The plaster is falling off the ceiling, the roof has caved in, the floor has rotted and the plumbing leaks, in the house of Capital.

Private merchandising doesn’t feed people any more. It fails to carry ham and eggs and bread and beef and beans from the farm to the human belly. Likewise it has fluked at getting shoes and overalls and overcoats onto people. It’s all wrong. People are going without things everywhere. In Europe about thirty million men are wearing old army uniforms because they can’t get any other clothes. Is America doing much better? For my part, I’m wearing a borrowed shirt, an overcoat given to me by a Moscow soldier in November before last, and a pair of woozy horsehide shoes. I haven’t lately been able to pay money right over the counter in a store for anything except collars. I have been able to buy some new soft collars, and I paid a half dollar apiece for them. It’s all wrong.

Isn’t the average American covering his meek pride in clothes of Winter-before-last and of fabric as phoney as a New York egg? And isn’t his food, for all he pays for it, of the kind that ought to be hauled off by the garbage man? Yes.

Why, the American people are so giddy-headed now for something to eat that the Wall Street barons are putting up Hoover for President, knowing the people will vote for him because his name reminds them of food!

Everywhere, people are groping for new ways of getting food and clothes. Aside from the country where they have struck the soviet style of supplying the working class through the factory committees, and letting the bourgeoisie pay 2,000 percent more to speculators, there is a grand rush toward the cooperative movement. It was strong in Europe long before the war, and had lapped over into America to the extent of about 600 retail stores run by farmer and worker groups. In the past two years under the pressure of hunger and profiteer prices, about three or four thousand more retail stores have sprung up. Nobody knows exactly how many. They sprang up spontaneously and haphazard, and in spite of everything that bankers and merchants, lawyers and newspapers could do to stifle them. Many go down under the vengeance of banks and the boycott of wholesalers. But they sprang up again in unexpected and unknown places and roughly hang on, managing to survive in the leeway of the difference between wholesale and retail prices. Enough of the cooperative retail stores in the United States have gotten into communication with one another to establish a dozen wholesale centers.

In Boston is the “New England Cooperatives Wholesale Society” (34 Merchants’ Row), doing business for forty societies. Warehouses of the “National Cooperative Association” have been opened at Chicago, Hoboken, and Seattle.

In addition, there is the older “Cooperative Wholesale Co.” in San Francisco (236 Commercial Avenue) — and another is the “Tri-State Cooperative Wholesale” in Pittsburgh (39 Terminal Way) which, if it was not born of the steel strike, at least cut its teeth thereon. Then there are two independent wholesales, which are not a result of the labor struggle but were crystallized by economic pressure on the farmers of the Middle West. They are the Farmers’ Union Jobbing Association of Kansas City, Kansas, and the Cooperative Wholesale Society of America, at St. Paul, Minnesota. The Central States Cooperative Wholesale, East St. Louis, Illinois, and the Cooperative Central Exchange in Superior, Wisconsin are a couple more of highly substantial wholesales, each serving about fifty societies.
So, you see, it’s coming from two directions — from the labor side and from the farmer side.

There is a cooperative packing plant at Fargo, North Dakota, and another at Seattle, Washington, cooperative fish canneries and milk condenseries on Puget Sound. There are cooperative timber mills in Western Washington. The Middle West is dotted with cooperative grain elevators and flour mills, livestock exchanges, and livestock commission offices. In Brooklyn, NY, there is a cooperative knitting works. The land is lousy with cooperative banks, warehouses, and grocery stores from coast to coast.

Cooperative restaurants are sprouting up everywhere. That reminds me that while in Detroit recently I had a meal of steak and apple pie of the kind I used to get in Texas twenty years ago but haven’t often seen since; and I got it in a cooperative cafeteria run by the “Workmen’s Educational Association” in the “House of the Masses,” then in the hands of the members of the Communist Party. Until raided by Mr. Palmer’s dicks, the place was crowded by the working class of the neighborhood every mealtime and all day. Even the policemen on nearby beats came here because the prices were extraordinarily low for such quality of food. The place had a sort of an unsterotyped, and anti-Childs spirit about it.

Schools are being established on the cooperative basis and cooperative recreational parks are being built. Laundries, coal yards, and slaughterhouses as well.

Maybe it doesn’t get the working class anywhere in the long run, but at any rate some of the capitalists are beginning to worry about it. The American trade paper called The Dress and Waist News says of the cooperative movement in the United States:

This is the movement which has virtually delivered the British Government into the hands of radical labor, which, in turn, is responsible for one surrender after another to the most exorbitant demands of organized employees.... It is all very well to talk of the “direct-from-producer-to-consumer” principle. But in its final analysis this would mean the reintroduction of barter for modern trade, and another prop knocked from under the conservative economic structure.

If our newspapers knew their business they would have knocked the scheme to imitate this system in America on the head as soon as it showed itself, for just as little as business has the right to usurp the functions and rights of labor, just as little has labor the right to become a competitor of business.

I respect business men’s judgment about some things. If capitalists think the movement threatens to aid in freeing the working class from them, then the cooperative movement deserves some very serious and favorable attention.

But the biggest thing that catches my eye in the cooperative movement is this: That it brings the farmers’ organizations and the labor unions together.

It is strange how little is known among the city masses about the various associations of farmers. They are just now getting introduced to the labor unionists. Some of them are “kulak” (tight-fisted landlord) organizations, as Lenin would say. For instance, there is the California Fruit Growers’ Association, made up of wealthy land barons living in a feudal style upon itinerant wage-slave labor, as the planters of the Old South lived upon chattel-slave labor. They might also be compared to the landed aristocracy from which were recruited the White Guard, and which the political sharps like to call the “real people” of Russia.

But then there are other farmers’ organizations whose opinions as economically determined are very much closer to labor. In the old “Grange,” organized in the ’70s, the main officers and a certain conservative element are unsympathetic to labor, but the vigorous rank and file knows that its hope lies in joining hands with the cities’ disinherit. The American Society of Equity is a strong farmers’ organization with efficiency and courage, fully proven by its work in bringing farmer and laborer together in both industrial strikes and agricultural crises. The Farmers’ Union, in its various state branches, has shown itself always for the underdog of city and country. And the Farmers’ National Council engages in enough militant activities as to give promise of a great future.

Maybe you’ll remember that the conflict of interests between the city laborer and the small farmer has been a bugbear to progress throughout the industrial age. The French Revolution was nearly strangled by it, the Paris Commune was checked and left to destruction by the failure to coordinate with the peasantry. And, most illuminatingly, the clashes of apparent interest between the peasantry and the city laborers have been the most terrible internal problem of the Russian Revolution. I can never forget the impassioned speeches of Lenin in protest against the treacherous avarice of the “kulaks.”
It is for that reason that I get excited about this early-stage agreement between the exploited American farmer with American labor. There may be jokers in it, galore, that I have not seen, but the trend is right.

On Lincoln's birthday, February 12th, labor and the farmers met together in Streetcar Men's Hall in Chicago. The purpose was not merely to reduce the cost of living in some metaphysical congressional sense, but directly to supply workmen's families with farm products and farmers' products with factory products, with the huge profits of middlemen lopped off entirely.

More than that. The purpose was to break the Elevator Trusts and the banking boycott for the farmers, and to help labor win strikes. And still more. In the background of everything said and done at this convention was the conscious and definite purpose of taking over the entire means of production and exchange by labor of farm and country.

It was a Yankee convention. All the characters that Mark Twain ever talked about were there. For instance, H.A. Fuller, of St. Paul, of the farmers' organization called the American Society of Equity. I wish you could have seen him and heard him talk. The twang of his voice and the way his hair fits on his head, his Upper Mississippi grammar and the big-gauged, sweeping capability of him set him off as the typicallest typical American I ever saw. He can stand as a sort of illustration of the whole convention. To hear his store-and-bank talk makes you sit up and take seriously what he's in.

Of the city businessman type is Dalton T. Clarke, President of the National Cooperative Association, and Allan E. Barker, section hand, was there as Grand President of the Maintenance of Way Employees. Grant Slocum, President of the National Association of Gleaners, beside Joseph Schlossberg, General Secretary of the Amalgamated Clothing Workers.

Then there were the farmers with their whiskers proudly on and their wits in their heads; there was the guy with the country poem which he insisted on reading to its everlasting refrain: “Co-op-per-ate, co-op-per-ate”; and the rural ex-storekeeper who'd caught the fever of the new day. And there was Warren S. Stone, Grand Chief of the Brotherhood of Railway Engineers, whose appearance seems to shriek: “Toot-toot! dang-a-lang! All a-bo-o-o-ard!” Present also were the mystic faces of New York's East Side, among them Sidney Hillman, President of the Amalgamated Clothing Workers, restlessly stirring about to see if things are going “real”; there were city “intellectuals” and the women sociologists, and farmers, farmers, farmers. It was the Americanest looking convention I ever saw.

C.H. Gustafson, President of the Nebraska Farmers' Union, presided over the Congress, relinquishing the gavel once in a while to Warren S. Stone.
of the Railroad Brotherhoods. Wait a minute while I tell you that the labor organizations present at this convention have cash assets of about $40 billion \[sic.\], and what they decided to do with these assets to promote the interests of Labor and the farmers.

When Stone opened up his introductory talk on “The Situation Confronting Us,” it sounded as though we were in for a spell of those hard-boiled remarks with which ancient pilots of the American Labor movement have for years eased themselves through annual conventions. He observed that the convention might expect to be pestered by the usual number of faddists; that “children go to school suffering from malnutrition,” which “alone deserves the attention of anyone who loves his country.” But this perhaps was only strategy; for, just as I was beginning to wonder why I’d come, he seemed to have eased this stuff off his chest, like a priest rid of his prayers, and he started out talking like a man. He remarked that “Russian rubles are the only thing on the increase.” I think he meant increase in value, for the audience understood it so, and gave a whoop of applause. Everybody sat up and took notice and Stone started in then and made a good speech with ideals way above the dinner bucket. He said right out that the employees are the only men who know anything about the railroads and the only men who should be allowed to run them.

It wasn’t a mollycoddle convention. There was a thrill a minute. The American War Veterans, the 750,000 organization that is bucking the American Legion for the proletarian cause, was endorsed by the convention with a unanimous bang. Attorney General Simon Legree Palmer was hooted with a whole-hearted venom that poisoned the air whenever his name was mentioned.

A voice in the audience called out: “In view of the probable presence of an Attorney General, I move that no speaker shall hold any red cards in his hand when he talks.” Motion passed hilariously.

Did you ever hear a fellow make a good speech about the price of gloves? I have. O.C. Trask, of the Brotherhood of Maintenance of Way Employees, made a speech full of that sort of stuff. At first it sounded like the palaver of the dried-up soul of a business man, but after a little I began to get the drift of it and, by golly, it was interesting! It was about how the Maintenance of Way Employees got hold of some glove and hosiery factories of Detroit and are now supplying gloves and socks of best quality to railroad men and other workers at low prices, without the exploitation of labor. When these people took the first factory, they unionized it and reduced the workday to eight hours. The employees of the private-capitalistic factories began to desert to go to work for the railroaders’ factory. After the first few weeks, the cooperative workers by the very force of their goodwill produced as much finished product in the eight-hour day as the capitalistic factories’ workers produced in nine hours. Then the capitalistic owners of the nearby factories began trying to sell out to the cooperative. One more factory has been bought this way, and it is expected that more will be taken in soon.

Glenn Plumb was there. After you have heard “Plumb Plan, Plumb Plan, Plumb Plan,” blazoned around everywhere, and puzzled as to how in the hell the newspapers game to give publicity to anything that seems so good, you naturally want to see what this fellow Plumb looks like. He’s the lawyer for the Railroad Brotherhoods. It turns out that behind this cooperative convention is a sort of triple partnership of the Labor unions, the Farmers’ organizations, and the Plumb Plan League. There were hints of Presidential aspirations on the part of Plumb, but I like him too well to believe them. Everybody seemed to be for his plan of railroad nationalization. One of the happenings of the convention was a mass meeting in which
Plumb was featured for a speech.

I went to the meeting and my attention was very much arrested by the fact that even Plumb — Presidential aspirations or no Presidential aspirations — talked as though a least little ray of the light of these revolutionary times had caught his eye.

Politics were officially barred from the convention, but the Non-Partisan League peeked through the bars, along with Plumb. The feverish appreciation of the value of farmer and labor votes was apparent everywhere, under repression.

Well, what did the Cooperative Congress do?

The principal action of the convention was the appointment of the All-American Farmer-Labor Cooperative Commission of twelve men, to go ahead in the formation of cooperative banks for the purpose of keeping the working man’s money in his own control. It means that the many millions of dollars in treasuries of unions and the farmers’ associations are to be moved to a strategic position for the aid of Labor in its struggle against industrial lords, and to the aid of the farmers in their struggle against elevator combines, meat trusts, railroad pirates, and land barons.

The convention demanded that the war debt be paid by a heavy tax on capital, graded up to 75 percent of fortunes as large as $500 million. It asked that army trucks be put to the work of road making and hauling farm produce to market, and that there be no “peacetime sedition laws.”

It protested against the return of the railroads to be the playthings of whatever dukes the Vanderbuilt girls may marry, and against the sale to Wilson’s London friends of the fleet of whips which we were told we couldn’t exist without; and it decided that all cooperative stores throughout the country should have a uniform system.

The convention also took Ol’ Doc Warbasse’s prescription. That is, adopted the “Rochdale System.” The cooperative movement started in Rochdale, a suburb of Manchester, England in 1843. It was started on a capital of $140 by 28 weavers who were sore at being beaten in a strike. Perhaps that is why it started right.

The Rochdale system fixes the prices of goods at the lowest cash market price. Thus the general public as well as cooperative members can be allowed to buy in the stores. At the end of the quarter, the “profits” that have been made are given back to the cooperative members in proportion to the amount of their purchases. Only in exceptional cases, where a strike makes it necessary, are goods supplied at cost prices.

Now one out of every three persons in England is connected with one of the cooperative societies, which did a business in 1918 of over $1 billion. The merchants’ associations call them “the devil turned loose on trade. Sixty factories owned by the cooperatives and employing 30,000 men have earned money with which the cooperatives have bought and now own farms, wheat lands, tea and coffee plantations, fruit groves, herds of cattle, and coal mines.

It is the same way with most of the rest of Europe. In the Scandinavian countries and in Switzerland, more than one-third of the population belongs to cooperatives. Even in the darkest Russia of before the Revolution, 20 million persons were members of cooperatives. Counting their families, perhaps one-half of the population of Russia got its supplies through cooperatives. There is some obscurity as to the exact status of the cooperatives in Russia at present, but when the fog of censorship and blockade clears away, we may find that the Russian cooperatives have bodily become the ready-made food-and-clothing distribution arm of the Socialistic state. We shall see; we don’t know yet.

Dr. J.P. Warbasse works year in and year out in his den at No. 2 West 13th Street in New York City, with a clerical staff, under the name of The Cooperative League of America, and answers with literature.
and letters of advice about a thousand inquiries per month from all over the United States, Canada, and Mexico.

He’s “the Doctor,” all right. He mediates the young struggling cooperatives that get started badly and have something wrong with their livers. For, you see, there are scores or maybe hundreds of cooperative stores that start and fail each year in America. It’s lack of understanding, lack of education, the Doctor says, such as caused the collapse of the cooperative ventures of the New England Protective Union and of the Knights of Labor, long ago. His office has accumulated the information of 75 years on the subject, and from this information he writes out prescriptions for co-ops of failing health. The Doctor hates to see a co-op die. Every co-op funeral is bad for the labor movement, says he — depressing. Time after time, cooperatives have started up enthusiastically attempting to give provisions to workers’ families at cost price. This is fine, at heart, but it won’t work. It’s just the right ethics, and honest workingmen have hundreds of times started out with a boom, that way, as seems the natural, decent, and honest way to start. But, one after the other, every such scheme has failed. No cooperative ever works which gives goods out in the first place at the cost price (plus expense of distribution); the market price must be charged in the first place, and the profits can be given back to the workmen-customers later. It has proven to be absolutely necessary for the cooperative to have this margin to work on, and to manoeuvre around the market vicissitudes.

The Doctor advises against starting “too big” and he advises also against anyone counting on enemies of Labor to do the business thinking for the cooperatives. “Train your own men,” he says, “and don’t start anything bigger than you know how to run.”

Doctor Warbasse’s League does not launch any cooperative ventures itself; it maintains strictly its function of curing and educating.

The cooperative movement in America was endorsed in 1919 by labor unions and labor political parties and church societies galore. In fact, nearly everything from the American Federation of Labor, the Railroad Brotherhoods, State Federations, City Federations, the National Catholic War Work Council, Interchurch World Movement, and the Socialist Party, to the Communist Party.

That’s where I get suspicious. Anything that can get the endorsement of church societies and which has a monster bank account in the midst of capitalist pollution makes me nervous. I puzzle to see how it can possibly keep clean — keep unconnected with capitalist institutions. Anything that grows under toleration of capitalist rule is likely to get an organic connection with the vitals of the capitalist order; it is likely to get dependent upon capitalistic institutions and to defend those institutions when they are attacked and about to fall as I believe they are surely doomed to fall in the near future years. I noticed that this was the case, to some extent, with the Russian cooperatives when the working class revolution came on. The Russian cooperatives were too much in the hands of the let-well-enough-alone class that was hostile to the liberation of the industrial slave mass and landless peasantry. So I kept a suspicious eye on the Chicago convention. Will the cooperative movement in America become a little bastard capitalism? I don’t know, but there are some mighty strong evidences to the contrary:

When the General Strike of Seattle [of 1919] broke out, the employing class in terror pronounced it a “Soviet revolution,” and the Merchants’ Association denied all credit to Union men and their families. The Cooperative answered by promptly offering to back the strikers’ commissary. The news was spread by the Seattle Union Record and the strikers’ committee issued coupon books to the workers for food at 10 percent below the market price. Ten thousand loaves of bread were distributed free. The only mean and the only milk distributed for four days was sent out by the Cooperative on wagons licensed by the strike committee. The workers commandeered the restaurants, prepared food, and distributed it to the strikers.

It’s hell isn’t it? Mayor Ole Hanson got out a liquor warrant and therewith staged a raid on the offices of the Cooperative to find out for the bosses what the financial standing of the Cooperative was. The Cooperative stood up in that memorable strike, through the test of machine guns and the worst vilification that capitalist organs could shriek. I remember this particularly, because the Saturday Evening Post’s hysterical description of it furnished some of the best reading matter I had in the only jail sojourn I ever experienced.

During the Tacoma shipyards strike, the cooperative store was the commissary department of the
strikers.

In the Machinists’ and Shipyard Workers’ strike in the San Francisco Bay District, the strikers depended upon the cooperative store.

At Great Falls, Montana, four years ago, the cooperatives worked in conjunction with the AF of L in the strike against the great Flour Mill Combine. The farmers had their wheat ground in small mills and shipped the flour in union-label sacks of the Farmers’ Union. The strike was won for Labor and all the great flour mills were unionized.

In the Messaba Iron Range strike, the Finnish cooperatives and the American Society of Equity backed Labor. They made a deal with the IWW not only to furnished the strike with provisions but to give credit for the provisions. The IWW guaranteed the strikers’ debts and have since made good on the bills.

When the great Steel strike started, John Fitzpatrick as chairman of the strike committee invited the National Cooperative Association at Chicago and the Tri-State Cooperative Association of Pittsburgh to handle the strike commissary. The cooperatives jumped at the opportunity. In the Chicago Steel district, provisions were distributed to the strikers in the cooperative’s own trucks, and long-distance freight shipment were made. Something over a half a million dollars’ worth of food was supplied.

And now if I have made the once dry word “cooperative” smell and taste like food to you, I’m satisfied. Think of strikes with food!

General strikes with food!

It seems to me that the American cooperative movement has made good with Labor.