

404.
COOPERATIVES

IN

CPN 215

COOP 204

SCHOOL AND COMMUNITY

COOP 103

A Teacher's Guide



2/315
204
EPN 215

Cooperatives

COOP 103 in

School and Community



A TEACHER'S GUIDE

*Prepared Jointly by
Workshop on Organization and
Administration of Rural Education
Teachers College, Columbia University
and*

*State Curriculum Workshop, University of
Wisconsin, and Statewide Committee on
Cooperatives of the Wisconsin Cooperative
Education Planning Program
Madison, Wisconsin*

334 TCC

Reprinted 1951 by Midland Cooperative Wholesale with the
permission of the publisher, Bureau of Publications,
Teachers College, Columbia University, New York.

1 of 7

680

*Workshop on
Organization and Administration of Rural Education
Teachers College, Columbia University*

Subcommittee on Cooperatives of the Committee on Adapting Teaching to Community Needs: Esther Anson, James L. Barfoot, Henry D. Carpenter, Melda W. Chambrè, Wilfred Gamble, Florence Farber, Barton Morgan, James H. Tipton, Harold Vannatter, Ed Yeomans. *Co-Chairmen:* R. S. Ihlenfeldt and C. Maurice Wieting.

*Committee on Cooperatives of the State Curriculum Workshop
University of Wisconsin
and*

*Statewide Committee on Cooperatives of the Wisconsin
Cooperative Education Planning Program
Madison, Wisconsin*

Rowena L. Allen, Anna Barron, Grace Cassels, Harvey H. Cornell, Orvus Dodsworth, Cynthia Dugdale, Arthur S. Fenske, M. R. Goodell, Laura Higgins, Vera Keene, Mrs. Marjorie Kerst, James Kestol, Donald Lee, Dorothy McCusky, Russell Mosley, Warren Nelson, Harold Paukert, Philip Pejza, Mae Roach, Winifred Robinson, Winifred Spring, Dan T. Sullivan, Harold Thompson, Orrin Voight. *Chairman:* Adolph Winther. *Consultants:* Don Beran, R. K. Froker, Asher Hobson, R. S. Ihlenfeldt, Warren Nelson, A. R. Page, Louis Sasman, M. A. Schaars, Milo K. Swanton, J. F. Waddell, Louis Zahradka.

Cover illustration: Skokie Junior High School, Winnetka, Illinois.

PRINTED IN THE UNITED STATES OF AMERICA

COPYRIGHT, 1947, BY TEACHERS COLLEGE, COLUMBIA UNIVERSITY

COOPICS

FOREWORD

THERE is an increasing demand that in training our future citizens the school give more attention to current problems of community life. Cooperatives have become a powerful force in American life. Their implications for a nation striving to preserve the privileges of democracy in this atomic age must be better understood. No boy or girl can be considered fully educated for intelligent citizenship unless he or she knows something about cooperatives, their history, purposes, organization, and present-day methods of operation.

The purpose of this Teacher's Guide is to provide authentic information about cooperatives and to show how this information can be used in the schools. Part I discusses cooperatives and their organization; Part II gives examples of ways schools teach about cooperatives; Part III presents the Wisconsin Resource Unit which provides teachers with tools for teaching; and the Appendix outlines topics to be considered when deciding what should be taught. Teachers, administrators, supervisors, colleges training teachers, and others interested in teaching current problems will be interested especially in Parts I and II. Teachers and others directly responsible for organizing teaching units should find definite help in Part III. Educators in general will find in this Teacher's Guide a concrete approach through which the school can develop an understanding of everyday community life.

The preparation of this Guide was a cooperative enterprise in which a large number of persons participated. The whole problem was given thorough consideration and the original draft prepared in the two workshops. R. S. Ihlenfeldt participated in both workshops, which ran concurrently. Participants included representatives of public schools, teachers colleges, land grant colleges, cooperatives, general farm organizations, and the U. S. Department of Agriculture.

Among those who provided leadership in developing the Guide into final form are C. Maurice Wieting, Director, Information Services, National Council of Farmer Cooperatives, who did much of the writing; R. S. Ihlenfeldt, Elementary School Supervisor, Wisconsin State Department of Public Instruction; Adolph Winther, State Teachers College,

Whitewater, Wisconsin; Harold Paukert, Principal, Kohler, Wisconsin; Harold Hedges, Chief, Cooperative Research and Service Division, U. S. Department of Agriculture; Kelsey Gardner, Research Division, Farm Credit Administration; Asher Hobson and M. A. Schaars, College of Agriculture, University of Wisconsin; Gordon Mackenzie, Teachers College, Columbia University; Edward A. Krug, School of Education, University of Wisconsin; Dorothy McCuskey, State Curriculum Coordinator, Wisconsin State Department of Public Instruction; Fred Nora, Midland Cooperative Wholesale, Minneapolis, Minnesota; and W. L. Robinson, Associate Director, Traffic Engineering and Safety Department, American Automobile Association. The cooperation of the American Institute of Cooperation and its President, Raymond W. Miller, made it possible to work closely with leaders of cooperatives and carry the undertaking through to successful completion.

FRANK W. CYR

*Professor of Education
Teachers College
Columbia University*

JOHN CALLAHAN

*State Superintendent of
Public Instruction
Madison, Wisconsin*

Courtesy of:

CENTRAL COOPERATIVE WHOLESALE
Superior, Wisconsin

COOPERATIVE LEAGUE OF U.S.A.
343 South Dearborn
Chicago 4, Ill.

FRANKLIN COOPERATIVE CREAMERY
2108 Washington Ave. No.
Minneapolis 11, Minn.

MIDLAND COOPERATIVE WHOLESALE
739 Johnson N.E.
Minneapolis 13, Minn.

MINNESOTA ASSOCIATION OF COOPERATIVES
2651 University Avenue
St. Paul 4, Minnesota

MUTUAL SERVICE INSURANCE CO.
1923 University Ave.
St. Paul 4, Minn.

WISCONSIN ASSOCIATION OF COOPERATIVES
109 West Main St.
Madison, Wisconsin

CONTENTS

WHAT IS A COOPERATIVE?	<i>Facing page</i>	I
------------------------------	--------------------	----------

Part I

COOPERATIVES IN COMMUNITY LIFE

Our Curriculum and Our Community's Needs	I
Cooperative Activities Have Impressive Values	I
Cooperation in Our Business World Important in American Life	2
Cooperation Long an American Tradition	3
Differences Between Cooperative and Private Corporations	4
Cooperatives Provide Many Needed Services	5
Principles of Consumer Cooperation	6
Cooperatives Grow Rapidly	7
Who Endorses Cooperatives?	7
Cooperatives Have Weaknesses Common to Democratic Groups	8
Teaching About Cooperatives Has Advantages to the Community	9
Values to Children of Teaching About Cooperatives	10
Vocational Opportunities Offered Youth	11

Part II

HOW SCHOOLS ARE TEACHING ABOUT COOPERATIVES

A Survey Reveals Strong Agreement That Subject Should Be Included in the Curriculum	13
Cooperative Enterprises Successful in Winnetka, Illinois, Schools	15
Pine Mountain School Cooperative	17
Badger Co-ops' Services	18
Teaching Cooperative Attitudes and Techniques at West Georgia College	20
FFA Stimulates Local Chapter Cooperative Program	25
Using the County Extension Service	28
Local Cooperatives Offer Study Opportunities	29
What an Elementary School Did at Centerville, Minnesota	29

*Part III*HELPS FOR TEACHING ABOUT COOPERATIVES AND
A WISCONSIN RESOURCE UNIT

Cooperatives and Their Place in the Educational Program.....	31
Suggestions for Teaching Cooperatives.....	31
Approaches to the Study of Cooperatives.....	33
Teaching Cooperatives in Selected Subjects.....	36
Wisconsin Resource Units.....	39
Wisconsin Resource Unit on Cooperatives.....	42
Significance of Topic.....	42
Suggested Topics and Problems.....	43
Desired Outcomes.....	45
Inventory of Suggested Activities.....	47
Evaluation Suggestions.....	60
References and Sources of Information.....	61
Pupil References.....	62
Teacher References.....	64
Other Sources of Information.....	67
Publications of Farm Credit Administration.....	68
Bulletins of the Bureau of Labor Statistics.....	73
Sound Films.....	74

Appendix

COMPREHENSIVE OUTLINE OF INFORMATION USEFUL IN THE STUDY OF COOPERATIVES.....	77
--	----

Cooperatives
in
School and Community

WHAT IS A COOPERATIVE?

You can identify a true cooperative by finding out whether it follows certain principles and practices common to mutual associations in all parts of the world. In cooperatives people work together in an organized manner and transact business according to these accepted principles and practices.

Cooperatives are generally incorporated and are an essential part of the free enterprise system. Most cooperatives follow these principles:

DEMOCRATIC CONTROL is usually exercised by the members through the rule of "one member, one vote." With limited exceptions, control is based on membership and not on capital. Membership, generally, is open to all who desire to join the association.

PATRONAGE REFUNDS are paid to members in proportion to the volume of their patronage. The association, as a business, operates at cost and makes payments as patronage refunds of any savings, or overcharges or underpayments remaining after the expenses of operation have been met.

RETURN ON CAPITAL invested in a cooperative is generally limited both by statute and by cooperative practice to low dividend rates on shares.

While many cooperatives do not follow all the following practices, these are for the most part generally accepted:

CASH TRADING is encouraged, to eliminate the difficulties and cost of credit business. Most purchasing cooperatives price goods at prevailing price levels.

CONTINUOUS EDUCATION is utilized to keep members informed. Intelligent decisions in operating their own business require an informed membership.

POLITICAL AND RELIGIOUS NEUTRALITY is observed on issues which are not vital to the existence of the cooperative.

PART I

COOPERATIVES IN COMMUNITY LIFE

Our Curriculum and Our Community's Needs

EDUCATIONAL authorities are agreed that schools must adapt their curriculums to the needs and interests of their local communities. A study of our communities will reveal such problems as health and conservation, production, distribution and consumption, wise use of leisure, and food, clothing, and shelter as areas around which the work of our schools can be planned.

The aim of our schools should be to stimulate the growth of the individual child while at the same time placing sufficient emphasis on group achievement. Since our democratic society is based on the ability of people to work together, the school curriculum should be so planned that there are numerous opportunities for cooperative group learning activities. This point was well made in the eleventh yearbook of the Department of Supervision and Directors of Instruction,¹ which said:

Children who have the opportunity to live on the highest level of cooperation with others of different ages and interests become aware of the functional values in their social behavior. We learn cooperation as we live it; we live it in the degree that we learn it; we learn it as we accept its value in the past and present living, and recognize its contribution to future living.

Cooperative Activities Have Impressive Values

Many teachers are constantly striving to include in their school programs more activities that will encourage boys and girls to work together more effectively. Schools that have neglected to plan for cooperative activities have left out a whole basic segment of learning. Valuable gains can come from cooperative activities in the school program. The general problem of teaching children to cooperate with others, however, is not to

¹ *Cooperation Principles and Practices*, Eleventh Yearbook, Department of Supervisors and Directors of Instruction, National Education Association, 1938.

be confused with the specific study of cooperative business associations which follows later.

Some of the outcomes resulting from school planning which helps children to work together in harmony are listed below:

1. *Increased social consciousness* results from cooperative activity. As children work and play together in school, under guidance, they are better able to recognize group problems, to take steps toward the proper solution of these problems, and to accept their share of the responsibility.
2. When working cooperatively in a group, the child gains *self-reliance* and *self-confidence* in undertaking activities in which he might not otherwise engage. The well-being, freedom, and growth of each individual is desired by all.
3. *Increased faith in democracy* is developed through cooperation as the child realizes the benefits of group action.
4. *Ability to identify and solve problems* results from working together in cooperating groups.
5. *Open-mindedness* is a result of cooperative thinking and action. Settlement of conflicts by harmonization rather than by arbitrary majority rule is characteristic of cooperation.
6. *Responsibility for group progress* is developed by working cooperatively as each member shares in the work and assumes his full share for the group achievement.

Cooperation in Our Business World Important in American Life

Cooperatives in the business world are based on the same principles of cooperation which are so essential in a good school program. Children should have an opportunity to know about cooperation as a method of doing business which has been adapted to the countless needs of both producers and consumers.

A cooperative enterprise is one which belongs to the members who use its services, the control of which rests equally with all the members, and the gains of which are distributed to the members in proportion to the use made of its services. The basic purpose of a cooperative is to give a group of people the opportunity to serve their own needs and to solve their own problems more effectively than when acting individually.

Cooperatives vary widely in the types of service they perform, the way

in which they are organized, and the methods by which they operate. There are, however, distinctive characteristics which all pupils should learn to recognize. The chart on the following page shows the basic differences between the cooperative corporation and the private corporation.

Cooperation Long an American Tradition

Cooperation has always been part of the tradition of American farmers. In early pioneer days neighbors helped one another with barn raisings, harvesting, and threshing. Soon they discovered that some tasks could be performed more efficiently if they formed cooperative associations. There are records of a dairy association in Connecticut as early as 1810, and many examples of farmer mutual insurance companies, irrigation companies, and livestock markets before 1850.

Cooperatives were also organized in America among labor groups and city people. Most of these associations were founded after 1844, when the Rochdale Principles¹ became generally known. These cooperative principles and practices were first used by a small group of twenty-eight poor weavers who lived in a factory town in England. In desperation over their poor pay and the high cost of living, they opened a cooperative grocery store on Toad Lane which thrived and grew in Rochdale and inspired other similar cooperative activities in all parts of the world.

Today all cooperative associations follow these principles but with some modifications. On other less basic matters many different practices can be found among true cooperatives. Briefly, these principles are:

1. *Democratic Control.* The cooperative is controlled by the members it serves and in most instances it is on a "one member, one vote" basis. Its entire membership meets periodically to fix the policy of the association. A board of directors is elected; the board, in turn, appoints a manager who is responsible directly to it. Membership in most cooperatives is open to all, but in farmer cooperatives it is sometimes limited to producers of certain products. Membership in credit unions is often limited to those already having a strong common bond related to employment or religious affiliation.

2. *Patronage Refund.* The patronage refund is the distinctive characteristic of cooperatives by which any underpayment in a marketing cooperative or any overcharge in a purchasing or consumer cooperative is

¹ There are many accounts of the way the Rochdale pioneers organized the first cooperative. For example, see: Stuart Chase, *The Story of Toad Lane*. New York: The Cooperative League of the United States of America, 1940, revised 1946.

DIFFERENCES BETWEEN THE COOPERATIVE CORPORATION AND THE PRIVATE CORPORATION*

	Cooperative Corporation	Private Corporation
Purpose	Secure increased returns, better marketing services, marketing services at cost, and improve plane of living of members	To profit upon investment and perform marketing services for the benefit of shareholders
Basis of Organization	Farmers producing the products to be marketed	Money—only persons with wealth can invest
Incorporation	Under cooperative laws	Under general corporation laws
Membership	Usually unrestricted—bona fide producers eligible. Selective membership policy based on willingness of members to cooperate. Membership not transferable or assignable in a non-stock association. Restriction on sale of shares of stock by stockholders. Stock not sold on public exchanges	Often restricted—many corporations are “closed” corporations in which stock cannot be purchased. No restrictions on sale of stock by shareholders. In “open” corporations stock available to anyone having funds. Stock sold “on the open market”
Government	On a democratic basis; usually on a one-man one-vote basis, or on a patronage basis. Voting by proxy not allowed. Number of shares that one person may own often limited. No concentration of control by an “inside” group	On the basis of shares of stock owned—ordinarily one vote for each share of common stock held. Proxy voting permitted. No limit on shares of stock any individual may own. Control often concentrated in a small minority of “insiders”
Operation	In the interest of producer-members. Pooling of resources, expenses, products, and sales receipts. Sales at best prices obtainable	In the interest of share-holders. Purchases at lowest price possible and resale at highest price obtainable
Prices and Margins	Operations at cost. Interested in narrow margins and in as high a price level as long time marketing operations can reasonably secure ¹	Chief concern to widen margins to most profitable amount. Less concern over the height of price level
Patronage	Secured from members and in many associations also from non-members	Seldom patronized by stockholders, but by anyone whose business can be solicited
Savings	Returned to members on patronage basis. Limited interest payment on shares of stock. No speculation in stocks. Wealth is widely distributed among patrons	Profits distributed to shareholders on basis of shares owned. No limit to dividends on capital. Aim of members in buying stock is often to profit from its resale. Tendency to concentrate wealth among shareholders

¹ For example, a cooperative is much concerned whether the price of hogs is \$10 per hundred-weight or \$4. It aims to obtain the highest price possible for farmers. A private corporation is much less concerned about the particular level of hog prices. It is more deeply interested in the margin it may obtain for handling hogs, i.e., if this margin is 50 cents or \$2 a hundredweight

* Reprinted by permission from THE ECONOMICS OF COOPERATIVE MARKETING by Bakken & Schaar, Copyrighted, 1937, by the McGraw-Hill Book Company, Inc.

returned to the patron. The cooperative acts as the agent of the patron, and as a business entity makes no "profit." Thus a patron benefits in proportion to the extent to which he is served by the cooperative rather than in proportion to the capital he invests.

3. *Limited Return on Capital.* Since all the savings of the cooperative belong to its members, it cannot allocate a profit to capital. A cooperative generally obtains the capital necessary for its operation from its members and pays them dividends on shares. In most instances the maximum dividend rate permitted in farmer cooperatives is 8 per cent, but in actual practice cooperatives generally employ substantially lower rates. At no time is there any speculation in cooperative shares, thus removing the tendency for borrowed money to influence policy.

In addition to these basic cooperative principles there are certain practices which most cooperatives follow. Cash trading is encouraged in purchasing cooperatives though it is not a universal practice. Selling at current prices is a usual practice. Cooperative marketing associations attempt to sell farm products at the best obtainable prices. Frequently, advance payments are made to producers before the cooperative sells the products in the market place. Political and religious neutrality is observed on all matters that are not vital to the preservation of the cooperative way of doing business. Continuous education is another practice that most cooperatives follow, since it is necessary to keep members informed about operations so that they may make intelligent decisions.

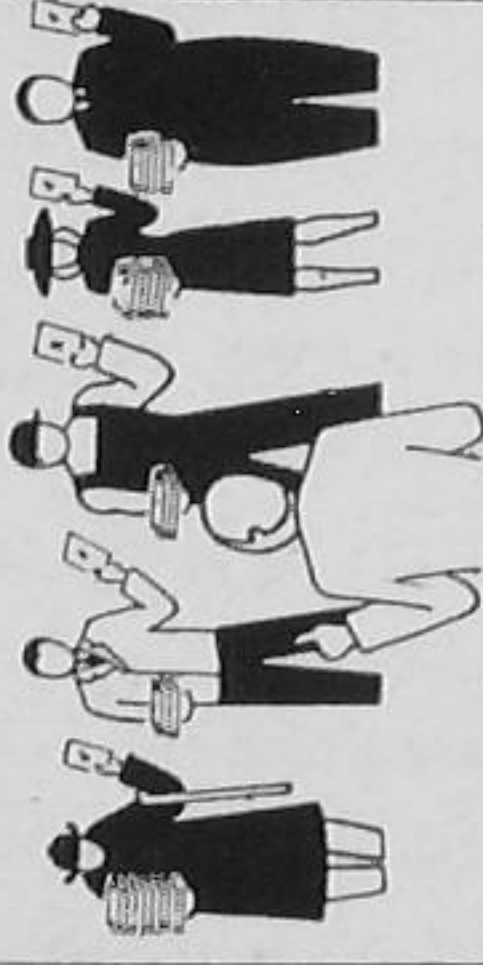
Cooperatives Provide Many Needed Services

Members market food and fiber, purchase farm supplies and consumer goods, and secure services through their cooperative associations. The 10,150 farmers' marketing and purchasing cooperatives in the United States in the year ending June 30, 1945, had a membership of 4,505,000. They did a total business of \$5,645,000,000. Urban cooperators in the same years supplied themselves with food from over 3,000 stores, provided medical services, joined credit unions, insured themselves cooperatively, and banded together in providing many other types of services.

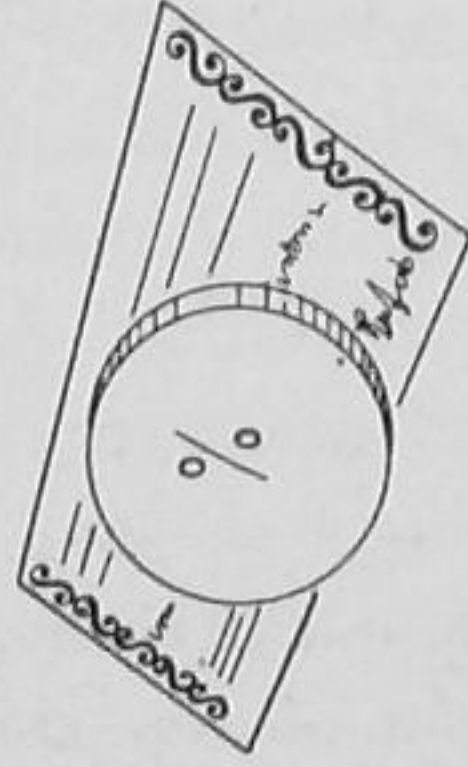
Cooperative buying should mean securing better quality of goods at lower prices. A yardstick for prices is established by competition between cooperative and non-cooperative enterprises. Members of cooperatives gain in self-reliance and self-confidence as a result of their increased business experience.



Membership
Open to All



One Vote per Member
Regardless of Stock Owned

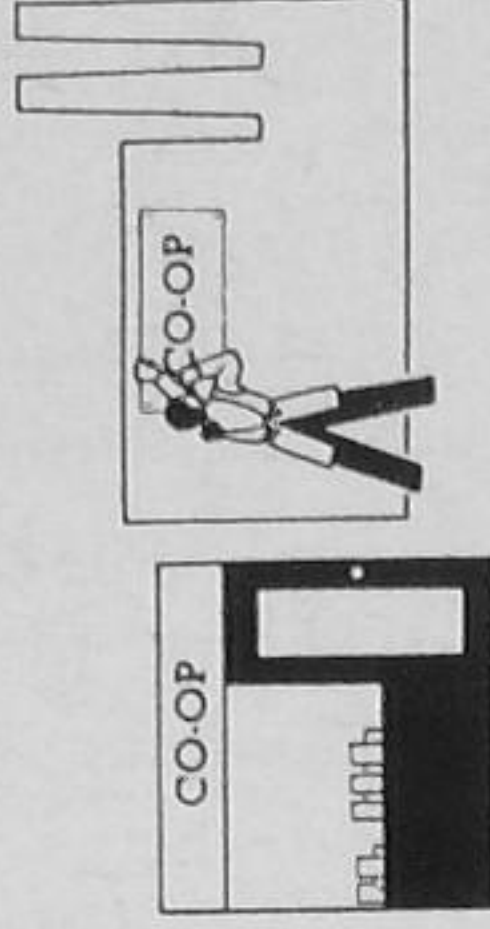


Limited Rate of Interest
on Investment

PRINCIPLES OF CONSUMER COOPERATION



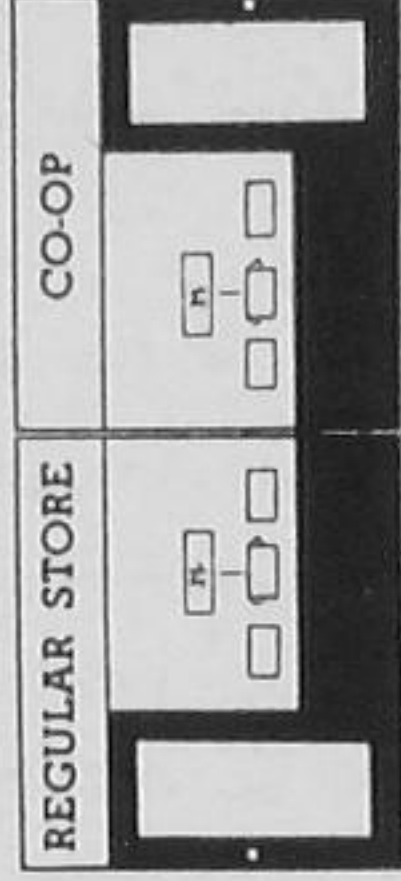
Savings Divided in
Proportion to Patronage



Part of Savings
Used for Expansion



Constant Education



Cash Sales at
Prevailing Prices

CHART BY GRAPHICS INSTITUTE, N.Y.C.

Courtesy of Building America

Cooperatives Grow Rapidly

Cooperation among urban consumer groups is strongly developed in Great Britain and the Scandinavian countries. Although urban cooperatives generally are growing rapidly in the United States, the greatest growth has been among farmers, who market about 18 per cent of their produce and purchase approximately 15 per cent of their farm supplies cooperatively. Nearly a third of American farmers belong to one or several cooperatives. By pooling their marketing and purchasing power farmers living on family-sized farms have been able to meet the competition of large-farm units, while still retaining all the social advantages of the family unit. In this way farmers combine the efficient physical production of the family-operated farm with the efficient group procurement of supplies and group marketing of products. The cooperative technique is one by which groups of persons of modest means can through their own efforts enhance their bargaining power and lift their standard of living.

Who Endorses Cooperatives?

There are many groups who believe that information about various types of cooperatives should be taught in the school curriculum. The National Education Association, through its Committee on Cooperatives, has made frequent recommendations for such teaching. The Educational Policies Commission of the same Association has suggested that young people should learn about the advantages and disadvantages of joining with other consumers for the cooperative purchasing of goods.

Both the Democratic and the Republican parties have strongly endorsed cooperatives in their national platforms. State cooperative statutes, the federal Capper-Volstead Act¹ passed in 1922, and subsequent legislation have made it possible for cooperatives to grow and expand. As evidenced by a multiplicity of laws, the Congress of the United States has consistently recognized the need for cooperatives. Through the Farm Credit Administration of the Department of Agriculture and the Bureau of Labor Statistics of the Department of Labor, invaluable help is given to cooperatives in the form of information, credit facilities, research, and education.

Cooperation is strongly supported by the major farm organizations.

¹ L. S. Hulbert. *Legal Phases of Cooperative Associations*. Bulletin No. 50. Washington, D.C.: Farm Credit Administration, May, 1942.

The National Grange, the National Farmers Union, the American Farm Bureau Federation, and the National Council of Farmer Cooperatives all sponsor and encourage cooperatives.

Both the American Federation of Labor and the Congress of Industrial Organizations have passed resolutions favoring cooperatives and have recommended that their members join them. The Railway Brotherhoods have been friendly to cooperatives for many years.

Cooperation has been endorsed in numerous official documents by Catholic, Protestant, Mormon, and Jewish religious leaders.

Cooperatives Have Weaknesses Common to Democratic Groups

Cooperatives have the same weaknesses and strengths as other democratic organizations. They can progress only as rapidly as the understanding of their members permits. Because the control is so widely held, action in cooperatives is often slower than in other forms of business. There is also the danger that over a period of years the interest of the members will decline, thus causing the cooperative to fail.¹ Cooperatives are sometimes organized where there is no need for their services and they fail because they are not essential. Some cooperatives fail to meet changing economic conditions.

There are some groups in the United States and other countries that dislike the cooperative method of doing business. In most cases, these are individuals or groups that have benefited by selling to and buying from producers and consumers in situations where there is little real competition. Cooperatives normally have been organized because some person or group was taking advantage of producers or consumers, or because necessary services were not otherwise available.

One of the most frequent charges made against cooperatives is that they are unfair business competitors because they return savings to their members through the use of the patronage refund. Cooperators answer that, under our system of free enterprise, any group has the right to go into business for itself. Certainly under the American system of free enterprise individual entrepreneurs as well as partnerships and profit corporations begin new businesses every day.

¹ Raymond W. Miller and A. Ladru Jensen, "Failures of Farmer Cooperatives," *Harvard Business Review*, Winter 1947. Reprints available from the American Institute of Cooperation, Washington, D.C.



Student Teachers Visit a Co-op

*E. E. Carlson, Manager, Medford Co-op Creamery Company
Student Teachers of Medford Rural Normal, Taylor County, Wisconsin*

Another charge is that cooperatives pay no taxes. This is untrue because cooperatives pay many taxes, such as property, excise, use, social security, and other taxes. True cooperatives, if they qualify for exemption, do not pay income taxes because, in a real sense, they have no net income upon which taxes can be levied. Cooperatives are agents for their members and as such do not have any net income.

Some say that cooperatives hope to drive out all other forms of business enterprise. The facts are otherwise, as a primary object of cooperatives is to act as competitive "pacemakers." By doing a percentage of the total business in any area, they can protect both producer and consumer from unreasonable exploitation. Cooperatives provide for fair competition where the small quantity purchaser is at a disadvantage.

Teaching About Cooperatives Has Advantages to the Community

The schools have a heavy responsibility to society to educate boys and girls properly. One of the standards in deciding what to teach them is the worth of the subject matter. There is so much to be taught that often many important topics are seriously neglected. Cooperatives and their way of doing business have not received adequate attention in the school curriculum. There are many fine values that can come to the community if boys and girls are trained in cooperative principles. Some community benefits are:

1. A wider understanding of the operation of business organizations of all types will make boys and girls better citizens. There are many opportunities for actual democratic participation in cooperative associations, and membership in them is education in its fullest sense. If children know about cooperative principles when in school, they will be better able to participate later if they join adult cooperatives.

2. Community-mindedness, social solidarity, and loyalty to the group are all developed by participation in cooperatives; therefore it is to the advantage of the community that its youth be trained in cooperative principles and assume membership in associations as soon as possible.

3. A study of cooperatives in the schools provides children with a sound approach to their analysis of important community problems. Through a study of community cooperatives, children will come to have a more complete understanding of the social assets and liabilities of the community.

4. Children who have been trained in cooperative principles are more likely to be able to form cooperatives to provide essential services for themselves when they become adults. In every community there are needed services that are not now being performed by anyone.

5. A study of cooperatives along with other ways of doing business, such as private corporations and partnerships, will help develop critical thinking.

Values to Children of Teaching About Cooperatives

That educators recognize the importance of teaching cooperation is shown by the interest they have taken in the cooperative movement. Many schools are including in their courses extensive information on cooperatives. In Wisconsin such teaching is required by state law. In Minnesota, North Dakota, and other states much information on cooperatives is included in the curriculum.

As has already been pointed out, a distinction should be drawn between the words "cooperation" and "cooperatives." All teachers want their pupils to be "cooperative," to work together with others, and to share group experiences. Cooperative traits can be developed further in schools if there is an opportunity to study about cooperative associations and to learn how business is carried on cooperatively in all parts of the world. If, however, in addition to studying about cooperatives, there are opportunities in the school to organize self-help cooperatives that are models of adult credit unions and of marketing and consumer purchasing cooperatives, it is likely that children will develop better those cooperative traits that are so desirable.

Some schools have set up such pupil cooperatives. While these sometimes fall short of real life situations, they provide an excellent opportunity for young people to understand cooperative principles and to learn to do by doing. Many educators report that their school cooperatives train children in leadership, help them to master parliamentary procedure, and provide excellent opportunities for practicing skills in bookkeeping, accounting, and salesmanship. For greatest value in development of cooperative concepts, these organizations should be as near as possible to real life situations.

A well-balanced school curriculum should include the study of cooperatives. Often instruction is given about independent business, partnerships, and private-profit corporations to the complete neglect of cooperatives.

Cooperatives should be taught as another form of business. When teaching about the various ways of doing business in the United States, nothing is more natural than that cooperatives should be included.

Vocational Opportunities Offered Youth

As the cooperative movement becomes increasingly more important in the United States, it will provide additional vocational opportunities for both boys and girls. The cooperative manager in the rural community has a very responsible job, requiring a deep understanding of agriculture. Job opportunities in consumer cooperative stores are equally challenging, and provide work for both men and women. In addition to operation jobs, there is a place in the cooperative movement for educators, public relations directors, chemists, engineers, doctors, aviators, research workers, merchandising men, salesmen, economists, and executives of all types.

PART II

HOW SCHOOLS ARE TEACHING ABOUT COOPERATIVES

A Survey Reveals Strong Agreement That the Subject Should Be Included in the Curriculum

WHAT schools in general are teaching about cooperatives and how some schools have developed interesting and effective programs is described in this section. The fact is that cooperatives have been organized in these schools as part of the school program to perform needed services for children.

The extent of teaching about cooperation has been revealed by a recently published survey which asked administrators and teachers their opinion on teaching about cooperatives.¹ The completed survey, covering 133 schools in thirty-seven states, reveals that three out of four of the public schools located in towns and villages which are the community centers for the surrounding agricultural areas are teaching something about cooperatives in their classes. In these schools, six out of ten of the teachers of such subjects as the social studies, vocational agriculture, home economics, American problems, history, sociology, economics, science, and mathematics are informing their classes to some extent about cooperatives.

Schools generally should include in their curriculum some teaching about cooperatives, say 97 per cent of the teachers who replied. This is also the opinion of 98½ per cent of the administrators in schools that are now teaching about cooperatives. Incidentally, two out of three of the administrators in schools that are not now teaching about cooperatives say that their own schools should begin to do so, and 85 per cent of the administrators in this group say that individual teachers on their staffs

¹ Frank W. Cyr and James H. Tipton, *A Survey of What High Schools Are Teaching about Cooperatives*, New York: Bureau of Publications, Teachers College, Columbia University, 1945.

are free to introduce the subject to their classes on their own initiative if they wish to do so.

The majority of schools now teaching about cooperatives have introduced the subject during the last ten years, although a comparatively few have been teaching about cooperatives for fifteen to twenty years. Classes in which teaching about cooperatives is now most often carried on *to any extent* are: first, social studies; second, vocational agriculture; third, home economics; and fourth, economics. Classes in which cooperatives are most often taught *intensively* are: first, vocational agriculture; second, social studies; third, home economics; and fourth, economics.

The following individual comments illustrate further the attitudes of those surveyed. One administrator reports that teaching about cooperatives helps the students to determine their careers and helps the public to become better acquainted with the school. Another says it tends to encourage greater civic interest among pupils. One teacher reports that pupils and parents highly approve a study of cooperatives, while another reports that there is a difference of opinion among students as to the value of cooperatives to the country.

Cooperation is taught in many schools, as this survey shows, but Wisconsin is the only state that requires such instruction. In Minnesota the legislature in 1937 appropriated \$5,000 to provide "training and instruction in consumers' cooperation and cooperative marketing," and a course of study was prepared in 1938 on consumer cooperation. North Dakota passed a law in 1937 requiring any secondary school to teach about cooperation if as many as twelve junior and senior students petitioned for it. Other states have included units on cooperatives in state courses of study in various subjects. Oregon included such a unit in a socio-economic problems course in 1938. Scattered schools in all parts of the country have, from time to time, prepared units on cooperatives and taught them in various classes on many grade levels.

Descriptions of projects in some schools which have taught about cooperatives and carried on cooperative activities in the school and community follow. While it is recognized that many teachers will not be able to, nor will wish to set up programs of exactly this type, it is hoped that the suggestions in these descriptions will be stimulating to both teachers and pupils. They give concrete examples of good teaching that should be helpful to schools that give a thorough study of co-ops and to schools that treat the subject only briefly.

Cooperative Enterprises Successful in Winnetka, Illinois, Schools

An unusual experiment in functional economic education is being carried out in the Winnetka public schools. S. R. Logan, former superintendent and at one time principal of Skokie Junior High School of Winnetka, sponsored groups within that school which carry on business as cooperatives, government utilities, and private profit enterprises.

The schedule of each teacher-sponsor in Skokie Junior High School, where there are several student cooperatives, includes definite provision for such work. It is easy to secure these teachers since about half of the teachers in this school are active members of neighborhood cooperatives.

Mr. Logan believes that certain types of pupil cooperatives, which have been in operation for almost ten years in Winnetka schools, would with some modifications be found suitable to other schools, both urban and rural, on either the junior or the senior high school level. Particularly suitable would be the mutual insurance company, the credit union, and the cooperative store. The Skokie Livestock Company, which is organized as a corporation for profit, could be at least equally valuable in a non-profit cooperative form and would be practical in a rural school where it could work with Future Farmers of America and 4-H Clubs.

The public-owned apiary, which would have value on either the elementary or the secondary level, could probably function just as well as a cooperative. A conservation and improvement project, which was organized by the school somewhat on the pattern of TVA and which engaged primarily in the operation of a small tree nursery, could operate cooperatively if that were desired.

It has been the aim in the Winnetka schools to introduce into the school curriculum as many types of business procedure as possible, thus giving pupils valuable experience in the methods of private profit business, cooperatives, and government operation.

Consideration of the cooperative movement results from the connection between social studies classes and the institutions of Skokie's self-government. The all-school governing council consists of representatives elected in social studies classes, the heads of the cooperatives, profit corporations, public ownership corporations, welfare corporations (such as the Junior Red Cross), and labor unions (for example, the Dishwashers' Union); the heads of standing committees of the council; and the school

principal. The council meets weekly and hears reports from all of these groups.

One of the needs in the Skokie School in past years was for school supplies. As a result, a group of children obtained a charter from the school council, collected share capital, and then purchased a small supply of pencils, pens, paper, and notebooks. Profits went to the private owners. Later, the store was operated under public ownership, and the profits were used for purchasing school equipment.

Out of discussions in eighth grade arithmetic and social studies classes, in which different forms of ownership were considered, there arose the desire to set up a cooperative. A trip was made to a near-by cooperative, and laws were drawn up in conformity with the Rochdale principles. Shares were sold for 25 cents each, a manager was elected for one semester, and six clerks were named for six weeks each. The store is open fifteen minutes before school, and the same length of time during both noon lunch periods. Meetings of the staff are held twice a month, alternating with those of the board of directors. Meetings of the whole membership are held from time to time. School supplies amounting to \$600 to \$700 are sold each year. Careful records are kept, with the mathematics teachers acting as sponsors. Interest of 4 per cent is paid on share capital, and rebates on purchases amount to about 10 per cent annually to members. Non-members receive credit on shares but are not paid dividends in cash. When the children leave the school, they receive their share capital in cash.

School authorities in Winnetka are of the opinion that their students have learned a great deal through these economic activities. They believe that education is successful in the degree that it mirrors real life situations. Teachers' units on cooperatives are being prepared for use in different classes in the school. They deal with such issues as the significance of the cooperative movement in relation to monopoly, cartels, democracy, abundance, domestic tranquillity, and international peace. The chairman of the social studies department of Skokie and several other teachers are considering the preparation of materials in an effort to make the children's introduction to economic organization and cooperation more systematic. It is the belief of Mr. Logan that this can "be carried much further in senior high school and college, when children have acquired a more adequate background for evaluation of social objectives and methods."

Pine Mountain School Cooperative

Pine Mountain Settlement School is a private boarding school located in the mountains of eastern Kentucky. Cash income of families living in this area is from forty dollars to several hundred dollars a year. Elementary schools furnish children with only ninety-five days of schooling a year. To meet the needs of children in this area the Pine Mountain Settlement School was founded to provide vocational training for children of high school age.

Room and board are given in exchange for labor and all work is handled educationally, with emphasis upon practical training. The school does not give grades or credit. One of its features is a Community Group which cooperates with the people in the surrounding neighborhood, helping them to solve their problems.

Students of the Pine Mountain Settlement School own and operate their own cooperative store, which sells food, school supplies, and other items needed by the boys and girls. The store is run in conjunction with the co-op class, which is attended by all sophomores in the school. Shares are sold for 25 cents each. Supplies are purchased by students, who accompany the school buyer to the nearest market in Harlan. Accurate records are kept of all business transactions and rebates are paid to members at the end of the school term. The study of consumer cooperation is an integral part of the school curriculum. The class meets four hours a week in two sections. The focal point of the instruction given is the local store; all students have a part in its operation. Adult cooperative undertakings are also studied, with special emphasis on their progress in the United States.

Other classes in the school also teach about cooperation. For example, the English class teaches the pupils how to write letters asking for information. A one-act play has been written and produced by the same class. Graphs, maps, posters, and scenery for the play have been made by the art class. The home economics department assists in the study of foods and clothing. Printing the annual report of the cooperative is part of the regular print shop work. Monthly assembly programs before the entire school are devoted to cooperation.

Miss Gladys Hill, the teacher at the Pine Mountain Settlement School who has worked with the cooperative store for many years, prepared a "Brief History of the Cooperative Study Group of the Pine Mountain

Settlement School," which she presented in a teachers' meeting. She reported that the co-op store had been operating for seven and a half years at that time and that over two hundred boys and girls had taken courses in consumer cooperation. All of these pupils have had the experience of working in a co-op store, while both faculty and students have been members.

While Miss Hill feels that there is no adequate way of measuring what children learn from working with cooperatives, she reports that they have great interest in the activities involved in such a program. "I believe that in terms of preparation for intelligent citizenship this course offers many possibilities for training," she says. "Based on study, discussion, and cooperation, it exposes students over and over again to a point of view that the world needs desperately today."

During the summer of 1937 two school faculty members traveled 3,800 miles visiting twenty cooperative wholesale units, retail units, credit unions, farmer marketing cooperatives, cafeterias, and housing units. Two years later, in June, 1939, three faculty members attended a short course on cooperatives in Brasstown, North Carolina. There they saw farmer marketing and purchasing cooperatives in action and attended lectures given by leading Southern cooperators. In 1941 the Harmon Foundation came to Pine Mountain and made a two-reel motion picture, "Let's Cooperate," depicting activities at the school.

Though the Pine Mountain school cooperative has not been able to include adults in its membership, the Cumberland Valley Rural Electrification Administration grew out of a joint community-school interest and need. It is Miss Hill's firm belief that the school "could render an invaluable service to the community by studying cooperatives and agricultural problems with adult study groups."

Badger Co-ops' Services

If you walked down the long hall of the one-story Badger Community School, Badger, Wisconsin, you would see on the walls posters that urge pupils of all grades to visit an exhibit at the Badger Co-ops and that remind them to buy their pencils and erasers from the pupils' own cooperative store. The Co-op, it seems, meets insurance needs, too—that is, snowball insurance.

Badger village is at a former war plant about thirty-five miles north of Madison on U. S. Highway 12 and just south of the Baraboo Range.

Acres of one-story frame structures strung in rows are workers' homes. Enrolled in the village school have been pupils from thirty-nine states and Canada. Some have returned to their home towns when cutbacks decreased jobs. Thirty-one pupils reported to the eighth grade classroom of Miss Lenore Calahan when school began in October.

The main problem then, according to Miss Calahan's pupils, was this: How can we buy the required school pencils and notebooks without going eight miles to Portage or to a store that "charges too much" for stationery — and usually has too little and too late when it comes to rulers and red pencils?

Then some of the pupils read "Neighbors Build America" written by Don L. Beran. They got an idea. "Why not form our own school supplies co-op?" someone asked. That's the reason for the sign, "Badger Co-ops," outside the eighth grade room. The name was the pupils' idea, and it has replaced "Seabees," former name of the room.

Nearly half the class took out 25 cent shares to start the co-op, and rushed a purchasing committee down to the office of Principal C. J. Krumm to get catalogs and send out an order for pencils and paper. Although the cooperative officers lamented that a shortage on operating capital at first prevented their ordering more than small shipments, savings made on cooperative operations soon helped. They took advantage of every prompt payment discount offered by their suppliers.

The store's three directors clerk when the Co-op is open before and after school. From the store's two counters in the front of the room can be selected pencils, crayons, and writing pads — even candy, on some days. All purchases are for cash and the money is padlocked in a rough wooden box which is chained to the counter.

A patrons' roll on the wall lists sixty-three pupils — more than half of them from rooms other than eighth grade. Although only half of the pupils in the Badger Co-ops room are co-op stockholders, all of them are patrons. Meetings, held at two-week intervals, include all patrons — not just members. At a March meeting the group studied its first financial report.

With thirty-one shares outstanding, Badger Co-ops claims \$9 on hand in share capital. A member can buy no more than four shares. Assets totaled \$13.63 on March 1, with liabilities listed at \$1, members' equities of \$9.00 and "our investment" of \$3.63 chalked up by Miss Calahan. Inventory totaled \$2.95, with "receivables" of 52 cents compared with cash

on hand of \$10.19. School supplies sales totaled \$21.65 for the period.

Looking through school windows at pupils snowballing each other on the playground last winter gave the young cooperators the idea of protecting themselves through cooperative insurance — snowball insurance. As one pupil wrote: "The Badger Co-ops recently started an insurance company for breaking windows."

Spring finally came, with neither the pupils nor the insurance company having tossed any snowballs through windows — although the Badger Co-ops stood ready to pay 80 per cent of the cost of replacing any school windows broken on school days by youthful policyholders. The Co-op printed 100 policy blanks, sold \$1.62 in insurance, and later worried because they had no damage claims to pay.

Social living becomes real to the youthful cooperators as they follow the one-member, one-vote principle in running a business which is based on a spirit of cooperation. Figuring sales and percentages on loans, and setting up a cooperative operating statement give pupils practice in mathematics. They study language by writing letters to business firms and telling fellow pupils about the Badger Co-ops.

Teaching Cooperative Attitudes and Techniques at West Georgia College

In 1940 the West Georgia College of Carrollton, Georgia, instituted a significant experiment in rural education. Emphasis was on training of rural teachers to help them to utilize the community to a greater extent in their school program. The faculty and the administration met with the representatives of the student body and planned the major outlines of their work. Thus was established at the outset the basic importance of cooperative planning.

A broad point of view of the faculty and students guided the project. It was: "Education in a democracy should encourage the maximum growth of every individual which is consistent with the welfare of society. Traditionally, the school is the center of learning. However, we are now aware that many things outside the school influence the growth of the child. He is influenced by the standard of living around him, the values held by the community, the opportunities for recreation, the health practices, the ambitions of the citizens, the presence or absence of cooperative effort. These factors also directly affect the moral and financial support of

education. Therefore, if the school wishes to understand the total growth of a child, it must be concerned with all these things."

West Georgia College in 1940 had no established "laboratory school" in which to give student teachers their practice teaching. Instead, the faculty and students had to make their own arrangements with the trustees and parents of several public schools in their county. This in itself was a job in community relationships, and to accomplish it the school patrons had to be enlisted in the purposes and methods of a broader approach to teacher training.

The result was a schedule by which one-third of the teacher-training class spent one term teaching in three or four country schools, and two terms enrolled in college courses on the campus. During their term of practice teaching, the students worked under the supervision of the principal, the county supervisor, and members of the college staff. Furthermore, they lived in the school community and were expected to take part in church and other community activities.

Having established these basic policies, the faculty and students were ready to begin putting them into practice. The activities in one school will suffice to show the type of work that was accomplished.

It was a three-room country school of about ten children scattered from grades one through seven. The building was rundown and unpainted. The school yard was badly eroded, and in the wood lot at the back was a tangled growth of underbrush. The children walked to school, taking their lunch in paper bags. A Hallowe'en carnival and an occasional play brought the parents to school two or three times a year as spectators, seldom as participants.

The rooms were uninviting. There were no curtains, the desks were bolted down in rows, and the walls were unpainted and bare. Water was carried from a well in the yard. Desk tops were well initialed and carved, and papers were scattered about.

In the midst of these surroundings was a group of children which commanded immediate respect. In their faces, many of them pinched from lack of proper food, there was tremendous dormant power of enthusiasm needed to bring new life to a discouraged community—power which should have been released at every opportunity. Instead, it had been suppressed, and imagination which longed to invent and build had been gradually forced into a mold of repetition and imitation. Someone had to break that cast and release the strength which it restrained.

Soon after school opened a meeting of the trustees and parents was called. They came, bringing their children and filling the yard with old trucks and cars. Squeezed into too-small desks, they sat and waited to see what this new education was all about. Some thought that it was the end of "books," which meant the end of real education, and that children would spend their school days digging in gardens and doing carpentry jobs. "Well," they muttered, "there are enough of these jobs for children at home!"

The meeting was opened with a prayer, the teachers were introduced by an embarrassed trustee, and a member of the college staff was asked to speak.

"Now we believe that a good teacher has to know her subject and be able to teach it to children," he stated. "She has to use books, and plenty of them, and pencils and paper and maps and all the other things you find in a classroom."

There were definite signs of relief.

"We think that she should get acquainted with the parents, too, because by knowing the whole family she should be able to understand the children better. Then there may be little ways in which she can help the family, such as filling out an application for gas or tires and maybe there will be ways the family can help her. In other words, we want our teachers to know what it feels like to be a neighbor. Many of them are not as fortunate as you; they have never lived in a community like this, but only in cities where people don't know one another. You can help us to give them this very necessary education. Will you do this?"

There were nods of approval. This talk they understood.

"And finally, we think that people are always happier when they cooperate with one another. A few people might become rich by pushing everyone around and just thinking of themselves, but even they are not always made happy by their success. You have seen in your own families that when everyone pulls together the load seems to be lighter. We want to teach these teachers to run a school the way you run your families, with enough discipline and planning so that they enjoy doing it."

This was the beginning, but other meetings followed. The attendance grew. Children began presenting exhibits of their work. They did the singing games they had learned. The parents began to ask questions, to take an interest in what was going on. They suggested that some things could be done to tidy up the grounds, mend the steps, and fix the well.

At one meeting it was revealed that the women had earned some money by selling food at the county fair. They thought they had enough to build a small clubhouse on the school property if the men did all the work. Would they do it? The men agreed.

When this first sign of community activity was reported to the student-faculty seminar at the college, one of the teachers asked whether the college might help with a loan of materials and equipment for a kitchen to be built at the same time. "Then we could start giving the children a hot lunch every day."

The college found the money, the men agreed to do the extra building, and work began.

A plan had to be drawn and the amount of lumber, cement, and nails figured out. There was plenty of real arithmetic for the children in this assignment. Some of the men were part-time carpenters and could have done it alone. But what good would that have done the children? Instead, the planning was done in a classroom, with parents going in and out making suggestions, and older children applying their fractions and decimals to the realities of wood, sand, and cement. No one went to a book for the final answer to the many questions that were raised, but many books were used as reference before the job was completed. Attention was centered on the building itself, and from that concentration grew new confidence in the contributions of each person, young as well as old.

Complete with paint, chairs, dishes, and bustling kitchen, the Ladies' Club was something to be proud of. Only one thing was wrong: the unpainted school suddenly looked shabby by contrast. Then, when the school was being painted, the porch was found to be too rotten to be worth painting, so a new porch had to be built. And since a dreary interior does not belong to a painted exterior, the rooms had to be painted too, curtains had to be made, pictures put on the walls.

Many smaller projects were undertaken and carried out. Each improvement was the subject of much discussion at meetings of the Parents Council, which meant everybody, of all ages. And each meeting held the anticipation of something new accomplished. An attitude of cooperation was taking root in the community. When the president of the college told the community at a picnic that they were setting an example for the rural schools of America, they could not see why any group could fail to do as much as they had done. But they were glad to hear it just the same.

Among the many interests that were expressed, one was shared by all: the community needed a canning plant to can for home use. No individual would build it and there was no apparent source of money. What was to be done?

The principal spoke at the next meeting.

"We have accomplished a lot in the last ten months," he said. "Our school and Ladies' Club are things of which to be proud. The hard work you have put in is reflected in these fine grounds. And your children have learned some very practical and necessary things by working with you, while at the same time they have not neglected the other subjects necessary for high school. We have enjoyed working together and playing together.

"Now we agree that we need a cannery here. It may cost a thousand dollars. No one person can afford to invest that much. This is a new problem, but there is a new way of solving it—the cooperative way. Some fishermen in Nova Scotia used it not long ago to solve the same kind of problem. I want to show you a film about these fishermen."

The discussion after the film indicated that there was not much difference between the methods used by Nova Scotia fishermen in building their cooperatives and those of the community in their school. But the operation of a cooperative—the record keeping, the distribution of earnings—these were new and interesting ideas. It was a way that people could go into business for themselves, and yet all together. Yes, that was certainly the way to get a cannery.

The story of the first cooperative in Toad Lane, England, was told, and at a later meeting another film was shown, showing the growth of farmer-owned cooperatives in other parts of the country. It was hard to believe, but there it was in pictures.

A start had to be made, so a few people said they would put five or ten dollars into a fund for the cannery. A committee was appointed to look for a building and equipment. A new organization was formed—the Cooperative Association. The directors were authorized to see a lawyer about the procedures for incorporation. Another committee was appointed to go out and sell stock at \$2.50 a share. Certificates were run off on the mimeograph. A set of model by-laws was studied and, after some revision, adopted.

The building committee found its building, an old cafeteria, which could be cut in half and moved on a truck to the school grounds. They



Future Farmers of the Alpine, Texas, Chapter have cooperative hatchery project in high school vocational agriculture building.

Photo from The Farm Credit Administration of Louisville

found second-hand equipment and bought it. Two men drove over back roads and tramped across plowed fields to sell certificates.

Meanwhile the women were visiting other canneries, making notes of their ideas for layouts. The county home demonstration agent took added interest in the community, and when the cannery was under way, she brought plans and pamphlets to the council meetings.

When the cannery was finished, with an energetic manager shoveling coal until black smoke welled from the stack and the safety valve was popping with bursts of steam, everybody was on hand with a basket of tomatoes or beans to be the first to can in the new plant. Any arguments were settled by the reasonable suggestion that the first day's canning should all go to the school lunchroom.

At the annual meeting of the Cooperative Association, the following January, the operating statement showed a net margin of 91 cents for the season's business, with all debts paid and a volume of 25,000 cans. The treasurer had handled several thousand dollars, the manager had been paid regularly, and there was plenty of canned food for winter. This new kind of business seemed to work.

Later on, they bought a tractor, with plow, harrow and binder. A hay baler was added, and a cutoff saw. The children followed these developments at meetings, and knew as much as their parents about cooperative business. A cooperative store, which handled all their school supplies, and a bank were opened by the children. Books had to balance, discounts had to be figured, and all this was good arithmetic.

Trips were made to other communities which were also building co-ops, and to schools where interesting projects were under way. Parties became more frequent. People came from other states to be shown around. The student teachers who saw these changes taking place will continue to work for the total growth of the community wherever they go, because they know that communities can grow, and that schools can help them to do it.

FFA Stimulates Local Chapter Cooperative Program

Thousands of high school boys are now members of cooperatives sponsored by local chapters of the Future Farmers of America. This group, popularly known as the FFA, is the national organization of 245,000 farm boys who are studying vocational agriculture in the public schools. It is sponsored by the Agricultural Education Service of the

United States Office of Education, by state boards for vocational education, and by local schools. "Participation in cooperative effort" is one of FFA's aims and purposes.

Teachers of vocational agriculture often stimulate and assist FFA chapters to organize and operate a junior cooperative. In this way, the boys obtain first-hand experience in the organization and operation of a cooperative. In addition, they learn what principles of cooperation must be followed if the venture is to succeed. FFA encourages these chapter cooperatives as educational projects whereby members learn the principles of cooperation that will be so valuable to them as farmers. In fact, cooperative associations are an ideal method for school boys to work together in building up herds of purebred stock, insuring their livestock, selling produce, and purchasing needed grain and supplies for group projects.

Kentucky, as one of the leading states in the number of school cooperatives, has the flourishing state-wide Kentucky Future Farmers Cooperative, Incorporated, which on May 1, 1946, had more than \$6,000 of capital stock issued. Each local Kentucky FFA chapter owns one ten-dollar share of common, or voting stock, and additional shares of preferred stock according to its financial ability. Help in organization comes from the Louisville Bank for Cooperatives and from vocational agriculture teachers in the state. An advisory board of nine boys is elected, one from each of the district federations of Kentucky FFA chapters, to manage the affairs of the state-wide association. Legal control of the Kentucky Future Farmers Cooperative, Incorporated, rests in the hands of the vocational teachers. The volume of business done by the association in 1945 was large. The boys purchased 2,723 crossbred western yearling ewes for \$20,000 and twenty-four carloads of beef heifers and six carloads of steers for \$30,000. Money for these transactions was borrowed from the Louisville Bank for Cooperatives.

A member of the vocational staff in Kentucky recently stated that "if the field of cooperation is to be so much enlarged, we must have a great many people that are good in cooperation—not just a few leaders, but a lot of people who are fitted for cooperative effort both as members and as leaders. We are hoping that this Kentucky Future Farmers Cooperative can help these boys become better members and better leaders in adult cooperatives."

In Iowa the Scenic City Chapter of the FFA in Iowa City, with a mem-

bership of fifty-six boys, has sponsored two cooperative associations, the Crops and Soils Improvement Association and the Iowa Falls Duroc Breeders Association. Achievements of these two groups include:

1. Seed potatoes, 96,800 pounds, were purchased in North Dakota for 473 families, the equivalent of every farmer in two townships in addition to town victory garden growers.
2. Field tests were made of fifty-nine commercial hybrids and the results were published for the farmers' information.
3. Nearly 4,000 bushels of seed grain were cleaned of weeds and foreign matter by the use of the Clipper Fanning Mill owned by the cooperative association and made available for a small fee to members and neighbors.
4. Test plats, using Tama oats, were operated and it was discovered that the variety would yield as much as thirty bushels per acre more than some other varieties at Iowa Falls. Today, more than 90 per cent of the farmers are using Tama oats first introduced by the Scenic City Chapter of FFA. Members and their fathers marketed cooperatively in 1945 a carload (2,502 bushels) of Tama seed oats to a Minnesota cooperative.
5. Seven Duroc herd sires, valued at a total of \$3,060, were purchased and used cooperatively. Members raised 192 litters of purebred Durocs and 1,276 pigs were weaned.
6. In five cooperative sales, 237 purebred Durocs were sold for a total of \$26,281, or an average of \$119.90 per head.
7. From a cooperative elevator were purchased and mixed cooperatively 41,500 pounds of feed materials, on which they received a patronage refund of \$138.

In Oregon the chapter located in the Albany High School operated nine Future Farmer cooperatives in 1944. In addition to providing training in the organization and operation of farmer cooperatives, these Future Farmers saved \$643.07 on their various cooperative activities. This group of young farmers had their cooperatives organized under the general leadership of a manager, an assistant manager, and a secretary, who in turn were responsible to the chapter Cooperative Committee.

In Florida, at Deland, the Future Farmers chapter developed a number of buying cooperatives for members. Seed, feed, fertilizer, and purebred sires were bought cooperatively and used to improve the quality of their crop and livestock projects. This group of young farmers also engaged in

cooperative selling activities to market their products effectively. In addition they grew citrus fruit, vegetables, plants, and repaired farm machinery cooperatively in order to finance their extensive chapter activities. Loans totaling \$180 were made to members on a cooperative basis.

In Connecticut the Future Farmer chapter at Falls Village High School has had cooperative activities underway for a number of years. This group of young farmers and the local farmer cooperative work closely together. During 1944 this chapter cooperatively purchased baby chicks, seed potatoes, and seeds that were used by the individual members for their project programs. The principles of cooperation were taught to these FFA boys in a practical learning-by-doing manner.

In Negro vocational agricultural schools the New Farmers of America carry on many cooperative activities. The same help is given to the New Farmers of America by the United States Office of Education as is given to the Future Farmers of America.

Using the County Extension Service

County extension agents are located in some 3,000 rural counties of the United States. The responsibility of the Extension Service is to provide educational materials and to carry on educational programs with rural people. Most of the activities of the Extension Service Center are at the county level, with relatively small state staffs working with the counties and, in turn, a small federal staff servicing the states.

As the Extension Service has grown, the number of county workers has expanded from one worker, who carried on activities with adult men, women, and youths, to a varying number of county workers who work with special groups, such as 4-H clubs. There are opportunities in 4-H clubs for young people to carry on cooperative activities and these should be encouraged. A recent development is an expansion of the extension activities to work with youths above the 4-H Club age level.

The Extension Service has a great interest in the cooperative movement and for many years has worked closely with local cooperative associations. One of the stated aims of the Extension Service is to "work with organized cooperatives in conducting meetings with members to emphasize member responsibilities to the association and determine how the association can render increased service to members."¹

¹ *A Review of Tomorrow's Educational Problems in Agricultural Economics and Rural Sociology.* Extension Service, U. S. Department of Agriculture, 1945.

Because the Extension Service worker on the county level travels over the territory and knows cooperative leaders and organizations well, the teacher should make use of the knowledge this worker has. It might be possible for the worker to talk with a class in the school or take a group to visit a typical cooperative. His office is often one of the best sources of information on cooperatives since it is in the nearest county seat town and within reach of all the schools.

Local Cooperatives Offer Study Opportunities

There are in almost every community individuals and agencies having to do with agricultural cooperatives and consumer cooperatives. Generally, these include county agricultural agents, county home demonstration agents, farm security supervisors, soil conservationists, and teachers of vocational agriculture and home economics. There may also be Production Credit Associations or National Farm Loan Associations. In many counties there will be found marketing, purchasing, and farm service cooperatives. These afford the best opportunity to learn firsthand about cooperation. In the larger towns and cities will be found many kinds of consumer cooperatives and credit unions.

What an Elementary School Did at Centerville, Minn.

Elementary schools can teach about cooperative associations, although on this level the teaching of "cooperation" among children is generally the more important activity, with little stress given to the study of business organizations.

Minnesota prepared "A Suggested Unit on Cooperation for Upper Grades" in 1939 that was and still is widely followed in many rural schools in that state.

One of the best examples of the teaching of cooperation in a rural school was reported in the April, 1942, issue of *Progressive Education*. When the Centerville, Minnesota, school opened in the fall the children were chagrined to discover that their notebooks were of many different qualities, so they asked the teacher if it would not be possible for them to have a store of their own. The matter was discussed for a week. Someone then suggested that it might be feasible to have a cooperative modeled after the Rural Electric Cooperative, the Farmers' Co-op Creamery, the Farmers' Telephone Company, and the Farmers' Oil Association—all of which were active in that community.

The children wrote to the state capital for information on the laws concerning cooperation. While they were waiting for these facts they made a study of cooperatives in Europe and in the United States. The local cooperatives were also investigated, though all the children were well acquainted with their operation.

In due time the school store was incorporated, shares were sold, and a constitution was accepted. One boy was selected to act as manager for a month at a salary of 5 cents a week; another pupil was clerk for 3 cents. Each month new officials were chosen by the children.

The stock of goods consisted of tablets, pencils, erasers, crayons, note paper, notebooks, cough drops, pen points, paper towels, and soap. Shelves were built and decorated, a counter was erected, and the store was opened in mid-September, when each customer was presented with a zinnia.

The store was a success from the first. To the boys and girls it became a center around which their school work revolved. Every day it was necessary to use mathematics in keeping the books, or a discussion of the Pure Food and Drug Act raised some issue about cooperative quality. Letters were written to order new supplies and to secure information.

At the close of the school year the members of the cooperative met and decided to hold a clearance sale and disband the association. When all the stock had been sold, the sum of \$22 was on hand; four dollars of this was put aside for use in starting a store the next year, six dollars was spent for educational purposes—a trip to the capital, and twelve dollars was distributed in patronage refunds.

It was the conclusion of the teacher that her pupils had gained valuable knowledge in economics through the organization of the school cooperative. More than that, they had learned salesmanship, good taste, and the value of responsibility. Skill in democratic procedure was also a definite outcome of the cooperative store.

PART III

HELPS FOR TEACHING ABOUT COOPERATIVES AND A WISCONSIN RESOURCE UNIT

THE materials in Part III were prepared in the Wisconsin State Curriculum Workshop and are organized in accordance with a general plan being used in the State of Wisconsin. While there is some duplication between Part III and the earlier parts relative to information about cooperatives, it has appeared desirable to preserve the integrity and unity of the various sections of the bulletin. Because the teaching of cooperatives may well be introduced at all grade levels, the instructional suggestions have been handled as a total unit, with special mention being made of the types of differentiation suitable for the various grade levels. Part III has four major sections:

COOPERATIVES AND THEIR PLACE IN THE EDUCATIONAL PROGRAM
WISCONSIN RESOURCE UNITS
WISCONSIN RESOURCE UNIT ON COOPERATIVES
REFERENCES AND SOURCES OF INFORMATION

COOPERATIVES AND THEIR PLACE IN THE EDUCATIONAL PROGRAM

COOPERATIVES can be taught effectively under many differing plans of curriculum organization. There are, however, certain basic considerations which should be observed regardless of the teaching situation. This section will indicate different ways in which the teaching of cooperatives can be handled, and will propose some of the major continuing ideas which should be emphasized.

Suggestions for Teaching Cooperatives

The teaching of cooperatives should be based upon facts. There is no place in the schools for the spreading of misleading propaganda. This is an especially important consideration in a controversial area such as cooperatives. It has seemed appropriate, therefore, to have specialists in the field of cooperatives prepare a series of important considerations in the study of this field. Their recommendations are presented in the following paragraphs.

Emphasis should be placed on the basic principles of cooperation. These include the democratic principles of one man, one vote; limited earnings on capital; and return of patronage refunds. Cooperative practices should be given adequate attention.

The drive toward efficiency in marketing, handling, and processing should be explained. The struggle by cooperatives to raise quality should be emphasized. The fact that cooperation is a system that provides ownership on a wide scale is worth noting. Marketing cooperatives extend producer interest through the field of processing and distributing to the market. Consumers' cooperation makes it possible for purchasers to exercise better control over the quality and price of goods they purchase.

While it is true that cooperatives are non-profit organizations, this fact should not be the only one stressed in teaching about them. It should be pointed out, for example, that farmers have organized cooperatives as an integral part of their farming operation in order that they might achieve an adequate standard of living in family-sized units. Farmers' purchasing and consumer cooperatives often serve as a yardstick to profit business by providing competition so that price values are fairer.

Like any other form of business, a cooperative requires capital. A cooperative must have money with which to operate. If the cooperative borrows from private or federal agencies, it repays with interest, as do the railroads or any other form of business. The children should gain some idea of what to look for, and what is really significant in a cooperative's annual report and financial statement.

Pupils should learn that there are laws, both state and federal, which govern the operation of cooperatives and all other forms of business enterprise. A study of cooperation should include at least the basic essentials to be found in the articles of incorporation and by-laws of a cooperative association.

Inter-cooperative relations existing among different types of cooperatives should be discussed. Young people should know how credit unions, consumer cooperatives, and farmer purchasing and marketing cooperatives operate and how they work with one another. All types of business organizations should be studied in the school curriculum at whatever level children can understand their operation. In no case should the teacher become a blind protagonist for any one system to the exclusion of others. Cooperatives represent one technique for marketing goods or securing goods and services by groups of people having like interests.

Some teachers hesitate to teach cooperation because they fear it is a subject too controversial to handle in the school. This fear has arisen because cooperatives have been under attack recently by those who wish to restrict or destroy them and the competition they provide to other forms of business.

In the United States the cooperative movement is more fully developed among farmers, but the methods used in rural and urban cooperatives are fundamentally the same whether used to satisfy consumer or producer needs. It should make little difference which type of cooperation is taught first, but it is likely that the teacher will select the kind most common in the community.

Agricultural marketing and service associations constitute the major type of cooperative in the United States, both as to the number of organizations and volume of business transacted. Thus a teacher might find that her class or community has a definite common interest as a specific producer group. On the other hand, consumer cooperatives are growing rapidly and in view of our common universal interest as consumers, a teacher might find it more logical and meaningful to consider the consumer cooperative first. Since some cooperatives render service to both consumers and producers, a third alternative would consist of teaching consumer and producer cooperatives simultaneously. Because of the fundamental similarity among cooperatives, the question of which type should be taught first or most extensively is not nearly as important as is the question of how to make the teaching relate meaningfully to our total social and educational structure as well as to the needs, interests, and background of experience possessed by the pupil.

Approaches to the Study of Cooperatives

The United States has no single pattern of curriculum organization, and fortunately the curriculum content is generally determined by the local school. This makes it possible for each school to adapt its teaching program to the particular needs of its children.

Materials on cooperatives can be used in the enrichment of teaching. To achieve success, the teacher must familiarize himself with the basic aspects of the cooperative area as suggested in the following Resource Unit and in the Comprehensive Outline in the Appendix. The teacher is then in a position to enrich his teaching. Surely the importance of wide enrichment reading is now recognized as a most desirable phase of ex-

perience in any school area. The field of cooperatives contains many enrichment books which merit not only general exploratory reading, but intensive analytical effort and thought.

There are certain factors, however, which have tended to standardize the curriculum, such as nationally used textbooks, reports of the national education groups, standardized tests, and state-wide courses of study. While classification of all types of curriculums is impossible, the following summary may be of help to the teacher in suggesting how cooperatives may be taught under differing plans of organization:

1. Cooperatives taught in a separate course.
2. Cooperatives taught in a unit organization within a present subject matter pattern.
3. Cooperatives as part of an integrated program.
4. Cooperatives as an area of a core or of a problems approach curriculum which is developed around fundamental areas of living.

Cooperatives Taught in a Separate Course. Because of the problem of time limitation, and the fact that most teachers are moving toward pupil experiences which involve activities that cut across more than one subject matter field, it is unlikely that separate courses on cooperation will be found in many elementary and secondary schools. However, a separate course on cooperatives may be justifiable.

To those who wish to organize a separate course, the desired outcomes, the guide outlines, the suggested experiences, the valuation suggestions, and the recommended references listed should all be helpful. Then, too, the *Comprehensive Outline of Information Useful in the Study of Cooperatives* (see Appendix) will lend itself admirably, not only as a source from which to obtain suggested content, but as an excellent organization against which to check.

Cooperatives Taught in a Unit Organization Within a Present Subject Matter Pattern. In many schools the curriculum is organized on the basis of a series of planned units offered over periods of time varying from a few days to several weeks. In these patterns, units that are old, obsolete, or of little significance may easily be replaced by ones of greater economic, political, or social value. In other units, content might be condensed or repetitious elements eliminated to make way for the consideration of a new and more significant experience. One or more of the problems listed in the Wisconsin Resource Unit (page 42) would serve as an excellent nucleus around which to develop units. Such a unit might easily be in-

cluded as part of almost any course in social science, consumer and producer education, economics, and rural or urban sociology.

Cooperatives as Part of an Integrated Program. In an integrated program, experiences are organized around broad problems whose solution necessitates cutting across one or more subject areas. In programs of this type values of cooperatives would be brought to the fore when the need or significance of such values might be recognized to achieve the goal set. If such a program is pursued, a summary study during the eighth grade or during the third or fourth year of high school would be of inestimable value. The possibilities of such a study would be threefold:

1. To determine the values meriting consideration which perhaps were unrecognized in the pupil's progress thus far.
2. To organize, in a unified whole, the achievement in the area.
3. To plan continuing experiences in the particular field.

The integrated program is of excellent value. It merits not only the additional planning required in the one-teacher school, but the more difficult and involved planning required on the part of two or more teachers in a multiple-teacher school.

Cooperatives as an Area of a Core or of a Problems Approach Curriculum Which Is Developed Around Fundamental Area of Living. In Wisconsin the integrated program has been referred to as a core or problems approach curriculum. Under this plan pupil experiences may be organized around such significant areas as home life, earning a living, recreation, production, consumption, transportation, and communication. In keeping with the core or problems approach, work is usually started with an inclusive problem chosen cooperatively and based upon pupil or community needs. The selection of core materials is based on two criteria: (1) the social responsibility of the schools in a democracy; and (2) the needs and interests of the children. Learning is considered to be problem solving.

For example, a sixth grade in Springfield, Missouri, started by commenting on scarcities, even in such basic areas as dress material. One child remarked that she had several print dresses which were "perfectly good," but were too small for her. Another jokingly asked if they would fit her. From this conversation came the Sixth Grade Cooperative Toggery Shop. The children found it necessary to have an exact system of bookkeeping and the senior high school bookkeeping class assisted in setting up a system. They wondered if they needed a retailer's license and whether

they should be collecting sales tax. A committee of five went to the court house, armed with a list of twenty questions on taxation to which they needed answers.

Advertising methods next received consideration, and the children got interested in the history of cooperatives. A newspaper story of the project enlisted the interest of a Kansas City cooperative which sent them their publications and other materials. In these the children found a statement that challenged their interest—a claim that cooperatives would be able to do away with the two basic causes of war, the striving for economic gains and for prestige or superiority. From this start, the class soon was digging into history, economics, business administration, civics, and political science to see what they could find out about the causes of wars.

Later developments led to contacts with a cooperative in the South, and to concern over the world food crisis. The teacher comments that “this project has furnished and will continue to furnish countless opportunities for linking the academic content of the curriculum with things that are vital and practical.”¹

Teaching Cooperatives in Selected Subjects

The above sections have suggested how cooperatives might be taught under varying plans of curriculum organization. One proposed approach was the use of existing subject fields. There are several subjects commonly found in modern high schools which lend themselves particularly well to the teaching of cooperatives. Each will be discussed briefly.

Vocational Agriculture. Boys in rural high schools who are taking courses in vocational agriculture can study about cooperatives and participate in their own cooperatives operated as subsidiaries in chapters of Future Farmers of America. Within a few years many of these boys will be farm operators. They need to know how cooperatives work and to experience the benefits secured from membership. Young farmers who are out of school, but who enroll in vocational agriculture designed to meet their needs, should have training and experience in cooperative activities. Adult farmers enrolled in evening classes need systematic education and training in principles and practices of cooperation and also in cooperatives that function in the local community.

One of the best places to learn about cooperatives is at an established

¹ Margaret E. Waespe, “It Can Be Done,” *Educational Leadership*, IV (October, 1946), pp. 48-51.

farmer cooperative. Visits to cooperatives through which students may secure first-hand information on the methods and techniques of organization and operation of the cooperative are very useful. Quite often groups of young farmers attend meetings of the adult cooperative in order to observe democratic procedures.

Both marketing and purchasing cooperatives should be taught in vocational classes. No doubt there will be examples of both types in the rural community. Some possible areas that should be stressed in units are:

- I. Importance of cooperatives in the local rural community.
 - A. Membership, volume of business, types.
 - B. History of local cooperatives.
 - C. Possibility and limitation of farmer cooperation.
- II. Cooperation as a national and international movement.
 - A. United States.
 - B. Other nations.
 - C. History.
 - D. Basic principles.
- III. Methods of doing farm business in the United States.
 - A. Individual business, partnership, private profit corporation, non-profit cooperative corporation.
 1. Advantages and disadvantages of each method.
 2. Advantages and disadvantages of cooperatives.
- IV. Organization of a cooperative.
 - A. Determination of need.
 - B. Legal procedures.
 - C. Selection of personnel.
 - D. Good business practices.
 - E. Education of members.
- V. Cooperation encouraged by farm organizations.
 - A. American Farm Bureau Federation.
 - B. National Grange.
 - C. National Farmers Union.
 - D. National Council of Farmer Cooperatives.
 - E. National Cooperative Milk Producers Federation.
- VI. Employment opportunities in cooperation.
 - A. Types of jobs.
 - B. Wage scale.
 - C. Training needed.

Vocational Home Economics. Girls in home economics classes in rural high schools are concerned about the services which will be available on farms where they will live. Cooperation has done much to make farm life more attractive to women. For one example, rural electrification, which has made cheap power and light plentiful, is largely a cooperative movement. Women like to know that they can buy food for the farm home that meets their standards of price, quality and nutritive value. The cooperative store helps to make this possible. A unit might be set up as follows:

- I. Values of cooperation to the rural farm home.
 - A. Better quality goods and food at lower prices.
 - B. Better farm services, such as electricity, irrigation, and cold storage plants.
 - C. Opportunity for social life and community welfare action.
 - D. Educational values.
 - E. Saving of money benefits the whole family.
 - F. Greater farm income.
 - G. Better health.

Social Studies. Surveys reveal that cooperation is most often considered now in schools in social studies classes. Frequently no more than a mention is made of cooperatives, though in a few schools a unit running for several weeks is planned.

Classes in Problems of American Democracy might well spend time studying cooperation. History teachers often refer to the early history of cooperatives in the United States and the Rochdale Pioneers in England. An outline for possible social studies units follows:

- I. Problems facing the community which might be solved cooperatively.
 - A. Marketing of food and fiber produced in community.
 - B. Purchasing of farm supplies and food.
 - C. Securing of services not otherwise available.
 - D. Providing insurance protection.
 - E. Establishing yardstick for other forms of business: (1) Breaking monopolies. (2) Unmasking fraudulent practices. (3) Setting standard of better quality and of operating methods.
- II. History of cooperation.
 - A. In the United States.
 - B. In other parts of the world.

- III. Economic basis of cooperation.
 - A. How cooperatives work.
 - B. Relation to other forms of business.
- IV. Cooperatives as community organizations.
 - A. Benefits of working together.
- V. Postwar development of cooperation.
 - A. United States.
 - B. Canada.
 - C. Other countries.

Emphasis in Other Classes. Cooperation can be taught in many other classes in the high school. For example, information on rural credit facilities and credit unions should be part of the curriculum of mathematics and business classes. Such classes can make analyses of the quality of goods sold and purchased by cooperatives. English classes can study techniques used by cooperatives to communicate with their members through the written and spoken word. Business classes should consider the cooperative form of business organization along with the forms discussed in the usual textbooks. A prominent place can be given it in the study of insurance and credit. Most business textbooks omit cooperatives entirely.

Literature classes can include the reading of some of the important works which have cooperatives as their central topic—both fiction and non-fiction. Science can use a study of consumer cooperatives in a discussion of the development of new products and the testing of the old.

WISCONSIN RESOURCE UNITS

To aid teachers, regardless of the plan of organization under which they are working, the Wisconsin curriculum program has fostered the provision of suggestions and guides. This section contains a resource unit on cooperatives which has been developed by curriculum committees in Wisconsin working under the direction of the Wisconsin Cooperative Educational Planning Program. It contains planning and teaching aids on both the elementary and the secondary level and implies that teacher and pupil, planning together, will develop a pattern of experiences in keeping with pupil and community needs. The content for experiences and activities of such a pattern may be drawn directly from library, community, and other available sources, or may be drawn from previously prepared resource units.

“Resource units are collections of suggested teaching materials and

activities organized around given topics," says Bulletin No. 5, *Resource Units in the Curriculum Program*, issued by the Curriculum Guiding Committee of the Wisconsin Cooperative Educational Planning Program in October, 1945. Another source points out that "a resource unit is a storehouse from which you may draw activities, ideas, and information to build a teaching project for use in a specific class." The resource unit has also been defined¹ as "a record of exploration made by a teacher or a group of teachers — of the needs of pupils within some broad area of living, of ways in which it is believed those needs might be appropriately met, and of ways for determining whether or not they have been met."

Resource units are being used more and more generally at the present time for several reasons:

1. Resource units provide opportunity for extensive and intensive pre-planning.
2. They may be used in any type of curriculum pattern, varying from the formal textbook type in which enriching experiences are desired to the completely flexible type where teachers and pupils freely select the units they wish to study.
3. They may be used in any teaching field.
4. They serve as a practical help to teachers by acting as a reservoir of usable suggestions on content and method from which the teacher can freely draw. They take the place of the old formal and fixed course of study, and put in its place suggested outcomes, a proposed outline, a variety of possible experiences, suggestions on evaluation, and listed resources from which the teacher and pupil may obtain needed enrichment and further help.

The proper use of resource units is of paramount importance, for unless used properly, the instructional work may degenerate to the inadequate level of the most formal textbook instruction. It must be recognized, first of all, that the resource unit is not a teaching unit. Consequently, no two teachers in the same school will develop identical teaching units from it. In no situation should a teacher use all or, in fact, feel obligated to use any of the material found in a resource unit.

It should also be recognized at all times that pupil-teacher planning is a most fundamental element in the use of resource units. Pupil-teacher planning means that pupils share the responsibility for making important

¹ Mildred Biddick, *The Preparation and Use of Source Units*, p. 3. The Progressive Education Association, 1939.

decisions. These center about such questions as: "What will be done? Who will do this job? When will it be done? Where will it be done? Why will it be done?" Such decisions are made every day in every classroom. They can be made most effectively if the teacher has done some pre-planning, which may well involve obtaining help from resource units at hand. To choose experiences from a resource unit and to impose them autocratically upon a class without pupil-teacher planning not only would rob the pupils of rich planning experience, but would eventuate in a degree of pupil purposefulness little, if any, higher than that obtained from the most formal textbook teaching routine.

It must also be recognized that the use of resource units does not preclude a clear and complete understanding of the area in which the teaching is to be done. The teacher, first of all, must have a thorough understanding of what a cooperative is, and how it functions, and must recognize its basic differences from other types of business enterprise. All too often this knowledge, fundamental to teaching, is badly neglected because of the dearth of reading content in a particular field. There is considerable reading material on cooperation, as is shown by the long list of materials suggested at the end of Part III, and no instructional work in this area need become dull and drab because of an inadequate supply of interesting and challenging reading content.

It is obvious that no one set of objectives can be prepared which will adequately fit all situations. The goals listed in any unit are merely suggestive and cannot be used in toto. It might be well also to bear in mind that many additional goals are likely to be discovered and accepted by each individual learner as the learning process continues and as insight into what is involved develops.

Then, too, the ultimate success of the use of a unit will be determined, in part at least, by the extent to which social skills and habits are developed. Many of the learning experiences suggested in the following resource unit involve considerable committee work, largely because committee work puts into practice the techniques of democratic working together. Too many school procedures overemphasize individual performance. Often a pupil prepares his own lessons, recites when he is called upon, receives a grade for his own efforts, and is interested only in what he can get for himself, all too often without any regard for the consequences to the other fellow. In a committee assignment, the group enterprise becomes a major objective. Opportunity is provided for members of the class

to discover and respect the abilities of others. This opportunity easily becomes the means of learning how best to obtain the benefit of the ability of others in this attempt to solve common problems. The habit of cooperative thinking and acting easily and naturally results if the teacher furnishes the proper guidance. Then, too, each member of the committee perceives the interdependence involved as he becomes concerned with the contribution which he can make to the common endeavor. A greater degree of group or social consciousness is therefore likely to result.

In Wisconsin, resource units conform for the most part to the following pattern:

Significance of the topic.

Brief outline of topics and problems.

Desired outcomes.

Inventory of possible activities.

a. Suggested introductory activities.

b. Suggested developmental activities.

c. Suggested culminating or continuing activities.

Evaluation suggestions.

Listing of material for reference purposes.

WISCONSIN RESOURCE UNIT ON COOPERATIVES

Significance¹ of Topic

It is obvious that Wisconsin's teachers should plan carefully in the cooperative area. For years the state has included a study of cooperatives as a part of its curricular offerings on both the elementary and the high school level. Since 1935 a law has been in effect requiring that both cooperative marketing and consumer cooperation be taught in Wisconsin schools. While this unit was prepared as a part of the Wisconsin program, it is suitable for use in any school program.

Maximum human development can only be achieved through various types of worth-while cooperation. Teachers should provide every opportunity in the classroom, on the playground, and in the community for wholesome participation in those experiences which will contribute to the development of a critical-minded but cooperating personality.

¹ Since the significance of cooperation is already discussed in Part I, it is treated briefly here. As included, it has reference specifically to the lower grade level.

Sharing, give-and-take experience, tolerance, humility, and social responsibility, all of which contribute to cooperation, are developed only as special attention is given to conditions that generate them.

At all times children can be guided to a realization of the cooperative effort involved in the production and distribution of food, shelter, clothing, and the hundred and one things with which they have contact in their daily lives. The use, care, and protection of these also call for cooperative thinking and doing.

Education in cooperation should, as far as possible, be in keeping with general educational growth. In accord with educational growth should come richer group living, more inclusive group planning, and more group evaluating.

Suggested Topics and Problems

Listed here are a few problems that will suggest to the teacher the possible scope of a teaching unit or a series of units. The comprehensive outline of content in the Appendix should also be consulted.

GRADES 1 TO 6

1. Who are our community helpers, how do they help us, and how can we help them?
2. How does our country help us and how can we help our country?
3. How can we cooperate in making our schoolroom and its surroundings more cheerful and adequate for happy living?
4. How can we plan together to make our play periods more successful?
5. How can we make our group meetings most successful?
6. How can we cooperate in using our work and play materials more effectively?
7. How can we be most helpful to the teacher and others during the school day and at dismissal time?
8. How can we put democratic ways of life into practice?
9. What makes a good leader?
10. How can we share in the work of the home, the school, and the community?

GRADES 7 TO 8

1. What is a cooperative? How can one determine if a business is organized as a cooperative? How is a cooperative business organized? What services are performed by cooperatives in your community? Compare cooperatives with other forms of business.
2. How do cooperatives operate in your community?
3. Why do we have cooperatives? What caused cooperatives to originate?

- How did cooperatives serve the needs of the people? What developments have occurred in cooperation? Compare the efficiency of cooperatives with that of other forms of business in meeting certain community needs.
4. What are the values of cooperatives? What economic values can you attribute to cooperatives? To what extent do other forms of business contribute to these values? What social improvements can you credit to cooperatives? Have cooperatives improved living standards? How have these improvements affected the mental, moral, and spiritual life of their beneficiaries?
 5. What place does the future hold for the cooperative movement? What growth have cooperatives made in Wisconsin? In the United States? Does past development of cooperatives imply future growth? In what fields do you think there is need for cooperative development in the future? Can communities or other areas become over-organized with cooperatives? Can you foresee dangers in inter-cooperative competition? In the elimination of private enterprise by cooperative action? Do cooperatives offer future vocational opportunities for you?

GRADES 9 TO 12

1. What is cooperative association?
2. What are the purposes and aims of cooperatives?
3. What are the principles and practices of cooperatives?
4. How does the cooperative method of doing business compare with that of the profit corporation?
5. How does the cooperative method work in actual practice?
6. To what extent have cooperatives developed in our community, state and nation? (See item 14 of Developmental Activities for a suggested guide to the study of a local cooperative enterprise.)
7. To what extent has the cooperative movement developed abroad?
8. What have been discovered to be the essentials for success or cause of failure in cooperatives?
9. What is the reasoning of those who are opposed to cooperatives or skeptical of their possibilities?
10. Does the cooperative method offer any desirable solutions to the problems which confront us as producers and consumers and does it make any contribution to the "art" of living together?
11. How are present-day trends likely to affect the future of the cooperative movement?
12. What vocational opportunities does the field of cooperative enterprise offer, and how may these opportunities be achieved?
13. What advantages are obtained through cooperative effort?
14. What types of business enterprise have we about us, and what are the characteristics of each?

15. What vocational opportunities are available in the field of cooperatives, and what advantages and disadvantages do they appear to have?
16. How can we best obtain our money's worth in the things we buy and sell?
17. What needs in our school or community can best be met by means of the cooperative method?
18. What contributions can the cooperative method make toward world peace?

Desired Outcomes

The following suggestions of desired outcomes are proposed as guides to teacher-pupil planning.

GRADES 1 TO 6

The pupil should:

1. Strive for both personal and group improvement.
2. Realize that many people help us daily in many ways.
3. Recognize that achievement for the larger purposes in life comes through wide cooperation.
4. Understand how people buy, sell, and exchange goods.
5. Strive for peace and progress through discussion and common understandings.
6. Develop criteria for judging the qualities of both a good leader and a good follower.
7. Realize that people have within their grasp the tools with which to fashion their own destiny.
8. Realize that an informed group is essential for intelligent group action.
9. Appreciate that all honest labor is respectable.
10. Understand the simple concepts of cooperative living.
11. Recognize that there are more likenesses than differences among people and that differences do not necessarily imply inferior characteristics.
12. Realize that self-discipline is necessary for either worth-while individual or group living.
13. Recognize a problem, plan for its solution through data gathering, and draw valid conclusions.

GRADES 7 TO 8

The pupil should:

1. Develop a realization that people often can accomplish more working together cooperatively than individually.
2. Gain a realization that cooperatives are a way people have of helping themselves.
3. Gain a realization that cooperatives are one type of business forming a part of our economic system along with private business and public corporations.

4. Gain ability to work better cooperatively.
5. Develop respect for the opinions of others and their right to express them.
6. Understand the value of individuals and groups helping themselves before seeking assistance elsewhere.
7. Learn to approach contemporary issues with an open mind and a desire to secure the facts and use them to form intelligent opinions.
8. Gain an appreciation of the part cooperative action plays in keeping with democratic ideals and in strengthening them.
9. Know that cooperative action is a practical approach within the reach of all to solve many common problems, such as buying, selling and exchanging goods and services.
10. Develop the ability of self-expression.
11. Realize that vocational opportunities exist in the cooperative field.

GRADES 9 TO 12

The pupil should:

1. Understand the meaning of the term "cooperative."
2. Understand the aims and ideals of cooperation generally.
3. Know the aims, principles, and practices by which cooperatives operate.
4. Know the origin and development of the cooperative movement.
5. Understand the problems and conditions that induced the growth of cooperatives.
6. Understand clearly the similarities and differences among the various types of group enterprise: partnership, profit corporation, cooperative corporation, and government enterprise.
7. Develop an expanded interest in, and an appreciation of, the problems of producers and consumers.
8. Distinguish among the different types of cooperatives: producer, marketing, consumer, and service.
9. Recognize the scope and significance of present cooperative activity.
10. Recognize the cooperative as a competitive institution within an economic structure and understand the difference between competitive and cooperative philosophy.
11. Know some of the advantages and the limitations of cooperatives.
12. Understand the arguments for and against cooperatives.
13. Recognize the points of efficiency in existing competitive enterprise.
14. Know how cooperatives differ from government ownership, socialism, communism, and fascism.
15. Evaluate the vocational and leadership opportunities which cooperatives offer.
16. Develop the ability of critical analysis through an evaluation of various types of publicity and propaganda.
17. Know the value of cooperative participation and leadership, and practice

the cooperative techniques of thinking, planning, and acting. These involve the following:

- a.* Analyze the qualities of competent leadership and efficient followership and strive for self-improvement in reference to these attributes.
 - b.* Realize that each personality has a unique contribution to make.
 - c.* Recognize that the values of self-analysis and self-discipline are essentials to efficient group action.
 - d.* Acquire a knowledge of parliamentary procedure and ability to handle formal meetings of reasonable size.
 - e.* Recognize that man can often accomplish much more through cooperative effort than when working alone.
18. Discover the extent to which cooperatives contribute to the improvement of democratic living and offer solutions to some of society's problems.
 19. Develop an attitude of fairness toward both cooperatives and private business, and toward the conflicts which arise out of their consideration.
 20. Acquire greater social sensitivity and more concern for public welfare.
 21. Recognize a bona fide cooperative.

Inventory of Suggested Activities

This list of activities is organized according to introductory, developmental, and culminating activities to emphasize three important phases of teaching-learning activity. Teachers will readily recognize that many of these activities can be used for a variety of purposes.

GRADES I TO 6

Suggested Introductory Activities:

1. Visiting some of the places of business in the community to discover how people procure necessities. If there is a cooperative in the community visit it.
2. Showing a motion picture on cooperatives. There are a number of very good films that may be secured for use in schools.
3. Forming a club of the class in planning play activities.
4. Developing an interest in the way food is grown and distributed. This may lead to a study of the role of cooperatives in this field.

Suggested Developmental Activities:

1. Planning a school party at which the children are responsible for all the activities.
2. Making and selling something produced by the class working together, the income to be used for some class event, such as a picnic or a party.
3. Organizing a loan center for toys, books, and magazines in the classroom.
4. Setting up a cooperative store in the classroom.
5. Organizing a cooperative nursery for the care of younger children.

6. Helping to purchase materials needed for school work.
7. Providing a delivery and errand service for the aged and disabled.
8. Equipping a playground by making needed materials.
9. Inviting speakers who know about cooperatives and other types of business to talk with the children.
10. Listening to radio programs dealing with cooperatives.
11. Making posters and charts about cooperatives.
12. Dramatizing the roles of different business men in the community.
13. Writing plays and acting about cooperation.
14. Reading stories about cooperation and the ways in which the people work together.
15. Writing stories and articles about cooperation for class reports or school papers.
16. Making murals, friezes, charts, cartoons, and graphs on cooperative subjects.

Suggested Culminating Activities:

1. Exhibiting materials to show how different types of cooperatives operate in Wisconsin.
2. Presenting an assembly program in which as many children as possible take some part and reveal what they have learned about cooperatives. A dramatization or skit may be more effective than a narrative report.
3. Organizing a club that will carry on cooperative activities throughout the school year.
4. Organizing a book club that will facilitate the sharing of books or purchase them more reasonably.

GRADES 7 TO 8

Suggested Introductory Activities:

1. Surveying the community to see how various forms of organizations are operating. If a cooperative is near-by, visiting it to see what resources it has to help the pupils in their study.
2. Making a bulletin board display of pictures, charts, graphs, and bulletins showing cooperative growth in the United States and elsewhere.
3. Collecting publications, magazines, books, and bulletins about cooperation. These might be placed on a table or a shelf in the classroom.
4. Seeing motion pictures about cooperatives. A number of good films are available.
5. Surveying the activities of a typical rural community that are, or could be, carried on cooperatively. This would include both marketing and purchasing services.
6. Securing figures from various types of local cooperatives in the community to see how they have operated over a period of years. This might include information on capital investment, volume of business, savings made for members, taxes paid, etc.

Suggested Developmental Activities:

1. Outlining the steps to be taken by a group of people interested in forming a cooperative association in the community. Depending on the class undertaking this study, information could be gathered on such points as educational methods, raising capital, incorporation, sound personnel practices, methods of operation, and bookkeeping devices.
2. Finding out about the operation of cooperative associations in other parts of the world and using the information for dramatic skits, essays, oral reports, etc.
3. Preparing posters, charts, and graphs showing information about cooperatives.
4. Designing cooperative labels or cover designs.
5. Making small wooden or paper toys as a class activity and selling the toys cooperatively. Establishing a fair price, figuring marketing costs, and similar activities would be a good basis for arithmetic problems.
6. Dramatizing a meeting of a board of directors or an annual meeting of a cooperative association.
7. Debating about cooperative issues.
8. Listing the possibilities of new cooperative development in the community.
9. Making graphs to show the growth of local cooperatives.
10. Preparing a pinpoint map to show the location and types of cooperatives in the community or county.
11. Making a map of the United States and showing the location of some of the regional and state cooperatives.
12. Preparing a globe of the world and indicating on it the countries in which cooperatives are most widely developed.
13. Organizing and operating a school cooperative that will serve some useful purpose in the school. Examples of successful school cooperatives are mentioned in this book and many helpful suggestions may be adapted from them to fit local needs.
14. Planning a panel discussion on cooperatives in which various members of the class impersonate such characters as the farmer, the small businessman, the banker, the typical consumer, the manufacturer, and others who are connected with marketing and distribution.
15. Investigating the methods used by the Scandinavian countries to control monopolies and comparing them with steps taken in the United States, paying special attention to the effect of cooperatives on monopolies.
16. Discovering the ways in which farm organizations have encouraged the growth of cooperatives.
17. Finding out why labor unions, political parties, church bodies, educators, and others have endorsed cooperatives.
18. Visiting cooperative housing projects in community, studying about them, comparing their operation with government and private projects.

19. Comparing private and group medicine practices and determining the arguments for and against cooperative or group medicine.
20. Reading the biographies of such cooperative leaders as Robert Owen, Bishop Grundtvig, Edward Filene.
21. Preparing a statistical report on the extent and recent growth in the United States of cooperatives of all kinds. Also for state and county.
22. Studying the Rochdale principles to determine whether their wider application would eliminate some of the wastes in our present economic system.
23. Reviewing the cooperative laws of your state and of the federal government to discover the legal basis for cooperatives.
24. Comparing the rate of failure among cooperatives with that among other business since 1930.
25. Making a job analysis of local cooperatives to find kind of jobs available.
26. Listing those activities which seem to be performed best by private business, by the government, and by groups organized in cooperatives.
27. Investigating credit agencies in the community to discover the prevailing rate of interest on small loans, commodity loans, building loans, etc.
28. Figuring typical interest rates for a loan from a credit union, a local bank, a personal finance company, and other agencies.
29. Studying the extent of the credit union movement throughout the world and comparing its growth with that in the United States.
30. Accounting for the spread between what the producer receives for milk, oranges, wheat, or other products and the price the ultimate consumer pays.
31. Analyzing radio and newspaper advertising of some product over a period of years and noting the techniques used by cooperatives and by other business groups.
32. Studying the growth and expansion of the Rural Electrification Administration cooperatives in your state.

Suggested Culminating Activities:

1. Explaining exhibits to an invited audience so that they will better understand the operation of cooperatives.
2. Keeping scrapbooks which might include accounts of excursions, committee reports, pictures of places visited, pictures of other cooperatives—in fact, all the experiences that the class wishes to record.
3. Preparing stories and reports that might be printed in the school or community paper. If there is a local radio station, a broadcast might be arranged.
4. Visiting a regional or national cooperative organization.
5. Writing and producing a play about cooperatives.
6. Conducting a cooperative business essential to the school.

GRADES 9 TO 12

Suggested Introductory Activities:

1. Showing a movie, such as those suggested in the Appendix or in the resource unit for upper grades. In the event that you do not have a projector, this service can very likely be obtained from a co-op field man or the county agricultural agent.
2. Visiting a cooperative to learn of its plan and purposes. If several types are operating in the community, a visit to one of each type would be highly desirable.
3. Attending a local cooperative meeting to learn of the plan of procedure, the participating of members, and the values emphasized at the meeting.
4. Making a survey of business enterprises of the community to discover those organized as cooperatives.
5. Interviewing members of local cooperatives to learn why they joined and the advantages they enjoy or the disadvantages which they experience through membership.
6. Inviting a cooperative study club to present a panel discussion on "Problems of Cooperatives in Our Community."
7. Collecting statistical data with which to formulate mathematical problems to show comparative costs of individual and cooperative marketing and purchasing.
8. Writing state officials, such as the Chief of Division of Markets, State Capitol, Madison, Wisconsin, for set of the Articles of Incorporation and By-Laws for cooperatives; also copy of Wisconsin Cooperative Law.
9. Writing the Extension Division, College of Agriculture, for bulletins and leaflets on cooperatives and cooperation.
10. Writing the Cooperative Research and Service Division, Farm Credit Administration, Washington, D. C., for bulletins on cooperatives.
11. Writing to the REA for literature on its accomplishments and present organization.
12. Making a survey of your own library for materials on cooperatives.

(NOTE: See unit for Grade 7 to 8 for other initiatory activities.)

Suggested Developmental Activities:

1. Surveying the community for types of cooperative activity under way. What has been gained through working together which could not have been realized working alone? (School provision and maintenance, church provision and maintenance, and the provision of municipal services are illustrative.)
2. Making a survey of the commodities produced in the community and of some of the major commodities consumed, and indicating evidences of cooperative effort in the marketing or purchasing of these commodities.

3. Visiting cooperatives in the community and determining their methods and plans of operation. (These visits are to establish readiness. Questions and problems should be raised.)
4. Tracing the steps involved in the production, processing, and distribution of two or three important consumer goods which are consumed but not produced in the community. Can all these steps be justified?
5. Identifying the various types of business enterprise operating in the community. Through small committees contact a person or two who is a representative of each type of enterprise and have him give the advantages and disadvantages of the type of enterprise which he represents. Giving a brief description as to how each operates. The description should include identification of single ownership, partnership, corporation, cooperative corporation, and governmental operation.
6. Listing the fields of activity which cooperatives have entered.
7. Enumerating reasons why some services and products are more adaptable than others to cooperative enterprise.
8. Studying the fundamental principles adopted by the Rochdale pioneers, and giving reasons or need for the inclusion of each.
9. Consulting references for cooperative principles recognized and practiced by various types of cooperatives. What elements of similarity and what points of difference are found in these?
10. Studying credit unions and discovering how they have contributed to producer and consumer welfare. For example, consider the Wisconsin Teachers Credit Union in this respect.
11. Investigating cooperative efforts in any of the following fields: medicine, banking, farm credit associations, insurance, rural electrification, irrigation, soil conservation, dairy herd improvement, etc.
12. Making a study of the difficulties confronting consumers when attempting to determine the quality and value of goods. What means have been developed to protect the consumer? How successful?
13. Finding out what cooperatives do to acquaint the producers with the type of products consumers want. Why should they be interested in doing this?
14. Making a detailed study of local business cooperatives as suggested by the following outline:
 - A. How the cooperative method works in a local association:
 1. Organization: when, why, how, by whom.
 2. Membership and personnel.
 - a. Membership.
 - (1) Number.
 - (2) Per cent of community producers or consumers on membership lists.
 - (3) Non-members served.
 - b. Board of directors.

- (1) How elected.
- (2) Activities and responsibilities.
- (3) Limitations on powers.
- c. Manager and other personnel employed.
 - (1) Size of staff and their services.
 - (2) Relationships with members.
 - (3) Educational and social activities.
- d. Characteristics and qualifications of *good* members, directors, and managers.
- e. Control of policy.
 - (1) How democratic control of policy is attained.
 - (2) Nature of reports made to members.
- 3. Facilities and financial investment.
 - a. Size—capacity—equipment.
 - b. Investment (original and present).
 - c. Shares—kinds—number—value.
 - d. Indebtedness.
- 4. Conduct of business.
 - a. Goods handled and services rendered.
 - b. Expenses, reserves, net worth.
 - c. Bookkeeping procedures.
 - d. Credit policy.
 - e. Method of securing additional capital for expansion.
 - f. Distribution of savings.
- 5. Manner of stimulating growth.
- 6. Accomplishments attributed to this association.
 - a. Securing change in prices?
 - b. Extended marketing or service area?
 - c. Lowered marketing or service costs?
 - d. Providing goods or services not otherwise available?
 - e. Extended information and knowledge for greater understandings?
 - f. Improved or standardized quality of products?
 - g. Economic, social, and educational effects upon community?
- 7. Reasons for successes or failures of this association.
- 8. New problems facing the cooperative.
- B. Relationship of the local association:
 - 1. To other cooperatives in the same field. (Is it independent, federated, or a local unit of a centralized organization?)
 - 2. To general farm and consumer organizations.
 - 3. To other competing agencies in the area.
 - 4. To the general public.
- C. Federation of local societies to form a society for wholesale operations:

1. Structure of a wholesale.
2. Purpose.
3. Federation of wholesales.
- D. How the practice of the cooperative method in a wholesale differs from that of a local cooperative association:
 1. Control of policy.
 2. Securing needed capital.
 3. Functions which wholesale can do more effectively than a local association.
15. Becoming familiar with the history of the cooperative movement in the state. (Include various types.)
16. Discussing the present status of cooperative activity in the state. Include both cooperative marketing and consumer cooperatives in the discussion.
17. Conducting a survey to determine the primary interests and concerns of farmers in the community. What implications do the findings have for cooperatives? As a class project develop a questionnaire for interviews.
18. Making graphs portraying various aspects of the cooperative movement; for example:
 - A. One showing the periods and extent of rise and decline in cooperative marketing over the past forty-year period.
 - B. One showing the periods and extent of rise and decline of consumer cooperation over the past forty-year period.
19. Giving the substance of the following federal laws relating to cooperatives:
 - A. Sherman Anti-Trust Act of 1890.
Clayton Act of 1914.
Capper-Volstead Act of 1922.
The Agricultural Marketing Act of 1929.
 - B. The extent to which our government encourages cooperative and private business enterprise. How? Why?
20. Tracing the origin and growth of the REA in order to determine what contributions it has made to rural life.
21. Finding out what has been the cooperative experience in Great Britain. The following are areas which may be considered:
 - A. Conditions that stimulated cooperative attempts.
 - B. Communal societies and labor exchanges.
 - C. Rochdale Pioneers.
 - D. Cooperative Wholesale Society.
 - E. Agricultural supply societies.
 - F. Cooperation in Ireland.
22. Listing the principal contributions of cooperatives in:
 - A. Belgium.
 - B. Switzerland.
 - C. France.

- D. Denmark, Finland, Norway, Sweden.
 - E. China and Japan.
 - F. Czechoslovakia.
 - G. Canada.
 - H. Other countries.
23. Dramatizing a situation in which a class member solicits another person for membership in a cooperative.
 24. Listing the legal aspects that should be considered before organizing a cooperative.
 25. Discussing the following problem: It is sometimes said that a cooperative is a form of democracy in business. As such, what rights do individual members possess, and in what way should their responsibilities parallel these rights?
 26. Considering the following problem: An efficient general manager is essential to the successful operation of a cooperative. He should possess desirable personal qualities and a high degree of executive ability. List the qualities you feel he should possess in keeping with the foregoing qualifications.
 27. Through contact with people who were members or officials of cooperatives which have failed, finding out why such failures occur.
 28. Finding out about a membership contract: What does it usually include, and for what reasons is it used? Obtain membership contract or shares from local cooperatives.
 29. Giving the history of a few highly successful marketing associations, and a few highly successful consumer cooperatives. Two or three of each of the following types should be chosen:
 - A. Marketing.
 1. The California Fruit Growers Exchange.
 2. Land O'Lakes Creameries, Inc.
 3. Equity Cooperative Livestock Sales Association.
 - B. Consumer and Farm Supply Purchasing.
 1. Central Cooperative Wholesale.
 2. Midland Cooperative Wholesale.
 3. Farmers Union Central Exchange, St. Paul.
 4. Farmers Equity Union.
 30. Listing the elements which should be included in a program of sound finance for a cooperative. Include the following:
 - A. Why is capital needed?
 - B. How may capital be obtained?
 - C. Types of loans possible.
 - D. Plans for the repayment of loans.
 31. Finding out what the state and federal government's policy is relative to the taxation of cooperatives. What are the opinions of many private citizens and organizations relative to this taxation question? (Some

say that the tremendous growth of cooperatives is due to the fact that cooperative patronage dividends are not taxed. They want Congress to tax these dividends. This request stems from the belief that profits and cooperative patronage earnings are the same, and since profits are taxed the feeling is that patronage earnings should also be taxed. Cooperatives, on the other hand, maintain that such earnings and profits are not the same. (See *Fortune Magazine*, October, 1945.) If you were a Congressman confronted with these issues, how would you vote?

32. Making a study of the degree to which private retailers and other private business organizations have formed cooperative associations to obtain for themselves the advantages of cooperative effort.
33. Formulating problems which involve the mathematical work required in cooperative accounting:
 - A. For example, a cooperative did an annual business of \$79,973.27. The cost of merchandise sold was \$61,878.75. The operating expense for the year was \$14,517.54, while a 4% dividend on capital stock amounted to \$545.60. Federal taxes paid were \$170.60. Income from other sources was \$2,418.40.
 1. What amount was distributed as patronage dividends?
 2. What was the percentage of patronage refunds on sales?
 3. What would a patron's dividend be if he purchased \$825.00 of goods through the cooperative association?
 - B. Other problems may be developed, such as how share costs and number of shares to be issued are determined, how patronage dividend records are kept, and so on.
34. Collecting samples of bookkeeping forms used by local cooperatives. Why are careful and complete records essential to the success of cooperatives as well as other business enterprises?
35. Interviewing the bookkeeper or manager of a cooperative to collect samples of an inquiry on:
 - A. How a record of purchases is kept.
 - B. What the monthly operating statement discloses,
 - C. The importance of percentages in measuring the success of the cooperative business.
36. Collecting annual statements from the managers of various cooperatives. Ask them to underline on each the items that most clearly reveal the true state of the business:
 - A. What does each term mean?
 - B. What do these items tell the reader: net margin, taxes paid, undivided gain, discounts received, inventory, accounts receivable, and wholesale refunds.
37. Securing the two pamphlets, "Learning the Language" and "Reading Between the Lines," from the Cooperative League of the U. S. A. or similar pamphlets from the Farm Credit Administration, "Sizing Up



A Demonstration Class

*Taylor County Normal, Medford, Wisconsin.
Co-op demonstration by demonstration school.
Orvus Dodsworth, Principal.*

Your Co-op" and "Managing a Farmer's Co-op," or similar materials from your Department of Markets on how to analyze the operating statement of a cooperative. After studying these, make a check list that can be used to judge the efficiency of a cooperative.

38. Discussing the following problem: The following have often been given as weaknesses of a cooperative. Using them as a guide, prepare a rating scale, consulting members of several different cooperatives to determine how their cooperative stands up under such a scale:
 - A. Unnecessarily large bank accounts.
 - B. Too much cash on hand.
 - C. Too much capital tied up in fixed assets.
 - D. Capital tied up in accounts receivable.
 - E. Overstocked inventory or duplication of merchandise.
 - F. Overbuying resulting in low turnover.
 - G. Unrelated items of merchandise.
39. Obtaining an outline of the educational program which the following organizations have developed. You may wish to invite the education director of some of these to appear before your class for an informal discussion or as a resource adviser: your local co-op, your nearest regional wholesale (fieldman); state farm bureau, county farm bureau (organizational director), farmers union, grange. Ask each to provide you with this information:
 - A. What are the objectives of your educational program?
 - B. What is done to achieve these objectives?
 - C. How do you provide for:
 1. Membership understanding?
 2. Community service?
 3. Public relations?
 - D. List the activities provided for:
 1. Youth.
 2. Adults.
 3. Cultural development.
 - E. Is the educational program for your members only, or for the whole community?
 - F. What, in your estimation, is the organization's responsibility for strengthening your community?
40. Consulting the educational director or the manager of a co-op and with his help preparing the outline of an educational program that can be sponsored by the co-op in this community.
41. Obtaining publicity material:
 - A. Of cooperatives.
 - B. Of the National Tax Equality Association.
42. Analyzing the above publications to answer these questions:
 - A. Is it authentic?

- B. Are conclusions supported by facts?
 - C. Is it easy to understand?
 - D. Does it use pressure beyond the force of logic and facts?
 - E. Does it respect the views of others?
 - F. Does it make a constructive contribution to the reader's knowledge or decisions?
 - G. Is the source of information clearly identified?
 - H. Is it free from the use of destructive propaganda?
43. Preparing a collection of booklets, clippings, and quotations that demonstrate the attitude of the following toward the cooperative endeavor; if possible, interview the leaders in the field:
- A. Churches.
 - B. Labor organizations.
 - C. Political parties.
 - D. Business organizations.
 - E. Other groups.
44. Preparing a list of governmental services which are cooperative in nature.
45. Becoming familiar with the vocational opportunities and requirements in the cooperative movement. Information may be obtained from a large cooperative wholesale association as well as a local cooperative association.
46. Considering how the cooperative movement has contributed and can contribute to world peace.
47. Discussing issues such as the following (these statements are not necessarily true; the challenge to the pupil lies in the extent to which he would modify them, or agree or disagree):
- A. It is possible and desirable for private business, cooperatives, and government owned enterprises to operate at the same time in a given community.
 - B. The best way to get your money's worth as a consumer, or to protect your interests as a producer, is through cooperatives.
 - C. The principles are excellent, but the cooperative idea operates too slowly to bring about effective reforms.
 - D. The cooperatives are striking at the foundation of American progress by destroying individual opportunity and private ownership.
 - E. Cooperatives can raise the American standard of living and lay the foundation for economic democracy in America.
 - F. Insurance, medical, and housing cooperatives are not capable of furnishing dependable service in the United States.
 - G. The consumer's cooperative movement is a democratic middle way between fascism and communism.
 - H. Cooperative principles, if put into operation, would build a peaceful world.

- I. Cooperatives enjoy an unfair advantage over other types of business organizations.
 - J. Cooperatives are both a school and an agency for democracy and Christianity.
48. Discussing problems such as these:
- A. Harland Allen, business analyst of Chicago, stated: "Monopoly is so well entrenched in this country that it is no longer subject to legal destruction. It can only be destroyed by competition able to stand up against it." The educational director of one of the cooperative wholesales says: "The big fight is to keep our economy relatively free from cartel and monopoly control. The war inadvertently has accentuated the process, thus making the problem stand out in bolder relief." Discuss the nature and effect of cartels and monopolies. Can or cannot the cooperative method do anything constructive about these?
 - B. The following statement is taken from *Our Changing Social Order* by Gavian, Gray, and Groves (p. 642): "Our basic problem is to produce a larger national income measured in goods and services. We have the plant and equipment, the labor supply, and the natural resources. The obstacle seems to be the lack of purchasing power among the masses of people. They are not able to buy all the output of our existing productive mechanism." Does the cooperative method have anything constructive to offer in answer to this problem?

Suggested Culminating Activities:

1. Developing a score card with which to evaluate your school from the standpoint of cooperation. The following may be suggestive:
 - A. Cooperation in the maintenance of the classrooms, library, halls, and lavatories.
 - B. Cooperation on the playground and in the gymnasium.
 - C. Cooperation in the planning of pupil experiences.
 - D. Cooperation in the evaluation of experiences and school activities.
 - E. Cooperation with the community.
2. Setting up and carrying on a consumer or producer type of cooperative for the application of values gained in the study of the area.
3. Developing a panel in which you discuss "Cooperatives of the Past, Present and Future."
4. Arranging a round table in which you have members represent the outstanding cooperative personalities of the past and present. Have each representative give the contribution the cooperative leader tried to make to the cooperative cause.
5. Arranging a round table in which you have a class member represent

each country, and giving the substance of what his country is doing to further cooperatives.

6. Evaluating scrapbook and continuing its development.
7. Developing an effective bulletin board display which summarizes the story of cooperatives.
8. Arranging for presentation at an assembly a round table in which you have members represent different points of view regarding cooperatives.

Evaluation Suggestions

To be effective, evaluation should be continuous, have the full participation of pupils, and be directly related to purposes and activities of a particular class. The following suggestions must, therefore, be used with care and understanding.

GRADES I TO 6

1. Is each child willing to assume responsibility and share responsibility?
2. Does each child help?
3. Does each child share?
4. Does he wait his turn?
5. Does he sometimes follow others?
6. Does he use materials wisely?
7. Is the child growing in his ability to evaluate and does he seek improvement?
8. Does the child participate in planning?
9. Does the child have friends, people of varied ages, who like him?
10. Does the child "get a kick" out of life—does he run, jump, play games, and so on?

GRADES 7 TO 8

1. Do pupils show growth in appreciation and understanding of:
 - A. The hardships people face and how cooperation has resulted in economic advantages, self-reliance, and the ability to work together?
 - B. Cooperative principles?
 - C. The historical development of the cooperative movement?
 - D. Contributions which other farm organizations have made?
 - E. The economic life of the home, the community, the nation and the world?
 - F. Open-mindedness toward all forms of development and change?
 - G. Differing economic conditions throughout our nation and the opportunity in America for people to take their destiny in their own hands?
 - H. Respect for democracy and how it functions?
 - I. The possibilities for a fuller life which cooperative action can bring

to a community through services, savings, education, and job opportunities?

2. Do pupils show increased skill in methods of scientific inquiry?

GRADES 9 TO 12

1. Do pupils show growth in appreciations and understandings of:
 - A. The opportunities which a cooperative society affords man for his highest level of achievement?
 - B. The extent to which life is becoming more and more complex, and the obvious need for group planning and group purposing in peace as in war?
 - C. The contribution which efficient production, orderly distribution, and intelligent consumption make to the life and living of our people?
 - D. The way our democracy functions?
 - E. The value of the elimination of fraudulent practices through legislation, the clarification of many consumer problems through process and package standardization, and the advancement of consumer intelligence generally through education?
 - F. The fact that, while the government has a definite responsibility for helping and safeguarding its people, a higher level of life and living consists in the development of a high social-personal idealism, and of living a life in keeping with that idealism and doing the things that need to be done without governmental aid and direction?
2. Do the pupils show development in attitudes of:
 - A. Scientific inquiry?
 - B. Critical analysis?
 - C. Respect for democracy?
 - D. World-mindedness?
 - E. Consumer values?
 - F. Human concern generally?
3. Do the pupils show skill in:
 - A. Reasoning thoughtfully and logically?
 - B. Expressing themselves clearly?
 - C. Working cooperatively?
 - D. Computing accurately?
 - E. Reading critically?
 - F. Interpreting the past wisely?
 - G. Interpreting the present intelligently?
 - H. Planning for the future confidently?
4. Do the pupils have sufficient information or knowledge about the cooperative business method?
5. Do the pupils show potentiality of intelligent participation in general life activities relating to cooperatives?

REFERENCES AND SOURCES OF INFORMATION

Good materials are essential to any study of cooperatives. While certain basic materials should be available in all schools, pupils can collect other material during their study.

Pupil References

A School Project on Consumer Cooperation. New York: Cooperative League of the U. S. A., 1943.

A booklet outlining a cooperative project that can be used in all or any of the school grades.

Alannae, V. S. *Fundamentals of Consumer Co-operation.* New York: Cooperative League of the U. S. A., 1946.

Short summary of consumer cooperative principles suitable for class use.

Bell, Florence C. *Farmer Cooperatives in Wisconsin.* Washington, D. C.: U. S. Farm Credit Administration.

Describes the progress cooperatives made in the one hundred years of existence in Wisconsin. The pamphlet is very informational and factual. It gives the history and progress of the many types of cooperatives in Wisconsin. (Upper grades and high school.)

Beran, Don. *Neighbors Build America.* Madison, Wisconsin: Midland Cooperative Wholesale, 1946.

An illustrated booklet for elementary school children which contains stories and study activities that help children understand meaning of the cooperative movement. One of the best for these grades.

Bolles, Joshua K. *The People's Business, The Progress of Consumer Cooperatives in America.* New York: Harper & Brothers, 1942.

Readable story of regional cooperatives with emphasis on purchasing groups.

Building America. "Cooperatives." New York: Americana Encyclopedia, 1946.

A picture-magazine study of cooperatives.

Campbell, Wallace J. *Here Is Tomorrow.* New York: The Cooperative League of the U. S. A. Revised 1946.

Well written, inexpensive survey of consumer cooperative growth in the United States.

Chase, Stuart. *The Story of Toad Lane.* New York: The Cooperative League of the U. S. A. Revised 1946.

The fifteen-page pamphlet tells the story of the twenty-eight weavers of Rochdale, England, and how they founded the cooperative system that spread around the world. It shows the progress of the Rochdale Pioneers during their one hundred years of existence and how it applies to our way of life. (Upper grades and high school.)

Coady, M. M. *Masters of Their Own Destiny*. New York: Harper & Brothers, 1939.

A Catholic leader tells of the changes co-ops have made in Nova Scotia.
Coady, M. M. *The Social Significance of the Cooperative Movement*. New York: The Cooperative League of the U. S. A., 1945.

A fine interpretation of the social significance of the cooperative movement. (Senior high school and adult.)

Cooperation, Principles and Practices. Madison, Wisconsin: University of Wisconsin Extension Service.

Describes the development by many Wisconsin farm groups of cooperative associations which have been successful in assembling, grading, processing, manufacturing, and marketing farm produce. Also how they extended principles and practices to cooperative purchasing, mutual insurance, and cooperative furnishing of credit, etc. (High school.)

Cowling, Ellis. *Cooperatives in America, A Short Introduction to Consumers' Cooperation*. New York: Coward-McCann, 1938. (Revised, The Cooperative League of the U. S. A., 1943.)

Tells the story of consumer cooperatives. (High school.)

Daniels, John. *American Cooperatives—Yesterday, Today, Tomorrow*. New York: New Leader Publishing Association, 1945.

Well-balanced analysis of American cooperatives which tells about both marketing and purchasing groups.

Dankers, W. H. *Some Legal Requirements for Cooperative Associations*. Madison, Wisconsin: University of Wisconsin Extension Service, 1945.

Gives the legal requirements for cooperatives in the state of Minnesota. (Upper grades and high school.)

Dankers, W. H., and Killer, E. F. *A Survey of Member Factories of Minnesota Cheese Producing Associations*. Minneapolis, Minnesota: University of Minnesota Extension Service, 1945.

The organization, management and operation of cheese cooperatives. (High school.)

Froker, Rudolph K. *Farmers' Purchasing Associations in Wisconsin*. Madison, Wisconsin, Experiment Station, Bulletin No. 20, 1937.

Provides information on the development, present status, and operation of farm cooperative purchasing associations in Wisconsin as a means of showing the nature, extent, efficiency, and problems of this type of cooperative in the state. Statistical in nature. (High school.)

Galton, Lawrence N. "The Kids Love It." Reprint from *Saturday Evening Post*, December 8, 1945.

A story of Skokie Junior High School in Winnetka, Illinois, and how the pupils conducted their own insurance company, bank, and store. (Upper grades and high school.)

Goodell, M. R. *Cooperative Marketing and Consumers' Cooperative Handbook, Book V*.

Gunterman, Joseph. *The Goolibah Tree*. New York: The Cooperative League of the U. S. A., 1946.

A humorous and delightful book, illustrated in color, understandable by young children—bringing out the spirit of cooperation. (Lower grades.)

Hensley, Harry C. *Sales and Distribution Policies of Cooperative Canneries in the United States*. Washington, D. C.: Farm Credit Administration, 1941.

A statistical report on the cooperative canning industry. (High school.)

Koller, E. Fred. *Better Creamery Returns*. Minneapolis, Minnesota: University of Minnesota Extension Service, 1942.

Methods used in cooperative creameries of Minnesota. (High school.)

Land O'Lakes Creameries. St. Paul, Minnesota, 1946.

Description of the organization of the cooperatives for the manufacturing and marketing of butter and other dairy products.

Lister, John H. *Cooperative Manufacturing and Distribution of Fertilizer by Dry Mix Plants*. Washington, D. C.: Farm Credit Administration, 1941.

Information on organization and methods of operation of small plants for the manufacture and distribution of fertilizer. (High school.)

Matheson, Helen. *Porky, Rorky Goes Co-op*. Winnipeg, Canada: Manitoba Federations of Agriculture, 1944.

An interesting story portraying the cooperative idea which can easily be understood by young children. (Lower grades.)

Stailey, Robert. *There Were Two Men*. Columbus, Ohio: Ohio Farm Bureau Cooperative, 1943.

A humorous parable showing how cooperatives develop and how they operate. (Middle and upper grades.)

Stailey, Robert. *There Were Three Men*. New York: Cooperative League of the U. S. A., 1944.

Similar to the above pamphlet. (Middle and upper grades.)

Stewart, Maxwell S. *Credit Union*. New York: Public Affairs Committee, 1941.

Stewart, Maxwell S. *Cooperatives in the U. S. A.* New York: Public Affairs Committee, 1941.

Both these Public Affairs pamphlets are well written.

(The) *Story of California Oranges and Lemons, Sunkist Growers*. Los Angeles: California Fruit Growers Exchange, 1943.

History of the citrus growing industry from the beginning until now. *Working Together*. Milwaukee, Wisconsin: Equity Cooperative Livestock Sales Association, 1944.

Ten years of progress. A story of the wonderful growth of a business owned and controlled by farmers. (Upper grades and high school.)

Teacher References

American Institute of Cooperation. *American Cooperation*. Washington, D. C.: The Institute; annual volumes, 1924 to date.

American Forum of the Air (Bulletin of). *Should All Co-ops Pay Federal Income Taxes?* Washington: Ransdell, Inc. May 6, 1947. (10 cents.)

America's Town Meeting of the Air (Bulletin of). *Which Way Capitalism, Competition or Cooperatives?* New York: Town Hall, Inc., January 9, 1936. (10 cents.)

Are Cooperatives a Threat to Private Business? April 17, 1947. (10 cents.)

Bakken, Henry H., and Schaar, Marvin A. *The Economics of Cooperative Marketing*. New York: McGraw-Hill Book Co., 1937.

A sound treatment of cooperative marketing.

Benton, Alva H. *Introduction to the Marketing of Farm Products*. New York: A. W. Shaw Co., 1926.

Beran, Don. *Consumer Cooperatives*. Madison, Wisconsin: Midland Cooperatives.

Burley, Orin E. *The Consumers' Cooperative as a Distributive Agency*. New York: McGraw-Hill Book Co., 1939.

Childs, Marquis W. *Sweden—The Middle Way*. New Haven: Yale University Press, 1936.

One of the best known books on cooperation abroad.

Coady, M. M. *Masters of Their Own Destiny*. New York: Harper & Brothers, 1939.

A Catholic leader tells of the changes co-ops have made in Nova Scotia.

Carr-Saunders, A.M.; Florence, P. S.; Peers, Robert, et al. *Consumers Cooperatives in Great Britain*. London: George Allen and Unwin Ltd., 1938.

Survey of cooperation in Great Britain.

Commercial Supplementary Teaching Material. Consumers Education Study. National Association of Secondary School Principals. Washington, D. C.: National Education Association, 1944.

A list of available material for schools and study groups.

Consumer Education Study pamphlets of the National Association of Secondary School Principals. Washington, D. C.: National Education Association. The following pamphlets are the result of study by groups representing the various fields:

Anderson, Howard R., Chairman. *Consumer Education and the Social Studies*. Committee representing National Council for Social Studies. Twofold study: What should be taught, and how it could best be organized and presented.

Coon, Beulah I., Chairman. *Consumer Education and Home Economics in the Secondary Schools*. Committee of American Home Economics Association and Home Economics Department of the National Education Association.

Lynwood, F., President. *Role of Mathematics in Consumer Education*. Committee on Post-war Plans of National Council for Teachers of Mathematics. 1945. What part mathematics can play in consumer education.

Neal, Nathan A., Chairman. *The Place of Science in Education of Consumers*. Natural Science Teachers Association.

Price, Ray G., Chairman. *The Relation of Business Education to Consumer Education*. National Council for Business Education.

Consumers' Cooperation in the United States. United States Bureau of Labor Statistics, Bulletin Number 659. Washington, D. C.: United States Government Printing Office, 1939.

Still the basic study of the Bureau of Labor Statistics on consumer co-ops. *Cooperative Marketing*. Letter from the Chairman of the Federal Trade Commission, Senate Document No. 95, 70th Congress, 1st Session, 1928. Washington, D. C.: United States Government Printing Office, 1928.

Daniels, John. *American Cooperatives—Yesterday, Today, Tomorrow*. New York: New Leader Publishing Association, 1945.

Well-balanced analysis of American cooperatives which tells about both marketing and purchasing groups.

Elliott, Sydney R. *The English Cooperative*. New Haven: Yale University Press, 1937.

Evans, Frank, and Stokdyk, E. A. *The Law of Agriculture Cooperative Marketing*. Rochester, N. Y.: Lawyers Cooperative Publishing Co., 1937.

Filley, H. Clyde. *Cooperation in Agriculture*. New York: John Wiley and Sons, Inc., 1929.

First Interim Report from the Committee on Small Business, "The Competition of Cooperatives with Other Forms of Business Enterprise," 79th Congress, 2nd Session. Washington, D. C.: United States Government Printing Office, 1946. (Free.)

A thorough study of cooperative competition with other forms of small business which concludes that cooperatives benefit the whole economy.

Gide, Charles. *Consumers Cooperative Societies*. New York: Alfred A. Knopf, 1922.

Goslin, Ryllis A. *Cooperatives*. Headline Books. New York: Foreign Policy Association, 1937. (25 cents.)

Hall, F., and Watkins, W. P. *Cooperation—A Survey of the History, Principles and Organization of the Cooperative Movement in Great Britain and Ireland*. Manchester, England: Cooperative Union Ltd., 1934.

Hanna, John. *The Law of Cooperative Marketing Associations*. New York: Ronald Press, 1931.

Hulbert, L. S. Legal Phases of Cooperative Associations. Bulletin No. 50. Washington, D. C.: Farm Credit Administration, 1942.

Good summary of cooperative law.

Landis, Benson Y. *A Co-operative Economy*. New York: Harper & Brothers, 1943.

A Protestant leader looks at cooperatives and advocates their principles.

Mears, Eliot G., and Tobrinder, Mathew O. *Principles and Practices of Cooperative Marketing*. Boston: Ginn and Co., 1926.

Minnesota State Course of Study on Consumers Cooperation. St. Paul, Minnesota: State Department of Education, 1938.

One of the pioneer courses of study in consumer cooperation.

Myers, James. *Organized Labor and Consumer Cooperation.* New York: The Cooperative League of the U. S. A., 1944.

Labor and cooperatives have much in common, says this author.

Nourse, Edwin G. *The Legal Status of Agricultural Cooperation.* New York: The Macmillan Company, 1927.

Packel, Israel. *The Law of the Organization and Operation of Cooperatives.* Albany, N. Y.; Matthew Bender and Co., 1940.

Powell, G. Harold. *Cooperation in Agriculture.* New York: The Macmillan Company, 1918.

Report of the Inquiry on Cooperative Enterprise. Washington, D. C.: Government Printing Office, 1937.

Though old, this still is an excellent American evaluation of European cooperatives.

Steen, Herman. *Cooperative Marketing.* New York: Doubleday, Page and Co., 1923.

Stewart, Maxwell S. *Cooperatives in the U. S.—A Balance Sheet* (1941); and *Credit Unions—The People's Banks* (1943). New York: Public Affairs Committee. (10 cents each.)

Wallace, Henry A. *Cooperation, the Dominant Economic Idea of the Future.* Reprint from *Whose Constitution*, pp. 309-327. New York: Reynal and Hitchcock, 1936.

Warbasse, James P. *Cooperative Democracy.* New York: Harper & Brothers, 1936.

Webb, Sidney, and Webb, Beatrice. *Consumers' Cooperative Movement.* New York: Longmans, Green and Co., 1921.

The basic statement on English consumer cooperatives.

Wieting, C. Maurice. *How to Teach Consumers' Cooperation.* New York: Harper & Brothers, 1942.

Provides background information on consumer cooperatives in this and other countries. Teaching units are suggested for a number of classes.

Other Sources of Information

American Farm Bureau Federation, 58 East Washington Street, Chicago 8, Illinois.

American Institute of Cooperation, 1302 Eighteenth Street, N.W., Washington 6, D. C.

Bureau of Labor Statistics, U. S. Department of Labor, Washington 25, D. C.

Cooperative League of the U. S. A., 343 South Dearborn Street, Chicago 4, Illinois; 167 West 12th Street, New York City; 726 Jackson Place, Washington 6, D. C.

Credit Union National Association, Madison, Wisconsin.

Local Cooperative Associations.

National Council of Farmers Cooperatives, 744 Jackson Place, N.W., Washington 6, D. C.

National Association of Cooperatives, 343 South Dearborn Street, Chicago, Illinois.

National Farmers' Union, 3501 East Forty-sixth Avenue, Denver 16, Colorado.

National Grange, 744 Jackson Place, N.W., Washington 6, D. C.

Regional Cooperatives.

State Cooperative Councils.

United States Department of Agriculture (Farm Credit Administration and Cooperative Research and Service Division and Regional Banks for Cooperatives), Washington 25, D. C.

National Rural Electric Cooperative Association, Washington, D. C.

National Tax Equality Association, 231 S. LaSalle Street, Chicago, Illinois.

NOTE: There are many other sources from which a school can secure information on cooperatives. The local cooperative, the county agricultural agent, the state college of agriculture; local, state, and national Chambers of Commerce and other business groups; service clubs; also local, state, and national labor unions.

Publications of Farm Credit Administration

The following publications and other information may be obtained free by writing the Information and Extension Division, Farm Credit Administration, United States Department of Agriculture, Washington 25, D. C.

BULLETINS

1. *Cooperative Purchasing of Farm Supplies*, Joseph G. Knapp and John H. Lister. 1935.

Reviews the status of cooperative purchasing associations in the United States and gives some historical background. Of particular interest to those desiring a general picture of the field.

3. *Cooperative Marketing of Agricultural Products*, Ward W. Fetrow. 1936.

Descriptive summary of the cooperative marketing movement in the United States, with historical background and special reference to some of the more outstanding associations. (Supply exhausted. Has been distributed to many libraries. A revision is in course of preparation.)

9. *Membership Relations of Cooperative Associations*, J. W. Jones. 1936.

Thorough discussion of the problems of membership relations from the standpoint of various types of cooperative organizations. Includes planning material for meetings.

23. *Problems and Trends in Farmers' Mutual Fire Insurance*, V. N. Valgren. 1938.

A study of the practices and problems of farm mutual fire insurance companies with emphasis upon improvement and standardization of forms and operating methods. Includes statistics on membership, volume of insurance, loss costs, operating costs, etc.

26. *A Statistical Handbook of Farmers' Cooperatives*, French M. Hyre, Whiton Powell and others. 1938.

Detailed statistical summary and analysis of the information obtained in a door-to-door census of cooperatives taken by the Farm Credit Administration with the state agricultural colleges and the banks for cooperatives.

33. *Cooperative Marketing of Fleece Wool*, James M. Coon. 1939.

Discussion of the fleece-wool cooperatives, developing some of their procurement, marketing and membership-relation problems. Also a description of wools from various production areas by grade, quality, and shrinkage. Of interest especially to managers and directors of wool cooperatives, extension workers, and students of cooperation. Wool growers generally will find material of interest. (Includes marketing agreement forms.)

34. *Cooperative Marketing of Livestock at Cincinnati*, H. H. Hulbert. 1939.

A case study of the Producers' Cooperative Commission Association at Cincinnati. Analysis of steps taken by this terminal cooperative to maintain volume and keep pace with present-day competition, such as direct marketing, livestock auctions, and local markets.

37. *Cooperative Egg and Poultry Auction Associations*, John J. Scanlon and Roy W. Lennartson. 1939.

Analysis of the organizational structure, operating methods, results obtained, and conditions contributing to the success of twenty-two cooperative egg and poultry auctions in the northeastern states. This bulletin indicates the adaptability of this type of association to particular production and marketing conditions. (Contains marketing agreements.)

41. *Expenses, Income, and Dividends of Oklahoma and Texas Cooperative Cotton Gins*, John S. Burgess, Jr., and Otis T. Weaver. 1940.

Discussion of factors affecting ginning expenses, methods of controlling expenses, sources of operating income, and disposition of net operating income.

47. *Cooperative Canning of Fruits and Vegetables*, Neptune Fogelberg and W. Gordon Leith. 1941.

Study of the importance of cooperative associations in the canning of fruits and vegetables, the characteristics of such associations, and certain considerations affecting successful operation.

50. *Legal Phases of Cooperation Associations*, L. S. Hulbert. 1942.

Discussion of membership relations, incorporation requirements, capitalization plans, marketing contracts, and Federal income taxes, and the status of agricultural cooperatives under Federal and State statutes, with references to more than 1,200 court decisions and other extensive source material. For legal advisers of cooperative associations. (Sample forms, bibliography, table of cases, and index.)

"A" CIRCULARS

- A-16 *Producer Co-ops in Action*. 1939.

Pictures and short legends based largely on the 1936 survey of farmers' cooperatives.

- A-23¹ *Publications on Agricultural Cooperation*. 1941. With a mimeographed supplement of March, 1945, entitled "List of Printed and Processed Material."

Selected lists of publications of the Farm Credit Administration.

"C" CIRCULARS

- C-102 *Organization and Operation of Cooperation Irrigation Companies*, Wells A. Hutchins. 1936.

Describes the structure and services of cooperative irrigation companies in the United States.

- C-107 *Refrigerated Food Lockers*, L. B. Mann. Revised. 1940.

Describes the development and rapid growth of the locker-plant industry through 1937. Problems and possibilities connected with the operation of food-locker plants are also discussed. (Contains sample agreement.)

- C-108 *Organizing a Farmers' Cooperative*, S. D. Sanders. Revised 1945.

Discussion of the steps to be taken in organizing a farmers' cooperative association, including sample forms to be used at various stages.

- C-110 *Marketing Fruits and Vegetables Cooperatively*, M. C. Gay. 1938.

Describes the development and operating set-up of fruit and vegetable cooperatives in the United States. (Includes organization forms.)

- C-111 *Co-ops in Agriculture*, French M. Hyre. 1939.

Popular summary of the facts obtained in a survey of farmers' cooperative organizations in the United States, conducted by the Farm Credit Administration in cooperation with the state

¹ Special attention is directed to Circular A-23, which contains an extensive list of the publications on agricultural cooperation published by the Farm Credit Administration. Copies may be obtained free on application.

agricultural colleges and the Banks for Cooperatives. (Based on the findings reported in detail in Bulletin 26.)

- C-113 *Farmers' Retail Petroleum Associations*, Joseph G. Knapp and French M. Hyre. 1939.

Presents briefly outstanding facts regarding development and present status of petroleum associations, with numerous statistical tables.

- C-114 *Crushing Cottonseed Cooperatively*, John S. Burgess, Jr. 1939.

Describes the comparatively new enterprise of cooperative cottonseed-oil mills and points out important factors in their organization and management.

- C-115 *Organization Structure of Farmers' Elevators*, Harold Hedges. 1939.

Tells how to reorganize old elevators and organize new ones. Particularly for the use of those who contemplate forming an elevator association and for associations that need reorganization. (Includes organization forms and marketing agreements.)

- C-116 *Cooperative Marketing of Dairy Products*, Harry C. Trelogan and French M. Hyre. 1939.

Summary description of the various types of dairy associations, based upon statistics obtained in the door-to-door survey of cooperatives in 1937. Particular attention is given to the volume of business, membership, and quantity of products handled by butter, cheese, and milk cooperatives.

- C-118 *Operation of Small-Lot Country Fruit and Vegetable Auctions*, Edwin W. Cake. 1940.

Based on a survey of the operations of country fruit and vegetable auctions and their grower and buyer patrons in nine Atlantic Coast States.

- C-121 *The Citrus Industry and the California Fruit Growers Exchange System*, Neptune Fogelberg and A. W. McKay. 1940.

Story of the development, organization, and functioning of the Exchange system which markets most of the citrus fruit grown in California and Arizona. (Includes Exchange organization forms.)

- C-122 *Cooperative Grain Marketing in the United States*, Harold Hedges. 1941.

Gives a brief description of cooperative grain marketing; tells briefly of the number and distribution of associations, the capital investment, membership, scope of operation, and operating results. Calls attention to important problems in membership and organizational structure. Outlines recent development in regional cooperative grain marketing.

- C-124 *Distribution of Milk by Farmers' Cooperative Associations*, Louis F. Herrmann and Wm. C. Welden. 1941.

Survey of the development and status of farmers' cooperatives engaged in bottling and distributing milk and cream in the United States. Operating experiences of selected associations are summarized to indicate capital needs, financial problems, organization and operating policies, and general methods of building and maintaining sales volume.

- C-125 *Distribution of Machinery by Farmers' Cooperative Associations*, Gerald M. Francis. 1941.

Traces the development of farm-machinery distribution by farmers' purchasing associations and analyzes the operating results of such services in 24 local cooperatives and 5 wholesale associations. Also shows the extent of recent developments in cooperative assembling of tractors and the benefits from this program.

- C-126 *Purchasing Farm Supplies Through Southern States Cooperative, Inc.*, John H. Lister and Alexander Swantz. 1943.

Development, structure, and operations of the association and effects of war conditions on its business and practices.

- C-129 *Cooperative Marketing of Rice and Its Part in the War Emergency*, Henry M. Bain. 1943.

Discusses the diversified activities of the cooperatives engaged in the marketing and distribution of rice. These cooperative activities include purchasing the seed rice, furnishing irrigating facilities and credit to produce the crop, warehousing, milling, and marketing.

"E" CIRCULARS

- E-2 *Cooperative Business Association Loans*. 1940.

Prepared for use in classroom and discussion groups. Includes descriptions of the different types of loans made by the Banks for Cooperatives to farmers' associations and of the principles followed in making loans.

- E-5 "You and Your Co-op" Series.

A list and general description of the short circulars in this series. Many of the popular circulars listed below describe the farmer-members' part in the operation of their cooperative associations. The circulars are of particular interest to cooperative associations extension workers, county agents, and vocational teachers for distribution to those receiving instruction in the methods of cooperative endeavor.

- E-6 *Using Your Co-op Creamery*, Paul E. Quintus. 1939.

- E-7 *Using Your Livestock Co-op*, L. B. Mann. 1939.

- E-8 *Using Your Co-op Elevator*, Harold Hedges. 1939.

- E-9 *Using Your Co-op Gin*, Otis T. Weaver. 1939.

- E-10 *Using Your Wool Co-op*, James M. Coon. 1939.



The Dairymen's League Cooperative Association—though the largest farmers' milk marketing cooperative in the world—is a family affair. The Organization's youth group is known as the Young Cooperators, four of whom are shown here discussing their farming problems over Radio Station WFBL (Syracuse, N. Y.)

(clockwise) John Hrubos, Three Bridges, N. J.; George Wright, Findlay Lake, N. Y.; Mr. V. O. Parizo, Head of the League's Membership Department; Larry Lawrence, announcer; Niles Fillhart, Adams, N. Y.; and Brevort Conover, Pittstown, N. J.

- E-11 *Using Your Purchasing Association*, Joseph G. Knapp. 1939.
 E-12 *Using Your Fruit and Vegetable Co-op*, A. W. McKay. 1939.
 E-13 *Using Your Poultry and Egg Co-op*, John J. Scanlon. 1939.
 E-14 *Using Your Fluid Milk Co-op*, Harry C. Trelogan. 1939.
 E-15 *Insuring Through Your Farmers' Mutual*, V. N. Valgren. 1939.
 E-17 *Using Your Protection Credit Association*. Revised. 1941.
 E-18 *Sizing Up Your Cooperative*, J. E. Wells, Jr. 1939.
 E-19 *Forming Farmers' Cooperatives*, Tom G. Stitts. 1939.
 E-20 *Financing Farmers' Cooperatives*, E. A. Stokdyk. 1939.
 E-21 *Managing Farmers' Cooperatives*, Kelsey B. Gardner. 1939.
 E-22 *Merchandising by Farmers' Cooperatives*, Harry C. Hensley. 1939.
 E-23 *The Story of Farmers' Cooperatives*, R. H. Elsworth. Reprinted 1945.
 E-24 *Three Principles of Agricultural Cooperation*, Ward W. Fetrow. Reprinted 1945.
 E-25 *Using a Local Cooperative as Source Material for Teaching*, J. L. Robinson. 1939.

STATE BULLETINS

The story of the cooperative movement by states, together with information based on the nation-wide survey of agricultural cooperatives made by the Farm Credit Administration and the Banks for Cooperatives. Illustrated.

Alabama. 1940.
 Arkansas. 1939.
 California. 1940.
 Colorado. 1939.
 Florida. 1940.
 Georgia. 1939.
 Idaho. 1939.
 Illinois. 1939.
 Indiana. 1940.
 Iowa. No date.
 Kansas. 1939.
 Kentucky. 1939.
 Michigan. 1939.
 Mississippi. 1940.
 Missouri. 1939.

Nebraska. 1939. (No copies available)
 New England. 1940.
 New Jersey. 1940.
 North Carolina. 1941.
 Ohio. 1939.
 Oklahoma. 1939.
 Oregon. 1939.
 Pennsylvania. 1940.
 Texas. 1941.
 Utah. 1940.
 Virginia. 1939.
 Washington. 1940.
 Wisconsin. 1941.

BULLETINS OF THE BUREAU OF LABOR STATISTICS¹

No. 858 *Organization and Management of Cooperative and Mutual Housing Associations*. (Revision of Bulletin No. 608.)

¹ For sale by Superintendent of Documents at prices indicated. Address order to Superintendent of Documents, Government Printing Office, Washington 25, D. C., with remittance in check or money order; currency is sent at sender's risk; postage stamps not acceptable.

- No. 850 *Activities of Credit Unions in 1944.* 5 cents.
- No. 843 *Operations of Consumers' Cooperatives in 1944.* 10 cents.
- No. 821 *Developments in the Consumers' Cooperative Movement in 1944.* 5 cents.
- No. 770 *Cooperative Associations in Europe and Their Possibilities for Postwar Reconstruction.* 35 cents.
- No. 740 *Student Cooperatives in the United States, 1941.* 10 cents.
- No. 665 *Organization and Management of Consumers' Cooperatives and Buying Clubs.* 15 cents.
- No. 659 *Consumers' Cooperation in the United States, 1936.* 25 cents.
- No. 606 *Organization and Management of Cooperative Oil Associations.* 5 cents.
- Serial No. R. 1660 *International Aspects of the Cooperative Movement.*¹

Sound Films

- *"Marketing Livestock Cooperatively." 20 minutes, 16 mm., color.
From before the days of the Chisholm Trail cooperative action has been a creed and tradition in the livestock industry, as is shown in this two-reel colored picture. The specific services that are now available to producers through the livestock marketing cooperatives are shown in detail.
- *"The Sign of Dependable Credit." 18 minutes, 16 mm.
Portrays the development of the need for specialized credit to provide short-term loans for farmers, and how the Production Credit System, controlled and operated by farmers themselves, is filling this need.
- *"Fruits, Vegetables, and Cooperation." 25 minutes, 16 mm.
Shows how cooperative associations receive, process, pack, and market fruits and vegetables. It also points out the jobs that a small group of farmers just starting a cooperative can tackle with the best chances for success.
- *"Cooperative Wool from Fleece to Fabric." 30 minutes, 16 mm.
Describes the handling of wool from the raising of the sheep through the entire manufacture of the product from its fleece stage down to the finished fabric.
- *"Ten Years of Co-op Credit." 17 minutes, 16 mm.
Shows Bill Green, a farmer-member of a production credit association, writing to his son in the Army reviewing conditions existing when these cooperative credit associations were organized and how they were helping farmers to do their job of supplying essential products during war time.

¹ Copies free on application to Bureau of Labor Statistics, Washington 25, D.C., as long as supply lasts.

* These motion pictures are available from the Information Agent of the Farm Credit district which serves the state in which you live.

*"Banking on the Land." 22 minutes, 16 mm.

Ned Harper, a charter member of a local national farm loan association, recalls in his own experiences the handicaps farmers faced in having only short-term mortgage loans, high interest rates, and renewal fees which drove farmers to insist on their own cooperative system. Mr. Harper traces the development of the system to date and the service it has and is now rendering farmers.

***"The Power of Neighbors." (Produced by Indiana Farm Cooperative by Tomlin Film Productions.) 30 minutes, \$5 per showing, \$15 per week. 16 mm., color.

This film is the story of the growth and development of Indiana's co-operatives, particularly in the field of petroleum. An effective commentary, delivered in "Hoosier" style, tells how the people of Indiana have worked together to build their own business, to lower prices, and to increase the quality of the petroleum products and other things they buy.

***"Up from the Earth." (Produced for Consumers Cooperative Association by Tomlin Film Productions.) 45 minutes, \$5 per showing, \$15 per week, 16 mm., color.

The exciting story of co-ops' dramatic expansion into the field of oil production and distribution. How the farmers of the Midwest banded together to set up their own gas stations; then refineries, oil wells, and pipe lines. The film shows how different types of oils are made in the refineries, the work of the labs in testing quality, farmers using the finished products.

***"Here Is Tomorrow." (Produced for the Cooperative League by Documentary Film Productions.) 35 minutes, \$4.50 per showing, \$13.50 per week, 35 mm. and 16 mm.

A stirring documentary film telling the story of the development of American cooperatives. How two and a half million farm and city families have built a giant "people's business."

***"Consumers Serve Themselves." (Produced for Eastern Cooperative League Council for Cooperative Development and Consumer Distribution Corp., by the Tomlin Film Productions.) 15 minutes, sound, \$3 per showing; silent, \$2 per showing; 16 mm., color.

A colorful, intimate description of how co-op members control the quality of the goods they buy. Scenes of co-op testing kitchens and "kitchen-clean" stores; democratic operation of retail and wholesale businesses in which consumers serve themselves.

***"Credit Unions—John Doe's Bank." (Produced for the Credit Union National Association and the Cooperative League of the U. S. A. by the Harmon Foundation.) 35 minutes, \$4.50 per showing, 16 mm.

The story of the Credit Union Movement in America showing the history

** Available from National Cooperatives, Inc., 167 West 12th Street, New York 30, N. Y.

and development of credit cooperatives. How they have saved their members from the clutches of the loan sharks and have built a three hundred million dollar network of people's banks.

***"Credit Unions—The People's Banks." (Produced by the National Film Board of Canada.) 20 minutes, \$3 per showing, 16 mm.

The growth of Canada's credit unions in fishing and mining communities, farming and industrial settlements. Farm and town families take part to show how this form of community cooperation has helped solve emergency problems.

***"Men of Rochdale." (Produced by the Cooperative Wholesale Society.) 35 minutes, \$4.50 per showing, 16 mm.

Britain's stirring centennial tribute to the Rochdale pioneers who opened their Toad Lane store in 1844. The story of their struggles and final success is dramatically portrayed.

***"Out of the Box." (Produced by the Scottish Cooperative Wholesale.) 8 minutes, \$1.50 per showing, 16 mm.

The story of the formation of the first Scottish co-ops by Fenwick weavers 200 years ago, showing how the weavers accumulated their small savings in a strong box until they had enough capital to lend themselves money in emergencies and to establish their own business.

***"Turn of the Tide." (Produced for the Cooperative League by Harmon Foundation.) 55 minutes, 16 mm., color, \$4.50 per showing; black and white, \$3.00 per showing.

A human emotional picture telling the story of the lobster fisherman on the coast of Maine. How "sharecroppers of the sea" are working together to gain economic freedom by organizing credit unions, marketing, and consumer cooperatives.

***"Power and the Land." (U. S. Department of Agriculture.) 39 minutes, \$3 per showing, 16 mm.

This film tells the story of the rural electrification program and shows how through cooperatives farmers can organize and obtain at cost electric power furnished by the government. Typical farm conditions are shown before and after electrification.

***"Let's Cooperate." (Produced for the Cooperative League by Harmon Foundation.) 35 minutes, \$4 per showing, 16 mm., color.

A charming story of the cooperative store operated by the Pine Mountain Settlement School in Harlan County, Kentucky. A year's curriculum is built around the study of cooperatives and from this study actual store operation has evolved.

***"The Lord Helps Those—Who Help Each Other." (Produced for the Cooperative League by Harmon Foundation.) 45 minutes, \$3 per showing, 16 mm.

The story of how fishermen, miners, and farmers are rebuilding Nova Scotia through a program of adult education, credit unions, and cooperatives. (Out of date, but still useful.)

APPENDIX

Comprehensive Outline of Information Useful in the Study of Cooperatives

THERE is so much information on cooperatives which teachers can use with classes on different reading levels that it is impossible in this Teacher's Guide to include all material available. For that reason, this outline of some of the more important *topics* on cooperation has been prepared. Teachers wishing further information on any topic listed should consult the source materials on cooperation and the cooperative organizations listed.

I. Basic principles of cooperative organization

A. Cooperation defined.

1. A cooperative enterprise is one which belongs to the people who use its services, the control of which rests equally with all the members, and the gains of which are distributed to the members in proportion to the use they make of its services.¹
2. An agricultural cooperative association is a business organization, usually incorporated, and owned and controlled by member agricultural producers, which operates for the mutual benefit of its members or stockholders, as producers or patrons, on a cost basis after allowing for the expense of operation and maintenance and for any other authorized deductions for expansion and necessary reserves. (This definition is intended only as an approximation.)²

B. Cooperative principles.

1. Democratic control.
2. Utilization of the patronage refund in adjusting underpayments and overcharges.
3. Limited return on capital.

C. Cooperative practices.

1. Cash trading.
2. Continuous education.
3. Political and religious neutrality.
4. Selling at market prices (in purchasing cooperatives).
5. Federating with other cooperatives.

¹ *Report of the Inquiry on Cooperative Enterprise*, Washington, D. C.: Government Printing Office, 1937.

² L. S. Hulbert, "Legal Phases of Cooperative Associations," Washington, D.C.: Farm Credit Administration, Bulletin No. 50, May, 1942.

II. Purposes of cooperatives

- A. To increase the financial returns to producers.
- B. To lower costs to purchasers.
- C. To increase the standard of living for members.
- D. Often to set pace for quality, service, price.

III. Legal forms of business organizations

- A. Single proprietorship.
- B. Partnership.
- C. Private profit corporation.
- D. Cooperatives.
- E. Governmental agencies.
- F. Similarities in organization and operations.
- G. Differences in organization and operations.
- H. Extent in retail field.

IV. Types of cooperatives

- A. Marketing cooperatives or cooperatives that sell products for members and patrons.
- B. Purchasing cooperatives.
 - 1. Farmers' purchasing associations—to provide mainly production goods.
 - 2. Consumers' purchasing associations—to provide consumption goods.
- C. Service cooperatives—to provide services rather than products for members.

Examples: credit, insurance, burial, utilities, recreation, frozen food lockers, health, etc.

V. Cooperation as a world movement

- A. Rochdale principles, 1844; Cooperative Wholesale Society of England, 1864.
- B. Growth of cooperation by countries.
 - 1. World membership estimated at 143 million in 1939.
 - a. 63 million in marketing associations.
 - b. 59 million consumer and farmer purchasing associations.
 - c. 10 million in housing.
 - d. 8 million in service.
 - e. Other cooperatives, especially credit associations.
 - 2. Spread of the cooperative movement outside the United States.
 - a. In England.
 - b. In Sweden.
 - c. In Denmark.
 - d. In Finland.
 - e. In other countries.
- C. Effect of the war on cooperatives.
- D. International cooperation.
 - 1. International cooperative wholesale companies.

E. International Cooperative Alliance.

1. Educational agency; congresses held; monthly publication.

VI. History of cooperation in the United States

A. Cooperation always has been part of the tradition of American farmers.

1. They helped one another with barn raising, harvesting, and threshing.
2. Farmer cooperation in a dairy association is recorded as early as 1810 in Connecticut.
 - a. Farmer mutual insurance companies as early as 1820.
 - b. Mutual irrigation companies founded by Mormons in 1847.
 - c. Ohio livestock producers made joint shipments to a terminal market in 1820.
 - d. Cooperative cheese factory established in New York State in 1851 and a cooperative creamery in 1856.
 - e. Grain elevator cooperative operating in Madison, Wisconsin, in 1857.

B. Role of farm organizations in developing cooperatives.

1. National Grange.
2. Farmers Alliance.
3. National Farmers Union.
4. American Farm Bureau Federation.
5. American Society of Equity.

C. Historical development of consumer cooperation in United States.

1. 1844—Labor union buying club—Boston—John Kaulback.
2. 1847—Workingmen's Protective Union.
 - a. Did not operate according to Rochdale Principles.
3. 1852—403 divisions—\$1,700,000 business.
4. 1853—American Protective Union organized.
5. 1860-64—Influence of Civil War.
6. 1867—Patrons of Husbandry (Grange) buying activities.
7. 1874—Sovereigns of Industry.
 - a. Some of the first to use Rochdale principles.
8. 1880—Knights of Labor and Farmers Alliance in the South.
9. Influence of nationality groups—Finnish, Lithuanians, etc.
10. Low ebb in consumer cooperation around 1900.
 - a. 1906—343 local associations.
 - b. Lacked federation and central buying.
 - c. Panic of 1907, keen competition, expansion of mail order houses, contribute to difficulties.
11. Revival of interest and expansion 1914-21.
 - a. Organization of Cooperative League of the U.S.A. in 1916.
 - b. Organization of central cooperative wholesales.
12. Expansion and development of cooperatives in newer fields—oil, credit, insurance, etc., during decades of 1920's and 30's.

VII. Extent of cooperative organization in the United States

- A. Farm Credit Administration reports 4,505,000 members gross of 10,300 farmers' marketing and purchasing cooperatives in the year 1943-44.
 - 1. Total business of \$5,645,000,000.
 - a. Marketing, \$4,835,000,000.
 - b. Purchasing, \$1,095,000,000.
- B. Wide variety of functions performed by cooperatives.
 - 1. Marketing dairy products, grain, livestock, fruits, and vegetables (including citrus and deciduous fruits and products in processed form), cotton and cotton products, poultry and eggs, nuts, rice, seeds, wool and mohair, tobacco and other commodities.
 - 2. Purchasing feed, seed, fertilizer, farm equipment, household appliances, food, petroleum, and other commodities through farm purchasing and consumer cooperatives.
 - 3. Special services.
 - a. REA cooperatives.
 - b. Mutual insurance.
 - c. Irrigation.
 - d. Self-help cooperatives.
 - e. Credit unions and loan associations.
 - f. Housing.
 - g. Medical.
 - h. Soil conservation.
 - i. Herd improvement.
 - j. Farmers' Home Administration group service.
 - k. Others.

VIII. Marketing Cooperatives

- A. Definition of a marketing cooperative.
- B. Types of marketing cooperatives and their development.
 - 1. Locals, federations, centralized types.
 - 2. Locals, regional, national.
 - 3. Processing and marketing, bargaining, sales agencies.
- C. Illustration of successful marketing cooperatives.
 - 1. Locals.
 - Consolidated Badger Cooperative, Shawane, Wisconsin (processing and marketing)
 - Pure Milk Association, Chicago (bargaining)
 - 2. Federated types.
 - California Fruit Growers Exchange, Los Angeles, California (processing and marketing)
 - Equity Cooperative Livestock Sales Association, Milwaukee, Wisconsin (sales agency)
 - Dairymen's League Cooperative Association, Inc., New York City (bargaining)

3. Centralized type.
 Wisconsin Cooperative Wool Growers Association, Milwaukee, Wisconsin (marketing)
 Washington Cooperative Farmers' Association, Seattle, Washington (marketing)
4. National organization.
 National Wool Marketing Corporation, Boston, Massachusetts (marketing)
 National Live Stock Producers Association, Chicago, Illinois (coordinating association)

IX. Farmers' purchasing and consumers' cooperatives

- A. Types of functions which farmers' purchasing and consumers' cooperatives perform for their members.
 1. Purchasing farm production supplies.
 2. Purchasing household goods.
 3. Business services.
 4. Other functions.
- B. Growth of farmers' purchasing and consumers' cooperatives in the U.S.
 1. Depression following World War I.
 2. Developing understanding of need for cooperatives.
 3. Early attempts.
- C. Effect of farmers' purchasing and consumers' associations on prices paid by farmers for supplies and goods.
 1. Provides competition, improves quality, and often reduces net cost to buyers.
- D. Types of purchasing cooperatives.
 1. Locals.
 2. Federated.
 3. By commodities handled:
 - a. Oil cooperatives.
 - b. General farm supply—feed, fertilizer, machinery, hardware, home appliances.
 - c. Miscellaneous products.
 Examples—boxes, hampers, and marketing supplies for fruit growers.
- E. Some examples of successful farmers' and consumers' purchasing cooperatives:
 1. Cooperative GLF Exchange, Inc., Ithaca, N. Y.
 2. Farm Bureau Cooperative Association, Columbus, Ohio.
 3. Eastern States Farmers Exchange, West Springfield, Mass.
 4. Consumers Cooperative Association, Kansas City, Mo.
 5. Farmers Union Central Exchange, St. Paul, Minn.
 6. Midland Cooperative Wholesale, Minneapolis, Minn.
 7. Southern States Cooperative, Inc., Richmond, Va.

8. Pacific Supply Cooperative, Walla Walla, Wash.
9. Indiana Farm Bureau Cooperative Association, Indianapolis, Ind.
10. Pennsylvania Farm Bureau Cooperative Association, Harrisburg.
11. Central Cooperative Wholesale, Superior, Wisconsin.
12. Illinois Farm Supply Company, Chicago.
13. Eastern Cooperative Wholesale, New York City.
14. Farmers Cooperative Exchange, Raleigh, North Carolina.
15. Farm Bureau Services, Inc., Lansing, Michigan.

X. Financing of cooperatives

1. Need for capital.
 - a. Fixed or permanent capital requirements.
 - b. Working or circulating capital requirements.
2. Sources of funds.
 - a. From members' investments.
 - b. From loans.
3. Lending agencies.
 - a. Local banks.
 - b. Banks for cooperatives.
 - c. Other agencies.
4. Revolving capital plan of financing.
 - a. Purpose of plan.
 - b. How the plan operates.
 - c. Benefits derived.

XI. Cooperatives and government

- A. State laws under which cooperatives are organized.
 1. Standard Cooperative Marketing Act.
(Bingham Act of Kentucky)
 2. Other state acts.
 3. Non-stock and capital stock laws.
- B. Federal legislation concerning cooperatives.
 1. Clayton Act of 1914.
 2. Capper-Volstead Act of 1922.
 3. Cooperative Marketing Act of 1926.
 4. Federal Tax Code, Section 101 (12).
 5. Agricultural Marketing Act, 1929.
 6. Farm Credit Act, 1933 (and amendments).
 7. District of Columbia Cooperative Law, 1940.
 8. Other legislation.
- C. Government agencies which encourage cooperatives.
 1. United States Department of Agriculture.
 - a. Farm Credit Administration.
 1. Cooperative Research and Service Division (information service).
 2. Banks for Cooperatives (loans).

- b.* Rural Electrification Administration.
- c.* Farmers' Home Administration.
- 2. Department of Labor.
- 3. Division on Credit Unions of the Federal Deposit Insurance Corporation.

D. Federal and state aid in assisting cooperatives.

XII. Cooperatives as an educational force

A. Adult education a necessity to the success of cooperation.

- 1. Democratic control demands education and fosters it.
 - a.* Participation as members.
 - b.* Annual business meeting.
 - c.* Regular educational meetings.
 - d.* Study, action, and other special meetings.

B. Examples of types of effective educational program.

- 1. Folk schools in Denmark.
- 2. Swedish "study circles."
- 3. St. Francis Xavier study groups in Nova Scotia.
- 4. (Ohio) Farm Bureau Advisory Councils and like groups.
- 5. Department of Agriculture educational program.
 - a.* Farm Credit Administration.
 - 1. Banks for Cooperatives educational programs.
 - 2. Cooperative Research and Service Division.
 - b.* Extension service.
- 6. Farmers' Home Administration cooperative educational program.
- 7. Others.

XIII. Future of cooperatives

A. Cooperative movement in the U. S. at all-time peak during the war.

B. Problems which cooperatives now face.

- 1. Need to develop an expanded world trade.
 - a.* International cooperative agencies.
 - (1) International Cooperative Alliance.
 - (2) International Cooperative Wholesale.
 - (3) International Cooperative Petroleum Association.
 - b.* Developing demand for American produce.
 - c.* Cooperatives and the Food and Agriculture Organization
 - d.* Need to purchase foreign goods.
- 2. Need of readjusting to meeting peacetime conditions.
- 3. Maintaining competition in our economy and opposing tendencies toward monopoly and monopolistic competition.
- 4. State control is increasing all over the world.
 - a.* Cooperatives offer middle ground between statism and uncontrolled rugged individualism.
- 5. Differences between labor, industry, and consumers are increas-

ing, so cooperation offers a solution to economic problems which are forcing them apart.

- C. Technological changes will make greater abundance a possibility if intelligence is used properly in production and distribution.
- D. Aims of cooperatives for the future.
 - 1. Production of an abundant supply of farm commodities at fair prices to the farmer and to the consumer.
 - 2. Raising the American standards of nutrition.
 - 3. Better quality goods, correctly graded and labeled.
 - 4. Preservation of the American system of free enterprise.
 - 5. Preservation of democratic principles.
 - 6. Assisting in providing full employment.
- E. Limitations of cooperatives.
 - 1. Cannot escape workings of economic laws; cannot eliminate risks of marketing; cannot guarantee farmers cost of production.

XIV. State Councils of Cooperatives

- A. Purpose of organization.
- B. General policies of operation.
- C. General achievements.

XV. National agencies which coordinate cooperative activities

- A. National Council of Farmer Cooperatives, Washington, D. C.
- B. The Cooperative League of the United States of America, Chicago, Washington, and New York.
- C. American Institute of Cooperation, Washington, D. C.
- D. Credit Union National Association, Madison, Wis.
- E. National Cooperative Milk Producers Federation, Washington, D. C.
- F. National Rural Electric Cooperative Association, Washington, D. C.
- G. National Association of Cooperatives, Chicago, Ill.
- H. National Cooperatives, Inc., Chicago, Ill.
- I. Cooperative Finance Association of America, Chicago, Ill.

Courtesy of

CENTRAL COOPERATIVE WHOLESALE
Superior, Wisconsin

COOPERATIVE LEAGUE OF U.S.A.
343 South Dearborn
Chicago 4, Ill.

FRANKLIN COOPERATIVE CREAMERY
2108 Washington Ave. No.
Minneapolis 11, Minn.

MIDLAND COOPERATIVE WHOLESALE
739 Johnson N.E.
Minneapolis 13, Minn.

MINNESOTA ASSOCIATION OF COOPERATIVES
2651 University Avenue
St. Paul 4, Minnesota

MUTUAL SERVICE INSURANCE CO.
1923 University Ave.
St. Paul 4, Minn.

WISCONSIN ASSOCIATION OF COOPERATIVES
109 West Main St.
Madison, Wisconsin