

Why We Need Co-ops *(the publication and date are not known but looks to have been published by Consumers Cooperative Association.)*



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(Instead of the usual editorial of Howard A. Cowden, we present here a statement prepared recently by R.J. Ackley of Garden City, Kansas, a veteran member of the Board of Consumers Cooperative Association.)

An OLD-LINE CORPORATION operates for profit. It specifically so states in its charter. A profit-taking setup is organized ordinarily to take all the trade will bear. Corporations merge to get big enough to control business to such an extent that the patrons rebel and form cooperatives in order to protect themselves.

On the other hand, a cooperative corporation, non-profit, so stated in the charter, returns to its patrons all savings made by the association. In an old-line corporation, a few get all the profits.

So you see, there is as much difference in the two methods of doing business as there is in the north and south poles. All the difference in the world.

One method takes all possible, by means fair or foul, while the other saves and returns all possible to its patrons. These two methods of business seem to prevail

over the world today. Everyone must be a patron of one or the other. Mr. Common Person, take your choice. By your patronage continue to build for others all the great business institutions and pleasures in the world, or by patronizing your own cooperative organizations, use your patronage to build for yourself in the future what you have built for others in the past.

Now, a word about the general economy of the country. I speak more particularly about the farm side of our economy as compared to the industrial side. On the farm side, a 15-year low; on the industrial side, an all-time high and still going higher.

At last the President and Secretary of Agriculture seem to have awakened to the fact that the farmer cannot endure too long under such circumstances and have set up a soil bank program to ease the present farm squeeze. A good thing. A temporary relief but by no means a cure. There is only one cure as I see it. Put a lid on the industrial side of our economy and hold it, and raise the farm side until we reach parity, and when I say parity, I mean just that. Not 90, 80, or 70%, but 100%. When any business operates for less than 100%, it loses money. Parity in any business must mean what any business receives for the things it sells compared to what it has to buy. Some would have you believe that it is alright for the farmer to operate below parity. Whenever he does, he loses money. Ask General Motors, International Harvester, or any other big business to operate below parity and see what the answer would be. I have no idea how much above parity most business demands.

If the farmer has to operate below parity, he will have to be subsidized to that extent.

As to the cost of helping the farmer by subsidy, it is insignificant as compared to subsidies paid to other industries. Under present conditions, with the industrial and labor side of our economy so thoroughly organized, Mr. Farmer hasn't much of a share. Big business is so organized that it can and will take the farmer's savings, soil bank money and all, so much faster than he can save that he will not be in the race. In times past, before such great corporation mergers as we have seen recently, people tolerated profit corporations. But in recent years, millions of people think they have found a more equitable way of doing business through non-profit organizations.

A great multitude of people who believe they have been unduly exploited have rebelled and formed non-profit organizations which they believe to be a fairer way, a way in which no one profits off the other. So the struggle goes on. Only time will tell. Competition seems to be the best form of economy we know about, but when big business forms combine to stifle competition, something must take place; hence, the co-ops appear.

To my mind, the Co-ops do not care to monopolize the world's business. They only seek to make competition function.- R.J. Ackley.