

# The Independent.

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## The Co-Operative Movement

History of a Western Institution—By C. Vincent.

The first attempt at effecting a business organization of farmers in Kansas was on August 7, 1900. A meeting was held at the National hotel, Topeka, Kas., and considerable enthusiasm was manifested.

The prevalent idea at that time was to effect a national organization and get various states of the Union interested in pushing forward such an organization. After working along those lines for several months it was found that the plan was impractical, that people would not invest in or support such an organization.

The grain dealers of the west had combined or formed pools at the various stations. There was no competition among them for they agreed upon a division of the grain that came to the station on the per cent plan. Each dealer getting his proportionate profit on the amount of grain handled at the station. This led up to exorbitant margins which were exacted from farmers by the regular dealers. The grain dealers being thoroughly organized, they joined in a request to the various railroads, operating in the west, asking them to refuse to furnish cars to scoop-shovel dealers, which, of course, included farmers. This concession was conceded by the railroads.

Then the grain dealers, not being satisfied with what they had accomplished, they demanded of commission men, and all receivers of grain in the central market as well as exporters, that they refuse to handle grain from parties who were not regular dealers. They even went so far as to include those who operated elevators independently, and who would not comply with the demands of the trust. This placed the trust dealers in a position to exact margins from the farmers, limited only by their selfishness.

Something more practical in the way of a farmers' organization became a necessity. They could not wait for the people of the nation to become interested. A conference was held by those who had taken an interest in effecting a farmers' organization and it was decided to hold a state meeting for the purpose of organizing on business lines, with a view of securing relief.

A meeting was held at Salina, Kas., and an organization was effected on May 16, 1901. This organization was known as the Farmers Co-operative Grain and Live Stock association. The plan adopted embodied the organization of local co-operative elevator companies, operated on the independent plan. And the central company referred to above has incorporated and it was expected that all the local independent associations were to federate with the central company, and take stock in the same and transact their business through the central company. In the unorganized, chaotic condition of farmers at that time, it was the only plan that would command support.

The co-operative movement among farmers has been one of continued growth and advancement. By actual test the independent plan proved to be inadequate and impractical. It was soon discovered by the most practical men in the movement that a closer organization was an absolute necessity. It was found that the grain trust could confuse, divide and prevent the locals from consolidating their business and prevent them from associating together in a way that would insure success.

At the annual meeting of the stockholders of the Farmers Co-operative Grain and Live Stock association it was decided to adopt the corporation plan of a line system of elevators, adding to it the principles of co-operation. This plan was unanimously adopted by the board of directors of the old association and unanimously confirmed by the stockholders in annual session.

The Farmers Co-operative Shipping association, now so successfully operating in Kansas, Nebraska and Oklahoma, originated with the board of directors of the old association, and was adopted by the stockholders of that company, and was promoted and

established by the authority and direction of the stockholders of the old association in their annual meeting. The funds in the treasury of the old association were directed by the stockholders to be used in propagating and establishing the Farmers Co-operative Shipping association.

The board of directors of the old association authorized Mr. James Butler, secretary and manager of the old association, to proceed with the organization work of establishing the Farmers Co-operative Shipping association. This action was taken at an annual meeting of the stockholders December 2, 1902. While the plan of the old company was weak and did not accomplish all that the farmers wanted, yet it laid the foundation for the company that is now operating so successfully. It prepared farmers for the progressive step and took the lead in establishing the present company. It was the parent of the present company. Hence it would be unfair and unjust to say that the old association was a failure for had it not been for the work of the old association in propagating and producing the Farmers Co-operative Shipping association, the great work that is being done today, would never have been accomplished. It should not be forgotten that the old company furnished the means to pay the expenses, and did the work of successfully launching the new association.

The Farmers Co-operative Shipping association was chartered on the 28th day of May, 1903. This company be-

gan business, operating one elevator and handled its first grain on the 5th day of July, 1903. The association has made a wonderful growth. It owns and operates 18 elevators, and is building its 19th. It has local branches at 38 stations in Kansas, Oklahoma and Nebraska, and many new stations are preparing to line up with our association. We have over 3,000 stockholders in the Farmers Co-operative Shipping association, and under the plan of the company, these stockholders stand together as one man.

There are many independent local farmers' associations, which are operating on a hap-hazard, go-as-you-please plan, trying to put into execution the old states' rights theory, which has never proven successful anywhere. They are powerless to stay the onward march of oppression, of the heartless grain trust which levies tribute and exacts contributions from the grain growers and wealth producers of this country. The grain trust has usurped rights and monopolized privileges and opportunities which belong to the farmers and wealth producers of this country. They appeal to prejudice and ignorance to defeat any movement founded upon equity in the interest of farmers. They consider the products of your farms their private stock in trade for gambling purposes. For farmers to co-operate on the same business lines and conduct their own shipping business, marketing their own products, through a corporation, adopting the same business methods that are followed by

other successful undertakings, is considered gross impudence by trust grain dealers and they denounce your transactions as illegitimate trade. They have tyrannized over you and exacted tribute from you so long, that it seems to them impudence for you to attend to your own business.

They claim the right to collect unlimited toll from you and to reap the reward of your labor.

The purpose of the Farmers Co-operative Shipping association is not to fight other corporations or other business industries. It is our purpose and aim to better conditions in securing for the farmers and wealth producers the rights and opportunities that naturally belong to them.

We have learned to our sorrow that selfish pools, trusts and combinations, organized for profit, are not to be trusted with handling our business, and they reap where they have not sown and take what does not belong to them.

We are organized to attend to our own business. To attend to our own business, in this age of powerful combinations, the farmer and grain grower, business man and wealth producer, must form a combination in their own interest strong enough to successfully conduct their own grain business. Farmers, grain growers and the country business men should take stock in the Farmers Co-operative Shipping association, and capitalize their company with sufficient cash to finance their own business and protect their own welfare.

Local farmers' organizations and local elevators will never solve the problem of marketing grain in the most economical manner. Individual shipping associations and independent farmers' elevators will never be able to compete with the powerful combinations of capitalists now engaged in the grain business. Nor will they be able to withstand the onslaught of misrepresentation, bribery and insinuations hurled against their leaders by their combined competitors. As stated before the stockholders of the Farmers Co-operative Shipping association act together as one man.

The company places experienced men to manage the local elevators and has inaugurated a business system by which the central manager receives daily reports of business transacted at each of the local elevators operated by the association. The association keeps the managers at local elevators thoroughly posted on the market. It has its traveling auditors to check up the local stations and has a uniform system of conducting the business at all its stations.

Our company has been liberally supported, by farmers taking stock in the association, yet the subscriptions have not been sufficient to enable the company to secure all the needed facilities for handling grain to best advantage. A terminal elevator is needed, and needed badly. It is an utter impossibility for local independent elevators to secure and operate successfully a terminal elevator; but under the plan of the Farmers Co-operative Shipping association, it will not be long until we will operate our own terminal elevator where we can clean, clip, scour, polish and mix grain when it is an advantage to do so, and place it in the best commercial position to secure the best possible price. A terminal elevator owned and operated in the interests of farmers would gain for them in a financial way about as much profit in transacting their business as they now gain at the local end of the line. We are strongly in hopes that the farmers will awaken to the necessity of operating their own terminal elevator and subscribe liberally for stock to enable the company to buy or build such an elevator at Kansas City.

If farmers would act wisely and in a way that will secure the very best advantage and enable the company to pay as much for grain as other line elevators can pay, they will go to work and assist in combining the local shipping associations and local elevators and merge them into one company, the Farmers Co-operative Shipping association. One strong,

## ...The Old Guard of Populism...

No detailed report of the Old Guard enrollment will be made this week. The number enrolling, together with the large number of ballots sent in, made so much work that the report could not be prepared in time, especially in view of the fact that the order of filing is being changed from the alphabetical arrangements of persons under each state, to an arrangement whereby the counties are given—and making this change has required much work.

I had estimated last week that the Old Guard of Populism extends into about one-seventh of the counties of the United States, but by the time our next report is made, I believe we can count on having extended the enrollment into at least one-sixth of the counties. An enrollment blank and blank ballot will be found on page 15 again this week. Every reader of The Independent who indorses the work of the Denver conference, who believes that the people's party should put up a national ticket of its own and make an independent, straightforward fight for it, is invited to fill these two blanks, cut them out and mail to the assistant secretary. Send also a list of ten or more names of your populist neighbors who might also enroll in the Old Guard of Populism, and a small contribution to help in the matter of postage and printing.

Of course, no report can be made on the preferential vote until the polls are closed February 13—but a casual inspection of the ballots coming in seems to show two men far in the lead of all others as first and second choice. These men are Thomas E. Watson of Georgia, and William V. Allen of Nebraska. Just which one will have the greater number of votes, of course, unknown now—but this will be decided by those voters who have selected some other candidate as first choice and expressed a preference for Watson or Allen as second choice. That is one advantage of the preferential ballot—one is perfectly safe in naming a local favorite as first choice, well knowing that he cannot win the nomination, because when the ballots are redistributed his vote will go for the strong man selected as second choice.

A glance at the showing made in some of the states, after the re-filing

by counties, will give some idea of what has been accomplished in the first seven weeks. This includes no enrollments since January 23, and is, of course, much smaller than the showing to date:

Alabama has 66 counties; 9 congressional districts. The Old Guard of Populism has a start in the 1st, 2nd, 3d, 4th, 6th, and 7th districts, embracing the following counties: Cherokee, Coffee, Dallas, Henry, Houston, Marshall, Pickens, St. Clair, Washington, and Wilcox.

Arkansas has 15 counties; 7 congressional districts. We reach every district, and the following counties: Arkansas, Benton, Craighead, Howard, Little River, Logan, Nevada, Pope, Pulaski, Sevier, Sharp, and Washington.

California has 57 counties; 8 districts. We reach the 1st, 2nd, 7th and 8th districts, and the following counties: Los Angeles, Orange, Siskiyou, Sonoma, and Tulare.

Colorado, 59 counties; 2 districts. Enrollment in both; Archuleta, Denver, Phillips, and Sedgwick.

Florida, 45 counties; 3 districts. We reach 1st and 3d; De Soto, Jackson, and Lee.

Georgia, 137 counties; 11 districts. We are in 2d, 4th, 5th, 7th, 9th; Bartow, Berrien, Carroll, Cherokee, Cobb, De Kalb, Habersham, Paulding.

Illinois, 102 counties; 25 districts. We reach 11th, 16th, 18th, 20th, 23d, 24th; Clay, Fayette, Hamilton, Marion, Peoria, Pike, Richland, Saline, Scott, Vermilion and Will.

Indiana, 92 counties; 13 districts; enrollment in 1st, 2d, 5th, 7th, 8th, 9th, 10th, 11th, 13th; Cass, Clay, Daviess, Delaware, Fountain, Grant, Howard, Knox, Lake, Madison, Marion, Marshall, Morgan, Porter, Posey, and Sullivan.

Other states show similarly. I expect to have everything closed up so a detailed report can be made up to Thursday, February 4, and each week thereafter. The additions this week, I estimate, will bring up the total regular enrollment to something like 900 or a thousand. These will represent close on to 500 counties, or more than one-sixth of the country. That isn't so bad for a dead party.

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