

The Cooperative Movement and Socialism – Outline

I. Cooperatives

- a. First cooperative – 1844 in Rochdale, England
 - i. Formed to fight high food costs
 - ii. 30 English weavers opened a grocery store with \$140
 - iii. Bought goods at wholesale
 - iv. Members of cooperative bought goods at cost
 - v. Non-members paid “retail”
 - vi. Profits split among members
 - vii. By 1857 – over 1000 members and £100,000 in annual profits
- b. Growth of cooperatives
 - i. Spread to other industries—banking, building, insurance, printing, etc.
 - ii. By 1900—20% of Great Britain’s population had joined a cooperative
 - iii. Concept spread internationally

II. Socialism

- a. Socialists – viewed the capitalist system as inherently wrong
 - i. Belief that capitalism is designed to create poverty and poor working conditions because of its end goal of earning maximum profits for investors
- b. Socialism – government owns the means of production
 - i. Belief that if the government (“the people”) owns the means of production, these factories and industries will function in the public (as opposed to private) interest

III. Early socialist movement

- a. First socialists were Utopians
 - i. Strove to create a fair and just system
 - ii. Community divided tasks and rewards equitably
- b. Robert Owen
- c. Charles Fourier
- d. Claude Saint-Simon
- e. Louis Blanc

IV. Robert Owen (1771-1858)

- a. Utopian socialist
- b. Owned a textile factory in New Lanark, Scotland
- c. Set up a model community in New Harmony, Indiana

- d. Decreased working hours
- e. Improved working conditions and employee housing
- f. Shared management and profits with employees
- g. Proved that a socialist-based company could be profitable

V. Charles Fourier (1772-1837)

- a. French philosopher
- b. Coined the term *féminisme*
- c. Advocated concern and cooperation as the means to create social harmony
- d. Considered poverty to be the main cause of society's problems
- e. Envisioned workers (paid at least a minimum wage) living in "phalanxes" – communities living in a large shared structure

VI. Claude Henri de Saint-Simon (1760-1825)

- a. As a young man he was in the Thirteen Colonies as part of the French assistance effort during the American Revolution
- b. French socialist philosopher
- c. Believed all human beings naturally greedy and eager to obtain wealth and higher social positions
 - i. These tendencies were to be eradicated through education
- d. Advocated an end to inheritances
 - i. Movement of wealth from rich, powerful families to the state, which is an instrument of the people

VII. Louis Blanc (1811-1882)

- a. French socialist philosopher and politician
- b. Blamed society's ills on the pressure of competition
- c. "From each according to his abilities, to each according to his needs."
- d. Came to political power during the Revolution of 1848
 - i. Instituted labor reforms – believed everyone had the right to work
 - ii. Terrible June Days – forced from power after Blanc's chief rival let Blanc's public workshops (designed to give work to the unemployed) fail
 - iii. Returned to France, restored to power, and given a state funeral after his death
- e. His writings greatly influenced later socialists

VIII. Karl Marx (1818-1883)

- a. German socialist (communist) philosopher
- b. Forced to leave Prussia for articles attacking the Prussian government
- c. Relocated to France where he was considered too radical
 - i. Wrote *Communist Manifesto* with Friedrich Engels (1848)
- d. Relocated to England where he lived out the rest of his life
 - i. Wrote *Das Kapital* – the "bible" of socialism (1867)
- e. "Religion is the opiate of the people."

- i. Belief that religion is designed to keep people submissive to those in power by promising them that their reward is in heaven

IX. Marxism – communism

- a. Economic interpretation of history
 - i. Economic changes lead to historical changes
 - ii. Historically, the wealthy classes have held all power
- b. Class struggle
 - i. History has been a struggle between the rich and poor
 - ii. In the Industrial Revolution, the struggle is between the capitalists (owners of the means of production) and the proletariat (workers)
- c. Surplus value
 - i. Workers produce all wealth but receive only enough to survive
 - ii. “Surplus value” (profit) of the workers’ labor goes to the capitalists
- d. Inevitability of socialism
 - i. Industrial wealth leads to the concentration of wealth among fewer and fewer capitalists, while the living and working conditions of the proletariat grow worse
 - ii. The proletariat will eventually rebel and create a socialist state

X. Socialist and Communist political parties

- a. First International
 - i. Founded by Marx and others in 1864
 - ii. International Workingmen’s Association
 - iii. Urged proletariat to overthrow capitalism worldwide
 - iv. Broke apart in 1873
- b. Second International
 - i. Founded in 1889
 - ii. National parties more concerned with the politics of their respective nations
 - iii. Broke apart during World War I
- c. Russian Revolution (1917)
 - i. Communists – known as *Bolsheviks*, led by Vladimir Lenin, came to power following the overthrow of the tsar
- d. Left and right wings
 - i. Socialists – right wingers – advocated socialist reforms through voting
 - ii. Communists – left wingers – advocated socialist reforms through revolution
 - iii. Political parties of both types have existed throughout Europe, the United States, and all over the world since around the turn of the last century (circa 1900)

XI. Soviet-backed communism

- a. Russian communism
 - i. Bolsheviks (Communists or Reds) won the Russian Civil War against the Whites

- ii. World's first socialist/communist state
- b. Comintern – Communist International
 - i. Founded in Russia (later the Soviet Union or USSR) in 1919
 - ii. Sought to spread worldwide communist revolution
 - iii. Disbanded during World War II
- c. Cominform – Communist Information Bureau
 - i. Founded in Soviet Union in 1947
 - ii. Disbanded in 1956 as part of de-Stalinization (getting rid of things related to Joseph Stalin)
- d. Soviet Union (and later China) spread communism through satellite states and via proxy wars during the Cold War

XII. Syndicalists and anarchists

- a. Syndicalism and anarchism enjoyed popularity during the late 1800s and early 1900s
- b. Syndicalism
 - i. Businesses and distribution of income managed by trade unions
 - ii. Unions exist separate from the state as opposed to being part of the state
- c. Anarchism
 - i. Belief that all governments are bad for the people
 - ii. Advocates direct action to remove all forms of government
 - iii. Various individual; ideologies for post-government societal organization

XIII. Social Catholic Movement

- a. Opposed to the atheism of socialism
 - i. Yet also opposed to uncontrolled capitalism
- b. Pope Leo XIII
 - i. Advocated Catholic socialism in 1891 through his support of workers' associations
- c. Pope Pius XI
 - i. 1931 – condoned Catholic socialism while condemning communism
 - ii. Stated that workers should share in the profits and management of industry
- d. Followed by like-minded Protestant organizations
- e. Numerous Christian-based socialist political parties still active in Europe

XIV. Review questions

- a. What is a cooperative?
- b. Describe the philosophies and actions of Robert Owen and Louis Blanc.
- c. Explain Marxism in terms of the economic interpretation of history, class struggle, surplus value, and the inevitability of socialism.
- d. Most modern industrialized nations possess some degree of socialism. Comparing the United States to countries such as China, France, and Great Britain, should the United States increase or decrease its number and scope of social programs and government ownership of industry? Why or why not?