every element of capitalism from it. But there are lots of instructive lessons which may be learned from English co-operation, lessons which it would be well for those who are attempting to set up co-operative enterprises in this country to learn. One of those lessons is, that large resources in the way of monied capital, and special advantages are not needed. In fact, it has been observed that wherever a co-operative society started out under peculiarly favorable auspices and was able to buy everything it needed at first, it has been led into excesses which soon wrecked it; whereas, those which started in poverty, in pitiful savings, oppressed by the clergy, by traders and by the law, which had no rights which they did not win by hard fighting, have been the ones which scored the greatest successes. I think it will be found that the same principle will hold good in the present co operative movement. The danger to individual enterprises will be that they will not start small enough; will undertake to do too much, and will purchase their necessary experience too dearly.

III. ITS IDEAL.

Notwithstanding all the shortcomings of English co-operation; all its failures to realize the lofty ideals which appear so real to lovers of the Co-operative Commonwealth, yet it was conceived in the same spirit in which we now seek to bring in the new social order. The original purpose of its founders was to establish self-supporting communities distinguished by common labor, common property, and common means of intelligence and recreation. It was to be a conspicuous example of industrialism freed from competition. G. J. Holyoke says of it: "In the communal life an ethical character was to be formed in the young, and impressed upon adults, and all assured education, leisure and ultimate competence as results of their industry." In this they were seeking to reap the harvest at the same time that they sowed the seed. A mistake that we, as well, are apt to make in our impatience to realize our ideals—Commonwealth; that is, a wealth that is common to ail, is the fruit that grows upon the tree of co-operation. But the seed must have time to germinate. The young shoot must root deep into the soul of human experience. It must be tended by the faithful and devoted labors of those who see in visions of the future the fruition of their ideals. They must see to it that the rank weeds of capitalism are not allowed to choke out the tender plant. The Co-operative Commonwealth can only come as a development resulting from a period of cooperative production and distribution, during which the old ideas of property, of classes, of inequalities and of strifes shall gradually give place to new conceptions of life, of human associations, the obliteration of classes and inequalities, and the realization of an universal human brotherhood.

With all its faults, and notwithstanding its tendencies in many directions to capitalism, English co-operation has bought us nearer to the possibilities of a higher and purer form of co-operation. It has developed the weaknesses and limitations of the old, and given us a nearer view, and therefore a better conception of the new. Wherever it has flourished it has stimulated the hope and trained the intellect of those who have enjoyed its benefits. It has inculcated the lesson of honesty; taught frankness and openness as a principle, and educated a superior class of workingmen. These results have been so uniform and conspicuous wherever co-operation, even in its unsatisfactory forms, has been tried, that people expect to and do find co-operators better fed, better dressed, stronger, more robust, more self-reliant, and their children more healthy and plump. And these are the very qualities most requisite in those who will carry co-operation forward to new conquests. A serious mistake will be made if the utmost care is not exercised in the selection of personal material for co-operative enterprises. This applies equally as to skill in the trade or calling in which the workman is expected to be employed; and to his general intelligence and habits as a member of a community. Before real co-operative work is undertaken on any considerable scale, suitable schools of co-operation should be started, where the most thorough instruction can be given in all matters pertaining to the work and association.

But, while it is necessary to give the closest attention to ah the details and present needs in the construction of a system of co-operation, we must never lose sight of the high ideal to which we aspire. The gardener never forgets that all his labor in planting and tending the young

tree is finally to enjoy the fruit of it. To that all his care is directed. The quality of the fruit is largely determined by the wisdom and judgment shown in its culture. Just as the different stages of growth of a tree tend finally to bring. in due time, the flower, and afterward the matured fruit, so even our present society, in its deepest trend, is working toward co-operation and the communal state. It is easy to see hints of that state among us even now. In the family relation there are many. In every family where there is competence and plenty, accompanied with culture, the wealth held by that family is a commonwealth—common to its members. No one will deny to another the satisfaction of any want, or any gratification on a plea that such other has not performed his or her part in procuring that wealth. Each seeks the pleasure and comfort of every other. Each is ready and willing to serve the other; and that too without any stipulation as to pay further than is implied in this common sentiment. As to labor, each performs such as he or she can do best, being guided by their own tastes and inclinations. The father or mother never lets slips an opportunity to increase the general stock of wealth for the gratification of all the members. Nor do the sons and daughters, except as they are taught to look forward to a division of the community in the setting up of new communities of their own. In the ideal family there is no governing force implying command on one side and submission on the other. Reason, love and freedom are the determining elements in the association of its members. It is true, there are not many of these ideal families. But they exist; and the fact that they do exist is a pledge and promise of that larger communal society which. some time will develop through co-operation to a brotherhood which will be as broad as humanity itself.

I do not wish to he understood as holding that the family, even at its best, is the ideal state in the association of the sexes. That is another question; and has no relation to the present subject except as such associations help or hinder the final development of society to the Co-operative Commonwealth. Undoubtedly the family as now constituted, in conjunction with the laws for the succession of property, does hinder the growth of that larger commonwealth by perpetuating from generation to generation those small communities. The whole history and experience of each one of these communities constitutes a course of training whereby the members are taught to regard the other members far differently from what they do those people who are outside of their communities, or members of other communities. This is the same spirit which among different nations is called patriotism, and leads the American to look with disfavor upon the foreigner; the Frenchman to antagonize the German, and the Britisher to assume important airs over all others. all these things, whether manifested between rival nations or rival families, are barriers which have been erected, and are cunningly maintained in order to keep men apart. Why should a Frenchman hate a German; an American distrust a foreigner; or an Englishman assume airs over others? The differences between them ah, and between them and other men the world over, exist only in their own imaginations. And the causes of strife between them exist only in the rivalries and strifes of their rulers in which the people themselves have not the slightest concern. And so, too, why should any of us look upon merely blood relatives, even children of the same parents, as any different from any others having hike desirable qualities? The man or the woman should be esteemed for his or her own qualities of mind and heart rather than for any other consideration. That friend of any of us, who entertains common sentiments and common hopes is always a more valuable and valued friend than any mere blood relative, no matter what outward show ordinary conventionalities require us to assume.

This is not to say that there is no such thing as paternal, maternal or filial love. They are natural manifestations, and have their proper uses for the preservation of the species. But their

uses are limited to those periods of life when the necessity exists for them. And without the artificial extension which they receive through the perpetuation of families they could not long survive the period of their use.

These families—small communities—acquire special interests of their own (estates), which they seek to foster, extend and perpetuate. In their desire to perpetuate and extend these estates the great commonwealth, which is to come, is hindered. And I think this is one of the main obstacles which stand in the way of the Co-operative Commonwealth. So long as families, family names and estates are perpetuated from generation to generation there can be no genera blending into the larger—the universal family. Therefore, the family, while it contains a picture in miniature of co-operation and of the Co-operative Commonwealth, as a whole it stands as a bulwark of capitalism.

And yet, society is certainly tending, as a whole, toward the desired change. Capitalism is manifestly breaking down as a method of production and distribution of wealth. The glaring inequalities in its workings, as shown in the results, and the growing antagonism between capitalists and workingmen, everywhere attest this truth. The mass of the people have no estates to preserve and no family names worth perpetuating. Everywhere the producers are in more or less open revolt against the system of capitalism from which they have nothing to hope except an everlasting grind for a mere existence. On top of the increasing number and extent of strikes and labor organizations, those who through the impotence of capitalism to meet present emergencies are out of employment, have begun to hand themselves into industrial armies, and, in one way or another, to demand relief. This marks a new period in the revolt; and one which is likely to bring important results. But whatever course that revolt shall take it must go on. Capitalism is certainly in its death throes. On the other hand, the large measure of success which bas attended even such feeble attempts at co-operation as have been tried in England, and the popular concession everywhere accorded to co-operation marks it as the coming system. I shall endeavor to bring out in subsequent chapters the real character and strength of those concessions.

IV. ANCIENT.

While the principle of co-operation has found staunch advocates in almost, if not all civilized countries in the world, and in almost every age since there has been a written history, the developments of it have taken widely different forms in different countries. It is as if humanity was trying a great variety of experiments in order to find out which best suited its needs. And just like such experiments in other directions, it is likely that it will be found that none of them thus far have been altogether satisfactory. In nearly, if not all such cases the propaganda for co-operation has been accompanied by attacks upon the institution of private property and efforts to establish some form of communal society. Almost invariably co-operation and Communism have been coupled together in the ideas of the originators of social agitations as being, if not the same, so nearly akin as to be inseparable. It has only been when co-operation, as in England, has been so dwarfed and minimized as to lose the character which distinguishes it from capitalism, that its communal features have been dropped. In the earlier schemes, Communism was the great distinguishing feature; and co-operation has only come to be recognized as a means to that end within comparatively recent times. Another feature which has been depended upon as an element in the regeneration of society has been severe asceticism on the part of the individual members of the society, sometimes in the diet, in dress, in endurance of hardships and pain, or in the practice of celibacy. The school of Pythagoras, when stripped of the legendary and fictional features which have been thrown around it, appears to have been one of those schemes which were intended for the education and purification of society. Asceticism, in abstinence from animal, foods and in celibacy, with community of goods, was taught as a personal discipline. It was intended more as a moral and social reform, than as a scientific and speculative school. When, however, it degenerated into a political league and became entangled in politics its usefulness was ended.

Another society which had its origin about 150 years B. C. was the Jewish sect known as the Essenes. There is scarcely a doubt that Jesus Christ was a member of this sect; and that he was, in his time, the most prominent exponent of it. All the essential teachings of Christ were the doctrines of that sect. It held to a theory of life which was peculiar to itself. It was marked by severe asceticism in the habits of its members; and with rare benevolence to one another and to mankind in general. Marriage, and all intercourse with women, was absolutely renounced. It enforced and practiced the most complete community of goods. In all but two things the members were denied all right of initiative; that is, in deeds of helpfulness and of mercy. The deserving poor and the destitute were to receive instant relief; but no member could give anything to his relatives without first consulting the heads of the society. In form, their polity was largely democratic. It was the first society in the world that condemned slavery both in theory and practice. In order to perpetuate its society it adopted children when young and trained them up in the principles of the order. In its oath of initiation, it bound its members to reverence the deity; to do justice to all men; to hurt no man voluntarily, or at the command of another; to hate the unjust; to assist the just, and to render fidelity to all men. The members were noted for their fortitude and temperance.

They appeared superior to pain or fear; and lived to a great age owing to their severe asceticism. They frequently underwent the most extreme tortures rather than to violate their principles or faith. It is said of them that they reached the very highest moral elevation ever attained by any sect or people in the ancient world, being just, humane, benevolent and spiritually minded. One of its cardinal principles was the universal brotherhood of man. Those who wish to study the character and teachings of this remarkable people can do so by referring to the "Life of Jesus, of Nazareth," vol. i ; by Keim.

Among other communal institutions which have flourished and exerted a great influence in their time was that established by Minos, in Crete. It was largely patterned after by Lycurgus in his legislation for the Spartans. No Cretan was allowed to lead an indolent life. All must serve in the army or devote himself to agriculture. The children were all brought up together, and underwent the same teachings and exercises. The whole population was fed at common tables, exactly alike and at the public expense. The land was tilled by mercenaries or slaves. Once a year, at the feast of Mercury, the slaves were waited on by their masters. Notwithstanding the almost complete suppression of originality and individualism this social state lasted for a thousand years. There are also unmistakable evidences of ancient communistic institutions in Ceylon and many other countries; institutions so widely separated both in time and space that we cannot legitimately infer any connection between them as to their origin. Yet, the poverty of history is so great as to ancient social relations and conditions that it is next to impossible to obtain any reliable data. And this observation applies almost equally to all countries and peoples. In the field of fiction the ancients had their seers who beheld in visions of the future their ideal society. Plato had his "Republic," and Moore his "Utopia." Later on, Campanella described the "City of the Sun," and in their order down to more recent times came Harrington with his "Oceana," Bacon with his "New Atlantis," Defoe, with his "Essay of Projects," and Fenalon with his "Voyage dans l'Isle des Plaisers." Bellamy, with his "Looking Backward," has been the most conspicuous instance in modern times of a dreamer's vision, and has produced the most profound impression on his age. In all these cases there were so many points of similarity that any one of them might properly be taken as a type of all the others; not in their respective plots, but in the essential elements which constitute them. Their ideal society is something that has been ordained or instituted by law, instead of being an outgrowth and expression of the needs of the people freely developed without restraint. Being such, th y must needs be maintained by laws enforced against those who violate them. Their equality is an enforced one. They have manufactured their fruit, instead of waiting for it to grow and ripen upon the only tree which bears the fruit of equality, of perfect human brotherhood; that is, the tree of cooperation.

All through the different schemes for communistic societies which have ever been established in ancient or modern times runs the same defect, not in all case to the same extent, but in all cases to some extents And their success or failure as distinct enterprises seem always to bear a close relationship to the extent to which they approximate toward societies unhampered by legal regulations and unenforced by penalties. All of them manifest the same high purpose to correct the injustices and inequalities which exist in human society. All reach out for better social conditions, conditions which would make possible a larger and purer life by every member of society. But something else is needed besides yearnings after the ideal. This world is not a fool's paradise. Any scheme which contemplates conferring upon the ignorant, the indolent or the careless the rewards of well doing, always has and always must fail, no matter how carefully its details may be guarded by legal enactments or arbitrary institutions. Soft- hearted philanthropy will never

build among men the city of God. It requires brave, earnest and resolute men and women ; those who clearly perceive the truth and are willing to follow it under all circumstances, no matter what the discouragements.

What then becomes of our boasted love for humanity—our universal brotherhood? As I have said before, it is the fruit which grows upon the matured tree of co-operation. It is impossible for perfect brotherly relations to exist between the refined and cultured on one side and the ignorant and grovelling on the other. Nor can there ever be any permanent gain in trying to promote relations of association between them. Even admitting that such relations could be maintained, and that the ignorant would feel the refining infitience of those with whom they associated, the debasing influence of ignorance would exactly equal the elevating influence exerted upon the others. There would be no gain. All men are benefitted by association with others of superior attainments ; but those others must never debase themselves to bring about such an association. It is the part of the uncultured to lift themselves by their own exertions to a position where they can win the association of those they desire. In this is the real stimulus to progress. Those of superior attainments have only to see to it that they put no obstacles in the way of their brother's progress, and always lend such encouragement and kindly help as they may. I firmly believe that the apparent inequalities among men as to their intellectual and moral attainments almost, if not wholly, arise from such obstacles as .have ea placed in their way through the unequal workings of the laws, especially in the laws of property. The probability is that co-operation opens up a way through those obstacles which obstruct human development; which will disintegrate the private fortunes; open avenues for human advancement; and which will finally raise the mass of mankind, now so degraded up to the level of the most exalted.

V. SOME EXPERIMENTS.

During more recent periods, since written history has kept a record of great social movements, nearly every age and country has had its agitation which contemplated such social regenerations as would practically bring equality in material and social conditions among men. Just as in other cases among the ancients, those agitations have generally been directed against the principle of private property. And if any proof were needed beyond the evidences which are everywhere observable, of the fact that the institution of private property does not express the needs of humanity, that proof would be found in abundance in the repeated efforts of mankind within the last four hundred years to throw it off, and substitute some form of community of property. Popular revolutions which have from time to time broken out in different countries against the constituted authorities, except those which have had their origin in religious disputes, have almost if not always arisen because of the unjust workings of that institution. They have been revolts against some of its features; and all improvements in social conditions which have resulted from such revolutions have been in the setting aside, for the time being at least, of the laws of property. They have suspended for a time the operation of those laws; and permitted of new adjustments. Afterward, when the authority of the aw became restored, the same abuses were enacted over again as soon as the legitimate results of the law had time to make themselves felt, when a new revolution became necessary. With such a history to appeal to, everywhere teaching the same lesson, it is time we learned that lesson, that private property, as an institution is unsuited to the wants of human society and ought to be abandoned. And when it is abandoned the necessity for any form of human enactments which shall restrain the freedom of individuals will cease; because, in one way and another, directly or indirectly the whole volume of the law, and government of mankind by man, is intended to, and does maintain this institution of property; and to classes and distinctions which result from it.

But what has all this to do with co-operation? some one will ask me. I reply: it has everything to do with it. Capitalistic production is the direct result of this institution of property established and maintained by law. It is impossible to start a co-operation which shall realize its sublime purpose without attacking the institution of private property and therefore antagonizing, and ultimately destroying the law. And it is equally impossible to maintain such a system of cooperation for a considerable time without bringing about a community of property as to all the means of production. So that we cannot consider co-operation without, at the same time, considering the question of government, and that of community of property as well.

It will be instructive to hastily glance at some of the most conspicuous attempts to establish communistic societies in different countries during the last four or five hundred years, and see wherein they failed, in order to profit by their examples.

Early in the sixteenth century a sect called Anabaptists arose in Germany, becoming prominent about the time of the Reformation. The name was given it in derision by its enemies, and had reference to its peculiar doctrines as to infant baptism. It must not, however, be confounded with the religious sect known as Baptists, because it was far more than a religious sect. In fact,

this was the smallest part of its purposes. It was a revolutionary society in revolt against feudal oppression, which developed into a war against all constituted authority. It attempted to establish by force the Christian commonwealth, with absolute equality and a community of goods. Under the lead of Thomas Münzer, a Lutheran pastor, it inaugurated the Peasant's war of 1525, which was quickly suppressed by the authorities. Münzer was executed, but the agitation continued, resulting in another outbreak seven years later. This was also defeated and suppressed in 1535, the leaders executed and their followers driven out of Germany by fierce persecutions. The mistake they made was in supposing that a change of system, such as they desired, could ever be affected by revolution. Revolutions only suspend, for the time being, the operation of the laws, so as to admit of a partial readjustment of existing systems to popular requirements. For instance, in France, before the revolution, the land had all been absorbed by the church, the state and the great estates. The revolution broke that up. The land was dividedamong the people, which afforded a temporary relief. But the same system of private property, even private property in land, continued. The great body of the law remained the same, and capitalism is just as firmly fortified and just as despotic today as it ever was. probably the need for a revolution in France, provided a revolution was the best or only remedy, is just as great now as it was in the time of Louis XVI. Revolution is never more than a temporary expedient. It can never work such a change as the Anabaptists sought to establish, or such as we seek in the co-operative commonwealth. If the revolution which now threatens this country should really take place, the most it can possibly do to further that co-operative commonwealth is to suspend the operation of those laws which now hinder the planting of cooperative communities. Their growth and the development of the commonwealth must depend upon their own inherent strength; that is, upon the extent to which they fulfill the wants of mankind. The kingdom of God will never be ushered in at the point of the bayonet.

Among the co-operative schemes of industry and Communistic society which have been tried in Europe and this country with varying success may be mentioned the Society of Harmony, started at Wirtemburg in 1785 as a schism from the Lutheran Church, and which emigrated to this country in 1804 under the leadership of George Rapp, and settled at Beever, Pennsylvania; the Society of Amana, at Homestead, Iowa; one at Tuscarawa, Ohio ; several colonies of Shakers which have established themselves at various places throughout the country; the Moravians, who were only mildly Communistic in their polity ; the Dunkers, the Separatists, the Oneida Perfectionists, the Icarians, and many others. These are still in existence, but have generally declined until they number but few members in proportion to those they counted in their days of greatest prosperity. In all of them this decline in membership is so marked a characteristic as to foreshadow the early extinction of all of these societies. It would not, however, be fair to assume that this is owing to any inherent weakness in Communism itself. They have all adopted regulations which are utterly foreign to Communism and to which it is easy to trace the cause of their decline. Their interference with domestic life in regulating, even in some cases prohibiting the intercourse of the sexes ; and in prescribing minute rules of conduct in diet, dress and general habits for the observance of members, has the effect of suppressing the spontaneity of the individual, and rendering life unattractive, especially to the young, in the communities. As a result the young leave them when they arrive at manhood and womanhood. There is an almost absolute despotism vested in their leaders. The smallest minutia of the daily life of the members is regulated from headquarters. Observing this, Mr. Nordhoff, who made a considerable study of these societies, observes that "The fundamental principal of Communal life is the subordina-

tion of the individual's will to the general interest, or the general will. Practically this takes the shape of unquestioning obedience by the members towards the elders or chiefs of their society." On the contrary, so far from being fundamental, all this is wholly foreign to Communism. But rather, Communism is not only persistent with the liberty of the individual, but there can never be any true Communism where that liberty is abridged. Just as co-operation must be strictly voluntary, leaving the most perfect freedom at all times; the greatest spontaneity of the individual, as its resultant—Communism—will not suppress that spontaneity. The failures of Communism, just like the failures of co-operation, have been because Communists chose rather to violate the principles of Communism, as they did the principles of co-operation.

J. H. Noyes, in his work on "American Socialisms," gives a short history of forty-seven failures of Communistic societies. I think it will be found that instead of their being, in any sense, failures of Communism, they were failures because they were not Communistic.

VI. VARIOUS SCHEMES.

It is impossible to review, even in a hasty manner, the multitude of co-operative schemes which have, from time to time, been advocated or tried in this and other countries. Nor is it my purpose to undertake it. The most that I can hope to do is rapidly to scan a few which may be regarded as typical, or which convey some valuable lesson as to what co-operation has accomplished; what it may be hoped to accomplish; and the conditions under which success may be expected.

In a previous number I reviewed one phase of English co-operation, known as the Rochdale system. I do not wish to be understood that this is the only form which English co-operation has assumed. As a matter of fact, there are several others of great importance. One, which approaches the Rochdale quite nearly in some respects, and yet differs from it in other essentials, is the London system. It had its origin in a revolt of the purchasers against the high prices of the shopkeepers. It was first started by the clerks in the General Post Office, in 1864, and limited to them and their families. Meeting with success, other members of the civil service took up the idea; and a new society was formed ‘which was open to members of every branch of the civil service. It sought by co-operation to buy at reduced rates most or all of the articles needed for current consumption. Each member was provided with a purchase ticket, with a price list of everything in the store. It also included a list of every merchant with whom the association had dealings, and catalogues of special articles sold by special tradesmen. The society had its physicians, surgeons, accouchers, apothecaries, counsellors, stockbrokers, etc. who engaged to attend to the wants of members at reduced rates. Insurance was also obtained at a reduction. Purchasers were given the advantage of cheapness; but received no dividends on their purchases. While it was generally intended to furnish goods of good quality and measure, there was no such safeguard against adulterations as the Rochdale stores. This association was followed by the Army and Navy store, built on the same lines. It was not intended for the poor, but to enable a few well-to-do people to buy cheaply. So far they were successful. They also broke tip the habit of paying commissions to dishonest servants to influence purchases. The only element of co-operation in it was the co-operative purchase of supplies; and this was too loosely arranged to admit of proper safeguards as to quality and measure.

In 1825 a co-operative society was organized in Scotland to put in practice the ideas of Robert Owen. It was capitalized for £50,000 in shares of £250 each, which was afterward reduced to £200. 280 acres of land was bought at Orbiston, Scotland, for £19,995, and paid for mostly with borrowed money. The society soon fell into debt, and in 1828 its affairs were wound up and the estate sold.

The Catholic missionaries have frequently been strong supporters of co-operation. It is true, the support has generally taken the form of the compulsory establishment of communistic institutions: philanthrop-despotisms; but generally they were fairly well suited to the states of development of the peoples among whom they were set up. This is shown by the hold they acquired and the tenacity with which the people clung to them after the power of the missionaries was

broken. Such institutions were established by the Jesuits in Paraguay, early in the seventeenth century, and which continued for more than a hundred years. Even now many of the customs remain in full force although the Jesuits have long since been banished from the country.

Among the theoretical promoters of co-operative communism must be mentioned Claude Henri Saint Simon, and François Charles Marie Fourier. Both were Frenchmen, nearly contemporaneous; and both sought, to a greater or less extent, to set up the kingdom of heaven by law, rather than await the slower but more certain course of evolution, although there is much in the teachings of both to make apparent this absurdity. Still, absurd as this is, and as those who yet teach practically the same doctrines will sometime find it to be, the advocacy of it had, and still continues to have a vast practical value in spreading a knowledge of the possibilities of a better state of society: that lofty ideal where capitalism, with its ruinous and wasteful competition and wage slavery shall give place to cooperation.

The teachings of Saint Simon had little influence on popular thought during his life; but after his death strong followers took them up. A society was formed, and, for a time, flourished; but it was soon wrecked through the desire of the leaders for rulership. Still their influence was perpetuated, and in some directions has produced most lasting results. Being scientific men, they were able to grasp the possibilities of human progress. It was among these men and in their schemes for human betterment that the project for building the Suez Canal first had its inception. They sought to unite mankind for the exploitation of nature instead of having mankind exploited by man. The complete emancipation of women and their equality with men was one of their fundamental tenets, although they maintained the Christian law of marriage.

Fourier taught that the evils of society arise from the unnatural restraints imposed by society on the gratification of individual desire, which is the fundamental basis of anarchy. He claimed that there exists a perfect harmony among the passions, and that cooperation, or united industry is the natural means for its attainment. And then, in the face of this practical wisdom he proposed the foolishness of arbitrarily organizing society as a whole into phalanges of 1,600 persons each, each phalange to occupy a common building built upon a uniform plan, called a phalansterie, with a definite allotment of land set apart to each phalansterie. He provided also for elaborate regulations of domestic affairs to govern the communities. In other words, he would have society impose still more extensive and vigorous restraints upon the gratification of individual desires, instead of promoting the perfectly voluntary co-operation of individuals while leaving each to gratify his own desires in his own way. He was like a potter who would put the human clay into a superior kind of mould and thus turn out a superior class of men.

Farming is an industry which seemingly offers peculiar facilities for co-operation, but in which co-operation is in a very backward state. There are many reasons assigned for this, but that most generally given is, that farmers, as a class, are naturally repugnant to co-operation: that their habits of life unfit them for united production. But this is not true, as I shall attempt to prove. The early history of the race shows, that the earliest form of land tenure was of agricultural association through community of land. If there was naturally any such special inaptness among farmers for co-operation it ought to have shown itself then. The truth is, that the present system of land tenure is the thing which, more than all others, stands in the way of co-operation in agriculture. Every intelligent farmer knows well how promptly land yields to better culture; and co-operation makes possible just such improved tillage through greater subdivision of labor, closer attention to details and improved methods. The further fact is also true, that the condition of isolation of the farmers under the present system is a most constrained and unnatural

one. Man is everywhere a social being, and if the land system which condemns the farmers of this country to lives of solitude, was once broken up, so that they could adopt a more rational plan, they would as naturally do it as men condemned to solitary confinement in prison would abandon their cells if they could.

The history of the Ralahine community, begun in 1831, in County Clare, Ireland, is a complete demonstration of this position. Here was an agricultural people, differing in no way from the people in other parts of Ireland, rack-rented and famished until driven into riotous demonstrations. They had killed the old steward of the estate: shot him dead in his own house. Throughout Ireland the landlords were fleeing from the fury of their oppressed tenants. Evictions were the order of the day. Tillage lands were turned to grazing, and the people driven out. A police force of 30,000 armed men were maintained to keep the people in subjection, backed by coercion laws and the English army. Thousands perished in silence while others banded against the landlords. The recital of the outrages committed upon the Irish people would take pages to tell of them. Yet amidst all these unfavorable conditions the community was started. One Irish landlord, a Mr. Vandeleur, who had taken lessons in Socialism from Robert Owen, determined to try a new plan with his tenants. After considerable difficulty he secured a new steward, named Craig, who proved a most worthy assistant, to take the place of the one who had been killed. There was only 268 acres under tillage, with a bog of 63 acres which gave sufficient fuel. A small stream supplied a limited water-power. He put up several buildings, with dining hall, lecture, reading .and class rooms. Nearby was a storeroom, dormitory and six cottages. He then turned the old castle into a building for the accommodation of the people whom he hoped to unite in co-operative work. A constitution for the new society was drawn up by Mr. Craig. Its objects were declared to be:

To acquire a common capital;

To render to each other a mutual assistance;

To obtain a larger share of comforts for the members;

For moral and mental improvement; and

For the education of the children.

The methods were announced to be, to unite to rent the land and buildings from Mr. Vandeleur, and it provided that all property should be his until paid for. All members were to work and cooperate fully in production. Youths of both sexes from 9 to 17 were to learn trades. Meetings of the committee of management were to be held evenings to arrange for the work of the next day. Each member was to be governed, in his selection of work, by his own feelings, but power was reserved to coerce members who refused to work. No gambling, drunkenness or tobacco to be allowed. Full liberty of conscience was recognized. The governing committee was composed of nine members to be chosen half-yearly. The treasurer was to furnish full reports at regular intervals, and provision was made for dividing all profits among members. The rent was fixed at £700 a year which was acknowledged to be a very high price.

Now came the hardest part of the work—to get members. The people were moody and suspicions. They looked upon the whole thing as another landlord's scheme to trap them. Craig received frequent warnings, and several times was assaulted. But he never lost heart. His uniform courtesy and kindly sympathy at last won. A meeting was held at which he explained the pun. Still the people hesitated until Craig proposed the election of officers. They then realized that he did propose to let them manage their own affairs. The membership was soon filled with twenty-eight men, twelve women and twelve youths under seventeen years of age. The experiment was a success from the start and attracted attention all over Ireland. Crime ceased in County

Clare, and was greatly reduced all over the country in the hope of encouraging other landlords to do the same thing. On this estate there were no more outrages for thirty years. The people prospered and were happy notwithstanding the famine and notwithstanding the high rent they had to pay. The success exceeded all expectation.

But the landlord had an inveterate passion for gambling. He lost all land was thrown into bankruptcy. Under the English law the tenants were held to have no rights which landlords were bound to respect, and the little community was stripped of everything by Vandeleur's successor. Solemn agreements between landlord and tenants went for nothing.

Then the old outrages began again, and with good reason. But the practicability of agricultural co-operation was demonstrated in the most complete way and under the most adverse circumstances. I think no reasonable person, in the face of these facts, can doubt for a moment that the land system is almost the only bar to co-operative farming. There have been many other experiments and all teach the same lesson, but there is not space for further details.

VII. VARIOUS SCHEMES.

In America, some attempts at co-operation among farmers have been made by means of the granges. The grange movement was started in New England a little more than twenty years ago. It was begun as a co-operative scheme; and patterned as nearly after the Rochdale plan as circumstances permitted. Aside from its social and educational features, it aimed to reduce the cost of supplies required by the farmers by buying direct from manufacturers at wholesale prices; securing an economical distribution of them; and finally getting goods of better quality. The movement spread rapidly to the west; and it is there that it reached its greatest development. It quickly took on the character of a popular revolt against the high prices charged, and impositions practiced upon the farmers throughout the country. A great deal of bitterness was engendered against tradesmen, much of it needless, which was returned with interest on the part of the tradesmen. Being based upon a very imperfect knowledge of co-operation; and developing rapidly, as it did, there was no opportunity for its leaders to acquire a thorough knowledge of the principles they were called upon to practice, so that it is nothing strange that the co-operative feature of the grange has failed to realize the sanguine expectations of its early promoters; and has largely fallen into disuse. The grange still exists with considerable strength in some parts of the country, held together by its social and educational influences; but it forms an element which may be utilized at no distant day for a larger and purer co-operation which will sweep capitalism into oblivion. And the same remarks will apply to the Farmers Mutual Benevolent Association, and other farmers organizations which still flourish in many of the western and southern states.

The Sovereigns of Industry was another co-operative order started in the east about the same time as the grange; and was intended to fill about the same place among artisans and residents in the cities and towns as the grange did in the country. Councils were started in many of the stat incipient Stores organized; and considerable headway made. The rapidly shifting populations, especially in western cities and towns, added to many other causes, interfered with definite settled work and continuity of action; so that they soon fell into disuse. It was in the work of this order that the writer learned his first lessons in cooperation. About this time a co-operative society at New Bedford, Mass., attained a considerable success. It probably belonged to this same order, as it was modelled after the same pattern. It clubbed the money of its members; bought goods at wholesale; and divided them at the houses of the members. In time it opened a store where it did a business of $2,500 a month. The retail dealers formed a combination against it and threatened to boycott any wholesale house which should sell goods to it. Under this pressure the supplies were, for a time, cut off; but other wholesalers, a little further off, accepted the trade that the others refused; and the era of prosperity was continued. It was nothing, however, but co-operative buying on orders which had previously been given and paid for. It kept no stock; incurred no debts; and supported no paid shopkeepers. I have no information as to the later history of the society.

Co-operation has been applied extensively to insurance of almost every kind and quality in this and other countries. There are a few purely mutual companies; but generally co-operation is

so mixed up with capitalism that the capitalists reap the benefits which accrue from co-operation. This is true in all those companies which have capitalistic features, such as capital stock, dividends, fixed premiums, etc. Another class known as benevolent insurance orders will be considered under the head of Friendly Societies, later on.

Building and Loan Associations are classed as cooperative. And they are so In one particular: they are co-operation applied to savings. In all their other features they are purely capitalistic. They loan out the accumulations of savings of the members on strictly capitalistic principles, at enormously high rates of interest. And the interest which accrues from these loans is divided according to the same principles. At one time, when publishing a paper in the interest of building and loan associations, I was informed by a prominent banker in Chicago that at that time he held building and loan association stock to the amount of $80,000. And yet he never expected to borrow from an association. On the contrary, he was a lender of money; and found this an opportunity to loan his money at a much higher rate of interest than he could realize from ordinary bank loans. Taking these societies as a whole it is the veriest burlesque of co-operation to class them as co-operative. While they have one single co-operative feature yet their advantages all accrue to capitalism. And just so far as they foster the idea of building up a capital by small increments on which to do business or perform undertakings they are strengthening capitalism.

Kaweah and Topolobampo are still fresh in the minds of co-operators in this country. Without going into any of the controversies which have marked the history of these enterprises, I think it possible to learn an important lesson from both of them; a lesson which has been taught in many another co-operative scheme which we have passed under review in these chapters. Kaweah was wrecked, first, by the jealousies and rivalries of its rulers and would-be rulers; and, finally, by the hostility of the government, whose real function was, and is, to maintain and perpetuate the present capitalistic system. In all co-operative societies rulership has produced rivalries, dissensions, disorders, and finally dissolution, with a certainty proportioned to the intelligence of the mass of the members. It is only the densely ignorant who will continue to submit to being ruled; and even they are far more orderly and reasonable if accorded an equal voice in common affairs. Any scheme of co-operation to be successful, must be strictly democratic in its management; and that management must not extend one step beyond business matters. For its best success, it must place no regulations or restraints upon the private affairs or habits of life of its members. Rulership in government is just what is destroying human society today; and it must be eliminated from the coming society or it will destroy that also.

The same observations apply with even greater force to Topolobampo. A benevolent despotism can never be a lasting success. A dictator is a legitimate slave- holder; and is as much out of place in a co-operative or communistic community as the prince of darkness would be in paradise.

Profit sharing—so-called—has been put forward and heralded the world over by interested parties as a cooperation of the interests of the employer and the employed; but it is no such thing. The interests of the employer, looked at from his standpoint, are to obtain the greatest amount of labor for the smallest amount of wages: that is, to retain in his own hands as much as possible of the wealth produced by the employed; while the interests of the employed are to obtain all, or as much as possible for themselves, of that wealth. Now there can be no co-operation in that. The two positions are absolutely antagonistic. G. J. Holyoke says: “There can be no association between persons of opposing interests; and it is idle to speak of fraternity between rivals.” Still, workmen may be tricked into a belief, by reason of a want of knowledge

of their own rights and interests, that their interests and the interests of their employers are identical. Under the influence of that belief, they may guard against waste and exercise increased industry. And, in order to obtain that increased efficiency, the employer may engage to hand over to the workman something more than he would do without it; but this is obviously in the interest of the employer and not of the workman. The interest of the workman lies in emancipation and not in amelioration. Whatever closes his eyes to emancipation and makes him content with amelioration is against his interest. As a matter of fact, profit sharing, as commonly practiced, is but a sort of discriminating charity.

The keynote of the whole scheme of profit sharing is contained in the remark made by Robert Owen to Mr. Marshall, of Leeds, when he was being shown over the mills there. Mr. Marshall said: "This army of workmen, if they chose to be careful in the use of material entrusted to them, might save me £4,000 a year." "Then," remarked Owen, "why not give them £2,000 and they will do it, and you would gain £2,000 by the arrangement?" It is on this theory that profit sharing proceeds. But the employers almost never carry it out. In this country and in England profit sharing has been a snare and a delusion. Time after time the solemn engagements entered into by the employers have been broken. It was conspicuously the case in the colleries of the Messrs. Briggs, in England, where the system was put in force with great flourish of trumpets. The estimated saving of £3,000 a year was fully realized. But the workmen were cheated. The Briggs' did not apportion to them their just share according to their own agreement. Some one has said that, "any agreement between Allen, the employer, and Barton, the workman, that Barton shall receive what Allen chooses to give him is no agreement at all." Moreover, profit sharing has generally been accompanied with dishonoring conditions which were calculated to break up the workingmen's unions.

A single instance of profit sharing will be sufficient to illustrate its workings. One of the most conspicuous in this country has been that of Alfred Dolge, of Dolgeville, N. Y. The facts which are here presented are condensed from Mr. Dolge's book, so that he cannot complain that I have misrepresented him.

Mr. Dolge calls his plan "A great distribution of earnings." The following is the substance of it: In the first place, he sets aside each year a calculated amount of the profits of the business for the benefit of the men. He does not give it to them in cash, hut invests it in various schemes for their benefit. There is a pension fund; a life insurance plan; a mutual aid society; a building fund for houses; a club house and a public park. But all depends upon the arbitrary will of the employer.

The following is an extract from the "Pension law:"

"From a desire to improve the material condition and prospects of its employés; to establish them as a compact, contented and well regulated community; and to fasten the mutual ties of esteem as well as of interest, that hold us together, and without which no lasting success is possible, the firm of Alfred Dolge has this day made the following pension law:

"Every employé, after continuous service 10 years, shall be entitled to a pension under the following conditions: In cask of total or partial disability to work, by accident, sickness or old age, while the disability lasts he shall be entitled to a pension calculated upon the basis of the last year's service, s follows: 50 per cent after xo years service; 6o per cent after 13 years service; 70 per cent after 16 years service; 80 per cent after 19 years service; 90 per cent after 22 years service; and 100 per cent after 25 years service. If accident arises, or sickness is contracted in pursuance of duty, 50 per cent may even be allowed before the expiration of 10 years service."

But the peculiarity of the whole thing is that the firm retains the absolute power to discharge any employé at any time, and thus cut off his pension, as well as to alter, amend, or even abolish any one or all of the above rules. It is an agreement which does not bind. It will probably be found that the employés of Mr. Dolge are prepared to appreciate and understand genuine cooperation.

VIII. EUROPEAN CREDIT BANKS.

We now come to a most remarkable phase of cooperative work; remarkable alike for its present achievements and for the possibilities which it suggests It has wrought a transformation scene in the condition of a large part of the working people, and often among those of the very lowest, in at least three of the principle countries in Europe; and improved their material condition in many others, just in proportion to the extent to which is h is been applied. It has opened the way for mutual self help to the very poorest, inspired them with hope; aroused their self- respect, and stimulated their spirit of independence. It has been the means of making their homes more habitable, improving the culture of their fields by purchasing machinery, procuring fertilizers and buying stock, and has enabled them to got better prices for their products and to buy supplies at wholesale But the most wonderful effects have been wrought upon the people themselves, The idle have become industrious, the spendthrift made thrifty; the drunkard forsook his cups and the tavern hunter the inn. The illiterate, even when bowed with age, have learned to read and write, A Prussian judge reports that litigation, by reason of it, especially in the collection of debt, is sensibly diminished. Even one priest reports that the co-operative bank has done more, in his parish, to reform the morals of the people than all his ministrations. Those who study co operation more to arrive at a definite working principle and plans, than as a hazy sentimentalism, should carefully consider the European Credit Banks in all their details and variations. I say European, because, while the Credit Banks had a distinctively German origin, they have had a different development in different countries, according to the special needs and circumstances found in those countries In one country they have taught one lesson; and in other countries others. Or, rather, in one place they have taught one part and in another place another part of the same great lesson, that to operation is applicable to all the wants of human association, and that the development of the individual depends upon the extent to which he is enabled to cooperate with his fellows.

Herr Schulze-Delitzsch, a man of some means and a benevolent character, about 1845, observing the extreme straights to which the peasants were driven through the exertions of professional usurers, set himself to devise a plan of relief, The problem, according to his own words, was, "to procure capital without a capital of guarantee." Passy, one of Schulze's associates, put it, "to find means of giving credit to those who have no security to offer in exchange." In other words, the question to be solved was, could labor be pledged for money?

Schulze's first step was the formation of a co-operative association for the purchase of raw material, He next proceeded to the formation of a credit association, The dominating principle in this was benevolence, It was a capitalist institution, philanthropic, condescending, and was to be supplied with funds by those who did not expect to become borrowers, It looked to helping the people instead of developing a mutual self-help among the people themselves. Its weakness was, that it was not sufficiently co operative. It soon became evident that this would not accomplish the desired end; when Dr. Bernardi, a friend and fellow worker with Schulze, devised a more co-operative scheme, Still, it was sought first to protect the interests of the investor—the lender. Co-

operative credit was of secondary importance. Money was borrowed from those who had money to lend; and business was done for a profit, Consequently, interest was kept at a comparatively high rate—ay, from twelve to fourteen per cent, afterward reduced to eight, Each member as required to subscribe for one share and no more, which was at first fixed at £30, payable in small installments. The bank was permitted to engage in all kinds of banking operations; but all money was to be loaned inside the association. All forms of security— mortgages, pledges, securities, bills of exchange, etc, were accepted. Loans were not restricted in amount, but must be made for short time, commonly for three months, with but one renewal. The administration was placed in the hands of a committee which drew a salary and a commission on the amount of the business done. These associations were based upon the unlimited liability of the members; that is, every member was liable for the debts of the whole association.

These associations multiplied with great rapidity. By 1883 more than 4,000 associations had been established with a membership of 1,200,000, and with a capital of £10,000,000, doing business at the rate, according to some estimates, of £100,000,000 a year, They had extended throughout Germany, Austria, Italy; and, to a considerable extent, to almost all the countries of Europe. According to Herr Schmid, of Vienna, in 1886 the total number in and out of Germany, formed on Schulze-Delitzsch lines, was 4,500, with 1,500,000 members, and doing a business of £450,000,000 annually.

From the first, the government put every conceivable obstruction in Schulze's way. He was politically a present ed man' officially harassed and badgered, persecuted by the courts and tabooed by the press, But he added more to the wealth of German than the entire amount of the French indemnity. When the system was started it was almost impossible for a poor man to obtain a loan. Interest ranged from 50 per cent to 100 per cent and one instance has been recorded where 750 per cent was exacted. And yet, not withstanding the great benefit which these institutions brought to the people, there is no doubt that they are more capitalistic than co-operative They are open to the criticism of Father DeBesse of France that they are "fighting usury by practicing it." Almost every feature of them is capitalistic with a definite capitalization in shares with interest, usury and dividends and with fixed salaries and commissions to the responsible officers of the institutions Their success has been wholly due to the small element of co-operation which is found in their constitution, viz.: the unlimited liability of the members. In that way the members cooperate together to protect each other's credit and enable them to obtain loans which they could not do singly With this one exception, the Schulze-Delitzsch credit banks are pure and simple capitalism and while they have had a rapid development, and transact a vast volume of business, they have been subject to the same dangers that other capitalistic enterprises encounter. Failures have been frequent. Between 1875 and 1876 (one year) no less than thirty six associations ere declared bankrupt and 176 more went into liquidation In all cases however their failure has been directly traceable to greed and carelessness on the part of the officers and not to a failure of the principles of co-operation, as will appear later.

In sharp contrast to the Schulze-Delitzsch associations was the Loan Banks devised by Raiffeisen, a burgomaster in twenty five parishes in Westerwald, Germany In almost every essential particular these banks are the direct opposites of those of Schulze-Delitzsch. Schulze placed the interests of the lender foremost and Raiffeisen those of the borrower. The first aimed at business and the second at social benefit. Still they each occupied their own separate sphere, the Schulze-Delitzsch associations reaching the middle lower class of people while the Raiffeisen did

the same for the very poorest. But the history of the last has been the most remarkable and the most instructive from the standpoint of co-operation.

In his official capacity Raiffeisen was brought in daily contact with the miseries of the poor during the famine of 1846 and 1847 The population was half starved ill clad, badly housed and badly brought up. By hard labor it could hardly eke out enough to keep body and soul together. The country was under the pest of remorseless usury. The people suffered in mute despair, deeming it utterly impossible to protect themselves from the exactions of the professional usurer. The whole district was turned into a usurer's hell.

Raiffeisen determined to take the cudgel and declare relentless war against usury. His first venture was a co-operative bakery. It was a signal success. It enabled the poor to buy their bread at just half the current price. He next started a Co-operative Cattle Purchase Association, which was again a success. The usurers, however, still held their money debts. To combat these, Raiffeisen now started his first bank with £300 which he had managed to scrape together. No one ever contributed a penny in share capital and yet from this small beginning, it has grown until it distributes its millions through its thousands of channels bringing comfort and plenty everywhere that it sets its foot. The usurers were compelled to relax their grasp and the people were given a new lease of life. Starting, as it did, in one of the poorest provinces in Westerwald, it has grown to enormous proportions with its branches reaching out all over Germany, Italy Austria and Hungary, with offshoots in France and Russia

Personally modest and unassuming Raiffeisen entered upon no noisy propaganda. He was content to work in his own limited way and sphere. It was five years before his second bank was formed and eight more until the third was started. After that, it was six years to the starting of the fourth. Since 1880 they have multiplied with great rapidity When in 1888 Herr Raiffeisen died a half of Germany mourned him as a benefactor No higher tribute can be paid to his practical good sense than this, that after a history of forty three years, out of more than 1,000 institutions established on his lines, and all dealing with the very poorest in their localities, they can *boast that neither member nor creditor has ever lost a penny by them.* This also teaches some further lessons that co-operation when organized on national lines, is applicable to the affairs of the poorest and most ignorant; and also that men, as a whole, are honest and upright in their dealings when it is possible for them to be so. In the face of such a history who shall say that co-operation is impracticable in any direction. Almost at the same time that Raiffeisen started his Loan Bank in Germany, Proudhon began his People's Bank in Paris, with a great flourish of trumpets, parading before the world his splendid enterprise. It was big with promise and flush of funds but was destined to end in nothing but smoke in less than two months. One was the enterprise of a practical, sensible and earnest man and the other the imperfect scheme of a visionary

In the next will be given the details of the organization of the Raiffeisen Loan Banks

IX. EUROPEAN CREDIT BANKS.

When a Raffeisen Loan Bank is to be started, a definite district is selected, commonly containing about 400 inhabitants. Within the limits of that district members are selected with great discrimination by those who have undertaken its formation, or who have already joined, the object being to secure a membership limited to the very best materials. No difference is observed between the rich and poor, except, that as the bank is based on the unlimited liability of its members, the well-to-do are generally accorded a leading part in the administration, because they must bear the brunt of the liability. A committee of five is elected which is charged with executive work of the institution. A council of supervision is also chosen, consisting from six to nine members according to the size of the district, to supervise the work of the executive committee and overhaul all that has been done at least once a month. Both the executive committee and the council of supervision serve without pay. The cashier is the only person who receives pay for his services; and he has no voice in the administration. The bank is strictly forbidden to transact any of the ordinary business of a bank. Originally there were no capital shares or entrance fees. But Bismarck insisted that the plan should include a share capital. The associations replied by placing the shares as low as ten or twelve mark, payable by installments. Raiffeisen insisted that there should be no dividends, but again Bismarck interfered. And again the associations practically annulled the chancellor's edict. Every farthing that is left over is rigorously passed to the reserve, which slowly but steadily grows and forms a solid basis of credit for the association. Not even in the event of the dissolution of the association is any sharing out permitted.

Borrowing is not made easy, but hard. While money must he found for all who need it, in every case the borrower must make out a good case; prove that he is trustworthy, and that his enterprise is sound. If he does this, no matter how poor, the money will be placed at his disposal. Without such proof, no matter how rich, the money is sure to be refused. He must then apply the money strictly to the objects for which he received it. The smallness of the districts enables every one to act as a check upon every other. No one can misapply the money without others knowing it.

Every three months a complete review is made by the council of supervision. If necessary better security is called for from the borrower in the interests of the association. If not forthcoming the loan is called in at four week's notice. This, however, is almost never resorted to. It is only an expedient which may be resorted to if necessary.

Lending is almost entirely done on personal character. Notes of hand are taken, generally unbacked, or else backed by one, or at most two.

In addition to the close supervision by disinterested officers of the associations, men who serve without pay, a corps of inspectors are kept travelling from one association to another examining books and accounts, and the workings of the associations.

The associations obtain money by borrowing it from banks and individuals; which they can do by reason of the confidence inspired by their strict business habits. They are able to get all the money they want at the lowest rates of interest. So great is the confidence inspired in the stability

of these banks that the law courts actually allow trust funds to be paid to them on deposit. During the two critical periods of German credit; the war of x866 with Austria, and that of 1870 with France, when deposits were withdrawn at wholesale from other banks, deposits were actually pressed upon the Raiffeisen banks for safe keeping, although it should be without any interest at all.

With a record of millions of money lent, mostly to poor people, through a more or less complicated sys. tern of business in about a thousand associations, and extending over forty three years, there have been only ten cases of embezzlement or misappropriation of funds; and in every case these were met out of the reserve, or by the sureties. No wonder they command confidence; and no wonder they can obtain all the money they want for any length of time for productive purposes, as low as per cent per annum ! Unlike the Schulze-Delitzsch banks, loans are made for long time. The record shows that about 15 per cent of the loans are made for one year; 43 per cent from one to five years; 34 per cent for from five to ten years; and 8 per cent for a longer period. So long as a borrower continues regular in his payments, and applies his loan to the objects for which the money was granted he may be sure that it will go on.

These associations have led to other co-operative schemes, such as co-operative associations to insure cattle against disease; co-operative dairy associations; co-operative hop growers' associations, and co-operative vine growers' associations. These latter have doubled the receipts of the cultivators in many districts. Grapes are gathered and are taken directly to a common press, where they are immediately tested for sugar, and credited to the grower according to an agreed scale. By means of their credit associations they can pay cash down, only reserving a small balance to be paid at the end of the year. The result is, the wine is made pure and cheap. A move has lately been set on foot to establish co-operative wine shops for the sale of wine from co operative associations.

Like the Schulze-Delizsch, the Raiffeisen banks are based upon the principle of unlimited liability. This is essential to their very existence; but they introduce an element of safety wholly wanting in the first. Each being restricted to a certain district, and that too a small one, the members are kept, constantly in touch One with another; each acts as a check upon the other, and none can misuse the funds borrowed without the fact becoming known to the others whose interests would be imperiled. The workings of these banks has greatly raised the standard of personal character among the people. So greatly do they prize the memberships in these associations that they cultivate a very high degree of excellence in order to obtain them. Drunkards become sober; the indolent industrious; the improvident thrifty; and the ignorant and illiterate learn to read and write that they may become familiar with their business and reports. The meetings are well attended the members taking the liveliest interest in all their affairs. These Raffeisen banks have made character a realizable asset, tending directly to develop a higher order of character among the poor.

Another element of safety that must not be overlooked is, that the work of administration is performed without compensation. The offices offer no temptation for greed ; and the fact that men can be found to do arduous and responsible work of the highest quality without pecuniary compensation speaks volumes of promise for co-operation. The failures which have attended the Schulze-Delitzsch banks are all traceable to this one fault: the carelessness and greed of their officers which was stimulated by the payment of salaries and commissions. The contrast in the results of the two systems is so marked that no room is left for doubt as to their comparative merits. The Schulze-Delitzsch, while developing more rapidly, is far less co-operative and contains

many more capitalistic features. Although it has enjoyed a large measure of public confidence it has encountered many signal failures; while the Raiffeisen system has never had one.

In Russia the credit associations have been thwarted and crippled by the vicious and meddlesome interference of the government, so much so as to almost destroy their usefulness. In 1883 there were reports of a thousand associations; but they were mostly nominal. They have since dwindled until it is doubtful if there are now as many as half that number, and they of no great use. If a member borrows for a specific purpose he may divert the funds to other purposes; and the government forbids the association to expel him, thus directly encouraging people to join merely to defraud the associations. Wherever government interferes in the affairs of the people, it always does it to the injury of the people.

It is reported that in some of the provinces of China there exists a form of mutual bank, whereby the people can easily obtain the means necessary for making improvements; but I have been unable to obtain satisfactory details of their plan and workings.

Co-operative credit has recently obtained a foothold in Japan also, with every prospect of success.

X. EUROPEAN CREDIT BANKS.

In Italy, co-operative banking has developed another of its possibilities; that is, the issuing of bills of credit, or current money. The People's Bank of Milan was the first, started by Signor Luzzati, in 1866. Within a few days after it opened its doors it was confronted by a war. The government had levied a forced loan; and a financial panic was the result. The People's Bank promptly came to the rescue and offered to issue small bills of five, three and two lire, against security. Any person could obtain the bills by depositing approved security. The printing press was started at once, and with the most admirable success. From that moment the success of the bank was assured. At the beginning, it had but £28 capital, exactly the same as that possessed at the start by the Rochdale Pioneers; and all work was performed gratuitous. According to the last reports which are accessible, it now employs over 100 paid employees and 240 unpaid officers. It had 16,392 members; a capital of £336,752; and a reserve of £168,376, doing an annual business of £71,841,788; and distributing in dividends £46,080.

It must be remembered, however, that the Italian banks started out on a radically different plan from those of Germany. They began upon the principle that borrowing means dependence upon others; so they discarded it as the prime purpose; and largely confined their transactions to bills of exchange, discarding the principle of unlimited liability. In this, and in their share capital, their dividends and other capitalistic features they are less co-operative than their neighbors in Germany and Austria. Their method of borrowing is this: suppose A is considered good for £40; B for £30; and C for £60; on the strength of their joint signatures any one of them is entitled to a loan of £130, provided no other paper is out signed or backed by A, B and C. Then again, a tradesman, having money owing him from a customer, needs but to have the customer's acknowledgement of the debt, when he can get it discounted. This system has been found to work well and safely. Under it banks have paid all the way from six per cent to twenty per cent dividends. Year by year Signor Luzzatti has insisted upon stopping that, but without avail. "Limit dividends," he said, "cast away every inducement to greed." The only lesson of value in this type of bank is, that co-operative banks can just as safely and properly issue circulating bills of credit based upon proper security as any other agency in the world. Beyond this, the banks of Signor Luzzatti do not differ widely, in the extent of their co-operation, from the banks of Schulze-Delitzsch. They are not for the very poor. They fail to reach those who are in greatest need of their help.

Realizing this fact, Dr. Wollemborg started a new type of credit bank, in Lombardy, in June, 1883, with only thirty.two members, and patterned very nearly after the Raiffeisen banks of Germany. A few peasants became borrowers. When their first quarter came around they were surprised to receive notice that they owed 1 1/2 per cent on their loans. They could not understand it. They had been used to from 30 per cent to 100 per cent; and sometimes much higher. They brought in their notices to see if some mistake had not been made. Being assured that the notices were correct they at once proclaimed the good news. The subsequent history has been a repetition of that of the Raiffeisen banks in Germany. In fact, they have followed closely the Raiffeisen lines, except in some cases carrying his principles still further. They have thoroughly met the

wants of the very poor, and have produced the same moral effects among them. As to personal character, they are strict as no other. A man may be as poor as a church mouse; but it is no bar to membership. Not a penny has to be paid down for shares; but the applicant must be honest, sober, thrifty, well conducted and thoroughly trusted by his neighbors. He must also have a rudimentary knowledge of reading and writing. It is said that under these influences illiteracy, which was as prevalent as in any portion of Ireland, is rapidly disappearing. The stimulus of personal interest has proved more powerful, in habits of temperance, than all the eloquence of priests and the arguments of temperance lecturers. Just as in Germany, unlimited liability has been found to be devoid of any element of danger. Not a farthing has been lost to anybody. Even where members have left the country they have sent in their payments with regularity. The poor become self- reliant and business like; cultivation has been improved; paupers are transformed into self-supporting citizens; and the usurer finds his occupation gone. The hovels are transformed into neat and tasty houses; and thrift and order take the place of carelessness and disorder.

The credit unions of Belgium are formed on a still different plan. An indefinite number of members join, each taking one share, of say 200 francs. On this they pay 20 francs, and in some cases only 10; but the share entitles them to a credit of 200 francs on paper, to which the union affixes its signature, and becomes responsible; a modification of the issue of currency bills of credit. At first this seems extremely hazardous; but with care in accepting members this has been found to work well. The first one established proved its soundness by living through a crisis of almost unparalleled severity.

In Switzerland almost the only form of co-operative bank which has been introduced to any extent has been something like our building and loan associations: co-operation in savings. But these have flourished for more than sixty years. They pay no dividends; carry all surplus to the reserve; and have redeemed every farthing of their share capital. Their management is strictly democratic; and the same attention is given to small as to large business.

In other directions co-operation is well advanced in Switzerland. Co-operative dairy associations, which produce the famous Swiss cheese; co-operative cattle- purchase associations; cooperative Smithies, which have effected important savings; and co-operative insurance associations against hail and cattle plague, and sometimes against fire, have much reduced the cost of insurance below that charged by joint stock companies. In some places co operative butcheries exist. There are thirty-five co-operative cattle-purchase associations in the canton of Thurgan, which supply 22,230 of the population with their needed farm stock. For more than forty years have these associations kept the population in milch cows and heifers, rendering invaluable services, and receiving their money back with interest. But why with interest? If the associations are co-operative: that is, operated strictly in the interest of those who want cattle, then there is n sense in collecting interest or profit from those members; because, whatever profit is made above running expenses it must needs be divided right back to the same people again as dividends. It is something more than a suspicion, that in this particular they are not co-operative; but that capitalists, large or small, find this a means of loaning money on interest to some otherwise co-operative societies, thus reaping a return without work. There is nothing co-operative about any scheme of interest.

The war of 1870, whereby France was overrun by the German armies, swept away the small co-operative banks which had been planted prior to that time In i866 France had no less than 300, following very nearly the Raiffeisen plan, each with from 25 to 50 members, modest and obscure, but doing their work faithfully and meeting the real wants of the people at small cost to anyone.

One of the largest, situated in the Fanbourg St. Antoine, in the six years of its existence loaned upwards of 6,000,000 of francs, and only had two small losses to report. The rigor of self-help; the sense of responsibility; and the humility of its work made it a success where the millionaire enterprises of the state and rich capitalists failed. It has been said that French co-operation was born of the revolution; and had for its object, not the reform of trade, but the emancipation of the workmen. The war practically put an end to co-operation in France, until it was again revived about 1887 by Father De Besse, a Capuchin monk. He has, however, deviated considerably from the Raiffeisen plan; and has been obliged to resort to indirect methods to maintain security. Being a churchman also, he has made them largely a church affair; and yet, in their way they are doing a useful work, while falling far short of the Raiffeisen banks of Germany. Members pay five francs entrance fee, and take shares of fifty francs, which bear no interest. They adhere to the principle of unlimited liability; and repayment is made by installments.

The People's banks in Algiers and throughout French Africa, of which there are about sixty, follow closely the Raiffeisen lines; and are doing a good work in an unpretending but thoroughly useful manner.

In sharp contrast to these institutions for mutual self-help, it will be instructive to glance at a few of those conspicuous failures started on the principle of a help to be conferred upon the people by their rulers. The first Napoleon set up his Société du Crédit Agricole, with a great flourish of trumpets, upon a vast capital mainly furnished by himself. His object was to loan money to farmers with which to improve and cultivate their farms. But the scheme was looked upon with suspicion; and he could get no borrowers. At last he loaned 168,000,000 of francs to the Khedive of Egypt, which brought the bank to an end.

Another attempt (I think by Napoleon III.), was called the Chasse d' Escompte, with a million of money, one half contributed by himself; but no one could be found to borrow. It ended quite as ingloriously as the first. The Empress Eugenia also had to try her hand. She set up the Société des Prets de l'Enfrance; and with the same result. Gambetta started one on the same principle with a capital of 50,000,000 of francs: 12,000,000 of which was subscribed; and later on, Benjamin Rampal, with 2,000,000 francs, all of which failed. They were unsuited to the wants of the people. They could not attract those whom it was absolutely necessary to reach in order to carry out their benevolent schemes. Whatever improvement in the condition of the people that is ever realized must be achieved by the people themselves. It can never come from their rulers; and that is just as true of the politicians in a republic as it is in a monarchy. The difference between them is only in the name.

There is also in France a type of co-operative supply associations among farmers called syndicates. These, while as yet limited to a small compass of activity, ambitiously aim to do almost everything, just as our granges did at one time. They are not unlikely to fall as far short of their ideal as did the grange. But they are educating the people to look to co-operation for great benefits in the future; and when the time comes that an adequate scheme of co-operation is offered the work done by those syndicates and our granges will be found a most useful preparation. Already those syndicates have rendered valuable service to the farmers of France in the purchase of fertilizers and other supplies for farm use.

Those interested in the study of European credit banks would do well to read carefully "People's Banks," by Henry W. Wolff, published by Longmans, Green & Co., New York, from which this and the two previous chapters are largely condensed.

XI. FRIENDLY SOCIETIES.

A form of co-operation which is older, and has had a larger degree of development in England and America than any other in existence, is that which is appropriately known as the friendly societies in which the members co-operate together to defray funeral expenses and for mutual protection against the calamities of sickness, accident and death. Among these are included the Odd Fellows, the Foresters, the Ancient Order of Romans, the Ancient Order of Shepherds, the British Order of Free Gardeners, the Catholic Benefit Societies, the United Order of Comical Fellows, the Ancient Order of Britons, the United Order of Workmen, the Rechabites, the Independent Order of Mechanics, the Engineers and Firemen's Friendly Society, the Order of Alfreds, the Order of Druids, the Knights of Pythias, and many others, besides a great number of variations such as twelve kinds of Odd Fellows, etc. Among these may also be classed the various temperance orders, which apply the principle of mutual help to curb the appetites; or, in the larger statement of it, the application of co-operation to the making of individual character.

Many of these orders date back more than three hundred years; and it is in them that life insurance had its real origin; although, independent of them, it was customary for private underwriters, during the sixteenth century, and for long afterward, to undertake special risks upon lives for short periods to cover contingencies of a temporary character. These were, however, only isolated cases and for special purposes. The general need for life insurance was first felt by the poor who sought a provision against the distress which might fall upon the survivors should their breadwinners be suddenly snatched away. It was in the friendly societies that plans were first developed for the systematic satisfaction of this want. The greatest difficulty they had to encounter was, the fact that no data existed on which calculations could be based of rates of mortality, or accident; nor did anyone know just what observations were necessary in order to obtain such data. Their experience tables must be made; and there was no way to make them but by the slow record of their own history with its successes and its failures. But, at the very time when it was most important to observe and record closely all the facts relating to the experience of those societies, in order to form the basis for life insurance, it is certain that their leaders did not appreciate that importance. It is probable that they regarded their societies as little capable of improvement, not realizing that the condition of their very existence, for any considerable time, depended upon reaching a basis of assessments which would closely cover the risks and expenses. That these societies, practically doing what we now know as a life insurance business, eaHy preceded life insurance as a business, may be inferred from the works of Daniel Defoe, whose "Essay of Projects" was published in 1698, in which he extolls the virtues of the friendly societies; and, in his later works, advocated the compulsory establishment of societies for mutual assurance, and for relief in seasons of distress. At the same time he was loud in his condemnation of the business of life insurance. If Defoe can be considered in any way a reflection of the popular estimation of the two at the time, then it is certain that the societies had obtained an earlier foothold than the insurance companies.

In 1723 the first act of Parliament was passed dealing with those societies. At that time they had begun to assume considerable importance and attract attention. Previous to this, their growth had been wholly in spite of the law; for, being unrecognized by the law, they were outside its protection and consequently a prey to all who were disposed to plunder them. The partial removal of those disabilities was a sort of negative assistance; but so far as any positive assistance went, in the granting of state aid in their promotion, that state aid, as it is always bound to do, was found to degrade and demoralize them. From then on they were taken up by resolute men; the principle of mutual self-help more fully developed; and, as a result, the different orders which have since grown up were evolved, spreading over a considerable part of the civilized world. But it was not until about the middle of the eighteenth century that these orders attained anything like permanence; and even then, they were constantly represented by their enemies as being based upon no scientific principle. What was meant was, that the assessments bore no scientific relation to the risks and expenses; which was true, for reasons already given. But they were based upon a deeper and more scientific principle than that. Mutual helplessness of man to man is always scientific. It is always a success. This is co-operation, and co-operation has never been a failure. It has only been where men have failed to adhere to the real principles of co-operation that their schemes have failed; or they have been killed by causes outside of themselves, like the Ralahine community.

In the ritual and work of the various societies I am informed that they are largely modelled after the masonic order; and that many of them lay claim to great antiquity. The Druids, for instance, are said to go back to the building of the ark; the Free Gardeners to Paradise; the Odd Fellows to Adam; and the Foresters to Eden. They have been vastly useful in promoting social intercourse among the people; the social benefits resulting being nearly, if not quite, as important as the cash benefits granted in times of need. The Ancient Order of Romans had for its motto, "One for all, and all for one" and this is, at bottom, the spirit which underlies them all. Theoretically their management is, and always has been democratic, requiring equal service and conferring equal benefits. But whenever autocracy has obtained in their management, an immovable junta has secured control; it has tended directly to destroy not only their usefulness, but the societies themselves.

Like all other efforts on the part of the people to better their condition by their own efforts, this has met with the most violent denunciations from both the press and the pulpit. Especially was this true of the period from 1834 to 1851, nine years after they had won complete recognition from the English law, during which that violence was only equaled by their ignorance of the subject. To them was joined the voice of such lordly idiots as the Earl of Albemarle, who contemptuously warned the English workingmen against them, declaring that they were not a brotherhood, but a humbug.

Their recognition by law was only secured after a long and stubbornly contested fight maintained down to 1842. Small concessions were made under different acts of Parliament, but they were generally coupled with conditions which hampered instead of helped the societies. The whole history of English legislation on the subject is one continued series of blundering and meddlesome interference. It is probable that the only benefit such legislation ever conferred upon these orders was to accord them an equal standing before the law with other organizations. Until then they were made a prey of fraudulent men who were only bent upon carrying forward their corrupt schemes. Every possible means were resorted to by the schemers who were interested in continuing the abuses, so much so that several of the orders were nearly wrecked. From one to

two hundred of the lodges of the Odd Fellows were closed for want of funds; pamphlets and scurrilous songs were published reflecting on the order; but it was a wholesome process for purging away undesirable material and methods. When it was done the orders were stronger than ever; and they have since been extended into almost all parts of the civilized world. They contained within them that which in time triumphed and brought order out of confusion: the principle of mutual self-help. Better business methods came with a better knowledge of the special requirements and the experience tables on which they could base their calculations. From 1842 to 1857 the friendly societies were improved, strengthened and extended all over England and in English speaking countries. And well they needed to be, especially those in England; for they were about to receive the severest test to which they had ever been subjected. The Landhill colliery disaster which launched hundreds of their members into eternity, completely exhausted the funds of a large number of lodges, and was followed by sweeping epidemics which depleted the treasuries of hundreds of others. Then, on top of all, came the cotton famine caused by the war between the North and South, in America, which closed the industries from which .many thousands of members derived their sustenance; and the very fact that any survived which were subject to such a series of disasters is simply wonderful.

It will be needless to go into statistics showing the extent of the development of friendly societies in this and other countries. Statistics would convey a very inadequate idea of it at best, even if they were access- able, which they are not. To say the least, they furnish a large proportion of the life insurance, and most of the sick benefits in this country, and probably others. That they do this in a satisfactory way is evident from their constant growth and extension. They have demonstrated the practicability of co-operation to deal with the conditions which they are intended to meet. And that demonstration is all the more complete from the fact that they have had to construct their own experience tables out of their own experience, and often in spite, of fraudulent officers enjoying a practical immunity by law from punishment for their frauds.

Some will ask me what the necessity was for the expenditure of so much energy build up a co operative system of life insurance, when, under a true and adequate system of co-operation, life insurance will not be needed. I will answer: if the end was only to build up a system of life insurance, it was not necessary. Under a true co-operation there will be no room for life insurance, because there can remain no want or destitution. Private fortunes will give place to a common wealth, from which all can draw freely for the satisfaction of all wants. It is plain that under these conditions there can be no place for life insurance. But this is the smallest part of the achievement of these societies. They have proved that cooperation is able to answer the most difficult requirements of human association, and to soften the conditions which environ us. I think the time has arrived when it is destined to change those conditions, and utterly destroy capitalism, which is the author of those conditions.

XII. HISTORICAL SUMMARY.

Before proceeding to outline such a plan of co-operation as may be expected to revolutionize our industrial system; to destroy capitalism; abolish the employment of men for wages—really the exploitation of mankind by man—and usher in the Co-operative Commonwealth, it will be well to sum up the lessons which may fairly be learned from the historical research just ended. The value of history lies in the insight it affords to human nature and human institutions, in order that we may be enabled to adapt our institutions to that nature and to the necessities of men. In the course of our historical review we have sought to find out what the true nature of co-operation is; wherein and why it differs from capitalism, what has already been accomplished by co-operation; and, where failures have been made, to trace these failures to their causes so that in future efforts we can avoid the rocks upon which others have been wrecked.

Starting from the groundwork, we found that co-operation is based upon the natural and self-evident truth of social economy, that all wealth is produced by labor and of right belongs to labor; while capitalism is founded upon an artificial political economy depending upon the artificial enactments of each particular country, but which generally teaches the doctrine that the production of wealth results from the joint effort of land, labor and capital; and therefore must be share I by the landlord the capitalist and the laborer. Capitalism is founded in polities, and depends upon human laws enforced by courts, polite, armies and prisons, while co-operation is founded in the social nature of man which leads him through his own self-interest to work together with his fellows for their mutual advantage, and needs no other laws than those simple regulations which are prompted by their mutual interests and which will be observed because they are of mutual interest, without the aid of courts, police, armies or prisons. The admission of the right of the landlord and the capitalist to share in the products of labor is the beginning of that gigantic robbery which finally leaves nothing for the laborers beyond such a bare pittance as will only sustain existence; because the encroachment once begun is steadily increased, in a thousand different ways, until nothing more can be taken. This is the only thing that makes possible an idle class which can live upon the labor of the industries; because if they could not share in the products of labor without labor they must needs labor themselves. In this way the interest of one class is set up against the interests of another class; private fortunes become necessary and laws to protect those private fortunes: in other words, laws for the protection of property enforced by penalties, by courts, police, armies and prisons. Were it not for this initial robbery there could be no use for any of these things; because all would be laborers; and all would have such an abundance that wealth would become common, each producing in a spirit of emulation whatever he could within the limits of a healthful happy life; and each sharing from that common wealth to the utmost of his ability to enjoy In such a society there could be no criminality; for there would be no inducement to crime; and therefore there would be no necessity for laws regulating private conduct; no courts, no police, no armies and no prisons.

Co-operation stands then as the synonym of civilization; for all human association is, in a sense, cooperation – that is, a working together; and just as men have learned to so operate—to

work together for common ends, civilization has increased, and men have been elevated in intellectual attainments and social virtues. Capitalism represents government in human society: that force which compels. It appeals only to force: and is anti-social in all its tendencies; while co-operation stands for mutual interest. It appeals to reason and love instead of force; and is purely social in all its tendencies. Capitalism depends upon government, upon politics, and necessarily breeds confusion, disorder and corruption in society; while cooperation depends upon equality and justice and leads to order, peace and purity in society. They are the exact opposites ii everything. So true is this that cooperation can never be promoted by the instruments and methods of capitalism; and I desire here to commend a careful study of these facts to those earnest, but, I think, misguided advocates of the Co-operative Commonwealth who hope to bring in the kingdom of heaven by an extension of the powers and functions of the state. Rulership, whether by the state or by a junta of individuals, will destroy any co operative enterprise that ever was or ever can be started; if it is allowed to grow and produce its legitimate results. This is abundantly attested by the history of every cooperative scheme which has been reviewed in this series, which has been dominated by that principle of rulership.

Another thing which has been demonstrated is, that the work of any practical co-operation must be undertaken and carried out by the people themselves. No matter how wisely a scheme is devised it can never lift the people by any power outside of themselves. No governing plan and no benevolent interest on the part of the wealthy, although backed by unlimited means, can raise the people one step in the scale of being. They must lift themselves.

There are few things necessary in the production and distribution of wealth, the practicability of which has not been demonstrated in one way or another in the historical review just ended. Distributive cooperation has been applied on an extensive scale in England; and, to a lesser degree, in continental Europe and America. The Rochdale and London stores, the European Cattle Purchase Associations and associations for the purchase of raw materials, the American Grange and other stores and purchasing agencies, always successful while following co-operative lines, all bear witness to the benefits which flow from this form of co-operation. Its practicability is no longer a question of doubt.

Productive co-operation, while not having been developed to the same extent, has been placed on nearly as substantial a basis in the factories of the communistic societies in this country, such as that of Amana, Harmony, and many others, the uniform excellence of whose goods are, everywhere recognized; in the Co-operative Corn Mills, and other industries, run in connection with the English co-operative stores; in the Swiss and American Co-operative Dairy Associations, and the Co-operative Bakeries, Tailoring, Shoemaking and other associations in this and other countries, which have started and flourished from time to time. Their history has uniformly been that while they remained true to co-operative principles they were successful; but their success has frequently awakened the cupidity of the crafty who have taken advantage of some capitalistic feature or loophole to obtain control and turn them to private account. These, however, have always been, not by reason of any inherent weakness in co-operation, but by reason of the failure of their founders and promoters to adhere to the principles of co-operation by letting in those of capitalism.

Co-operative farming, too, has been proved successful, not only under ancient communities, before the present system of land tenure became fully developed, but even in the face of the tremendous obstruction of landlordism which now bears like a black pall of death over so large a part of

the civilized world. The history of Ralahine is a most significant one, and ought to give encouragement to all who hope for the good time coming.

The Friendly Societies exhibit another phase of cooperative work which has met with abundant success against the most trying circumstances, although it is, in itself, a form of co-operation which under a larger and purer co-operation would be utterly useless. Life insurance and sick and burial benefits would be absolutely not needed under a universal co-operation. At present they mitigate some of the evil effects of capitalism, and therefore act as a prop to capitalism. But this goes to show the beneficent influence of co-operation itself in whatever direction it is applied.

But the most instructive lessons, and withal the most hopeful, are those to be learned from the history of the European Credit Banks. They have demonstrated that the only thing needed for the mass of the people, even the very poorest, to lift themselves out of their deplorable condition is an intelligent plan of cooperation and an opportunity for self-improvement. They have shown how quickly and certainly improved material conditions, or even the hope of them, react upon the people to elevate their moral, intellectual and social well being. They have proved the inherent integrity of the poor; the fidelity to principle; and the absolute safety of applying the principle of unlimited liability to any extent that may be desired. Men can safely and will faithfully stand by and protect one another's credit; and more, that capable and honest men can be found who may be depended upon to faithfully administer important affairs without the incentive of personal gain. While the Schulze-Delitzsch Credit Banks paid salaries and commissions to their managers, and so encouraged a spirit of greed which often wrought disaster and even failure to the banks themselves, the Raiffeisen banks everywhere entrusted their' affairs to those who served without pay, and with the result that in a history of forty-three years, extending through more than a thousand banks and over three countries there has never been a loss.

Nor are these the only lessons. Some of those banks have demonstrated the soundness of united credit, even among the very poor, for the purposes of borrowing; while others have successfully issued and maintained their own bills as currency. If this can safely be done in Milan it can just as safely be done in this country. One of the greatest obstacles to successful co-operation is the power possessed by the ordinary banks over the money of the country. Some form of currency is absolutely needed with which to purchase supplies and effect exchanges. Even if the banks would loan to co-operators freely, the charges for interests and discounts would be a serious tax upon their resources. They are that now upon all forms of business carried on under capitalism; and they would be no less so on co-operators if they were obliged to borrow of the banks. But the experience of the Italian Loan Banks is abundant proof that the co-operative associations can issue their own money, practically on the same plan proposed in my book, "Money, Co-operative Banking and Exchange," and so become independent of the capitalist banks and free from the burdens of interest and discounts. This alone would give co operation a vast advantage over all capitalistic competition and go a long way toward its destruction.

I shall attempt to outline, in the next few numbers, a practical plan of co-operation which, I believe, will undermine the whole capitalistic system and finally destroy it.

XIII. A FOUNDATION.

We are now ready to proceed to formulate such a plan of cooperation a will fulfill the high expectations of a system which will destroy capitalism and recast human society. The conditions of such a co-operation are, that it shall exclude all capitalistic features, such as capital stock, interest, dividends and salaries. It must give to the producers the entire product of their labor; must eliminate the idea of profit; abolish the wage system, and destroy competition, except that emulation among men which seeks the honor and love of their fellows—a competition as to who can best work and best achieve. It must be confined strictly to matters of common business in which all are equally interested and leave each individual perfectly free to regulate his private conduct and habits as suits his own convenience and tastes without let or hindrance from any. Thus will conform the greatest good of society to the most perfect liberty of the individual.

There are a great many reasons why there should be no share capital in co-operative associations. In Illinois, and probably in all the other states, the law recognizes shares of capital stock in corporations as property which may be sold and transferred from person to person at will. Very little, if any, control can be exercised by the corporation over those transfers. It also gives each shareholder one vote for each share held, which is another source of inequality. Even if it were able to prevent one person from subscribing to more than one share, it is unable to prevent individuals from buying up the shares of others. Buying up the shares of stock in so-called co-operative enterprises, which have made successes, and so obtaining a control, is the most ordinary method of undermining and destroying what little of co-operation there is in them. A capital stock puts the control of the memberships out of the hands of the association. It is all important that the association shall always be able to select its own members. No one must be received unless capable in their trade, honest and faithful in their relations with their fellows, and who possess such other personal qualities as will not be liable to occasion discord. A capital stock also implies a limitation of the liability of the holder to the amount of his shares. This is a sacrifice of one of the most valuable features of co operation, that of unlimited liability. The history of those European Credit Banks which are based upon that principle has abundantly demonstrated, not only that there is no danger in it, but that it is absolutely essential to an adequate system of co-operation. Where every member is liable for the acts of all, more care will be taken in the admission of members. It will raise the standard of excellence in the community among those who hope to become members, and a closer watch and discipline will be maintained over them after they have been elected. It heightens the *esprit du corps* of the association and increases the feeling of solidarity as nothing else will do. It will add to the confidence in the outside community, in the security of the cooperative certificates of credit, which must be issued, and thus insure their general circulation as money. To leave out the principle of unlimited liability from a co operative society would be like building up the body of a man, but leaving out the breath of life. As before said, capital stock is a limitation of liability, and is, in every way, opposed to co-operation. And, finally, even the name, capital, should not be used. It implies the old system which must he de-

stroyed. We must avoid even its nomenclature. Terms must be used which fix in the public mind the sharp contrast between capitalism and co-operation.

Interest must also be avoided because it is pure capitalism. It arises from the teaching of political economy that capital is one of the factors in production, and that interest is the share which rightfully goes to capital for the part which it has performed. It is a clear violation of that tenet of social economy which teaches that all wealth is the product of labor and rightfully belongs to labor. Capital is but a tool in the hands of labor. It is passive. It does nothing. It is entitled to no reward any more than the plow, with which the farmer cultivates the field, is entitled to a reward. Interest would be impossible were it not that the issue of money has been monopolized. Interest is the tribute that labor is compelled to pay to that monopoly. Money, in its essential character, is only a certificate of credit. If a person or a society is entitled to credit, he or it is entitled to such a certificate or evidence of that credit as will enable them to use it without paying toll as interest or discount to any one for the privilege. Co-operators can easily arrange for the issue of such certificates on the security of their memberships and on their products as shall meet all the requirements of money on a plan slightly modified from that proposed in my "Money, Cooperative Banking and Exchange." Co-operative societies have frequently resorted to borrowing from their own members or outsiders in order to increase their funds on which to do business, for which they have paid considerable sums as interest. All this can be avoided, thus placing the co operators in a position of great advantage over business men outside of co-operative societies who are subjected to the burdens of interest.

Diridends on capital stock is only another form of interest; and will be obviated by the plan of fixed memberships instead of a share capital.

The payment of salaries or commissions must also be discarded. The history of the Raiffeisen Loan Banks scattered throughout Germany, Austria, Hungary and Italy, covering a period of nearly half a century, proves that it is possible to obtain talent of the very highest order for all the necessary work of management without any other compensation than the honor which comes from faithful service. The results have been vastly superior to those obtained under the Schulze-Delitzsch Credit Banks, which always paid both salaries and commissions on the business done. And it stands to reason. If additional emoluments are given for the performance of special functions it sets up inequalities among the members and becomes a source of intrigue, corruption and discord. Whereas, if all share and share alike the only distinction is in personal excellence, something that all will strive to the utmost to achieve.

Of course, it is not to be expected that any scheme of co operation can give to labor its entire product at first. We shall be subject to present laws until those laws can be abolished or changed. Among them are the laws which recognize the claims of the landlords. Wherever we undertake the work of co-operative production, we must make terms with the landlords. We must obtain access to the laud in some way. Whatever we pay for that access, whether it be in the city of Chicago or elsewhere, is just so much substracted from the total product and which does not go to the co-operators—to labor. Until the land monopoly can be destroyed we shall fall just so far short of realizing the full measure of what co operation has in store for us.

Taxation is another one of the forms by which a portion of the products of labor are prevented from going to labor. Whatever is paid in taxes lessens the amount by so much that labor receives. Until men become intelligent enough to dispense with the humbug of government they must submit to have their earnings confiscated to support useless drones who assume to regulate the affairs of other people. Under capitalism the masses are kept too poor and ignorant to see that

they are being robbed and fettered; but cooperation opens a way for improvement in material condition and knowledge, which, in time, will abolish government.

Other monopolies, such as patents, copyrights, tariffs, and trust manufactured or controlled goods: in fact, everything which increases prices above the labor cost of production, all reduce the rewards of labor by increasing the prices of those things which labor has to buy through an exchange of its own immediate products. For instance, workmen who make shoes and who must obtain clothing by an exchange, directly or indirectly, of shoes for clothing, are cheated if the clothing is increased above the normal price—the labor cost of production. Nor will such increase benefit those workmen who make the clothing; because that increase results from monopoly somewhere; and monopoly gets it. It never goes to labor. The government levies an enormous tax upon whiskey, both on the manufacture and sale, so that the price of whiskey is increased from ten to twenty times over before it reaches the consumer. Do the workmen, who actually make the whiskey, get any of that increase? Not a penny. It all goes first to the government monopoly; and, second, to the whiskey trust. The whiskey trust would be impossible were it not for the restrictions which the government puts upon the manufacture and sale of whiskey. And just so with every other trust or trade combination in the world; their only power to increase prices comes from restrictions upon production or trade established by law; and which ultimately operate as special privileges to the monopolies which grow out of these restrictions.

Labor, then, is always interested in low prices; or prices not above that labor cost of production. Capitalism constantly endeavors to raise prices above that standard and so realize a profit. Profit is the excess in the selling price above that labor cost. Therefore, co-operation, which seeks to give the whole product of labor to labor, would eliminate profit. It is utterly antagonistic to profit. Adulteration in goods also grows out of the profit or capitalistic system. Capitalism seeks by adulteration to deceive and thereby increase profits. Co-operation, on the other hand, is interested in honest goods of full weight and good quality. There cannot be the slightest interest in the world for workingmen producing under cooperation, and exchanging with one another at the labor cost of production, to realize a profit or to adulterate o misrepresent their goods. Therefore, wherever co operative production or distribution has been introduced, even to a small extent, it has sought to do away with adulterations and furnish goods of the best quality and at honest measure. It will readily be seen from the foregoing that, under such a co-operation which produces goods of good quality at the cost of production, and exchanging them with others on a like basis without profit, there would be no such thing as competition for trade among them. The competitive system would e abolished; and along with it the wage system, which are both only other names for the same thing: that is, capitalism. A man's wages would be his equal share in the joint product of his society.

Such a co-operation then, as stands out in clear and positive contrast to capitalism, and which excludes all capitalistic features, so far as its own workings are concerned, will accomplish all that I have outlined in the opening of this chapter. Insofar as it is subject to established monopolies of land, of taxes, of patents and trusts generally, they must be bourne with for the present until co-operation becomes strong enough to down them, which it can do in time. Let every cooperative society treat all payments of rent, taxes, royalties and profits paid to monopolies as items of expense; and carry them on their reports as contributions to monopoly, so that they can be laid before their members in every monthly or quarterly report, and it will operate as a tremendous educator. Men will begin to see what an enormous burden they are paying all the time for the privilege of being governed. Those reports will not only have a circulation among the members

but will be watched with the closest interest in the community outside the co operators. Any plan of co-operation which may be adopted will be ‘canned in every detail and be commented upon both by friend and foe. So that this educational influence will not be confined merely to our own people. It cannot fail to attract the attention of multitudes of others who have never thought of this subject before.

XIV. A PLAN.

All over this country, in every city and important town, are scattered industrial plants which are now idle, or nearly so. The mechanics who formerly found employment in these works are many of them out of work entirely, or are so inadequately employed that they scarcely earn enough to meet current expenses. In the present condition of business these works can not be run at a profit under the old system of capitalistic production. This is not because the people no longer want the goods they formerly produced, but because they are not earning enough to enable them to buy what they want. Many of the owners of these idle plants would be glad to lease them to responsible parties who would run them and pay them what would be considered, in ordinary times, a very moderate rent. There has never been a time in the history of this country when those plants could be gotten hold of on such favorable terms as now. They generally have all the appliances ready to be put in operation within a very few days. The most that is needed is the money with which to buy raw material and to pay the help. If the workingmen, who were formerly employed in these establishments, will unite in co-operative associations, they can lease the works, frequently for a period of years and on the most favorable terms. In effecting these organizations great care should be taken in the selection of members. The former superintendents, foremen or most competent workmen may take the initiative. Accept none but those who are known to be thoroughly competent, and who are intelligent enough and kindly dispositioned enough to work together harmoniously. Material should be rejected that is likely to prove a source of discord. Then, instead of forming a joint stock company with a share capital, fix a uniform membership based upon the estimated requirements of the business to be undertaken. For instance, in works which would fairly employ one hundred men, if it is found that $10,000 will be needed to purchase materials and to pay running expenses until goods can safely be marketed, then a membership fee of $100 from each of the cooperators will be sufficient. Some of the members will not be able to pay that membership in cash; but it can be accepted in work at a fair rate, which will be just as good. When the organization is effected let the members select their own superintendents, foremen and agents; and make such regulations pertaining to business as the special needs of the business require. But the society should be strictly democratic. No dictatorship should be attempted or allowed. All should stand on a perfectly equal basis as to a division of products. If one acts as superintendent, another as foreman, another as accountant, and still others as agents, it is but a subdivision of labor with an assignment of those to special duties who are supposed to be the most competent to perform those duties. The functions of one are no more important than those of any other; although, under capitalistic production, some are vastly magnified over others. If a man is specially adopted to perform any certain part of the work, he need have no fears that his mates will not recognize his peculiar abilities. All will be interested in obtaining the best results possible; and, as each part of the work will be equally rewarded, the honor will depend entirely upon the skill and fidelity of the one who performs the work. There will be no offices, in the sense in which we now understand the term. There will be none who are given nice easy jobs with disproportionally high pay. If greater honor attaches

to any particular work it will be to that which is most difficult or most disagreeable. In fact, the man who performs, for the benefit of all a very disagreeable task and does it well, is entitled to a greater degree of honor than the one who works at a more agreeable one, just as the hero who plunges into the murky waters of the Chicago river to rescue a drowning man is entitled to, and gets more honor than the officious policeman who merely orders the crowd to "stand back" while he tosts a rope to him.

If now, the Co-operative Commonwealth were in full operation, no money would be needed to effect the exchanges between the different co-operative associations, because the production of each would be for all, and all would be free to take freely from that commonwealth to satisfy every desire; but it is not. That only comes when co-operation has generally superceded capitalism, and through it men have learned the lesson of human equality and human brotherhood. Until that time comes there must be money to effect exchanges and purchases., But this can easily be supplied by means of a co- operative scrip without depending upon the ordinary banks for a dollar, or paying a dollar of interest.

It will be found necessary for the different co-operative associations to form themselves into co-operative unions, in which each shall be represented. These unions should in no way interfere in the affairs of the associations, because these associations, being confined each to their separate trades, better understand what the special needs of their trades are. The union may only insist that the general principles of co-operation shall be adhered to as a condition of membership in the union, and that full reports of transactions be furnished at proper intervals. It would exercise no governing power over them. It would be the function of the union to issue co-operative certificates of credit or co-operative scrip to the several associations based upon the amount of the paid up memberships and the amount and value of the goods produced. Those certificates should be receivable as cash by every association in the union, and by every member of every association for any goods manufactured or sold, or services rendered, at the labor cost of production; and if the goods chanced to be such as may have been bought outside for the supply of co-operators in their stores, then any one presenting those certificates should be entitled to buy at wholesale—that is, at cost price. In short, every co-operator must be bound to accept these certificates for all the purposes of money, no matter by whom they are presented. It will be found that very much of the success of the whole co-operative scheme depends upon inspiring such confidence in the outside public in this co-operative money that it will pass current in the community and buy all that shall be wanted. To do that all must co-operative to maintain that credit. As a temporary expedient, until that credit has been established, it may be desirable to place other money at a discount, say of 20 per cent, in the purchase of commodities and payment for services. For a time, a retail price of commodities can be established 20 per cent higher than cost of production, or wholesale, so that when buyers present banker's money they must buy at retail ; but when presenting co-operative money their purchases would be at wholesale. People will always gladly accept that money which will buy them the most goods, in preference to that which will buy less. In this way there will be no difficulty in getting our money into circulation and make it buy everything desired.

The next step will be to establish our own co-operative bakeries, meat markets, groceries and general stores; our tailoring, dressmaking, cloakmaking and other establishments for common utilities, and buy land on which to build houses for such co-operators as wish to form a co-operative community. This however, I think, should not be undertaken until a sufficient range of

industries have been organized so that most of the labor and material will be done and furnished by the co-operators themselves.

For instance, it is desirable to have early in the work co-operative brick works, co-operative quarries, a chapter of co-operative masons, one of co-operative carpenters, and so on to cover all of the building trades. Then come the printing offices, founderies, machine shops, pattern shops, and all the multitude of forms of metal working, wood working, furniture, farm implements, etc. These industries should be gotten hold of, one after another, just as rapidly as the workmen can be properly organized and instructed in the principles of co-operation. It is probable that work may be done in the body of the present labor unions and other labor organizations, which will develop them quickly into co-operative associations. The one thing needed is to make such a start as will furnish a demonstration of the advantages of co-operation over the present system of capitalistic production. With such a demonstration before them the subsequent strikes on the part of labor will be against capitalism itself, and not merely for a little more wages or less hours of work. Men will strike for co-operative leases, and, failing to obtain them, will set up works of their own, with such assistance as the co-operative union will be able to furnish, and leave the old employers to run their works themselves or get others to do it—if they can. But they can't. Workingmen, when they understand it, will rather form co-operative associations and have the full product or their labor than to work for an employer and only get a part. This will settle the question of scab labor, for there will be no scabs. Scabs are only possible where there are unemployed men, who see in the stoppage of work by others an opportunity for their own employment. The scabs will form co-operative associations and no longer be scabs. So that workingmen striking for co-operative leases will be able to dictate the terms of those leases.

I think it is very desirable that these associations should be formed right in our industrial centers and not go away into some unheard of, out of the way corner of the world to form a colony. By forming right alongside of and among the workingmen who are now employed under capitalism, the sharp contrasts between the two systems will be brought out; the educational influence of co-operation will not be lost as it is in an isolated colony, and we shall not be shut off from the markets of the world for the sale of our own goods and the purchase of those of others. The time, expense and uncertainties of transportation to and from distant colonies alone make them decidedly impracticable. Generally, about the only advantage gained by going away to long distances to found colonies is to obtain cheap land, but that is offset by the other disadvantages. The land question is no doubt a serious question, and in time will have to be grappled with. Landlordism will have to be abolished before co-operators can obtain the full measure of their earnings. But landlordism cannot be abolished until the mass of the people come to see that it is only another form of slavery—a means by which a few who do not work are enabled ot get the earnings of those who do. It is one of the forms of monopoly, one of the worst, but the co-operative associations can be made the most effective schools for teaching the doctrine that the land belongs to the people.

But I do not wish to have it understood that I am opposed to colonies, On the other hand, I can easily see how they will be of wonderful assistance in furthering the work of co-operation. Beginning, we will say, in Chicago, as soon as reasonable progress has been made in organizing co-operative industries, stores etc., and people begin to have confidence in the stability of the scrip, it will be highly desirable that a considerable tract of land shall be bought or leased for a term of years within easy reach of the city, where a co-operative community can be established. Land should be allotted for the building of homes, streets laid out, parks reserved and improved,

stores and warehouses established, schools, reading rooms, gymnasiums, public halls, etc., built; other land be set apart for extensive gardens and fruit growing, the products of which will find a market among the cooperators in the city, and still more land devoted to grazing, so that pure milk, cream and butter can be furnished to all in the community, and any surplus be sent to the co-operators in the city. I have no doubt that as soon as intelligent farmers begin to understand the advantages of co-operation they will unite several farms together and offer them as locations for co-operative communities, where, through high culture, thorough subdivision of labor and improved appliances the land can be made to yield five to ten times as much as it does now, while lessening the individual labor of all and giving opportunity for social growth and enjoyments to which farmers are now strangers, owing to their solitary lives.

When all this has been accomplished it is merely a question of extension. Co-operation will have been demonstrated, not merely in particular things and within narrow limits, but on general principles as applied to society. Those who are now poor who in all their lives have never known what it is to have plenty to eat, plenty to wear, comfortable houses to live in, furnished with every necessary convenience, and who have been unable to cultivate or gratify their tastes for books, for music, for pictures and amusements will find all these things easily within their reach. All will be rich in the sense that all can enjoy every comfort and luxury that any other can enjoy. There is no man in city or country who is so poor that he cannot become a member and pay his entrance in work, and there is no one who could not raise his own standard of personal excellence so as to enable him to be accepted in some association. Once in, with the associations and help which the society of others around him will give, there need be no difficulty in maintaining his place. This will lift men from the very lowest strata in society, not by any power outside of themselves, and not as a boon conferred upon them—a charity—but by their own inherent power, aided by favoring opportunity and encouraged by the association of others like themselves.

XV. DANGERS.

After a start has once been made of an adequate system of co-operation, the problem is merely one of keeping right on without being diverted from the true principles of cooperation. Co-operation itself can never fail. In all the long research which I have been compelled to make of the history of co-operation in this and other countries, I have never found a single instance where it has not been a success, except as it has been choked out by the rank weeds of capitalism. It is certainly cheaper to produce wealth under cooperation than it is under capitalism. First of all, the members of a co-operative association can work with a better will when they know that they are to receive the full benefit of their labors. They will be more careful of materials, tools and machinery; because, any waste in any direction will lessen by so much the amount to be divided. Much of the labor of superintendence will be dispensed with. Interest charges will be done away with; and much of the expense of keeping accounts. There will be no bad debts; and one of the most serious drawbacks to business now, will be removed, and that is, the cost of advertising. Capitalism will have to reduce wages more than it has ever done yet in order to compete with facts like these; and every cut will drive their people into the ranks of co-operation. And when it comes to distributing the product, other savings will be effected; in rents, because no such expensive quarters are needed as are now used; and in shop fittings and clerk hire; because there is no need for elaborate display or so much attendance.

Yet, notwithstanding all this, co operators must not expect that they are going to be transported to the new social paradise—the Co-operative Commonwealth, on beds of roses Capitalism will make a desperate struggle to prolong its useless existence. Landlordism, lendlordism and all the forms of investments by which the idle rich are enabled to obtain wealth they never earned, will fight with every weapon they can command. The most ready and effective weapon is the law. It was made to support capitalism; and its machinery will be strained to the utmost to defeat co-operation. Precedents once made will be applied in new and unheard of ways; and if there are no precedents the courts will make them. Laws will be construed in ways that were never dreamed of by their makers; and where necessary, through the rulings of the courts and the bias of officials, they will he entirely changed from their original intent and warped to suit the emergencies. This was conspicuously done in the great railroad strike of the American Railway Union the past summer, when the President of the United States hastened to place the troops of the regular army at the disposal of the wealthy corporations in direct violation of law, and against the protest of the Governor of Illinois and the Mayor of Chicago; and still more flagrantly in the prostitution of the United States Courts, where the special attorney appointed on behalf of the United States was a regular paid attorney of one of those same corporations; where every judge had been notoriously a corporation attorney, and with all their sympathies with the corporations, one of them actually acquiring his position at the direct solicitation of George M. Pullman himself. These were the men who packed the United States Grand Jury with the avowed enemies of organized labor, for the definite purpose of procuring indictments against the leaders of the strike; who issued sweeping injunctions, manifestly in violation of the plainest rights of the people, and purposely

so broad and general in their terms as would be certain to involve those leaders in acts which those judges could construe as in contempt of court, and thus enable them to visit summary punishments upon them without the formality of a trial by jury; and who, at the same time, openly ignored the greater and oft repeated violations of the law by those same corporations. If these things are done in a green tree, what shall be done in a dry? When a system of co-operation is put into practical operation which threatens the absolute destruction of capitalism; which means the abolition of the privileges of the rich; which will wipe out every one of the present banks of the United States, and consequently stop the payment of interest; which will destroy our present competitive and wage systems, and which will give to the workers the entire product of their labor, does any one suppose that these watch-dogs of capitalism will be less vigilant? One of the first attacks will be upon our co operative certificates of credit, or scrip. It will come from the United States Secret Service, which will attempt to summarily seize and destroy the plates from which the scrip is printed and to arrest those who are instrumental in its issue. It will require all the fortitude and wisdom at our command to withstand this attack. But we shall be clearly within our rights; and nothing but the most arbitrary and despotic action of the courts can rob us of those rights. The Co-operative Union will issue the scrip to the different associations for their own use and the use of their members, as a means of exchange one with another and not with the general public. The co operators will simply be doing business among themselves, with their own money and means and according to such rules as are satisfactory to them. With this the government has no right to meddle. Whenever it attempts to do so, it is interfering with the undoubted right of the people to do what they will with their own. If now, any member of a co-operative association is in possession of any of this scrip, and he has dealings with another who is not a co-operator, that other may consent to accept the scrip in payment of any account or for the purchase of any commodity. Nor has the government anything to do with that It cannot deny the right of an)' man to exchange his goods for any consideration which is satisfactory to himself. If the scrip shall circulate in the community outside of co operators themselves, it will be because the community has confidence in its stability and is willing to accept it. But, there's the rub. Every device which power can command will be used to prevent it from circulating; because, just to the extent that it does circulate, it lessens the hold of the present money power over the people; compels them to use the money of the banks and pay interest on it; and perpetuates the system of capitalism which it is the mission of cooperation to destroy. Co-operators must be prepared to make the most stubborn fight for their rights along this line of any in their whole contest. This scrip is essential to any adequate scheme of cooperation; and the right to issue it must be maintained at all hazards. Those whose duty it will be to issue it must not fear imprisonment. It is quite likely that even this will have to be endured. But when one set of officials who are entrusted with that duty is arrested, let another take its place immediately and the work proceed without interruption. The arrests will only turn the attention of the whole country to the advantages of this system of money, and make clear that the law is made in the interest of the money monopolists in order to compel the people to pay tribute to their monopoly. The more arrests that are made the more strongly this fact will be emphasized; and will hasten the downfall of the monopoly. There is only one way in which cooperators can mitigate the fury of the attack which is sure to be made upon them along this line, and that is by securing the election of a Populist administration. As yet, the Populists stand closer to the interests of the people; and will be more ready to listen to their demands and less to capitalism. It is true that, as a party, it is committed to the principle that all money should be issued by the government; but this is largely

through ignorance of a better system. As a party, it is a protest against all the forms of monopoly which are summed up in the term capitalism; and therefore, it can be depended upon to lend a readier ear to reason in the interests of the people.

Failing in the attempt to prevent altogether the issue of our certificates of credit, the next move is likely to be to subject us to the federal tax of ten per cent upon circulation, notwithstanding the banker's clearing-houses have repeatedly issued precisely the same kind of money to the extent of many millions of dollars, in cases of emergency, without the slightest protest or interference from the officials. But as it is purely a co-operative scrip, intended for use among our own people; and issued, not to the general public, but merely to the associations in the union; and by them used to facilitate the transactions with their own members, it is clearly not within the meaning of the law taxing state bank issues. As I said before, the associations nor the union can be held responsible for what individual members do with it after it gets into their hands. All they have to do is to see that the scrip is properly redeemed when presented; not' can they make any discrimination between those who shall present it for redemption.

Last of all, the law will deny to co-operators the protection of the laws against counterfeiting. They will practically say to the world that counterfeiters may prey upon us to their hearts content, with perfect impunity; just as the English laws practically said to embezzling officials of the friendly societies, "You may steal the funds as much as you like. Your societies are not recognized by the law, therefore there is no punishment for you." But the friendly societies survived it; and we can survive any like ruling; especially, as social conditions improve through co-operation, the incentive to counterfeiting, as with all other forms of crime, will be lessened and gradually disappear. In the mean time, much of the trouble can be obviated by wise and business-like checks and precautions.

In addition to all these perils there are others which are more subtile and dangerous because more hidden jealousies and petty rivalries will be stimulated among co-operators themselves, by those who would perpetuate capitalism, by secretly fomenting discord in the ranks of co-operation with a view to breaking up the organizations through internal dissensions. Personal misrepresentations, abuse, flattery and even bribery will be used to accomplish their purpose. Discriminations in trade, in employments, and in rates of freight will be resorted to. Social ostracism and political preferments will be used to the same purpose, all tending to corrupt the members of co-operative societies and break down co-operation as a principle. To all of these sinister influences let co-operators hold steadily to the cardinal principles of co-operation—of perfect equality in all material things, making all preferment purely honorary, and the honor to depend solely upon the degree of good which the individual can bring to all. Avoid joining in disputes of any kind between individuals, and leave such disputes to die out as quickly as possible. If it becomes apparent that individuals are fomenting strife no personal considerations should prevent their expulsion, if that course is persisted in. Full and frequent reports of all business transactions and the condition of the societies must be insisted upon; and those reports must be open to the fullest and freest criticism of every member, and the public in general. If criticism is just it is needed but if it is unjust and unfair it will recoil upon those who make it. Honest and conscientious officials have nothing to fear from unjust criticism. Covert and subtle influences can never injure co-operation if cooperators will only be true to co-operation and meet them with openness and candor, which is the real essence of cooperation.

XVI. DEVELOPMENT.

Just what branches of industry in any city or town can first be organized on a co-operative basis will depend upon special circumstances ; but the development to other industries will depend largely upon the zeal and intelligence of the friends of co-operation themselves. Bake shops, meat markets, groceries, laundries, tailoring, dress and cloak making establishments, printing and a thousand other conveniences and necessities should be added just as rapidly as possible, supplies for all of which should be bought at wholesale, of the best quality and the lowest price obtainable. The greatest care must be taken in selecting the agents to make the purchases and sales, and those agents must make prompt and full reports of every transaction and be removable at any time by vote of the association; and, pending such a vote, they should be liable to suspension by the board of managers for any irregularity.

Following rapidly the establishment of a few co-operative enterprises in any city or own, enough to attract public attention and make any substantial reduction in cost of necessities, and increase in the general comfort of the co-operators, a tract of land must be obtained, by lease or purchase, outside of any municipal corporation, where a communistic community can be established. I say, outside of any municipal corporation for two reasons: first, to avoid being subjected to municipal ordinances and regulations not necessary to the community, and taxation. Reduce, just as much as possible, the degree of subjection to politics and political influences. Each community should be just as free as possible from all outside regulations ; and those set up inside should have reference exclusively to business matters. The individual members must be permitted the most perfect freedom in all matters of personal conduct or, in other words, which do not pertain to the common business affairs. And business regulations must be such as all will recognize as necessary to the proper conduct of the business: such as will be commonly observed, because they are commonly recognized as necessary. The second object to be attained is to secure cheap land, although this should not be carried so far as to plant the communities at long distances from markets and sources of supply. Unless extensive tracts of land can be acquired, these communities, in their production for exchange, should confine their efforts to such few lines as will insure good results, having in view the adaptations of soil and climate, and the skill and training of the members of the community. As far as possible fruits, vegetables, dairy and farm product should be produced in each community for its own consumption. All the more common avocations can also be carried on through a subdivision of labor.

Allotments of land can be made for the various sorts of culture, to be worked in common, such as gardening, fruit growing, field culture and grazing; and then more for dwellings, park, places of amusement, public halls, schools etc. All these can be improved and stocked by the common labor of the community, and used in common; nor will there be any need to restrict the members in the amount of personal gratification they may take; as, for instance, in the number of the suits of clothing, etc., which each may have. The powers of human production are so great that there need be little if any need for placing a limitation upon any. Storehouses would be built where supplies can be kept under favorable conditions; and with but a small fraction of the labor

and attention that are required for each family, under the present system, to care for their stores of supplies. Surplus products will be exchanged with other communities producing a surplus of other things; or with productive associations in the cities and towns. Every convenience and luxury of a material, intellectual or social nature known to our civilization can be provided for the common benefit and enjoyment of all; and without putting any limitations, restrictions or price upon their use. Water, gas for heating, heat for power, and electricity for lighting, instruction in the arts, in science, indulgence in literary tastes, amusements of all kinds, and facilities and opportunities for recreation can be had without money and without price. Their provision is only a question of the labor of the members of the community, for labor is the thing that produces all wealth. These communities would not differ essentially from the faintly communities of France which have existed for many centuries, and have always been prosperous; one, the Pingons, having had a history for more than 600 years. It has acquired vast wealth, which it keeps in the hands of the family, now grown to great numbers. Our communities, however, seeking a universal brotherhood; will be restricted to no such narrow limit a that of a single family.

Very soon the farmers of this country will see that by uniting several farms (the more the better), and inviting people of different handicrafts in the over- crowded cities to come and unite with them in the building up of such communities they may enjoy all the comforts and luxuries of civilization, instead of living the solitary, isolated and unsocial lives they do. After a very few such communities have been established, enough to demonstrate to the farmers their thorough practicability, I look for a general and voluntary movement on the part of those farmers to turn their holdings into communal societies, and to draw to them every variety of talent possible. The interests of farmers everywhere, just like the interests of every other class and calling, are in increasing the comforts and conveniences of life and the opportunities for social enjoyment, instead of building up exclusive estates which they may call their own and from which they may keep other people away. Social improvement lies in social intercourse instead of isolation. To try to preserve separate estates is like keeping the husk and throwing away the corn.

But the system of isolation: the system of private properties, is fast destroying itself. The farmers are rapidly being crushed beneath their burdens of debt and taxation, and by the enormous rates of transportation ; for goods made abnormally high by tariffs and other monopolies and by the land and money systems which prevail. Nothing can prevent the farmers, as well as all other classes of producers, from voluntarily abandoning the present abominable system but ignorance of the good which is possible.

It is through the extension, multiplication and final blending of these communities, and of the co-operative associations in the cities and towns, that all lines of productive and distributive industries must be brought under co-operation. The very competition which capitalism invites and insists upon will be its own destruction. Capitalism cannot compete in a contest with co-operation. I have already shown that it can not produce goods as cheaply; and even if it could, it must sell those goods at a profit, or it could not live. Co operation, freed from all interest to deceive and therefore from all adulteration, from interest on borrowed money, from profits, from bad debts and litigation, from expenses of display, of advertising and insurance, and from a multitude of other results of monopoly, would render a capitalistic store or workshop an impossibility. It is in this way that the Cooperative Commonwealth must come. The foundation for that Co-operative Commonwealth is laid when men first begin to pay in their membership fees for the establishment of a co-operative association. Those membership fees constitute a corn anon wealth: that is, a wealth that is to be used for common purposes. And as that common wealth

grows through the united industry of the association or community the members all draw from the common store to meet their common and individual needs.

The problem before those who believe in that Co-operative Commonwealth, is to make such a practical beginning as will demonstrate to workingmen the possibilities of this system of production. When that demonstration is once clearly made right in the centers of productive industry, where its results can be seen and appreciated by workingmen, and not in some far away corner of the globe, those workingmen will be quite as ready to recognize and utilize those advantages as the advocates of co-operation can desire. I am convinced that one of the greatest obstacles to a larger, an adequate system of co-operation has heretofore been that those who professed to believe in cooperation have generally coupled with it impracticable religions, governmental, or domestic theories, which have served as a dead weight upon their whole schemes, and driven away the very people who were necessary to their success. Human liberty is indispensable to co-operation: a liberty which brooks no interference with the private affairs of the people, and which only permits of regulation of their common business concerns.

There is another fact which it is worth while for those who look to co-operation for social improvement to note and that is, that every considerable advance that has ever been made in co-Operation has grown out of just such times as we have now: times of great business depression and social disturbance. The years preceding the English co-operative movement were years of great distress in England. From 4 to 6 shillings per week was the utmost limit which a weaver could earn by the greatest exertion. The country was filled with tramps. Old and forgotten statutes which had been enacted against vagabondage, were revived and enforced against workingmen out of employment. One especially, of the time of Edward VI., No. 1549, which provided that, "If any person shall bring to two Justices of the Peace any runagate servant or any other which liveth idly or loiteringly by the space of three days, they shall cause that idle and loitering servant or vagabond to be marked with a hot iron on the breast with a mark of V, and adjudge him to be slave to the person that brought him for two years after, who shall take the said slave and give him bread, water and small drink, and refuse him meat, and cause him to work, by beating, chaining or otherwise, in such work as he shall put him unto, be it ever so vile; and if he shall absent himself from his said master, by the space of fourteen days, then he shall be adjudged by two Justices of the Peace to be marked on the forehead, or the ball of the cheek, with a hot iron, with the sign of an S, and further shall be adjudged to be a slave of his said master for ever."

Under this statute, in 1822, a poor furrier went to London to find work. About the same time a shopman who had long been out of employment arrived from Shropshire in search of work. They were both seized by the police and condemned. Appeal was taken to the Lord Mayor, who sustained the verdict, declaring that it made no difference what was their motive: he should enforce the law in full against all. England was on the very verge of civil war, the people being driven to desperation by their sufferings. And during the next twenty years the capitalistic oppression of labor through the machinery of government was steadily tightened. In 1834 six Dorsetshire laborers were convicted in the English courts, ostensibly for administering illegal oaths, but really for combining against capital,—just as our courts are today, through misapplied statutes and strained constructions, trying to deprive workingmen of their natural rights to combine for their own protection. It will be remembered that the Ralahine experiment in Ireland grew out of the troublous times of the Irish famine; and the European credit banks from the hard times preceding and attendant upon the political disturbances of I84. In fact, it seems to be a law of nature that

all good comes through travail and suffering; and if the present evil times shall result in the birth of a new and grander civilization, who shall say that they are evil?

Of course, in this I am attacking our whole system of private property. But I am convinced that until this is attacked and destroyed, that no considerable advance in civilization is possible. Private property is capitalism pure and simple, for the perpetuation of which every government in the world exists; and all laws either directly or indirectly are intended to support it. Not being a natural condition of society it can only be maintained at an infinite cost of human poverty, human suffering and human degradation. Therefore the necessity for force in human society for penal statutes, enforced by courts, by police and finally by bayonets. The best and brightest minds in almost every age have pointed out the fact that the idea of private property is a cultivated one: that it does not exist naturally. Herder says: "Even when agriculture was introduced, it cost some pains to limit men to separate fields and establish the distinction of mine and thine." James Mill, in his History of British India, says that, "The ideas of property are all arbitrary and not the offspring of nature." Aristotle also declares that, "There are nations who hold land in common and divide the produce; and others who divide the land and store the produce in common." In modern times, Prof. Jevons and a multitude of others of undoubted ability and integrity all testify to the same thing.

Against all this, I know there are a few facts which at first seem to militate against this view of the case. But on closer examination their significance is destroyed, or they become confirmatory of the testimony of the others. For instance, the colony of Englishmen who made the first settlement in this country at Jamestown, Va., was compelled by the terms of its charter, to maintain a community of interests for a certain number of years. Until that time expired, the settlement languished and nearly became extinct. As soon as separate allotments of land were made and each was enabled to establish his own home, a greater ‘degree of thrift was manifest. But it must be remembered that these colonists brought with them their old ideas of property which they had never even called in question. The communal state was understood to be only temporary. They constantly looked forward to the time, in the near future, when it would be changed. Naturally no one cared to exert himself greatly to increase a common wealth that on the division might be given to others. There are many other considerations in the same case, which go to deprive it of any particular significance, but these are sufficient.

Another thing which has often been pointed to in support of the naturalness of private property is, the tendency of children to quarrel about their playthings; and to insist upon their private ownership of this and that. But it is also observed that as they grow older they learn the absurdity of these special claims and are more and more inclined to treat their playthings as means of common amusement. In fact, I am inclined to regard the idea of private property as an evidence of the childhood of the race, to be cast aside like a useless plaything when advancing intelligence reveals a better.

XVII. ACQUIREMENT AND OPERATION OF PUBLIC ENTERPRISES.

One of the first questions that I am asked by objectors to Co operation, or by those who have given little or no study to the subject, is: "But how are you going to run the railroads, the water, gas and electric light works, the telegraphs, or the post-office and kindred enterprises, under Co-operation, or without a government?" The manner in which it is asked generally implies that the questioner regards it as impossible of answer. It is frequently followed by that other sage observation that, "you must have a head to everything," as if that head must be a master. I can imagine a group of Negro slaves before the war gravely discussing the question of how they would get along if thrown upon their own resources, and one of them deciding it by, "There must be a master for everything." One remark is the exact equivalent of the other, and simply indicates that the one who makes it is so accustomed to contemplating things as they are, without calling in question their rightfulness, that the possibility of anything better has not seriously occurred to him.

First then, let us see how these things are run now. The actual work, partly necessary, but, for a large part, unnecessary, is performed by certain workmen of varying degrees of skill, called employs. Those employees, while doing the work, for the most part, have no interest in the enterprise beyond their stipulated salaries. The stimulus to the acquirement of increased skill and efficiency on the part of those employees is so small that it is practically a minus quantity The hope of increased compensation by reason of such increase, is offset by a knowledge that however efficient and faithful they may be, there are plenty of others just as skillful and faithful, who are not employed, and who stand ready to step right into their places at the same pay, or even less than they are receiving. Their very employment is largely a matter of favoritism dependent upon a certain amount of subserviency on their own part. This want of stimulus to excel is still further heightened by the knowledge that, no matter how much they may add to the prosperity of the particular enterprise which they are engaged in, by such increased efficiency, that added prosperity only goes to swell the hoards of outsiders who perform none of the labor. The dividends to the stock-holders will only be so much the more. And yet, under these discouraging conditions, all these public and semi-public enterprises are carried on. The one seeming exception is the post office; and that is really no exception. The compensation of employees is fixed, based upon the time served. The selections are determined by favoritism depending upon subserviency to certain persons or political parties. And no increase in the revenues of the department can increase their own wages. Instead of the revenues which accrue to all these several enterprises through the labor of these employees, going to the reward of the labor performed, they are diverted from their natural and legitimate channel and are absorbed by the idle and useless stockholders, bondholders and a horde of extravagant office-holders who are, for the most part, utterly useless. In the very first article of this series, I showed that railroad and other corporations of every kind, are ideal co-operative societies when stripped of their capitalistic features: their stocks, their bonds

and their ornamental and sinecure officers; when all the necessary workers are placed on the same footing as to compensation; and when they are all accorded the same voice in the management of their common concerns. Under Co-operation the same men who now perform the labor of these public and semi-public enterprises, will continue to perform that labor, the only difference being that they will be organized as voluntary co operative associations on a basis of perfect equality, dividing among themselves their joint earnings instead of occupying positions of slavish subserviency under idlers who take the greater bulk of their earnings, as now. The question with the workingmen in these industries is exactly the same as with the workingmen in every other industry: and that is, of ridding themselves of the parasites which have fastened themselves upon them and are sucking away their life's blood.

But how can that be done is the great question. How can labor rid itself of its parasites? How can it achieve its own emancipation? How can it obtain such a control of these public enterprises as will enable it to organize them on a co-operative basis? The answer to the last question is largely determined by that of those which precede it. If labor can organize itself co-operatively in private industries, as outlined in the previous chapters, that same organization will necessarily extend itself, in time, to these public industries. There is no doubt that in the latter the problem is more complex, and probably will require a longer time to work out its solution; but there can he no question as to what that solution will be. The only thing that remains in doubt is, by just what steps it will be reached. It is easy enough to point out a dozen different ways in which it *may* be done. But how *will* it be?

I know that there is coming to be a widespread demand on the part of the people that the government should take possession of and operate the railroads and other like public enterprises. This arises from the mistaken idea that the government represents the people,—is by the people. It is no such thing. It represents the combined power of monopoly. It is the bulwark and support of every monopoly in this or any other country. There is not a monopoly that could exist a day without it. It is by the edicts of monopoly, enacted into laws and enforced by courts and bayonets that the whole fabric of capitalism stands arrayed against the people, holding them in subjection while the beneficiaries of that government rob the industrious for the benefit of the idle. Outwardly the pretense is that it protects the rights of the people and preserves order. But inwardly the fact is, that the only rights which it protects to any extent, are those artificial rights which itself has set up in violation of natural rights; and the only order which it preserves is, the order that reigned in Warsaw. The only real basis of order in society which is possible is that of justice. But it was proved in almost every possible way during the recent strike of the American Railway Union that the government was on the side of injustice—on the side of the great corporations, and ready to go to any length, either in the courts or by the administration, to crush all opposition, notwithstanding those corporations were, at that time, notoriously the most flagrant violators of the very laws which they accused the strikers of violating. It even closed its eyes to the wholesale frauds, amounting to many millions, perpetrated by the Santa Fe, in violation of the inter-state commerce law, while that corporation was in the hands of the United States Court, and presumably with the full knowledge and consent of that court. These facts are so well established and so generally understood that there will probably be no question of their truth. Thousands of other facts, just as well authenticated, go to show that this is the essential nature of government, and that it is only through its forms of law and the machinery of its courts that some men are able to oppress other men ; in fact, that injustice exists in society. Therefore, I hold it to be the height of folly to expect to accomplish any considerable reform

in railroad management, or in the treatment of labor, by transferring that management to the government, controlled as it is by the very men who now control those great corporations. And I am the more convinced of this from a knowledge of the essential corruptions of politics and political influences according to which these enterprises must be operated after they have been placed in the hands of the government.

Still, the clamor for the proposed change has become so great that, in one way or another, it may be carried out. The friends of the measure, as yet, are unwilling to call in question the reason for the existence of the government itself. They think that in the hands of a new party it may be made a beneficent institution. What they really want is, to have the railroads, etc., owned and operated by the people. They say, "by the government," because they have not yet learned the essential difference. That ownership by the people can never come about except through the growth of a general system of cooperation, which will, in time, absorb them all, and finally merge all wealth and all the sources of wealth in a Co-operative Commonwealth.

This does not imply, however, that the agitation for the government ownership of these public enterprises will not be productive of good. The Republican party, during the campaign in which Abraham Lincoln was elected, advocated the limitation of slavery to the territory where it then existed. It said to the slaveocracy, "Thus far and no farther !"

While all now know, and many knew then, that, as a practical measure of reform it was grossly inadequate; it was an attack upon the institution of slavery. On that issue the battle was joined, resulting, as all know, in the success of the Republican party. The slaveholders became alarmed for the safety of their peculiar institution, and precipitated the war of the rebellion, which resulted in the abolishment of slavery as a war measure. It is not at all unlikely that history will repeat itself in this case. The People's party represents a popular revolt against the conditions which are building up enormous fortunes on one side in the hands of a few, while practically enslaving the mass of the people on the other. Its voice is the agonized cry of labor crushed beneath its load of debt and taxation, and shut out from access to the land except by the grace of the landlord. Its demands for the government ownership of the public monopolies, for the government issue of the circulating medium and for its proposed measures of land reform are all attacks upon the artificial institution of property and privileges of the rich as set up by the law; and no matter how inadequate they may all be, as measures of relief, they furnish points around which that popular revolt may gather. The privileged classes too recognize the gathering storm; and just as the slaveholders did in 56—60, they are planning how they can resist its fury. Just as they did then they will attempt a forcible resistance which is not unlikely to precipitate a civil war. The events of July past carried us dangerously near that point, and they are liable to break out again at any time with redoubled force. None of the issues at stake at that time have yet been settled, or can be settled, until labor shall become emancipated. That great strike was only one of the incidents leading up to the coming revolution, which is inevitable. The privileged classes never yet relinquished their privileges until beaten by superior physical force. We may talk as much as we please about enacted reforms brought about by law, but reforms never come in that way. It is all right to agitate and vote for a third party, for it furnishes a rallying point around which the revolt may gather ; hut a third party which makes any serious attack upon the privileges of the rich will never be allowed to obtain the reins of power without a fight. If labor could be permitted to unite in co-operative associations, gradually extending to include all industries, public and private, that revolution when it comes would be a bloodless one. But it wont. There is no hope that those in the enjoyment of legal privilege will submit to being deprived of those

privileges peacefully, no matter how strictly the forms of law are observed. The starting of co-operative associations and communities for carrying on private industries, in itself, furnishes less excuse to the rich to precipitate civil strife than does the attempt to obtain possession of the public enterprises—to interfere with their monopoly of the issue of money, or to change the basis of the land tenure— because, unless the people control these, no permanent improvement can be wrought by co-operation or any other scheme, in the material condition of the people. The power of monopoly would remain unbroken. This is why the privileged classes will resist more bitterly and more stubbornly attacks upon these privileges than they will to prevent the absorption of private enterprises by co operative societies.

But because I clearly foresee that the rich will resort to force when beaten at the ballot box, and because I realize that they will have to be beaten again in the field, it does not imply that I favor force as a means of righting social wrongs. It is of slight consequence whether we favor or condemn. The force comes, and nothing we can do will prevent it. Then, in the course of the contest, the necessity is almost certain to arise for decreeing the abolition of all titles to vacant land, all patents and all copyrights; the abolition of all mortgage and bonded indebtedness, and the confiscation by the people of all public enterprises—in short, the abolition of every species of special privilege. So much I regard as inevitable. Now, when this takes place, if co-operation shall have obtained a considerable foothold, the breaking down of these obstacles means the final removal of everything which impedes the extension of co-operation to all the forms of production and distribution of wealth. The social regeneration must come through the growth of co-operation. The revolution will only break up the old conditions and give opportunity for the new to take root and grow.

When capitalism is finally overthrown, as it is certain to be in the course of the coming struggle, the railroads of the country will be very different affairs from what we know them now. Their stocks and bonds will be all wiped out. There will be none who own exclusive privileges and franchises. They will be like the free public roads, open to any person or co-operative society which wishes to go into the business of transportation, on equal terms with any other. That business will not be burdened by fixed charges which increase from ten to twenty times over the cost of that transportation. They will be owned by the people in common, instead of being owned by a few wealthy monopolists who now use them as a means of extortion and oppression, not only of the people in general, but of those who actually perform the labor of transportation. There is all the difference in the world between the roads being owned by the people and the people being owned by the railroad corporations. There will he no. more corrupt rebates to favored shippers ; no more corrupt purchases of legislatures ; no more corrupt combinations to keep up extortionate rates ; no more control of vast areas of agricultural and mineral lands in their interest, and no more of their corrupting and degrading influence in politics. And what is true of railroads is just as true of all other of the corporations great and small, and for all sorts of purposes. These corporations have no legitimate place in a free commonwealth. They are purely a result and expression of capitalism.

It will be claimed that to confiscate the railroads, the telegraphs and kindred public enterprises; to abolish their franchises; to abolish all titles to land not actually used by those who claim title to them; to abolish all banking privileges; to set aside all patent and copyright laws ; and, in short, to repeal all special privileges whatever, will be to violate the property rights of individuals. But this is true only far as those artificial rights are concerned, which have been enacted into law in violation of natural right, and which ought to be abolished. Privileges which

have been granted by law may certainly be taken away by the same authority. No human law can be passed which cannot be repealed by the same authority which enacted it. But when it comes to claiming any special sanctity for laws bought by the bribes of those who were to benefit by them, it is a little too much. And besides, even if these special privileges had not been tainted with fraud in the granting of them; their history has since been marked with the grossest abuses in their administration; with extortion practiced in every conceivable way, and with utter disregard of those who have performed the labor under them. They have forfeited all claims to consideration already; but when they attempt to inaugurate civil war, in order to maintain themselves, as they are sure to do, they will have no possible ground on which to justify themselves or claim anything. And as to the land, every one of their titles are founded in violence already and they are estopped from interposing any objection when the united force of an outraged and robbed people shall be exerted to retake it.

My opinion is that at a critical time in the course of the struggle between the privileged classes and the people, the proclamation will go forth, as Abraham Lincoln's emancipation proclamation went forth, declaring the land free and inviting the world to come and make homes among us. Before it, armies raised to fight us, will melt away to nothing. They would rather come and live with us and make homes for themselves than to fight and destroy us. Once started, it will spread until it will destroy every despotism on the face of the earth.

XVIII. THE CO-OPERATIVE COMMONWEALTH.

Thus it will be seen that through the breaking down of the unnatural, arbitrary and cumbersome system of capitalism, which is based upon a theory of human dependence out of which springs every species of slavery, of injustice and misery in this world, and the substitution for it of a natural system of human co-operation, which appeals constantly to every man's reason, self-interest and the promptings of his higher nature, those social evils which we complain of will be completely eliminated from society. The multiplication and extension of co-operative associations and communities will naturally go on, slowly at first, but when their utility is fully demonstrated, with great rapidity until they embrace within their memberships the entire population; and until are brought within their scope all social activities, all the wealth of the people and all the means and sources of wealth production. That wealth will no longer constitute individual hoards which are withdrawn from all possibility of ministering to human wants, but will exist wholly for the satisfaction of human needs. It will be the property of all; and consequently, none can convey it by will and testament to favored individuals. The dead will have no power over the living. It ceases any longer to be a basis of caste or a means of human oppression. Debt will be unheard of, and financial disaster impossible. Consequently it will do away with the necessity for every species of insurance. It property is destroyed by fire, the loss will be borne by the community as a whole, without any of the cumbersome machinery which now attempts to distribute the burden. None need fear that loved ones will be brought to want by an untimely taking off of their bread-winner. Want and the fear of want will be banished. If the need arises for public expenditures those expenditures will be drawn from the commonwealth directly, without any of the machinery for the assessment and collection of tax s which the present system involves, with its accompanying inequalities, oppressions and corruptions. This is the only way in which those public expenditures can be made to fall with absolute fairness upon all.

As I stated in a previous chapter, the foundation of the Co-operative Commonwealth is laid when men first begin to pay into these associations and communities their membership fees, which constitute a common fund which is to be used for common purposes. As the fund grows through productive accretions it will, in time, absorb all. Factories, tools, machinery, land, houses, food, clothing, everything which is suited for human use, or from which useful things can be made become parts of that common wealth, to be held in common and used by each according to individual needs or desires.

The restrictions on memberships in the associations will gradually disappear as the standard of individual excellence rises through the general improvement in material conditions. The barriers of rank and caste will be broken down. The possession of wealth will no longer confer distinction. But, in order to enjoy any sort of distinction men must needs do something, or be something to win that distinction, rather than, as now, to have something. With the barriers of caste broken down human association must become more and more perfect; and civilization will

rise correspondingly. It is then but a short step to the removal of all limitations upon the memberships in the communities and associations. There will be no necessity for acquiring a stipulated fee of admission; and the general improvement will raise the average of individual excellence until no bar remains at that point. People will become members by virtue of their existence and residence, membership will become a birth-right, and humanity a common brotherhood. It is obvious that under such a state of society, with a system of wealth production and distribution of this kind there could be no such thing as wages, as we now know wages; no competition except that to excel; and no poverty. There would be universal wealth. The causes too which produce crime would be gone. The vice and crime, which are bred of poverty, will vanish when poverty is no more. Theft will be impossible; for, at the worst, men can only steal from themselves; and there can be no object in theft; for, if any one wants more than he has, he will have but to take it from the common store, and there will be abundance for all.

When this has been accomplished there cannot then exist the slightest excuse for the continuance of human government. In fact, the reason for its existence now is to sustain capitalism; and just as that disappears and is supplanted by co operation, government will disappear. Under the Co operative Commonwealth the only laws or regulations necessary will be those ordinary rules which pertain to the conduct of business. They will be commonly observed just as long as they are recognized as necessary and proper, and no longer. Their observance will depend upon consent. Compulsion, as an element in human society, will be abolished: so that appeals must be made to reason and conscience. In all matters pertaining to individual conduct the individual will be supreme—a law unto himself. He will be unhindered, in his own development, by the interference of his fellows.

As to the several occupations, there will be no need to make special provision for apportionment of individuals among them. That may safely be left to take care of itself. The diversities of tastes among the people will be sufficient to meet all requirements. The application of machinery, the increased subdivision of labor and the application of labor-saving devices will continue; and constantly tend to increase the sum total of human enjoyment, reduce the hours of toil, and give opportunity for intellectual growth. But, unlike the present, these benefits will accrue to all equally. If there are disagreeable occupations, inventive skill will be applied to overcome those disagreeable features. With a free, prosperous and enlightened people, as any people must be enlightened when free and prosperous, there will be such an era of human progress as will make the progress of the past appear like the darkness of barbarism in comparison.

The public enterprises, which at first, like the private ones, will be operated by separate associations, will gradually become merged into the commonwealth, and be operated, like all other functions, for the general welfare. Men will travel or stay at home; ride on the railroad or patronize the steamboats; attend lectures, theatres, exhibitions, or do anything else which suits their fancy without ever a thought as to expense, or of stopping to give an equivalent for any particular benefit enjoyed. The equivalent will be in the good which each individual can and will bring, by his labor with head or hand, for the welfare of all. And in the working out of that good he will be but expressing his own individuality according to the bent of his own mind.

Land tenure will be, within certain limits, under the control of the community as a whole. Allotments will be made for general purposes, such as for streets, roads, parks, public buildings, dwellings, gardens, grazing, fruit-growing, field culture, etc.; but, whatever forms those dwellings will take, there will be land enough for all, and each will be enabled to suit his or her own tastes

in the style, arrangement or extent of their homes. Their tenure will be during occupancy and use; but when that ceases, that dwelling will be open to the next one who wants it.

I am not able to say exactly what will be the relations of the sexes; but one thing is certain. With the conditions abolished which compel women to marry for support, then sordid considerations will not enter into their calculations. Love alone will determine those relations. And, with the laws abolished which compel people to continue relations after love has ceased between them, they will certainly not maintain those relationships. This alone will remove a world of unhappiness and misery from society. When all artificial regulations of sex relations have been removed those relations must needs be natural, and therefore right, because all hindrances to nature will be gone.

While schools of every kind will be provided freely by the community, yet, I apprehend, that private tutorship will be revived and extended beyond anything ever known before. Those who love wisdom for wisdom's sake will be able to pursue their researches without anxiety as to their support; and they will naturally find their greatest delight in the companionship of the young who will join in those researches; assist in their experiments, and take their instruction from nature as expounded by their tutors. Children will learn to interrogate nature instead of looking to see what has been written down in a book. They will learn things instead of empty words and formulas.

Such is the state of society toward which all human progress tends, and which is destined, sooner or later, to supersede our present barbaric system, or want of system. I say, toward which all human progress tends, because progress is toward the breaking down of capitalism and the substitution for it of cooperation. Just as there are only two forms of production and distribution of wealth possible, one capitalism and the other co-operation, so there are only two general types of human society possible, the one a slavery, such as we have now, the outgrowth of capitalism, and the other Communism, or the Co-operative Commonwealth, which is the necessary outgrowth of co-operation. Of course, society varies in detail according to the variations of the prevailing capitalism. For instance, before the late civil war there was a wide difference between the social conditions in the South and those prevailing in the North; but they were differences in degree and not in kind. Capitalism prevailed both North and South. In one there existed industrial or wage slavery, and the other was a chattel slavery. The difference was one of detail only. The vast body of unoccupied land in the West, which was open to settlement, prevented the industrial slavery of the North from bearing very heavily upon the people for the time; but when capitalism had time to stretch out its monopolies over that unoccupied territory, the pressure upon the workers began to be intensified. That has gone on, and will continue to go on, until their very sufferings will compel the people to abolish capitalism, which is only another name for slavery.

But co-operators must not be too impatient of results. They must remember that the present system is rooted deep in human experience. Men have been trained up in it. Their methods of doing business and habits of thought have been adapted to it. It runs all through their literature. Their moralities, their economics and their social institutions are founded upon it. It is woven into the very warp and woof of their daily lives. This is the reason why social systems are never changed by revolutions. Revolutions never go deeper than outward forms. The most they can do is to break up the outside crust, so as to permit the new to take root and grow. As soon as co-operation shall assume threatening proportions towards capitalism as a principle, every one prominent in the propaganda will be subjected to every possible misrepresentation. All the

resources of ignorance and prejudice will be invoked to throw obloquy upon those who champion the new social order. There is an old rhyme, which had its origin during the time of the corn law agitation in England, which fitly describes the popular conception of those who seek to bring about a better state of society.

What is a Communist? One who hath yearnings
For equal division of unequal earnings.
Idler or bungler, or both, he is willing
To fork out his penny and pocket your shilling.

And yet the history of Communism shows that its most conspicuous advocates in all ages have been those who have spent fortunes without hope of remuneration in trying to further the cause.

XIX. CONCLUSION

It has been the habit of a large class of those who have advocated co operation, both in this country and in England, to assure the world that co-operation is not offered as a panacea; that it is not expected to accomplish a social regeneration, and that it is only offered as a "business measure" which contains many important economics and advantages. And one of the reasons which are sometimes urged why co-operation has not reached the same development in this country as in England, has been that here it has fallen into the hands of visionaries and enthusiasts, who make it ridiculous by claiming for it too much. And yet, I think it must be evident to those who have followed me in this extended research, as it is to me, that cooperation, in its fullest and broadest sense, in all the affairs of men is precisely that panacea. Those who are inclined to sing small for co-operation are like the fisherman who should find a boat, and who, with slight knowledge of its uses and possibilities, should wade along the margin of the water in the shallows, dragging the boat after him and calling attention to the efficient instrument he had found for transporting his fish after they were caught. It will transport him as well as his fish, and help him to catch more fish. Co. operation is applicable to all the social affairs of mankind, and it is just in proportion as men co operate; that is, work together, that they raise themselves above the ignorance and barbarism of savages. It is perfectly consistent with every principle of human progress. By it production can be carried on on the grandest possible scale; the subdivision of labor receive its most extreme development, and machinery be introduced to its utmost limit, not only without injury to a single member of the community, but to the absolute advantage of all. Wealth may be piled up to any extent, and yet it cannot prove a menace to, or means of oppression of any living soul. No undertaking is too large for it, and none so small that, if desirable, it would not be accomplished. Its establishment, as outlined in these chapters, would banish poverty, debt, and the selfishness that is born of greed of gain, and with it the mean and sordid elements in the characters of men which reduce them to the level of brutes. While fulfilling all social requirements, it will place no bar upon individual growth or development. In fact, the individual, being freed from the conditions and limitations which now hold him down, will find his path made smooth and straight before him.

Another important consideration is, that co operation, or the co operative commonwealth is the realization of the ideals of every social reform with which I am acquainted. For the political reformer its realization sweeps way every species of special privilege or advantage, and places every citizen upon the same footing as every other. It destroys the money power, frees the land, kills every monopoly, abolishes public and private debt, takes away the power of the rich, and lifts the poor, mainly by the exercise of their own inherent powers, aided by favoring circumstances, to a level with the most fortunate. For the single taxer, his main purpose is accomplished in the freeing of the land, and the acme of justice in taxation is reached when public expenditures are paid, as an expense, from a common fund; and, therefore, which falls upon all equally, without any of the cumbersome machinery which is now used for the assessment and collection of taxes, and without the inevitable corruption and favoritism which now prevail. For the state Socialist,

seeking as he does a better social state, where the production and distribution of wealth will be conducted on the largest scale and on scientific principles, where all the wealth and all the sources of its production are in the hands of the people as a whole, together with all the means of transportation and communication, and when the competition and wage slavery of the present have given place to collective industries and activities, co operation, or the co-operative commonwealth is its final fruition. When Socialists now insist that these things be brought under the control of the state, they mean the people, or the state in its purified and redeemed character, which is synonomous with the co-operative commonwealth. I have no idea that Socialists wish to place these things in the hands of that corrupt, political governing machine which now calls out its troops to shoot down workingmen who are trying to better their condition, or which sends its officers to evict us from our homes when we are unable to pay the rent. I do not suppose that Socialists wish to increase the power or prestige of the greatest of all monopolies, the one that stands as the support and defense of all other monopolies under the sun, whose courts are a standing caricature of justice, the unfailing refuge of oppression, and whose legislatures are reeking with the vileness of corruption. So that, both in its methods and its ends, co-operation, or the co-operative commonwealth, is in harmony with every aim and method of Socialism.

The Anarchist, protesting against the rulership of man over man, demanding the abolition of that element of force in society which compels submission to other wills than his own, who would substitute reason, self-interest, and human love for compulsion, and who would set up voluntary co-operation and a community of property instead of capitalism and wage slavery, can find in the co-operation which I have proposed, or the co-operative commonwealth the fullest realization of his fondest hopes, not merely in its final outcome, but in its present methods. The attainment of the co-operative commonwealth will not, in the slightest particular, militate against his extreme solicitude for the liberty of the individual; but, as I have already shown, it will be the greatest possible safeguard of those liberties. It is said that there exists a point far above the babel of discordant earthly sounds where those discords finally become harmony. And so, the co-operative commonwealth is the point in our confusing and discordant social turmoil where all schools become harmonious. Shall we not then, whatever may be the name by which we have been called, or whatever may be that which we have called ourselves, unite for the realization of an end so fraught with good to all mankind? The sooner we can plant the seed in the establishment of adequate co-operative associations and communities, the sooner that seed will grow and yield its fruit of blessings to humanity. And, in the meantime, let us help on that magnificent revolt against capitalism which, all unconsciously, is clustering around the People's party, and which, in all probability, will have to fight the battle of human liberty, as the Republican party fought chattel slavery from 1860 to 1865.

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