

## COOPERATION BRINGS PROSPERITY

### XXVII—HOW THE DANISH FARMERS GET RICH

The Danish farmers are rich. Man for man they are the richest farmers in the world. And they have risen into this preeminence in the short space of seventy-five years. I say seventy-five years because they began to combine their resources in credit unions as long ago as 1850. During the sixty years immediately preceding this date they were struggling with landlessness, illiteracy, and poverty.

But in 1923 the Danish farmers exported farm surpluses amounting to more than one and one-third billion kroner. Reckoned in the present exchange value of the krone their farm exports were worth 233 million dollars. That is to say the average of exported surpluses amounted to nearly exactly \$1,000 per farm. When small-scale farmers can produce at home enough of food and feed to support the farm family and the farm animals and at the same time can produce exportable surpluses of some \$1,000 apiece, it is easy to see that they have a chance to accumulate wealth.

#### Where Cooperation Succeeds

But this chance would be worth little or nothing if they had not meantime developed the ability to take charge of the distribution of the farm wealth they produce. The distributing game in Denmark is the farmers' own preserve. The outside middlemen are not warned off the lot but as a matter of fact they keep off the farmers' business territory because the farmers beat them at their own game and do it hands down. There are better farmers than the Danes, but there are no better business men than the Danish farmers are, in any land or country on the globe.

They keep their hands on their own farm wealth every inch of the way from the farmers' fields to the consumers' table. They even own and operate the Danish food shops in London and Manchester. They not only produce farm wealth in raw forms, but they put this raw wealth into fit forms for final consumption. That is to say, they have set up their own manufacturing industries and operate these themselves. Or they employ expert managers from the outside—men trained by experience in the intricate arts of manufacture and salesmanship. Their manufacturing farm industries are mainly butter factories, cheese factories, and packing plants or cooperative bacon factories as they call them.

Their cooperative producing associations cover the fields of horse, cow, pig, sheep and goat breeding, poultry raising, potato-flour factories, sugar beet factories, marl mines, the high breeding of potatoes, grasses, sugar beets, chicory, and small grains in general. Under this head would also come the society for the reclamation of heath lands, sand wastes, and peat bogs. Also the forest culture societies.

Their buying associations are bent upon buying wholesale quantities in ship or car load lots for cash at the lowest market price—feeding stuffs, artificial manures, coal, cement, seeds and the like.

Not only this but their insurance associations are also cooperative. Which means that the cooperating farm groups carry their own insurance on their lives, buildings and equipments, livestock and crops. Insurance against sickness and death, damage by hail, floods, high winds and other providential dispensations, accidents and the like, is carried by the farmers themselves in cooperative groups.

But even more, the farmers cooperate to generate their own electric currents, to build and operate their own farm water works, flour mills, bakeries, and saw mills. They are also grouped into fruit culture and fruit sales societies, bee-keepers associations, farm lecture societies and so on and on.

But the inventory is not yet concluded. The Danish farmers started in 1850 to assemble their own resources, create their own credit machineries, and market farm credit among themselves. It took them fifty

years to realize the necessity for local credit unions, to supply short-term credit for productive purposes, but today there are 168 farm credit unions in Denmark and they abundantly supply on the basis of character the productive necessities of the small-scale and middle-class farmers. And in 1924 the cooperative groups of manufacturing farmers organized their own central bank in Copenhagen to supply the credit they needed to warehouse their products until prices offered them fair profits, and to buy in bulk at low rates the seed cakes, hay and forage, wheat and flour, fertilizing ingredients, and food oils that Denmark is unable to produce at home in the quantities needed year by year. This bank in ten years has established 99 local agencies in the 26 counties of Denmark.

#### Few Independent Farmers

I asked in the innocence of a greenhorn from the States whether or not it was against the law in Denmark for a farmer to act alone and to do things for himself by himself. The answer was, Not at all, but the Danish farmer who hasn't sense enough to see the direct advantage of cooperative business is so rare that he is almost unknown. Whether the farmer cooperates or not, if he sells his pigs he must sell them to the cooperative slaughter houses and packing plants; if he sells his milk he must sell it to the cooperative cream and butter factories. He can't farm at all without employing these cooperative farm agencies. The independent farmer has a chance to market his eggs through independent buyers, and to sell his livestock to German purchasers, but these two businesses are of relatively small importance at all times in Denmark and especially since the markets in England and Germany have been closed by the feeble buying power of these two countries.

#### Farmers' Business Machines

There are 247,000 farmers in little Denmark but they are organized into 9,947 cooperative societies, and these societies have 1,350,000 members in round numbers. Which means that upon an average a Danish farmer belongs to five societies. Farm cooperatives are commodity associations and a farmer joins just as many different cooperatives as he has commodities to market or farm purposes to accomplish in his particular type of agriculture. So because the business end of farming puts the farmer in competition with all the rest of the wide world. What he has to sell must look as good and taste as good as any other food stuffs on the market and his profit lies in offering to the market food stuffs that look better and taste better than similar products in the world markets.

These are technical business details and call for experts in a million particulars—in grading, packaging, standardization, trade marks and brands. They demand intimate acquaintance with trade opportunities in foreign land, with domestic conditions in other countries, foreign exchange rates, transportation by rail and water, selling agencies in distant cities, and so on and on. It means a complicated business machinery and expert business management in manufacturing and marketing each particular commodity. The Danish farmer like most other farmers is wholly occupied with production, but the Danish farmer unlike most other farmers in the rest of the world has devised a plan that enables him to give all of his time and attention to the production of farm wealth in the largest possible quantities of the highest possible qualities. That done he dismisses from his mind the money-end of farming. His farm cooperatives do the rest. They grade, manufacture and package his products, stamp them when they justify it with the established Danish trade marks, transport and sell his wares, and every two weeks or thirty days he gets his check from the treasurers of the cooperatives of which he is a member. You could safely tell the Danish farmers to go home and slop their pigs, as the private business organizations told

### HOME OWNERSHIP

A man who has spent most of his life in social service work recently said that he had practically reached the conclusion that the most effective way of attacking modern problems would be to inaugurate a permanent, nation-wide campaign for home ownership.

His idea is that the source of most of our present-day trouble is the lack of family stability.

The home owner does not desert his wife and children.

He does not suffer from wanderlust. He takes a strong interest in his community.

The purchase of his own home arouses his ambition, his thrift, and his industry.

Being permanently located, he is a better husband, a better father, a better citizen, and a better worker.

The more you think about this matter, the more you will be convinced that it is fundamental. — Statesville Landmark.

the Dakota farmers. That is exactly what the Danish farmers do and they do it with the quiet assurance that their farm organizations will press the button and do the rest. And there is no doubt of the fact that they know how to press the button and do the rest to the queen's taste. The result is that the Danish farmers and not the middlemen get the bulk of the consumers' dollar wherever Danish food stuffs are marketed anywhere in the world.

#### Everybody Has a Chance

Here in brief is an explanation of why the Danish farmers are the richest farmers on earth. They are rich because they produce, manufacture, finance, and market their own products. They produce directly but they finance, manufacture, and market by proxy through their own cooperative organizations.

And there is no other way out for the farmers in any land or country. The Danish farmers do not believe in salvation by legislation, economic or social, say the Danes. What they do believe in is salvation by organization, and their organizations are self-help enterprises. In which respect they differ radically from the state-supported cooperatives of the Mediterranean peoples—France and Italy for instance. The Danish farmers expect to do business upon an equal footing with all other businesses, and they get exactly what they expect. If they got anything less, Denmark would blow up, for the farmers are very nearly the whole show in this little agricultural state.

I pursued one further inquiry with great interest. I kept wondering whether in an organized agricultural commonwealth there was any chance whatsoever left for manufacture, trade, and banking outside the field of farming. But my curiosity was quickly satisfied. Just as the farmers are themselves manifestly prosperous so are the business men and bankers in Denmark, and so beyond all possible question.

Industrial plants on a corporation basis are everywhere. Ship-building and brewing are large businesses, the rest are small enterprises turning out specialties in wood, clays, and metals—willow wares, furnitures, art porcelains, plate, jewelry, and the like. The field of secondary manufacture is almost completely covered and the concerns are evidently making money in Denmark. Indeed they are thriving on the substantial prosperity of a farm civilization.

The stores are busy with the business of selling, and as a rule selling for cash to a prosperous people an endless variety of comfort and culture articles—very largely imported articles of comfort and luxury, dainty fabrics, food dainties, automobiles, typewriters, adding machines, bicycles and motorcycles, household furnishings, bric-a-brac, books and stationery, and so on almost without limit. The stranger may expect to find in a

Copenhagen store what he has been accustomed to at home, and he may shop with more certainty in this particular than in any other trade center of Europe. For instance, until I got to Copenhagen, I could not buy an auto-safety razor in six months of travel in Europe.

The corporation bankers flourish. They know that sooner or later all the business of Denmark is grist for their money mills and that first or last the credit securities of the farmers and farm organizations are sure to pass through their hands for toll-taking. Also that prosperous farmers and prosperous farm years mean assured dividends for traders and bankers. The trade currents are changed, to be sure, the last three years but their domestic trade volumes are undiminished. I did not find a single business man or banker in all Denmark who questioned the wisdom of farm cooperation or the success of the cooperatives, and not a single man jack of them all did I find to be an opponent of cooperative farm production, manufacture, sale, or purchase, except among the private business agencies that are opposed to the farmer's importing his own fertilizer ingredients in wholesale quantities at wholesale prices.

The Danes are doing for themselves many things that we are slow to believe in America can be done in a state of two or three million people. For instance, outside insurance companies find little business in Denmark, and the business of the insurance corporations of Denmark among the farmers is a mere bagatelle. They carry their own insurance in cooperative groups, and they have learned to turn the trick as deftly as a juggler.—E. C. Branson, Copenhagen.

### HOW DANES BECAME RICH

The Danes were once a seafaring, war-making, poverty-stricken people. Now they are agricultural, peace keeping, and prosperous. The all important question is asked, "How did they do it?"

During the Napoleonic wars they sided with the French. The English and Germans whipped them. Their navy was sunk; they lost most of their colonies. Germany took all the southern part of their country which was by far the best part of it. By the latter part of the nineteenth century, these defeated, poverty-stricken people were thrown back to make a living out of the poorest land in Europe—they had touched bottom.

Then what did they do? They did not emigrate to other lands; they did not submit themselves to be ruled by their aristocracy; they did not appeal to their government to help them. They did a very unusual thing—they helped themselves. They formed an association of neighbors to do things together; they pooled their intellectual power so that everybody in the pool should get the advantage of the best brains; and they settled down to work out their problems on the spot.

They started cooperative societies of every sort. By their united efforts, Danish farmers have within a period of thirty years lifted agriculture in every phase of its undertaking to a science. The farmers of Denmark have solved the problem of production; they have solved the problem of distributing and marketing farm products; they have solved the problem of cooperative societies for the purchase of all farm supplies; they have solved the problem of cooperative banking; they have solved the problem of cooperative manufacturing for farmers; they have solved the problem of financing their farmers; in other words, they have solved the problem of cooperation. They have been able to do these things because the cooperation has been one hundred percent, and in this one hundred percent cooperation they have made farming attractive. They have brought culture to the people to such a degree that it is said the Danish farmer is rapidly becoming the most cultured gentleman in Europe. This nation of farmers has the largest per capita wealth of any country in the world, and the average size of the farms is less than thirteen acres.

Denmark is famous for its enlightened government, its freedom from corruption, and its disposition not to meddle in the affairs of the individual.

All of this has been brought about by the cooperation of the farmers. But they had to touch bottom before they started. Will farmers in other countries have to suffer in the same way? Time will answer.—Southern Planter.

### MOTOR CAR OWNERS

The National Automobile Chamber of Commerce in its 1924 report carries some interesting tables and charts showing the rural and urban distribution of motor cars in 1923. It is often reported that farmers own most of the motor cars in North Carolina. We wish that such statements were true, but the facts are otherwise, and the most casual observation should confirm the statement that motor cars are owned more generally by town and city people.

For the United States 44.1 percent of the population live on farms and in towns with fewer than 1,000 inhabitants, yet these people own only 30.2 percent of all motor cars.

In North Carolina the farmers and inhabitants in towns with fewer than 1,000 dwellers own 33 motor cars per 1,000 persons, while in towns and cities above 1,000 inhabitants there were 155 motor cars per 1,000 persons. There are forty states in which the rate of farmer-owned motor cars is above the rate in North Carolina.

The rate of ownership of motor cars is highest in towns of from 1,000 to 5,000 inhabitants, and next highest in towns of from 5,000 to 25,000 inhabitants. Since most towns in North Carolina fall within these two groups, this means that our towns are ideal in size for the maximum distribution of motor cars.

Which leads us to say again that the rural dwellers of the state are the largest beneficiaries of the automobile license and gasoline tax, all of which goes into the construction and maintenance of improved highways for use by all the people, town and country alike.

### ADVICE TO FARMERS

One reader of The Citizen's recent editorial on agricultural progress in this part of the state asks this question, in substance: Is the farmer the one man in the country who needs advice?

By no means. The farmers everywhere have advanced in proportion as they have learned what every other business man has to learn, namely that expert advice is indispensable to the right solution of some problems. Years ago, when agricultural experiment stations were infant institutions, many farmers looked with doubt upon laboratory work and farm agents; but that skepticism long since gave way before the demonstrated benefits of carefully compiled knowledge worked out by these experimental farms maintained by government for the promotion of agriculture.

The farm schools and colleges, the farm and home demonstrators, have been advance agents of better times on the farm. They have prepared the way for farmers' cooperative organizations, which work hand in hand with the farm agents.

The only advice at which the farmer ever grinned was that handed out by people who have neither theoretical nor practical information about farming. For to the man or institution that has an idea and the method for applying it to farm life, the farmers of today give always a receptive hearing.—Asheville Citizen.

### THE UNIVERSITY SERVES

The remark is frequently heard that the University of North Carolina is taking first place among the educational institutions of the South. If the critic is asked the ground for his judgment he does not generally enlarge upon achievements along the more standardized academic lines. He is more likely to speak of the situation given by the University to public education, to social work, and to general information. He seems to think of the University as a center from which is emanating a scholarly and cultural influence which is being felt throughout the state. He does not think of the older insular institutions, where much of the learning was kept securely locked up in the books behind closed library doors; but of an organ of public service, a light set on a hill enlightening the world.—Howard W. Odum.