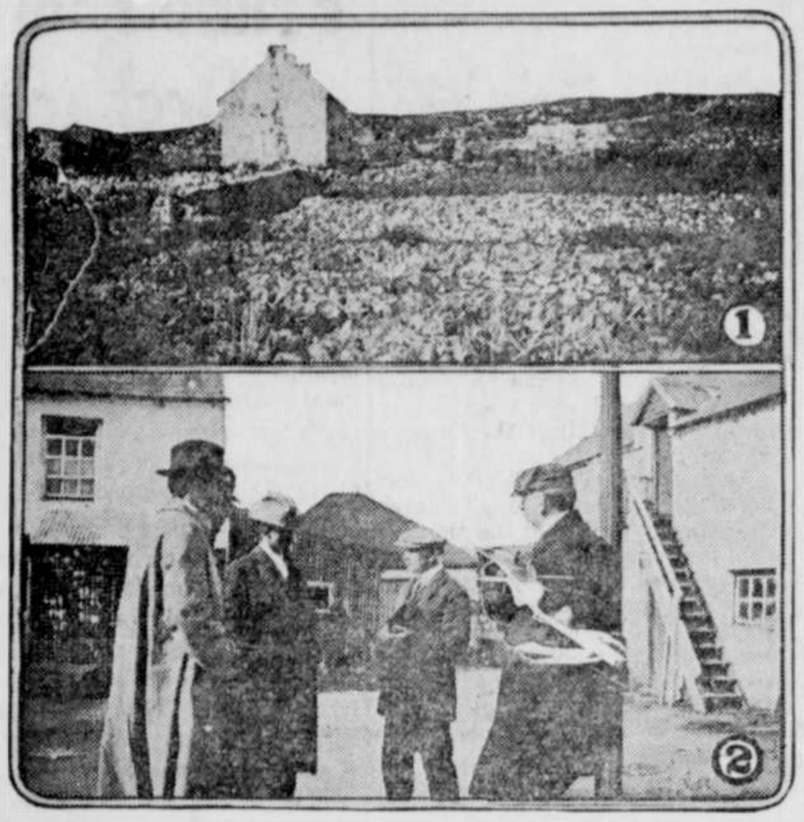
Co-Operative Farm Products Marketing

How It Is Done in Europe and May Be Done in America to the Profit of Both Farmer and Consumer

By MATHEW S. DUDGEON

THE "GOMBEEN MAN."



1—Where the Gombeen Man Flourishes Among the Rocks.
2—Paddy Gallagher Tells the American Visitors How the Gombeen Man Charged Him 144 Per Cent. Interest.

Dunglow, County Donegal, Ireland.—This is the old haunt—the habitat—of the "gombeen man." He is our American city "loan shark" transplanted with all his blood-sucking propensities and his starvation inducing qualities into rural Ireland. Here conditions are right for his activities. Where the need for money is greatest he prospers best. The poorer the country, the richer he grows. And poor enough this country certainly is. Wide, low-lying peat bogs stretch between great slopes of rising hillsides where the soil shows only between masses of outcropping rocks. No fields are there here large enough to offer opportunity for work with horses even if plowing and cultivating were not made impossible by the huge half-buried rocks. Every enclosure demands fertilizers as a condition precedent to production. Nature is stingy and hesitates to let go of any product of value to humans. Yet here and there is a cottage upon a barren hillside; around it we see children that are not starving nor insufficiently clothed.

"Gombeen Man" Passing.

Here was the haunt of the gombeen man. But as relative prosperity comes in he goes out. They tell us that co-operation has numbered the days of the gombeen man and that he is passing. As he formerly operated his business here he was the worst enemy to rural prosperity to be found upon the island. "The gombeen man is worse than the non-resident landlord," says Paddy Gallagher of Dunglow, which is an extreme statement when made by one whose father and family have suffered cruelly from many evictions.

Seldom was the gombeen man admittedly in the loan business. Frequently he was a trader or shop keeper. Generally he kept a public house. Often he was a dominating influence politically, and held some office. Invariably he was an economic scourge and made rural prosperity impossible. We have spoken of him in the past tense, not because he has altogether ceased to exist but because co-operation seems to be developing a plan for rural credit which will eventually put him out of business.

Patrick Gallagher's Story.

Patrick Gallagher, now the manager of the local co-operative society, probably knows as much about the trials of the poor farmer in Ireland as any one. He was born in a little one-room farm cottage and was at nine years of age forced to leave home and hire himself out as a farm laborer receiving the wage of three pounds for six months' work. From these beginnings he has risen to be a rural financier in County Donegal and has raised the condition of the poor farmers from abject poverty to comparative comfort through his co-operative enterprises. Here is what Paddy Gallagher says of the gombeen men, speaking from his personal experiences and verifying much that he says from documents and account books:

"Here is one transaction of my own with the gombeen man. On the 28th of May, 1906, my father and I bought seven stone of flour and one hundred weight of Indian meal, each. My father paid for his $4.25. I was not in a position to pay for mine until the 11th of July, 1906, forty-four days later. The gombeen man then presented me with a bill for $5.31. I disputed his right to charge me $1.06 interest on $4.25 for only forty-four days and pointed out to him that my father bought the same goods on the same date for $4.25. The gombeen man argued that my father paid $4.50 and that he was only charging me eighty-one cents extra, or 144 per cent interest per annum. During the twenty years my father was bringing up his family, he paid interest at this rate.

"Here is a writ that was issued against a poor farmer. The amount is $37.75, and here is the pass book which proves that $18.25 of that is interest. You will also note that the gombeen man charges this customer $3.37 for seven stone of flour; on the same date the co-operative society's price was $2.25."

So the gombeen man was robbing everybody as he tried to rob Paddy Gallagher and his friends.

An Old Man's Story.

The story that we get in Dunglow tallies with the account which Sir Horace Plunkett and his colleagues in Dublin gave us of the situation. But as scientific investigators we are anxious to get as much material from original sources as possible. So on Sunday afternoon "it is us" for a jaunting car and a ride into the country in search of fundamental facts. We hear of a patriarchal citizen five miles out who they say is as honest as the day is long. We find Donald O'Boyle (otherwise Shane O'ge) in a habitation which from outward appearances hardly merits the name of cottage. But when warm hearted Irish hospitality invites us inside we find a neat, clean, comfortable place, that is indeed home to the family which has been for generations the tenants of a line of non-evicting landlords. Shane O'ge, with his son, his daughter-in-law, and some shy, blue-eyed little grandchildren, welcomes us warmly. The mother is feeding the children mashed potatoes and milk from a bowl (about all many Irish children get to eat). To them this is much more interesting than a discussion of the gombeen man.

Yes, he and his father knew well the gombeen man. "We'd buy of the trader but we'd not know the price at all," he said. "It would do us no good. We'd have to pay in the end what he'd ask us anyway when he had the money. It was hard to get it round here—we mostly had to go over and work in the Scottish harvests to get any at all. When we had the money we would ask what we owed and the trader would tell us what it was. We never knew what the items were. We never dared to ask. He would say, 'How dare you dispute my books?' And it's more than one poor man I've seen kicked out for asking a civil question. But everybody says they charged the highest price the stuff had been from the time it was bought until we paid for it and I guess that's the truth, and of course the added interest, though I don't know how much. And so of course, we paid what they asked—and enough it was—though we never knew much about it. They let us get meal or anything else on credit without money for they knew it meant more to them in a high price besides interest. Things are different now; they're a lot better."

Co-operative Credit Conquering.

Things are different in Ireland now. The farmers themselves are driving out the gombeen man. Co-operative credit associations have changed all this. As that eminent Irishman, Sir Horace Plunkett, says in his book on Ireland in the New Century: "The exact purpose of these organizations is to create credit as a means of introducing capital into the agricultural industry. They perform the apparent miracle of giving solvency to a community composed almost entirely of insolvent individuals."

Paddy Gallagher in telling us how the association operates here at Dunglow, says: "A credit society in Dunglow was organized and established in October, 1903, by the Irish Agricultural Organization society and has been regularly audited and inspected by that body ever since. Although we had at first only £220 of working capital, we have now a reserve of £26, 16s. The members are equally responsible for the success or failure of the society. Each man has one vote no matter how much or how little his investment in the concern is. They take such keen interest in it that during its nine years working there has not been an over due loan at the end of the year. The society is undoubtedly of great assistance to the people in the district. We want the time to come when every man can walk up the street in Dunglow and say he owes nothing."

Capitalizing Character.

These co-operative banks have, as it were, capitalized character. The early organizers of co-operative credit associations held, and experience has confirmed the opinion, that in the poorest communities there is a perfectly safe basis of security in the honesty and industry of its members. This security is not valuable in the ordinary commercial sense. The ordinary banker has no intimate knowledge of the character of those who apply for a loan. Neither has he any way of testing whether or not those who borrow "for productive purposes" actually apply the loan to such purposes. The borrower must bring two sureties, who like the borrower himself, must be men of approved character and capacity. The character of these three men is the sole basis of credit.

The rules provide—and this is the characteristic feature of the system—that a loan shall be made for a "productive purpose" only. That is, the borrowed money must be used for a purpose which, in the judgment of the committee, will enable the borrower to repay the loan out of the results of the use made of the money. The farmer buys a sow to raise pigs; he must have fertilizers; he needs some high-grade seeds; he wants to build better shelter for his cow—all these are productive purposes. In one case money to send the borrower's boy to school for eight months so as to increase his earning capacity was considered a productive purpose justifying a loan, as it proved to be when the boy himself repaid the loan. The rules of the co-operative society provide for the expulsion of a member who does not apply the money to the agreed purpose. It is said, however, to the credit of the Irish members of these societies, that there has never been the necessity of putting this rule in force in a single instance anywhere throughout the entire island. Social and moral influences seem to be quite sufficient to secure obedience to the rules and regulations of the society.

Co-operative Credit Is Good.

There are other advantages. The regular bank is generally miles away. It costs money for the borrower to go and take his sureties, paying car fare, meals and maybe drinks, while the co-operative association is right at hand. The bank will loan for only 90 days, while the co-operative society will make it up to a year. And a 90-day loan gives the farmer no chance to realize on seed or fertilizer or stock bought with the money borrowed. But here in the local credit bank if a man is honest he can get the loan he needs. He must bring two sureties, but co-operation breeds and develops neighborly helpfulness and they say no honest man ever fails because he can get no sureties.

Neither the association nor its members have any considerable capital. When they organize they begin by borrowing a sum of money on the joint and several liability of the members. Deposits are received from both members and non-members. The society usually borrows at four or five per cent. and lends at five or six per cent. In some cases government funds have been loaned to them at three per cent., thus enabling them to make a very low loan to their members. The expense of administration is almost nothing.

Lesson for Rural America.

It is such societies as these that are putting the gombeen men out of business in Ireland. We have in rural America gombeen men. They are not so called, but American loan sharks and credit men are first cousins to the Irish gombeen men.

The question we Americans are trying to answer is this: Have Irish rural credit methods a lesson for the rural sections in our own land? Can our loan shark, whether in city or country, be fought and conquered by similar American co-operative societies?

There are hundreds of poor farmers who must ask credit either of merchants and dealers or must secure loans from some source. Most of them get credit of the local merchant. It is, of course, well recognized that any dealer who extends credit not only charges interest but charges a higher price than when he gets cash payment.

Why cannot the American farmer get a loan at a nearby banking institution for six months or ten months or a year instead of for 90 days? Why cannot he capitalize his character as does the Irishman? In some states there are under existing laws plenty of small joint stock banks throughout the smaller towns and villages which are accessible. The directors and officers know the farmer's needs. They are so intimately acquainted with those who might become borrowers that they could do as the Irish credit banks do and arrange for capitalizing character. But they don't do it.

DANIEL O. MOLONEY

An Elevator Boy Who Was a Regular Little Cupid in Love Affairs.

By M. J. PHILLIPS.

Attired for the opera, Morgan Tremaine stepped into the elevator at the twelfth floor of the Alameda, where he had his apartments.

"Good evening, Daniel O'Connell Moloney," he said gravely to the knickerbockered and freckled elevator boy.

Daniel O'Connell grinned cheerfully and whistled through a gap in his front teeth by way of reply. They were sworn friends, the two.

At the tenth floor the car stopped and the door slid back. Tremaine removed his hat ceremoniously. Mrs. Alderton Ten Eyke, also theater-ward bound, large and determined in appearance, marched in. At sight of the young attorney she sniffed; a slight, ladylike, well-bred sniff, but nevertheless a sniff. Miss Marjorie Ten Eyke, young and slender, dark-eyed and lovable, followed her mother. She did not look at Tremaine, but the faintest hint of added color appeared for a moment in her smooth cheeks. Arthur Benscoter, caressing a fiercely upturned mustache, which emphasized his sparse five feet five, brought up the rear. Sixty-five inches are not impressive, but a hundred thousand dollars for every inch of it is rather a good average, which the militant Mrs. Ten Eyke fully appreciated.

So did Tremaine, with a hungry glance at his lovely former fiancee. When one is a struggling lawyer, just beginning to see light ahead after a two years' battle with callous New York, one gives due consideration to a half-dozen millions—especially when the other fellow has them.

"Two months of it," mused Tremaine, mournfully, despite his jaunty bearing, when he had reached the street. "Two months without a look, or a nod, or a smile—because I danced too much with that little Rivers girl! I was a fool to do it, and a fool to quarrel over it, with Mrs. Ten, on the lookout for Mammon every minute. In her eyes I am a 'briefless barrister,' as the English novels say. And little Benscoter isn't a man; he's just a bank—and a mustache. Marjorie can't like the fellow. Still, constant pressure will have its effect sooner or later. If only something would come up to break the ice," and Tremaine got so interested in imagining perilous situations for the fair Marjorie, with himself as the rescuing hero, that he walked three squares beyond his theater.

The next morning he overslept and rushed to the elevator with an important engagement almost due.

"In a hurry, D. O'C. Moloney," he admonished the youth at the controller, "I'm so late now I haven't time to speak your full name."

Daniel O'Connell grinned, and imitated a steam calliope by whistling shrilly through the gap in his teeth. With apparent carelessness, he consulted the indicator-board. There was no one waiting to descend. Stealthily he fumbled with the levers—swish!

The car dropped fifty feet like a dead weight before Tremaine could move a muscle. Gasping for breath, of which the swift descent deprived him, he pictured an awful death when the car should strke the bottom of the shaft. But the mad rush was checked as suddenly as it had begun, and the elevator finished its journey to the ground floor at a pace approved by all sensible and well-regulated lifts.

A glimpse of Daniel O'Connell's grinning face in the mirror made all clear.

"You young rascal!" ejaculated the lawyer, as he caught his breath, "you did that on purpose!"

"Well," retorted the boy, skipping nimbly out of reach, as he threw the door open, "you said youse was in a hurry!"

Ten minutes later the pedestrians on Sixty-fourth street were much edified to see a good-looking young man stop suddenly, slap his thigh resoundingly, and laugh aloud. Thereat a fat policeman hastily conned over in a somewhat fat mind the list of those "wanted" at headquarters that day. A newsboy on the wing paused long enough to shout "Bugs!" before he swooped on again. To all of which Tremaine, joyously absorbed in a great, a stupendous idea, paid not the slightest attention.

His high spirits were mysteriously communicative. That evening Daniel O'Connell, in an endeavor to outdo previous calliope performances, almost blew a tooth out. His small chest was puffed like a pouter-pigeon as he laid a crisp $5 note in the lap of his mother.

The wintry afternoon was closing as Miss Ten Eyke, in a housegown which to the masculine eye made her beauty simply bewildering, called the elevator to the fourteenth floor of the Alameda. She had spent the afternoon with a girl friend, and as the car stopped, her heart beat a little more rapidly over a certain possibility—that she might encounter Tremaine. For Miss Marjorie was very much in love with the young lawyer, despite their quarrel.

She invariably explained to herself at this annoying quickening of the pulses that it was fear, not hope, which made her feel so. Daniel O'Connell approved of Miss Marjorie. She had nice eyes, and a friendly way of lookin' at a feller. Sometimes they talked—about elevators, and books, and a —'s not havin' any chance to go to school, and how it was a good thing to study nights.

He was a staunch little partisan, too and talked of his friends of the other sex, chief of whom was Mr. Tremaine. And although when the conversation turned on the lawyer it usually became a monologue, Miss Marjorie was a good listener. Her eyes would grow soft and she would sigh a little. One day when Daniel O'Connell gleefully told of a case which Tremaine had just won she gave him a quarter.

"Down!" said a masculine voice, and Miss Ten Eyke's fear—or hope—was realized. The car stopped at the twelfth floor for Mr. Tremaine. He removed his hat with that air of impersonal courtesy which is so annoying when a person is willing to accept an overture of peace. Of course, she had returned his ring and sent back his notes unopened and refused to speak to him, but that was two whole months ago. Why couldn't he have been more persistent? Didn't he know a girl could change her mind? Oh, dear! The tenth floor, and he wasn't going to even look—

Swish! The car seemed to drop from beneath their feet. They were falling! An agonizing vision flashed into Marjorie's mind—a vision of herself, lying crushed and broken at the bottom of the shaft. With a cry which struck remorse to the hearts of the plotters, she turned to Tremaine, hands outstretched:

"Morgan dear, save me!" And when Tremaine had gathered her protectingly into his arms, Daniel O'Connell neatly caught the cable again.

Mrs. Ten Eyke was spending the evening in Brooklyn, and by the glowing grate Marjorie and Tremaine planned the wedding, down to the last bridesmaid.

"I'd like to have Daniel Moloney there, too, dear," said the young man. "He's a—a sort of accomplice of mine—that is—" hastily, "a pal. He's going to be my office boy after the first of the month."

"Daniel shall be there," replied Marjorie, warmly, as she nestled more closely to his shoulder. "I just love that boy. You don't know how much he thinks of you, Morgan. I'm so glad he's to be— she hesitated a little—and blushed charmingly over the pronoun—"our office boy. It would hardly seem natural if he wasn't there."

Morgan winked at a particularly knowing coal in the grate. "Darling," he said, impressively, "it wouldn't be a wedding without him."

High Prices a Century Ago.

One hundred years ago the problem of the high cost of living was agitating the American people much as it is at the present time. For the high prices prevailing in 1813 neither tariff nor "trusts" was responsible. The cause was the embargo act, a war measure just passed by congress and which absolutely prohibited the people of this country from having any commercial intercourse with other nations. The act went into operation on this date, and the immediate effect was to greatly increase prices on all commodities of foreign production. In Alexandra, Va., salt was quoted at five dollars a bushel, and merchants were refusing offers of six dollars a pound for the tea they had in stock. To show that in some respects the times have changed but little it may be mentioned that in Philadelphia, Wilmington and other cities the people held mass meetings and resolved to discontinue the consumption of certain commodities unless the prices were lessened.

Unconscious Pulpit Humor.

Regarding unconscious humor in the pulpit, intimations of pastoral visitation are frequent pitfall to ministers attempting to define explicitly the district set apart for the honor of a call. There was one old country clergyman who made the Alpha and Omega of his visitation quite clear by saying that on a certain afternoon he would "begin at the west end of the village and stop at the public house."

A bachelor minister, when about to call in a villa district, stated quite frankly:

"In these visits I shall, of course, embrace the servants."

Longest Poem Is English.

Somebody asks which is the longest poem on record. Isn't it "The Faerie Queene?" The remaining fragment of that poem, a quarter of the original plan, it is as long as Homer's "Iliad" and "Odyssey" and Virgil's "Aeneid" put together; twice as long as Dante's "Divina Commedia" or Tasso's "Gerusalemme Liberato;" and three times as long as Milton's "Paradise Lost" and "Paradise Regained" in one. Had Spencer attained his object, his twenty-fourth book, with the "Faerie Queene," he would have outdistanced all the others put together.

Had Prepared a Big Story.

Sportsman—How big a fish can I take out with this line?

Dealer—A ten-pounder, I suppose.

Sportsman—That won't do; give me one that will hold a 50-pounder.

Dealer—You don't expect to hook one as big as that?

Sportsman—Oh, no; but I like to lie consistently.

Not Worth the Effort.

Sapleigh—I weally don't know what's the mattah with me. I don't seem able to collect my thoughts.

Smart—Take my advice, old man, and don't try.

No Longer Quiet.

"You live in a quiet part of the town, do you not?"

"Not now."

"Then you're moved."

"No, our next door neighbor has twins."

GOOD DEACON A POOR G

Didn't Even Know Way to Post Let Alone Directing Small B on Their Way to Heaven.

They were speaking of the im ance of always being well qualifie the work in hand, recently, George Fred Williams of Boston new minister to Greece, recalle experience of a certain good dea

One afternoon the deacon happ n a town with which he wasn' miliar, and wishing to go to the office he approached a crowd of boys for information.

"Boys," said he, in a kind and de voice, "can you tell me where postoffice is?"

"Yes, sir," answered one of the "Turn to the left two squares It's in the middle of the block on right-hand side."

The deacon was about to ramb when he suddenly noticed that boys were pitching pennies. Na y the good man was shocked stepping on a live wire.

"Boys," severely cried the de "I am surprised and hurt to see You are pitching pennies. It is a ed form of gambling. Come while I speak to you, and I will you the way to heaven."

"Forget it," was the prompt iointer of the boy who had first ken. "You don't even know the to the postoffice!"—Philadelphia graph.

No Use to Her.

Hemmandhaw—Here is an inte ing article on dress.

Mrs. Hemmandhaw—What is about?

H.—A lecturer describes the cl which women will be wearing years from now.

Mrs. H.—Huh! That doesn't est me a particle.

H.—Why not?

Mrs. H.—Because, unless some wonderful happens I will still be ing that same old blue velvet suit had ever since we were married.

Questions of Great Moment.

"Your society started out to de a number of questions of great sci fic importance."

"Yes. We arranged to consider manifestation of the psychic imp in protoplasmic life and the molec energy developed by the prism transmutation of light waves and dred topics."

"And have you done so?"

"No. We've only been in sessi week. We haven't yet decided question of who's boss."

Did It.

"Unfortunately, Mike, who is hot-tempered, undertook to smoot the difficulty."

"Didn't he succeed?"

"In a way. He mangled the fellow, and got ironed himself by police."

IN THE NEAR FUTURE.

Ruth—I'm awfully frightened up here in this airship.

Paul—Worry not, Ruth. Your fe are groundless.

The Reason.

"I wish the young people who ca with their baby to look at the cott and lot I had to sell, could have cha ed places with the baby."

"Why do you wish that?"

"Because the youngster took place."

Misplaced Pity.

"Isn't it awful about poor Mr. Jon trouble?"

"I didn't hear about it."

"Didn't you? Mrs. Gaddy told just now that his son has turned to be a criminal lawyer."

Sure.

"There's always room for impr ment," observed the Sage.

"And there's always a lack building material," replied the Fo

March of Progress.

"How long must I wait for this prescription?"

"About thirty minutes," answered druggist, "but you can occupy time pleasantly. Here is a coupon which entitles you to admission to moving picture show."