

FARM CO-OPERATIVE DIVISION

A MESSAGE TO EVERY MEMBER.

WHAT I SAW IN EUROPE.

I. H. Hull, General Manager, Indiana Farm Bureau Cooperative Assn.

As a member of the European Co-operative Tour in 1934, I visited the birthplace of the cooperative movement at Rochdale, England. The very humbleness of the store, built to last for centuries but crude in the extreme, told the story of a sturdy and substantial, though desperately needy group of men that got together ninety years ago to establish the new philosophy and put the Golden Rule into everyday business.

A Product of Economic Distress.

Cooperative associations do not begin in prosperous times or under prosperous conditions. They begin when people are in financial distress and the Rochdale society was no different from others. 1844 was a time when the people got together to think and plan for the future. In their plans the Equitable Pioneers determined to set up an economic democracy under the control of the patron members themselves; they realized their own unfitness to carry on general commercial activities in a successful way, and as a fundamental requirement for success they determined to carry on an extensive educational program to fit themselves to do more wisely the job which they had up until that time entrusted to trained specialists. Any democracy, whether an economic democracy or political democracy can only be as wise or as foolish, as good or as bad, as the average intelligence or wisdom of the people who constitute that democracy.

In the modern development in Rochdale, three large department stores, cooperators have not lost sight of the need of education. The building, a half-block up the hill from Toad Lane from the Old Weaver's Shop, has been equipped with a library of 16,500 volumes and an enormous reading room where the members themselves gather to study and improve their own minds and their own culture. This has been a fundamental necessity without which the growth and successful history of the movement would have been entirely impossible.

The C. W. S. Today.

In Manchester about 10 miles from Rochdale, at the headquarters of the British Cooperative Wholesale Society, we visited the giant factory where Cooperators produce everything from furniture to jam. We visited the C. W. S. bank which does three and a half billion dollars worth of banking business a year; and the Insurance Society where every known type of unknown hazard is being created into a known risk. The educational organization, housed in a magnificent building of its own, publishes periodicals, magazines and literature for distribution to the seven million families who constitute the members of the Cooperative Wholesale Society. In Manchester we saw one of their own ships which now sail the seven seas pull into the harbor with a load of wheat. We saw the enormous flour mill where the wheat was being converted into flour, the bakery shops where the Co-op flour was being baked into Co-op bread and biscuits, and innumerable local stores where they are distributing their own Co-op bread to their own member families. When we went into one of these stores to inquire the price of bread, they told us that they were selling bread for 3 1/2¢ per pound. When I returned to Indianapolis, right here where the wheat is grown, my wife informed me that we pay 8¢ a pound for bread.

Fitting Supply to Demand.

To me this was one of the most significant things which we learned. I do not pay 8¢ a pound for bread, perhaps, because the system of distribution is wrong. When the Cooperatives transport the wheat from America to England they do not use twice as many ships as necessary, but employ only those ships which they need for transportation. When they build and operate flour mills they do not build two or three times as many as they need to take care of the service. They know what their requirements will be, and they only make preparations to give as much service as is needed to supply their wants. When they build bakeries they do not build three or four times as many bakeries as are needed to produce the bread which they want. When they build their Co-op stores, instead of putting in three or four grocery stores as we do where only one is needed, they build only as many stores as are needed to give service to the members. This is possible because they build their economics from the point of consumption with a service motive rather than from the point of production with a profit motive. They have a well-measured, known demand and have complete control of their production program. They have fit their production to a known consumption. They can and do fit supply to demand. They are not worried with troublesome surpluses, nor with the hazards of shop idleness in their factories.

Servant, Not Master of Mankind.

The Cooperatives have demonstrated that you can make the law of supply and demand a servant of mankind rather than a frightful monster to be feared, but it can be done only when our economic structure is based upon the consumers' requirements as measured by the consumers' own organization.

My own observations in Europe were all colored by my agricultural background. I looked at everything with the eyes of an American farmer, and wondered what effect those great consumer movements were

Canning Schedule

JUNE 3 TO JUNE 8.

From 8:00 A. M. to 3:30 P. M.

8:00 to 12:00 A. M.

12:00 to 3:30 P. M.

MONDAY—No. 2 1/2 can Asparagus

No. 2 1/2 can Greens

TUESDAY—No. 2 can Asparagus

No. 2 can Peas

WEDNESDAY—No. 2 1/2 - Asparagus

No. 2 1/2 can Asparagus

THURSDAY—No. 2 1/2 can Greens

No. 2 1/2 can Peas

FRIDAY—No. 2 can Asparagus

No. 2 can Peas

SATURDAY—No. 2 1/2 - Asparagus

No Canning

The Laundry will be open Thursday, May 30, but there will be no canning that day. May we remind you that the cans should all be filled

by 11:00 A. M. when we can a different product that same afternoon, and everything should be in the cans not later than 3:30 in the afternoon.

having or could have upon the future welfare of the Indiana farmer. To me the 3 1/2¢ loaf of bread meant that the poor people in Great Britain with a limited buying power were able to buy twice as much bread with the same amount of money as the poor people in Indianapolis, who have a similar limitation of buying power. I thought of the ten million families of unemployed and the other millions in this country that have a mere subsistence income, and have not bought all the bread and all the clothing that they have needed or wanted for several years. The very fact that our millions of poor people in America cannot buy the things that they need and want has been one of the vital factors in building up the surpluses of agricultural products. If we could by some similar scheme have doubled the buying power of the poor people in this country, those people would have bought enough more agricultural products to have gone a long way toward wiping out our agricultural surpluses. This added buying would have created a stronger demand for wheat, and that added demand is the one thing which will give our farmers parity. There is a law of supply and demand, but the word demand does not mean want. It means want plus the ability to pay, and the want and the ability to pay must be in the same hands, if that individual can demand bread or any other commodity.

Buying Power for Those Who Need to Buy.

What they have done in Great Britain has been to distribute among the seven million families the earnings of their business and the consequent ability to pay that they have been able to go a long way toward making it possible for the people to buy the things they need. The British Cooperative Movement is the greatest single commercial institution in Great Britain. The earnings of that movement are divided among seven million families. The largest commercial institutions in America in several instances return their entire earnings to a single individual, giving that individual literally an unlimited buying power, but we cannot give that individual an unlimited appetite or an unlimited demand. We have developed a tremendous buying power in the hands of a few people who could not have wants commensurate with their buying power, while the system in Great Britain has, as in all other Cooperative countries, put that buying power back in the hands of the people who have the want, making it possible for them to demand and buy the things which our poor people have not been able to demand and buy.

Results of Cooperation in Europe.

At the time of our return to America the buying power of the common people of the British and Scandinavian countries had advanced so much farther than the buying power of the common people in America that they had actually bid goodbye to the depression while we were still faced with the problem. In September the industrial production of Great Britain had returned to 103% of normal. Industrial production in little Japan where they have 15,000 active Co-operative Societies, had returned to 139% of normal. Industrial production in Sweden had returned to 167% of normal, and unemployment in Sweden had been reduced to 1% of the population. At the same time our own industrial production in the United States had only returned to 77% of normal. During the five depression years the British Cooperatives after having sold their bread to their members for 3 1/2¢ per pound and after having built up some reserves for the expansion of the business actually returned to their members \$600,000,000 in cash patronage dividends.

The economical system of distribution, plus the actual payment of the \$600,000,000 has made it possible to put that money back into circulation in such a way that the people have demanded all sorts of industrial products and have put industry to work. Certainly no fair-minded person would deny that the economical plan of distribution of products and distribution of wealth have been a vital factor in helping to bring the English and Scandinavian countries out of the depression and placing their whole economic structure on a more secure and happy basis.

Discovery of the chemical structure of vitamin B by Robert R. Williams, of Columbia University, clinaxes research he began 25 years ago while he was seeking a cure for beri-beri.

Some Florida agriculturalists figure that at least one-fifth of the citrus crop is cull fruit, cannery refuse, or other material usable for livestock feed.

CO-OP GLEANINGS

By E. H. Dunning.

2100 farmers went to school in Pennsylvania in February to learn what "co-op" farms supplies mean in terms of quality and service.

Cooperative purchasing in the Pacific Coast States totaled \$26,000,000 in 1933 and 1934 according to the Cooperative Division of the Farm Credit Administration.

The Grange Cooperative Wholesale, with headquarters in Seattle has announced the opening of three new cooperatives in the Pacific Northwest.

Cooperative Medicine.

Dr. M. Shadid, Director of the cooperative Community Hospital of Elk City, Oklahoma, writes that the success of the hospital has been phenomenal. However he would like to have the reactions of other cooperators to a plan "they are considering whereby each stockholder will pay \$25.00 each year for free examinations, treatments, surgical operations, room, board and nursing for his family and that he will lose his \$50 share of stock if he defaults in his yearly payment after a grace period of one year. The plan is proposed in order to keep all members actively supporting the hospital. It would produce a steady income and if a stockholder dies, moves away or decides to sell to another or the association will own it. Write Dr. Shadid if you have any comments to make. The success of this cooperative hospital should lead to others being organized all over the country as has been done in Japan and in other countries.

53 Retail Co-ops Show Million Dollar Gain in 1934.

The Central Cooperative Wholesale Auditing department reports from 53 retail stores audits so far completed show total sales for 1934 of \$4,500,000, which is nearly \$1,000,000 more than the corresponding sales in 1933. None of the stores audited showed losses in spite of the intensity of the economic depression through which they have been passing. The Central Cooperative Wholesale itself enjoyed a 31.36% sales increase for the last year resulting in a total net gain, which in private business would have gone to private capital, of \$31,696 from its operations.

H. V. Nurmi, General Manager of the Wholesale, in commenting on these figures said that current sales were running 17 to 18 per cent more than last year's increases, estimated that the trade of the Wholesale would exceed \$2,000,000 in 1935, and that retail sales would make a similar increase.

AAA WOOL LICENSE TO BE CONSIDERED IN PORTLAND.

Portland will be the scene of a hearing July 15 and 16 on a proposed license for dealers in wool and mohair, according to word received by the Oregon State college extension service from the Agricultural Adjustment administration. Other sessions of the same hearing are scheduled for Denver, Billings, Mont., San Francisco and Salt Lake City.

The proposed license is designed solely to regulate trade practices and selling charges rather than as a means of affecting market supplies or price levels. The proposed calls for an advisory committee consisting of five growers and four dealers. The license plan would be administered by an official appointed by the secretary of agriculture. Estimates are that 12 to 15 of the 275 wool dealers in the country handle 85 per cent of the business, the AAA officials announce. Twelve trade practices are listed in the proposed license as unfair. Two of these are particularly important to growers, the announcement states. One provision would prevent dealers from selling for growers on commission when they also deal in wool on their own account. A second would ban the practice of deducting an arbitrary flat discount for "tags" or other off-sort wool or mohair without reference to the actual condition of the lot being sold. The license would relate only to transactions on or after January 1, 1936, having no effect on contracts or commitments made before that time.

More than three-fourths of the mineral matter in solution in sea water consists of common salt.

Disappearance of a tiny glass needle of radium from a Michigan doctor's office was recently solved by an electroscope which detected the missing radium under the flooring of a janitor's closet.

WANT ADS

SADDLE HORSES OR WORK horses for sale. See Marian Henderson, Hermiston, Phone 561. 40-tfc

2 DAVENPORTS; ICE REFRIGERATORS; Miscellaneous furniture. Hermiston New & Second Hand Store. 40-tfc

FOR SALE—POULTRY HOUSE FOR 1200, and three acres; Good house in town, cheap and terms; 40 acre dairy ranch, 20 pasture, 20 alfalfa; 5 acres close in: E. P. Dodd. 40-tfc

ROOM AND BOARD AT A PRIVATE home. Inquire Herald office. 39-1c

WHITE PEKIN DUCK EGGS FOR Sale—\$1.50 for setting of 15. At the house, Joe Reeves. 32-5tp

FOR SALE—KIMBALL PIANO. Must be sold for balance due. We have left on our hands a beautiful Kimball piano, with balance of only \$97. You take over the contract at \$97 a month. For full information and where it may be seen address—Cline Piano Co., 1011 S. W. Washington Street, Portland, Ore. 40-2tc

BABY CHICKS—TWO HATCHES each week. Large or small orders. Started chicks. Come, see what you buy. "Vigorbilt" Hatchery, Hermiston, Ore. 31-tfc

† Butter Creek-Minnehaaha † By Mary Rodda

Dr. and Mrs. C. M. Williams of Yakima, Wn., were over night guests of Mr. and Mrs. W. A. Hines Saturday, Chas. Rogers, who had been visiting them for a week, returned with them.

W. E. Putnam of Portland and his daughter Mrs. Kenneth Moody of Bend stopped over night with Mr. and Mrs. W. A. Hines, the first of the week while enroute to Milton. They will be joined Thursday by Mr. and Mrs. Hines and by Dr. and Mrs. C. M. Williams of Yakima. Mr. and Mrs. H. O. Hammon are making their home on the Teel ranch west of the river. Mr. and Mrs. J. W. Hammon expect to move into their new house this week. Mr. and Mrs. W. J. Rodda and daughter Vera spent Sunday with Mr. Rodda's parents, Mr. and Mrs. W. G. Rodda, in Minnehaaha district.

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