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CO\*OPERATION BETWEEN GROWERS OF PERISHABLE PRODUCE IN THE SOUTH.

A THESIS.

SUBMITTED TO THE FACULTY OF THE

GRADUATE SCHOOL OF THE UNIVERSITY OF MINNESOTA.

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IN PARTIAL FULFILLMENT OF THE REQUIREMENTS

FOR THE DEGREE OF MASTER OF ARTS.

MAY 1911.

## PREFACE.

This thesis represents an endeavor to collect the different concepts of co-operation and through synthesis to obtain a broad comprehensive view of it. In addition to this I wished, if possible, to ascertain the line of its future development as it comes in contact with the economic and industrial life of the present day South.

Following this theoretical study, I have tried to depict to the reader, the conditions in the South with their principal causes and then the possibility of applying co-operation as a remedy for the irregularities in the industrial life there.

I have tried to treat the negro fairly and to give him perfect justice in my application of co-operation as a remedy for his needs as a race. My treatment of him as an individual has been optimistic when compared with too many of his critics. I feel that the negroes as a class, strive to do right and to be good. They are imbued with more of the beast than the whites and consequently it breaks out in more brutal forms among them than among us, but for the many good negroes, who overcome these desires, more credit is to be given for being good than we deserve for our efforts to keep up ~~to~~ a high standard of morality.

My bibliography consists of those publications that I have quoted from and also those that have indirectly influenced my former opinions in regard to the subject matter in hand. Many publications are omitted where they are subsequent to or analagous to those given that treat of the same thing without making any contribution to the subject.

I wish to acknowledge my indebtedness to Dr. Gray and the members of the seminar for their helpful suggestions and criticisms and especially to Dr. Robinson, my adviser, and Dr. Thompson for their assistance with my manuscript and bibliography. I wish to extend my thanks to Dr. Wilde of the Philosophy Department for his assistance in the preparation of the thesis and to my fellow post graduates who have taken an interest in my work.

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## CHAPTER I.

When we consider the events of the last decade in the United States, we are impressed by the movement of population from the farms to the cities and villages, on the one hand, and the higher cost of food stuffs in the cities on the other.

Upon investigation, we find that there are many causes prompting the influx of people to the cities. The greatest of these are the educational, social, and religious advantages enjoyed by the city population over those enjoyed in the country.

The lack of these advantages among the producers along with the lack of organization which prevents them from supplying the cities with good wholesome fruits and vegetables directly from their farms is the principal cause of the higher price of produce.

The producers find that they, individually, have been too weak to combat the forces of nature, raise their crops, and put them in a marketable shape within the reach of the consumer. This problem, a very simple one among

primitive peoples, has become complex today due to the advanced economical social, and industrial state of society.

When a man could, by hunting and fishing, provide the meat for his family, while he lets his wife carry the water, split the wood, cultivate the garden, tan the leather and make his clothes, there was no need of looking to his fellow man for any concerted action to provide these things.

As population increased, and natural food supplies decreased, man was driven to the extremity of work. He naturally followed the line of least resistance and grazed stock which required the least exertion necessary to provide the family with meat and milk for foods and skins for protection.

With this development and subsequent crowding, man turned to the soil for a livelihood. He found that to live he must now work hard and long and endure many hardships before he could conquer the wild lands and learn how to work with nature. It was during this period that man began to buy, transport and sell the excess of his harvest, taking in return those products his neighboring tribes could spare, which he lacked and wanted. This was found to be an easier

and more desirable method of making a living than by tilling the soil.

Another period ensued when there was an excess of traders, so some of them started to buy the raw materials and to transform them into more servicable commodities of less bulk and greater value.

This simple process in turn became complex as the purchaser of the raw material had to devote all his time to keeping the factory supplied and the seller to dispose of the product of many laborers.

This gave us another class of middle men and to these can be added commission men, merchants, clerks, stenographers and the employers of the great transportation companies who take a percent of the goods in their movement from producer to consumer.

All of these trades have become over-crowded and to preserve themselves, to survive and maintain control of their industries, all have joined together, forming effective unions, joint stock companies, corporations and profit sharing institutions.

Agriculture as a trade never organized itself as

a whole, and with but few exceptions, the attempts at local organization have been all that were desired. This has caused young men to look down upon agriculture and give their best energies to some other calling.

Before the producers can meet the issues, and combat the great forces that have dictated terms to them, conditions must be brought about, whereby the producer may enjoy the benefits derived from the high prices paid by the consumer, minus a small percentage for transportation, packing, cooling, and distribution.

Besides giving the producer of foods a greater percentage of profits, society must exalt rather than debase him.

This can only be done by educating and organizing the whole community, making a social back ground, that will draw rather than dispel those of a more progressive and energetic nature upon whose inventive genius progress depends.

Now to accomplish this, there must be methods differing from the present ones to facilitate distribution and to induce the progressive young men to remain on the soil.

Of great importance are the questions as to how he



is to raise the produce, through what means it is to be marketed and distributed to the consumer and how he is going to store his produce until the consumer is ready for it. Before he can carry on his operations he must have some other method of financing his undertaking. He must pay his debts and purchase those things which the consumer makes and is willing to give in exchange for his products. There have been many remedies offered and tried. There have been corporate bodies that have conducted the great Bonanza farms, joint stock companies and profit sharing farms.

Another and more promising remedy is the co-operative movement among producers to unite in their efforts to raise and place their goods upon the markets and eventually into the hands of the consumer.

## CHAPTER II.

The present meaning of the word co-operation has come into use in the last one hundred and fifty years.

1. It was Anglesized and used to promote unity among workmen by a minister in the latter part of the 18th Century and by a layman in the English Government.

Today we have two concepts of co-operation: first, as it merely promotes production and secondly, as it connotes the promotion of efficiency and return to the laborers, giving them the benefits of the union and division of labor. Among the Ancients, the Greeks (2)a had the clearest conception of co-operation. They recognized the value of the individual as such in society as a unity. For them co-operation consisted of the division of laborers among artists of the different classes. These were placed under two headings: first there were the co-operative arts which .....

(1) Holyoake, History of Co-operation. Introduction.

(2)a Plato's Dialogues. Statesman. Section 280 - 4.

(20b Plato's Dialogues. Republic, Book II - Section 376.

consisted of the machinery and processes, and secondly the causal arts, the division and skill of the laborers in bringing new things of a higher form into existence from the raw materials or lower forms.

In the Republic, Plato emphasizes the advantages of division of labor and advocates it. The good of the state depends upon the most perfect functioning of every part. (2)b

(3) Our elder Economists gave us a similar definition and divided co-operation into three divisions according to the three divisions of labor. The first of these is simple co-operation of two or more men working together for a common purpose as when several unite to move a stone. The second is simple division of labor whereby one man makes one article which he exchanges for others that he needs. The third and last is complex division of labor where each man makes only a small part of an article.

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(3) Seager, Introd. to Econ. Chap. VIII.

(4) Palgrave's Dictionary, Vol. I page 409.

Palgrave (4) sums this concept up as, "that part of co-operation that indicates certain broadly marked phenomena connected with the automatic development of human communities, of which, what is most widely known as division of labor, is an instance."

The second concept given is "that indicated by the deliberate association of individuals to form trading bodies on specific principles for their common advantage."

Holy-oake defines industrial co-operation as the equitable division of profits with worker, capitalist, and consumer concerned in the undertaking. Equitable division means that all receive profits according to the amount of capital invested, grade of labor given, or amount of purchases by the consumer in the concern.

Of the definitions of the modern co-operative concept, Mr. C. R. Fay's (5) is the best for my thesis. It combines the broad ideals of community and social life with the industrial life.

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(5) C. R. Fay - Chap. I. Co-operation at home and abroad.

His definition is as follows:

"Co-operation is a working together of individuals who are prepared to admit to the benefits of their society on proportionately equal terms all those who, bring suitable characters, are commercially as weak as or weaker than themselves."

According to this definition the society is to be an unselfish one and composed of the weak. The individual is still looking to the self but finds that to deprive his neighbor deprives himself. The individual is not selfish in the narrow meaning of the term, that he covets or envies another's property or position. He merely seeks to survive and elevate the self, to gain for it the most possible, without at the same time, preventing others from obtaining the same rewards.

Co-operative societies of this class are organized for the benefit of the individual and assumes a form most conducive to the good of the individual's social environment. For the wage earner there are the distributors' or consumers' society, for those who wish to save and borrow, there are societies of a credit nature, such as the Peoples

Banks, and for producers, we have a co-operative society whose aim is to aid production.

These societies usually limit their number of shares to a member and some do not require the co-operators to hold shares. In case of the latter a membership fee is charged to meet expenses.

Some states have special laws for the incorporation of these societies, giving them the advantages of a corporations perpetual life and power to conduct business as a private individual. Some societies have limited liability but this is not the rule. The profits of the society are divided according to the amount of benefit, the members have been to the society. Capital receives a stipulated per cent and what remains over goes to the purchasers in proportion to their consumption or to the producers in proportion to the amount they have added to the profit. The Joint Stock Co. requires its members to hold shares and divides the profit only with stock holders in proportion to the number of shares held. Sometimes the members are allowed to participate in the profits according to the amount of their purchases by allowing a five or ten percent discount on them.

The directors of a Joint Stock Co. are liable for fraudulent operations and any stock holder is liable for the whole amount as in a partner-ship unless otherwise organized under State supervision.

Joint Stock Companies and partnerships sometimes give to the purchasers and sometimes to the workers a share of the profits derived from the operation of the industry, and are known as profit sharing institutions. These differ from Co-operation in that the share is not given as an incentive to thrift for the benefit of the workers, but as an insurance. Their motive is to secure steady and effective production with a view to stimulate it and lower the cost of maintaining extra machines and equipment for less efficient men. Joint Stock Companies and partnerships were not formed primarily to limit their output or control prices as do corporations. They aim to make advances in production with the view of primarily benefiting the holders of stocks.

The corporation tries to increase the efficiency of production but thru combination, it further manipulates production, so that it can control prices and hold them at

a certain point that gives the greatest profit by limiting the amount produced. The life of the corporation is perpetual unless the state annuls its charter or the state loses its identity. This gives the corporation the rights of an individual before the law which a purely co-operative society does not hold.



### CHAPTER III.

Co-operative societies among producers as well as among distributors must reckon with the present condition of monopoly in some industries and competition in others.

Those industries that have a monopoly of the natural resources which gives rise to their profits cannot be called co-operative, even though their members work on the co-operative principle for they are not willing to admit all on the same basis which they themselves occupy. Where two or more corporations unite as co-operative members, they do not become a co-operative society for their profits depend upon what the traffic will bear. Such an organisation becomes a combination with a selfish motive. The object is to crush and stifle all competition in order to hold up prices. Co-operation does not strive to stifle competition but tries to supplant it as much as possible. By stifling competition I do not mean to kill or do away with the desire to compete by other members of society. A corporation holding a monopoly of supply or other advantage in production can keep down competition but man will desire to provide himself

if he can do it cheaper than the corporation is doing it, if given the privilege. With the cooperative society, the case is different. Men come together voluntarily to produce or procure with least expense and friction those products needed for consumption. They are willing to admit others on an equal basis with themselves at any time so the desire for competition is removed and the desire for the most productive method takes its place supplanting the old competitive form and eliminating the desire of it from the producers' and consumers' minds. It may be objected that men will try to compete and drive out the co-operative society. There will be competition as long as the organization of the co-operative societies is inefficient and its methods are unknown to the producers and consumers. These attempts will not come from the producers and consumers to provide themselves more economically. They will come from selfish promoters who wish to exploit the people for their own gain.

Cooperation is concerned with only those forms of competition that cause wasteful expenditures in the production and distribution of its goods. If society cares more for one article that the co-operators produce at a certain price than they do for another at a higher price the co-operators will produce more of the cheaper article

unless a further production of it enhances its price so that the substitution is not profitable.

Such competition is desirable to the producers and distributors because they can better serve society and different classes of society by measuring and giving due preference to their wishes.

Co-operative societies by establishing systems of grading for producers bring about a helpful rivalry or competition between individual producers to raise the best products.

Co-operation must relieve the friction of competition between markets by so dividing the out going shipments to each market that the same price relative to distance and cost is maintained in each. This does not involve curtailing production but the finding of the proportionate amounts that each market can dispose of to the same advantage as its neighbor.

As for competition between industries for an undue share of the capital of the country, co-operation can do no more than to organize each so that its efficiency is at a maximum. National and racial competition is beyond the

scope of co-operative efforts but where two or more races inhabit the same land, co-operative societies of each may co-operate to the advantage of both. The society of the higher race can set an example for the weaker. They may even give a helping hand to organize them and in return be helped, by helping them to become more efficient and self supporting. They may keep two social institutions but must have only one industrial order. Production cannot be divided and allotted according to the color line.

#### CHAPTER IV.

In order to establish a co-operative society that will survive in a community, there must be certain tendencies and desires that fit its members for it. These tendencies are characterized by the different motives that prompt men to associate themselves together. First and foremost among these is the economic motive consisting of the desire to encourage saving and thrift, to procure lower prices, pure food and full weights, and to institute time and labor saving methods in production. Our most successful co-operative societies consist of slow thinking conservatives, painstaking and penny counting men and women, who have suffered hardships at the hands of exacting merchants and money lenders. Such members as these are willing for the sake of a higher standard of living, to forget their own individuality, when by so doing they create a greater social one by uniting the many. They must have faith in the members of their society and strive to assist them if they are weaker or live on a lower level.

To institute time and labor saving methods, to get their produce off in the most acceptable shape, they must submit to rules, regulating the society and obey a manager as he directs them in the production of any article for sale. These restrictions and rules are not to be interpreted as controls over the production of society but of the minimum amounts that a unit of society can profitably produce and market. Each unit is free to act as it sees fit, providing it does not injure other local associations, and produce that for which it is best fitted and for which society will give the greatest returns. This is essential because when the local association determines to raise or produce a certain commodity or commodities, they must be able to consign shipments acceptable to the purchaser and graded to command the highest return. If any member or members do not abide by these regulations, the other members who do must report them and refuse to take their produce, as it will injure the sale of the whole consignment. The members must be satisfied to share the profits in due proportion as they have materially helped the society to make it

To do otherwise causes either a rupture in the

society breaking its power or a change from the co-operative to a joint stock company as the larger holders grasp up more of the stock and the weaker members dispose of their shares or withdraw their membership. The religious motive has shown the possibilities of benefits derived by organization and its economic utility in agricultural production. These societies have been of short duration unless recruited from outside sources because of anti marriage ideas. The Shakers are very prosperous though declining in numbers and the Rappists of Economy Pa., a very wealthy society are doomed to die out and their property will probably go to the state. Knowledge of agriculture was preserved during the dark ages by the monks. The orders of the church of Rome spread this knowledge and it was not uncommon for the Priest to be a first class agriculturalist. The socialistic motive worked out in many ways. The French formed societies to promote industrial activity and made marriage obligatory. In America societies have been formed with some connubial or domestic novelty as a hobby.

The religious and social motives are exclusive and clannish. Men cannot work together economically and industrially when they are judging the tenets of their neigh-

bor's faith or his party affiliations. The motive for successful co-operation must be broad in its conception. It must work for the enlightenment of all men regardless of their race beliefs or social standing.



## CHAPTER V.

The South has an area of 762 785 square miles extending between the 26th parallel and the Gulf, and 103rd Meridian and the Atlantic. Physically, it is divided into three parts, the hilly Piedmont and Ozark regions, the coastal Atlantic and Gulf plains below the fall line, and a semitropical strip which borders the Gulf and south Atlantic shore. There is a very small part of southern Florida and Texas of a tropical nature but I shall consider it as semitropical for my purpose.

The hilly region has a climate more akin to the northern states. The vegetation does not consist of the same class as the coastal plains and the semitropical region. It is also like many of the Northern states in that, there are no adequate outlets for natural transportation, so I shall not include it in my discussion of the South.

The climate of the coastal plain is one of warm days and nights with a great percentage of rainfall in the summer. Much of the region is so flat that artificial drainage is required to make the land habitable for the white man.

The semitropical region is tempered by the ocean and the Gulf and, presents an ideal place for raising vegetables and fruits for the winter markets of the North. Natural transportation facilities are of the best and the Railroads in time may make rates giving the inhabitants the same accommodations inland that can be obtained by water for coast trading. The drained lands are very futile and the other lands though sandy, are profitable under proper treatment. There is sufficient timber for the present fuel and lumber needs and if the pine is conserved, there will be enough for future use.

The inhabitants of the South differ according to color. The whites consisted of Aristocrats, and non-participants in Government, in the Ante Bellum days; but today there are many northerners within her borders. The negroes and mulattoes form in some communities the predominant class and are a problem in and of themselves. The Asiatics are settling in the rice and sugar districts and may in time become a problem. There are Creoles, Cubans and Mexicans. These are not of general importance. What is said of the negro will apply to them. Among the Asiatics, co-operation

assumes a tyrannical form. The co-operators are slaves to their organization and being such will not work as a society in harmony with the societies of the whites. (1)

The political conditions of the South have been such as to unite the whites, but alienate the negroes from the Whites as industrial co-workers. Before the war the officer holders were aristocrats and slave owners. There were plenty of whites who held slaves but these did not participate in Politics. They were known as the non-participants in Government, but after the war with the disfranchisement of the men who aided in the Southern cause, there came about a uniting of the various elements of the whites to put the negro out of politics. With the southern white men out of office and the ignorant negro in, the establishment of business was greatly hindered. At this point the North withdrew, leaving the negro in the South with but few restraints and unfit for freedom.

The development of the South depends upon the non-participant, or the common man. It was impossible to enforce democracy as the North saw it, upon an aristocratic South. The common man of the South has attempted to .....

(1) Shinn, Chas. H. -- "Co-operation on the Pacific Coast"

John Hopkins University Studies. Vol 6. p 471.

shoulder the responsibility of the negro. The aristocrats of the South are willing to do for the negro what they can. There is still a love between the races, and the old master, because he was the negro's master, still feels a responsibility in him.

The South has been hindered from taking active measures to advance, because of the critical attitude assumed by the North. Instead of criticising the wrongs of the South as national questions, they have been blamed on the South. So today there is a desire in the South to be let alone. If the Southerners are to take the responsibility of the final result of every act, they wish to be free to devise means of making it successful.

The corruption of the South that grew out of the effort to prevent the negroes from voting is on the wane. Today educated negroes are recognized as a factor in politics, and legislation for their good is of paramount importance. The illiterate whites are recognized as an object of governmental solicitude. Schools are being established for both negroes and whites, as well as standards of industrial training to make them more efficient.

When the confederate soldier went home after the war, he was discouraged and handicapped by changed conditions and lack of training, to become efficient workmen. The northern soldier returned triumphant, to a country with established industries calling for men to run them. He was trained in the art of working in a trade, or as one of a great number in a factory or industry.

The Southerner had no training in thrift, self-help, or co-operative action. He, therefore, made no progress when he tried to live his individualistic life without the slaves to prop him up. Those that were thrifty and wealthy, had to contribute heavily to society. Wherever there are masses of humanity who make no more than a bare existence, society receives nothing from them. (By having two races, the burdens were doubled when compared to ours.) This retarded social advancement and deprived men of an incentive to make Economic progress.

The destiny of the South lies in uniting the strength of the races and the different factions of each, politically and economically. They must have a common goal that will require co-operation among them. (Education is the great

power that will enoble and uplift a people).

The South seeing that she cannot become great with so large a percent of her population illiterate, is recognizing it with open candor and increasing courage. Her indifference to it a decade ago was a greater reproach than the illiteracy itself.

In 1900, the South contained 24% of the Native whites and 64% of the illiterate native whites. The hope of the southern illiterates is that they are not a degenerate and criminal type as in the North, but a pure blooded, hardy race of people closely akin in blood and habits to the best northern citizens.

The census of 1900 showed the illiteracy was on the decline in the South. Ala. had reduced hers from 49% in 1880 to 32% in 1901; Tennessee had reduced hers from 36% in 1880 to 20% in 1901; Georgia had reduced hers from 48% in 1880 to 29% in 1901. (6)

In the same time each of the New England states with the exception of Rhode Island, had added to both their percent and their aggregate male illiteracy from 1880 to 1900.

The value of the school to a co-operative society

extends beyond what is merely learned in books. The child is taught punctuality, that orders must be obeyed, and that an obligation is a sacred thing. There is an orderly way of doing things. (7) This is exemplified in methods of learning and methods of preparing his work. There is a time to be silent, to command ourself, and to listen. But the greatest is to learn the art of association. This getting together inspires confidence and frankness in thought. When the child leaves the school, he should become a member of some society to continue the training. Contact with teachers or leaders of higher ideals and greater ability, has an elevating tendency.

The meetings of a society will tend to increase the stability of the community. The South is probably more akin to European countries in this respect than any other section of the United States. This is especially so among the negroes and the poor whites. They would rather undergo hardships than leave their friends and birthplace.

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(6) 12th census of U.S. Vol.2, Table L.V.

(7) Murphy - The Present South.

Education is needed along sanitary lines to insure better health to the poorer class of southerners. There is need of prevention of such diseases as the hook-worm and the spread of malaria, due to unsanitary methods of constructing houses and keeping water.

Simple systems of drainage and tiling will have to be installed in the country homes to prevent the breeding of flies and mosquitoes. The importance of this will become obvious later on.

Many of these diseases of the South are caused by such insects and when fruit is touched by them, or handled by infected persons, it becomes a carrier of disease. This is especially true of fruit shipped at a low temperature. The germs are in a semidormant state. California and other high or arid regions have but little to do with such precautions as are needed in a moist southern climate.

The growers of fruits and perishable produce in the South have experienced difficulties of the same nature as those of California and Michigan with the Railroads and private car companies.

The year 1876 saw the Georgia State Horticultural



society formed and the next year they sent a few peaches to New York. These sold for about \$10 00 per bu. They were wrapped in moss to keep them, and later peaches were sent by express and pony refrigerators. In 1882, the Railways furnished the first refrigerator cars for this section, but due to poor service, they were not profitable. They stimulated the planting of orchards and furnished the incentive for a better service. (8) Florida sent her first carload of Straw-berries in a refrigerator car in the year 1888 and her first car of oranges in 1889. The Armour Co. seeing the profits to be made in this region, came in. They made an exclusive contract with the Central of Georgia in 1889 and later on, with all of the important roads in the Basing point system except the Ill. Central, to furnish cars for the handling of the perishable goods. They controlled the shipment of such freight beyond the Ohio, and Mississippi with the exception of the Santa Fe, the Gould, Penn and Merger lines. (9) They virtually had .....

(8) "Private Freight Cars and Am. R.R." L.D.H. Weld A.M.  
Columbia University Studies, Vol. 31.

(9) "Ray S. Baker R.R. on trial. McClure Magazine, Nov. 1905.  
p. - 398 411.

the South or their connections. They were able to take over the iceing charges which jumped 100% to 500%. The Railroads still did the iceing in most instances charging Armour the same price that they formerly did while the Armour Co. collected the entire amount of the charge from the shipper. As an example of this monopoly charge, the case of Dicker Ind. will show the difference. Before the Armour contract, the charge for iceing a car was \$27 50, afterwards \$50 63. A line not under Armour's control made a rate of \$30 00 from New Orleans at the same time.

When the Ill. Central made an iceing charge of \$150 from Memphis to Chicago, an Armour line charged \$73.92 for shipping from Gibson Tenn., to Chicago, practically the same distance as from Memphis.

Shipment to the Ohio river points were just as bad. The Ill. Central delivered Pineapples for \$11.37 from New Orleans to Cincinnati, while an Armour line charged \$45 00 from Mobile for iceing.

The Armour line cars are not inspected by the railroad officials. They accept the companies looks for it. Because of this neither is willing to take the re-

sponsibility for damage done in transit.

The private lines have been very negligent about getting cars on the sidings at the proper time. Chadbourn N. C. is a great strawberry center. In May 7th, 1905, the growers had 65 carloads of berries picked and ready for shipment, but only four cars came. (10)

Mr. J. S. Westbrook of Wallace N.C. writes that on May 5, 1905, they had not had a car within five days and their only shipments were on pick up trains, which were destined for New York City. Their association had posted the Refrigerator Car Co., and expected about 2 500 cars to move the crop. Berries shipped on the pick up trains were worth from nothing to \$1 50 per crate, while if they had had the proper cars, they could have sold them for \$ 2.50 to \$3.00 cash at the station. It was estimated that that section lost \$6 000 000 00 in one season. Armour was compelled to pay claims amounting to \$75 000 00 for the Chadbourn district. (11)

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(10) The Armour Refrigerator Car Conspiracy exposed.

Arena 33; Jan. '05, page 147 W. G. Joerns.

With such conditions to face men are not going to embark in co-operative undertakings. All the efforts expended to raise and market are in vain, if the produce is to spoil on the track due to the negligence of railways and car lines. The prospect is not all that could be desired. If the car lines were paid per diem only for the use of their cars and the Rail Roads were compelled to ice the cars as a part of transportation, cars would go directly to their destination and not on round about routes.

Government control would become effective if the I. C. C. would issue orders on a reasonable charge for icing, making it as near uniform as possible. So far the Commission has held that it has jurisdiction over the icing but has not issued orders. It has, however, pronounced on what it considers a reasonable charge. (12)

If the Railway officials of the Refrigerator Car department of the Southern Systems could get together and use their cars under common rules, they could probably by using each other's cars meet the demands of one section during its busy season, then use all their cars in another as each section requires. This will relieve the R. R. from the necessity of owning sufficient cars to serve its

own section for a small rushed period.

After the need of education and facilities for transportation to aid in production, a credit system is next in importance. The present credit system among the tenants and planters is as antiquated as was the educational standard and shipping facilities.

The present system is so manipulated that the return for the credit given is hidden in the advanced price of supplies and sale price of what the planter offers for disposal.

According to M.B.Hammond, (13), the planter signs a contract to deliver all of his crop to the merchant for the privilege of buying on time, those necessities of life required by him during the growing season. No other merchant will trust him for the crop is mortgaged. This compells the planter to pay the merchant his price and accept for his crop what the merchant is willing to give.

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(12). 10 I. C. C. Report Page 590.

(13). The Cotton Industry. The American Econ. Association, 1897, Vol. I. Chap. V.

The banks were afraid to advance money to the tenants and poor planter. They were unable to keep in close touch with them, as the small merchant could do. The character of the borrower was such that it was an unsafe investment. The merchant could limit the amount of purchases, especially of the negro tenant. Where money has been advanced for a season, it has been known that the negro spent it all for luxurious living the first two months. The poor whites are about the same. Slavery banished thrift and some system must be instituted to bring a return, that will give the planter and producer of the South, a source of credit on men regardless of their property.

T. H. Calloway (14), relates the efforts of the negro to establish savings banks in the South. In 1887, the Grand Fountain, a Central bank at Richmond, Virginia, was chartered, and it established 33 other negro savings banks. These banks discounted papers for the colored people and kept their deposits. They did a business of \$16 308 824 86 to date of 1908. The Fountain was solid. In the panic of 1893, it was the only bank in Richmond that did

not cease to pay out specie, a case paralled to the Italian Banks.

Through the help of the Fountain, mercantile and building associations were established to aid the negroes. Many other attempts were made by the negroes for saving. Some of them were very successful. The negroes boast of one bank controlled wholly by women. On the whole the negroes have been successful in their efforts to establish savings banks.

Since 1900, the gouth has made great progress in Banking. Her banks rose from 1 617 in 1900 to 5 143 in 1909, all of which are reporting banks. This is an increase of 218%. Of these 4 961 are commercial banks. (15).

This is a very encouraging increase but for that portion of the South along the coast where produce and fruit are the principal crops. These banks are not doing what they should for the poor grower.

Conditions have been discussed and remedies prescribed but until some man comes forth, that will give his time and energy to arouse the southern to a realization of his needs and the possibility of self-help, to work among

them as a fellow helper, giving himself to establish a credit society, the outsider's discussions and remedies will be useless. Like all other institutions of this class, the South will develop its own institution that is adapted to its peculiar needs. To say that the German, Italian, Canadian or any other co-operative system is the best for the South, is not a rational assertion. The object is the same, but the problem of how to encourage thrift, and what is the best method of loaning or granting credit to the humblest classes of a community, must be worked out slowly, and by the people themselves. Honesty and moral fibre cannot be grafted into a community and bear fruit the same as where it is germinated and grows out of the people. Honesty must be rooted in the community. Each one must feel the need of it in himself as much as in his neighbor.

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(14) Worlds Work. Vol 16 1908. Page 10348 - 51.

(15) National Monetary Commission. Statistic for U.S.  
1867 - 1909. A. Pratt Andrew.



The credit banks must grow from very meagre beginnings, keeping progress with the patrons. When the patrons of the bank become versed in banking and learn the essentials of banking, they can be permitted to extend the functions of their bank. The South must work it out. She will then understand the solution and in case of difficulties will be prepared to surmount them.

## CHAPTER VI. THE NEGRO.

At the 12th census (1) there were 8 833 994 negroes in the United States, and of those over 8 000 000 were in the southern States. If the negro had increased in the same ratio as the whites did from 1790 to 1900 there should now be 14 599 136.

There are two conceptions of the negro in the minds of the whites. We have the old time darkey and the present shiftless class of negroes. We think kindly of the old time darkey because we see him as the better class of Southerners looked upon their faithful slaves. We have the idea of the negro today as a shiftless being because we see him thru the medium of the poorer class of whites and our own experiences with the worst darkies. These views are neither correct nor just to the negro. There were bad darkies and there are good negroes today if we but look for them.

There are different types of negroes as there are of whites. The negroes of Virginia, Kentucky and other

border states are the descendents of the better negroes. The planters sent their unruly ones off down the river. This accounts for the depravity of the negroes in the extreme south to a certain degree.

Slavery did more than to separate the good from the bad. It restrained the evil tendencies of the bad element of the race, but it also restrained the nobler impulses of the better class of negroes. When these restraints were removed, the negro was free to follow his own desires. Those who desired to live profligate lives were unhindered by governmental restrictions, but the nobler aspirations were not fostered, and because of rebuffs and deceptions many of the more intelligent negroes became suspicious of the North as well as of the South, and helped in degenerating the race by spreading discontent and suspicion of every one.

.... As has been stated the negro is coming to have the right of citizenship, to demand schools, and thru industrial education he is being fitted for work. The

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(1) 12th United States Census of Population 1790 - 1900.

negro has been a slave since the emancipation because of his unfitness for work. He has not been happy even though he appears contented in his shiftless condition. He is not fitted for life. The negro is capable of attaining a higher standard of living. He differs from the Chinese and Japanese, in accepting our ideals of religion and social customs, and spends his money freely for them.

The destiny of the negro in the south depends upon adjusting himself to economic and social forces that make for the preservation of any race.

As long as conditions are such that plantations can be run and cotton raised, the negro will be needed and will be used in his present ignorant state. The conditions of the South are fast approaching the point where the plantation is unprofitable and small farms are the rule.

With the plantation system broken up, the negro has two alternatives. If he takes the first and moves into the city and works for the stronger race, he becomes a victim to the criminal class and degenerates. If he takes the second, he must remain in the country and in order to maintain his race integrity, he must own land. This integrity will depend upon his self-sufficiency and ability.

to handle his land economically.

The negro must take pride in himself as a negro, if he is to preserve himself as a social entity. All ideas of race fusion must be rejected. He must not think that dimocrack in the south requires it or that democracy depends upon it.

The negroes must co-operate with one another in their efforts to become self-sufficient, and they must keep entirely separate from the white as a social unity. They must co-operate with them in an industrial way.

If the negro wishes to form a co-operative society for the purpose of raising and selling fruits and vegetables, he must segregate himself from the whites. He will be compelled to do this in order to get land, for no colonization company will sell him land in a white community for the purpose. The negroes have an opportunity to form distributive societies whenever there are enough to support one. The whites of the south permit the negro to enter most of the occupations, and will patronize them if they give a service equivalent to that of the whites. The South has barred the negroes from politics to a great extent, but has not

abridged their right to make a living as the North has done thru its labor unions. Here the negroes are not allowed to work as a non-unionist, and in the large stores they are crowded out.

In order to have co-operation between the white societies and the black societies, they must exchange opinion and judge them out side of their own experiences. The societies must have confidence in each other, rather than total agreement. If they do not agree, they should admit it and not disguise or withhold what they really think. The negro needs candid treatment and helpful criticisms and aids. If these are carried out, there will be a return to the younger generation of negroes some of the old time confidence restored, the sons of the South can lead the negro out of his present degraded state into a more self-sufficient and respectable position in society.

The question as to whether the whites are to organize the negroes into society or whether they are merely to set an example and let the more progressive negroes effect their own organization arises. I believe

that the latter is the better policy. The negroes will not be led to distrust the motives of the organizer. If they need assistance, let them appeal to the whites, and let it be given in an unofficial manner.

As an example of the possibility of the negro forming a society, I shall relate the efforts of the Hon. R. L. Smith (2) of Oakland, Texas, beginning in the fall of 1889. Mr. Smith was then a schoolmaster in a rural school near Oakland. After reading an account of the village improvement societies of Litchfield, Conn. and Farmington, Mass., he conceived the idea that if the whites could better themselves by co-operation, the negro could do the same.

The negroes were in a destitute condition. Only one family had a house of more than two rooms to live in. The appearance of their part of town was very uninviting and tumbled down.

In the month of December of 1889, Mr. Smith called the negroes together in a general mass meeting, at which the Village Improvement Society of Oakland, Texas, was organized.

.....  
(2) R. L. Smith, An uplifting negro Co-operative Society.

World's Work. Vol. 16 - 1908, p.- 10462.

The first attempt was meagre. The inhabitants straightened up their fences, and did what they could without expending money which they did not possess. The hope of the society lay in having a bountiful crop. The crop proved good, but when the members had sold to the merchant to cancel their debts, they were left with but little, if any money to carry on production next year, much less to improve their houses. To overcome the credit system, Mr. Smith organized a Farmers Improvement Society on a co-operative basis. He was able to raise about one hundred dollars, and two members went down to Houston, Texas. They purchased supplies and procured, in some instances, enough to run the family thru, with what meat and corn they had saved for the next year.

The difference in the price of the credit store and the co-operative supply, can be illustrated by comparing the prices of a few commodities. The molasses that cost 75 cents per gallon at the store could be had for 45 cents. Sugar that cost \$1.00 at the store could be had for 46 cents at the co-operative store room.



When it was seen that the men could co-operate, the women were organized. Their society is known as the Women's Barnyard Auxiliary of the Farmers Improvement Society.

Emphasis was placed upon the importance of the production and sale of good eggs, chickens and butter. After six years time the village had so improved that they were able to erect a two-story school house, and a church costing one thousand dollars. Their homes had grown so that four and five roomed houses, well painted, were the order.

In the year 1896, Mr. Smith was nominated and elected to the state legislature by both negro and white voters. He was so encouraged in his work that he called the first delegated assembly of the movement. This Annual Convocation, as it was called, adopted forms for reports, to give information concerning the movement, and plans for larger organizations. He took what was nearest at hand. He organized on the same principle as the fraternal societies, with which the negroes were familiar. There are twelve degrees given solely on the merit of the member. To the member who ran three months of the year without opening an account, was conferred the first degree; the second was given for running six months; the third for nine months;

and the fourth for twelve months. These degrees were called coming degrees. The fifth degree was given to the member who could run one year and save twenty-five dollars; the sixth to the member who could save one hundred dollars; the seventh to the member who could save one hundred and fifty dollars; and the eighth to him who could save two hundred dollars. These degrees designated the members as possible land owners. The process went on until the twelfth degree, which entitled the member of the society, a member of the Annual Convocation without election. All other delegates must pass up at least one degree to be re-delegated to the Convocation.

This placed the most intelligent and industrious negroes at the head of the association to act as they thought best, without fear of losing their office or degree, if they could save four hundred or more dollars.

The society spread and after Mr. Smith's second election, annual fairs were held at Columbus, the county seat of Colorado Co., where speakers came to talk and enlighten the members. All religious and political subjects were barred.

The societies continued to increase in number and wealth until in October 1907, the Famous Improvement Society had 475 organized groups, with 9 256 members, owning 71 439 acres of land, valued at \$275 000 , and having further expended \$58 148 in improvements in the year 1906 - 7. Such a record with an additional sum of \$50 000 spent for the spread of co-operation in a year would not be a discredit to a white population.

Booker T. Washington is doing a similar work in connection with his school to put the negro in possession of his home. At their meetings they discuss methods of farming, modes of farm life, and how best to utilize their time.

The negroes have been emancipated from the necessity of buying from the stores on credit where the societies exist, but a greater benefit accrues to them by being able to hold their cotton and to sell it in large consignments to the Galveston, New Orleans and Mobile markets, and not to the credit merchant.

These associations will be for the older members what the schools are for the children, and added to this

is the inducement to keep the negro at home, away from the court-room, or lounging on the street corners, talking and thinking about crime.

To show that the negro can become a valuable citizen and respected by the whites, I need but quote from the Houston Post of Nov. 14, 1896. "He (Mr. Smith) came to this state in 1885 and has resided continuously at Oakland. Here he has completely transformed the character of the Negro Settlement, and today it is doubtful if in the whole state there is a more valuable class to the population of any town than these. Here there are thrifty, enterprising, law-abiding, intelligent and moral negroes,- negroes who are the possessors of homes and public buildings, and to no man is more credit due than to Prof. Smith, who has ever held himself in readiness with his time, talent and money to keep abreast with the strides of civilization, prosperity and modern progress."

## CHAPTER VII.

Since 1905, the South has made rapid strides in their organizations. At that time The Farmers Educational and Co-operative Union of America and the Southern Cotton Association were both reorganized. The former the originating in the South is a national society with approximately 3 000 000 members of which 2 000 000 are active. Its membership is limited to producers. The latter is not quite so strong in membership, it does not limit its membership to producers. Bankers, Merchants and all are admitted. The object of these associations is to control the minimum prices of cotton and the output which places them outside of a purely co-operative society. They are trying to introduce diversified farming in order to make the cotton grower more self sufficient but do not give him a chance to get credit and mortgage system but give nothing to take its place. They have established ware-houses for cotton and are successful in making shipments for its members. They advocate fruit and vegetable culture and have tried to introduce it in the system of cotton culture so that the farmer might have an income each month

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(1). Report of Commissioners of Corp't on Cotton Exchanges.  
Part V - 1909 Dec. 6, 1909.

of the year. Where any considerable number of the members have turned to these avenues of culture, they have found the Association unprepared to handle the excess not demanded by the home market. In order to meet the difficulties Associations for the care of freuits and vegetables have been formed along with the associations that handle staple crops. Perishable crops in the south would include many of the northern staples such as potatoes, cabbage, etc., that are gathered at a time of year when a few days exposure would spoil them.

The first Company successfully organized to handle produce alone is to be found in Va. for a series of years previous to 1899, the growers of produce at Olney Va. on the Eastern Shore shipped their goods independently. Later brokers came in and purchased the produce and exchanged with Northern commission houses. This was very unsatisfactory. These brokers would give credit to the growers and hold them up to high interest and hard terms. When the crop was plentiful they paid just what they pleased.

Albert H. McMath (1) the present secretary of the Eastern shore of Va., Produce Exchange related that from

1895 to 1900 sweet potatoes went down to 30 and 40¢ per bbl. in the late fall. They cost the growers one dollar per bbl., to market. He further relates that, "the growers were convinced that farmers must organize and do their own marketing on a co-operative plan," they advertised their scheme and called a mass meeting Sept., 17, 1899. The farmers were doubtful and the brokers were certain that it would be a splendid failure. They had no model to guide them. One of the members of the committee after being appointed, "to draft an outline on the working plans of a Produce Exchange for the Eastern Shore", said, "We had no precedents to fall back on, no working plans of any other association like the one we wanted to form, We met night after night and talked it over and scrapped it out among ourselves". (1)

The association was incorporated Jan. 6, 1900, and its present constitution and by laws were approved Oct. 25, 1906. The association shipped 400 000 bbls. and crates, for its members the first year after it was organized. For the year 1910 with its 33 local divisions, consisting .....

(1) Saturday Evening Post July 16, 1910, Co-operative Va., Potatoes, Wm Payne.

of 42 shipping points, there were shipped 1 400 000 bbls, and crates. About 85% of the shipments are potatoes in bbls., today where formerly sweet potatoes were the principle crpp.

The association was capitalized at \$50 000 consisting of 10,000, \$5.00 shares. No share holder may own over 10% of the shares. Each share has a vote and any one may become a member by purchasing a share. These may be purchased by the payment of 25¢ down and small instalment payments thereafter until paid for.

These shares have been paying from 10% to 50% dividends and have risen in value until today they sell at \$12 to \$17 per share. The shares are hard to get and men who wish to use the association may do so by purchasing a shippers privilige which cost one dollar.

A negro is not allowed to own shares unless they are registered in some white man's name who votes for him at the meetings. The negro may own shipping priviliges if he desires. About 40% of the population is colored and this provision does not debar them from the advantages of the association. There are about 2 000 members in the association and 1 500 who own shipping priviliges.



Each member belongs to one of the 33 divisions and his shares are registered in that division where he lives. Each division elects one director to the Board of Directors who "have full management of active business of the Exchange". (1) In case an outsider owns shares he has no vote for the director and if one local division owned a majority of shares it would have but its one director to represent it. This keeps the management of the association in the hands of the producers. A family might hold a ruling part of the shares but not a ruling vote when so distributed.

Each division elects its own local director and agents. The Board of directors may remove these upon complaint and call for new appointments. (2)

The Board of Directors appoint local inspectors to see that grades and methods of packing are kept up to the required standard. This keeps the inspector free from the local influence that would prevail if he were under the local stockholders. (3)

- .....  
(1) Constitution of Exchange Art. 4 Sect. 7.  
(2) Art. 5 Sect. 2  
(3) Art. 5 Sect. 10

This is most essential considering the fact that the association spends about \$15 000 per year for inspection and the establishment of brands and trade marks. These are becoming well known and possess value. The association has its agents in Chicago, Buffalo, Boston, Cincinnati, and Toronto. The agents are ready to step in and adjust any claims on the part of commission men as regards goods that are not up to grade or unsaleable. In this way the Association has been able to pick out the reliable commission houses and today they have a list of approved houses with whom they have direct connection by telegraph and telephone.

The method of disposing of the produce is simple. The local agent finds out about what the shipments will be each day in advance. The head office finds out about what the market will be for them. The inspector grades the goods and sees that only one grade is allowed in a car. Upon receipt of the car the central makes out a check for it to the local agent who in turn makes out checks to the growers that filled the car. Every member gets the same price for the same grade of goods on the same day.

The exchange takes all responsibility of collection, of bad debts, and loss of time in payment. The the Association never loans, it helps producers by thus giving ready money for the growers to go on for the next crop.

The exchange has accumulated a surplus of \$80 000 with this reserve they were able to prevent the bears from lowering prices below the cost of production by consigning their shipments to other markets when a bear movement was on. One case may be cited to illustrate this. The New York commission men decided that \$1 50 per bbl., was too much for potatoes. New York quotations on produce controls other markets and what they offer is a criterion for the whole country. In this case they offered one dollar per bbl., which is 25¢ per bu. The Association received word of the movement before it took effect, and consigned their shipments to other markets, and none to New York. By the end of the week potatoes were \$3.25 per bbl., in New York City. The bears came around and made peace with the association. Today the association aims to put only the best stock on the New York market, thereby keeping up the quotations.

The association is financed by flat commission of 5% on all of its member's shipments. To insure adequate shipments, the association demands that the members sell thru it. Prices and quotations depends upon this so the members are willing to submit to it.

The peach growers of Georgia suffered many hardships before organizing their Fruit Exchange. Within the last two years that they have done business as a exchange they have been able to consign their shipments to advantage. Their whole peach crop has to be marketed within five or six weeks and this requires a wide market.

Unlike the Georgia Fruit Exchange the Florida Cities exchange has had strong competitor for the markets. It has been a pioneer in the Fruit business in Florida as the eastern Shore Produce Exchange was a pioneer in its region.

The Florida Citrus Exchange is modelled after the California Exchange. To go into detail concerning this Florida Citrus Exchange would require many pages. To relate the most important features of the organization will give an adequate idea of its scope and purpose.

The object of the exchange is "to obtain for an honest grower, who tenders it honest fruit, honestly packed and honest price for his product and we are against anybody who attempts to bring about any condition other than this."1. The exchange is state wide with one sub-exchange in each county composed of associations of the growers in the county.

The Exchange has no shares to sell and no capital stock. It collects for whatever goes thru its hands and remits to the sub-exchange and from there it goes to the grower thru his packing agent the association. The exchange tries to adjust claims against the Railroads. It assumes no financial obligations for damages. Out of 37 claims amounting to \$6, 240.26 filed by the exchange for damages by freezing it collected \$5, 628.97 or 90.3% of the claim. Members of the Traffic Department are doing their best to enforce favorable rates and adequate shipping facilities. On Nov. 15, 1900, they served notice on the R. R. Co. that they would require ventilated refrigerator equipment exclusively. The sub-exchange and associations are concerned with picking and

packing. They take the fruit from the tree in the grove compelling the pickers and packers to use gloves and not bruise the fruit. By this co-operating they use machinery and grade much more successfully than they could otherwise. Handling oranges with gloves has decreased the decay 10% at a cost of 1/3 ¢ per box, besides the financial saving there is also a sanitary advantage gained.

The Tampa Florida Board of Trade in their report of Feb. 1911, in commenting upon the Citrus Fruits wrote, "The price of oranges so far this season has been 63¢ a box more than last year, and last year the price was some 20¢ a box in excess of the previous year. The day is past in Florida when the average price is 75¢ per box. The year 1911 will see the Florida Citrus exchange stronger than ever for the independent shippers are learning that their salvation lies in co-operation and the growers outside of the exchange who have been receiving returns of \$1.00 per box will get on the band wagon for the \$1.82 average".

The exchange handled 1,506,900 boxes and crates in the year 1910 and received net \$2,003,548.93. The .....

(1) Wm Chase Temple Preamble to the Constitution of the Exchange.

annual value of the agricultural products of the south is estimated at \$2,500,000,000. (1) The Exchange does a business equal to almost one one-thousand part of the south and from fruit alone. When the South becomes as well organized as California and when her groves are developed and gardens are established, her annual agricultural products will be greatly in excess of \$2,500,000,000.

The exchange maintains itself by charging a commission for handling fruit which is considered by the directors to be needed. If there is an excess it is used to further the growers interests. Political and Religious questions are barred. It is the duty of every member to teach non-members the methods of conducting business in the exchange and the advantages derived from it. If a negro has fruit to sell the whites will handle it but he cannot ascertain whether he is barred from office or not. I suppose that the same prejudice prevails there as in the other white societies. Even an association of negroes would be unsatisfactory. They would demand the right of sending one of their members to represent them-  
.....  
(1) Report of Tampa Board of Trade. Feb. 1911.

selves in the general meetings. This question is not of great importance at present. The negroes have not been fruit growers but with the advancement of the race they will turn to this occupation even tho it requires thrift and postponement of a return until some future time. If the negroes are willing to have a white man to represent them as in the Eastern Shore of Va., Produce Exchange, the difficulty may be adjusted.

The South has the same problems as the other parts of the U. S. in disposing of its produce and fruits after getting them in the Northern markets. The most satisfactory plan is to auction their shipments in city markets on side tracks furnished by some of the R. R.'s for the purpose. Selling F. O. B. has not proven satisfactory the commission man has the advantage in every case.

The producers in the South have been able by cooperation to deal directly with the merchant and distributor of his fruits and vegetables in the North. They will be able to protect their growers and the property from impostors who would sell deceased or infected stock.



## Chapter VIII.

As a conclusion to this thesis I wish to sum the advantages of co-operation as they have manifested themselves in the South; and what the future holds in store for the producer of perishable fruits and vegetables.

The people of the South are descendants of immigrants who, in Europe, depended upon their crops to sustain them and trade for what they needed in the way of manufactured goods. They are naturally an aristocratic people. It took a great struggle and a reconstruction period full of suffering and dissappointments to make them feel for the down-trodden and rely on each other as a necessary prop to keep them up. The old southern gentleman could not give up so it devolved upon the son to make the first step in the economics and industrial life of the South. The influx of Northern people and time have melowed the feelings of rivalry and feuds of the earlier days. Men do not belong to families or plantations to the extent that they did. They are thought of as belonging to a community. Co-operation will further this concept and as

men grow fruit and vegetables, they will live close together and come in contact oftener. This closer relation and frequent contact will develop a social conscience founded on the basis of community self-sufficiency rather than on hospitality, and its attendant duties.

This social conscience is lacking in the negroes. They are a race without a flag, a nationality, a social entity or any of the precedents that make for a race. The negroes are strong in imitation power, and have been compelled to work not as an individual but as a group. Co-operation has had a virgin field to work on among them. There were no prejudices or precedents to overcome. They take to the co-operation idea naturally. They are a child race with a tendency to pattern after and connect themselves to something rather than stand alone. I do not look to see the negroes contribute much to co-operation same members and associations. I believe that it will do more for the negroes socially than in any other way. The negroes are limited by nature for the enjoyments of life that require the greatest efforts, but he does desire those pleasures that are within their scope, and will not forgo them for future goods. They may become better in quality

but we can expect them to remain rather in the pleasures of the senses than those of the intellectual.

If co-operation can help to make the negro a moral being, it will have done enough. If it merely furnishes him with plenty to eat, a good house to live, and necessary clothes and medical attendance no more should be asked.

The development of the social conscience is but the first step with the white man. Co-operation will be a series of experiment in all of its different phases. Each association should work with the Federal officials giving imported plants and seeds a trial under different environments. Many imported fruits are improved by the change and be inbreeding. Upon this depends the kinds of crops to be produced and their manner of cultivation in the future.

The South has developed a demand for its goods when it has some reliable association's brand on them. The good of this is reflected by the Commission men as well as the producer. If a state wide association does not approve of a commission house in the future, it

will be considered as sufficient evidence by all other shippers to beware of that house. It will in this way uplift the moral conscience as well as the industrial conscience of the northern commission men. They will probably be able to tell you from what point they receive their goods. If they don't, the associations can find it out for you.

Probably the greatest benefit conferred on the South by co-operation is its power to restrain the impulsive southerner and make him think. He has never been a shrewd business man. He thinks of his fellowman more as a guest, a neighbor, or as a friend than the Yankee does. He tries to do the square thing in his slow way and expects the same of others. Co-operation emphasizes punctuality rather than procrastination. The southerner needs this. These conditions have made it possible for the unscrupulous money lenders to get a foot-hold in the South. They give credit, binding the borrower hand and foot, then await until they have him securely then keep him a slave to a debt. This evil heaped upon the other misfortunes of the southerner has crippled his resources.

But these misfortunes are goods in disguise. Without them co-operation would be slow in coming. It has impressed upon the young southerner the fact that they must forget old differences and get together if they are to survive as a ruling class under the new economic conditions. We may well regret the loss of the old ideals but the new should compensate us for them. Man must work and the southerner must work and respect himself and others who work. with farming taught in the school in which all participate we have a leveling influence. The planter's son working in a garden with a caracker's son is given the first lesson in exalting the farmer and demonstrating the value of better conditions. After a man has worked in a school garden whetner he becomes a farmer, a professional man, or anything else, he has to respect the man with the hoe, and will naturally feel more of an interest in gardening than if he had never done anything along that line. He will be ready to cooperate and help. If he knows what a value it has to society, his efforts and money will go into it. As co-operation spreads in the south it will cover more territory and property making its security better.

Associations will become better known and will demand more respect and patronage.

Because of these conditions and needs we may well hope that co-operation will succeed in the south. It may assume different forms, but as long as the spirit is purely co-operative, we may give our unfailing support to those men, who, unselfishly, give their life and best efforts to solve the perplexing questions confronting the growers of perishable produce in the south, not only for their financial gains but for the health and well being of the nation.

Finis.

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